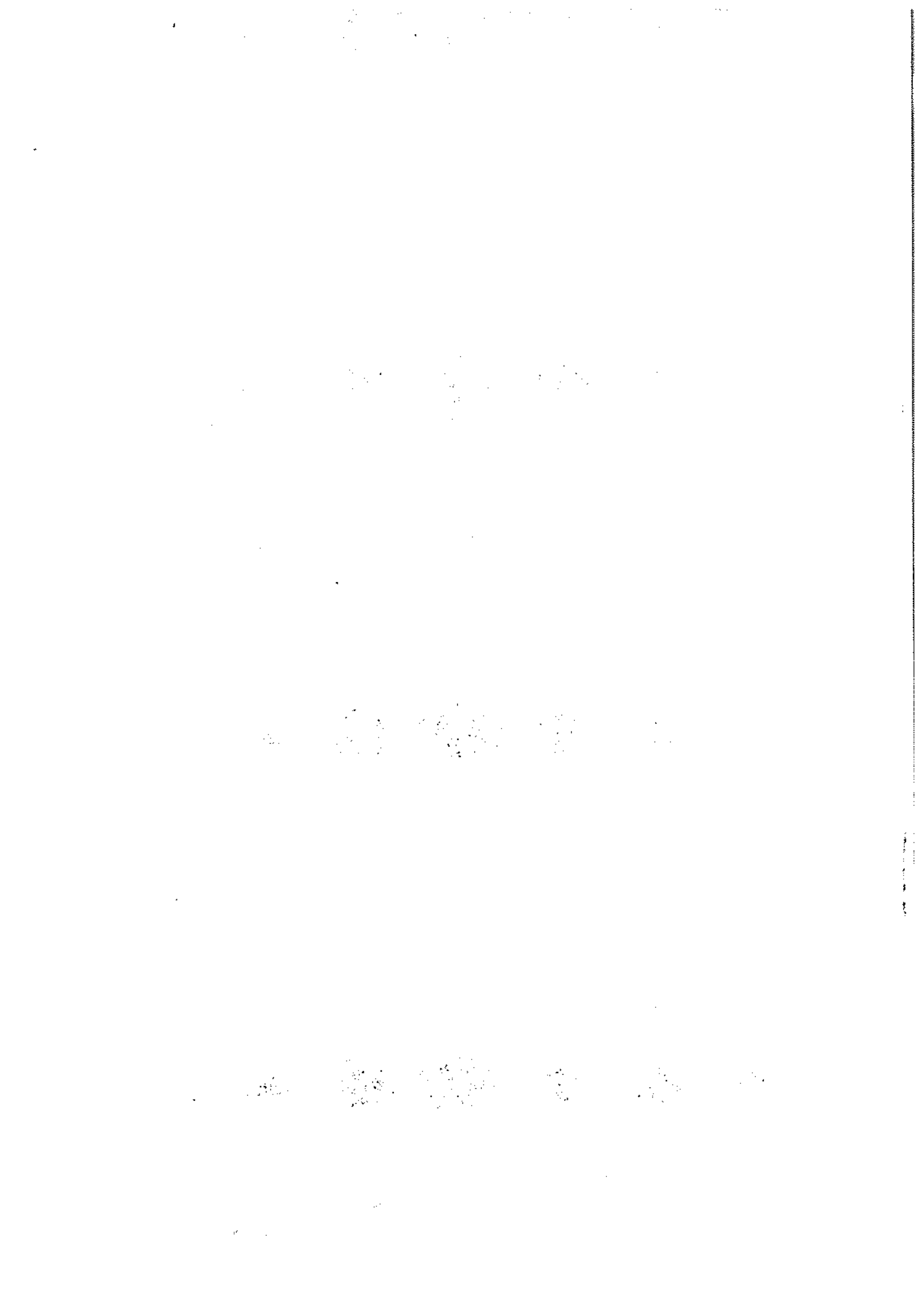


**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
ASIAN HOTELS (EAST) LIMITED**





भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, पश्चिम बंगाल

कम्पनी अधिनियम, 1956 की धारा 18(3)  
राज्य परिवर्तित करने के संबंध में, कम्पनी विधि बोर्ड के आदेश के पंजीकरण से संबंधित प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L15122WB2007PLC162762

धेसर्स Asian Hotels (East) Limited

ने अपने विशेष विनिश्चय द्वारा, इसके पंजीकृत कार्यालय को दिल्ली राज्य से पश्चिम बंगाल राज्य में स्थानान्तरित करने के निमित्त अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है और इस परिवर्तन की पुष्टि

CLB, New Delhi, CLB, New Delhi

के दिनांक 01/09/2010 के आदेश द्वारा किए जाने पर,

मैं, यह सत्यापित करता हूँ कि उक्त आदेश की सत्यापित प्रतिलिपि को आज पंजीकृत कर लिया गया है।

मेरे हस्ताक्षर द्वारा कोलकाता में, यह प्रमाण-पत्र, आज दिनांक उन्नीस मई दो हजार ग्यारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, West Bengal

SECTION 18(3) OF THE COMPANIES ACT, 1956

Certificate of Registration of Company Law Board order for Change of State

Corporate Identity Number : L15122WB2007PLC162762

M/s Asian Hotels (East) Limited having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Delhi to the West Bengal and such alteration having been confirmed by an order of CLB, New Delhi, CLB, New Delhi bearing the date 01/09/2010.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Kolkata this Nineteenth day of May Two Thousand Eleven.

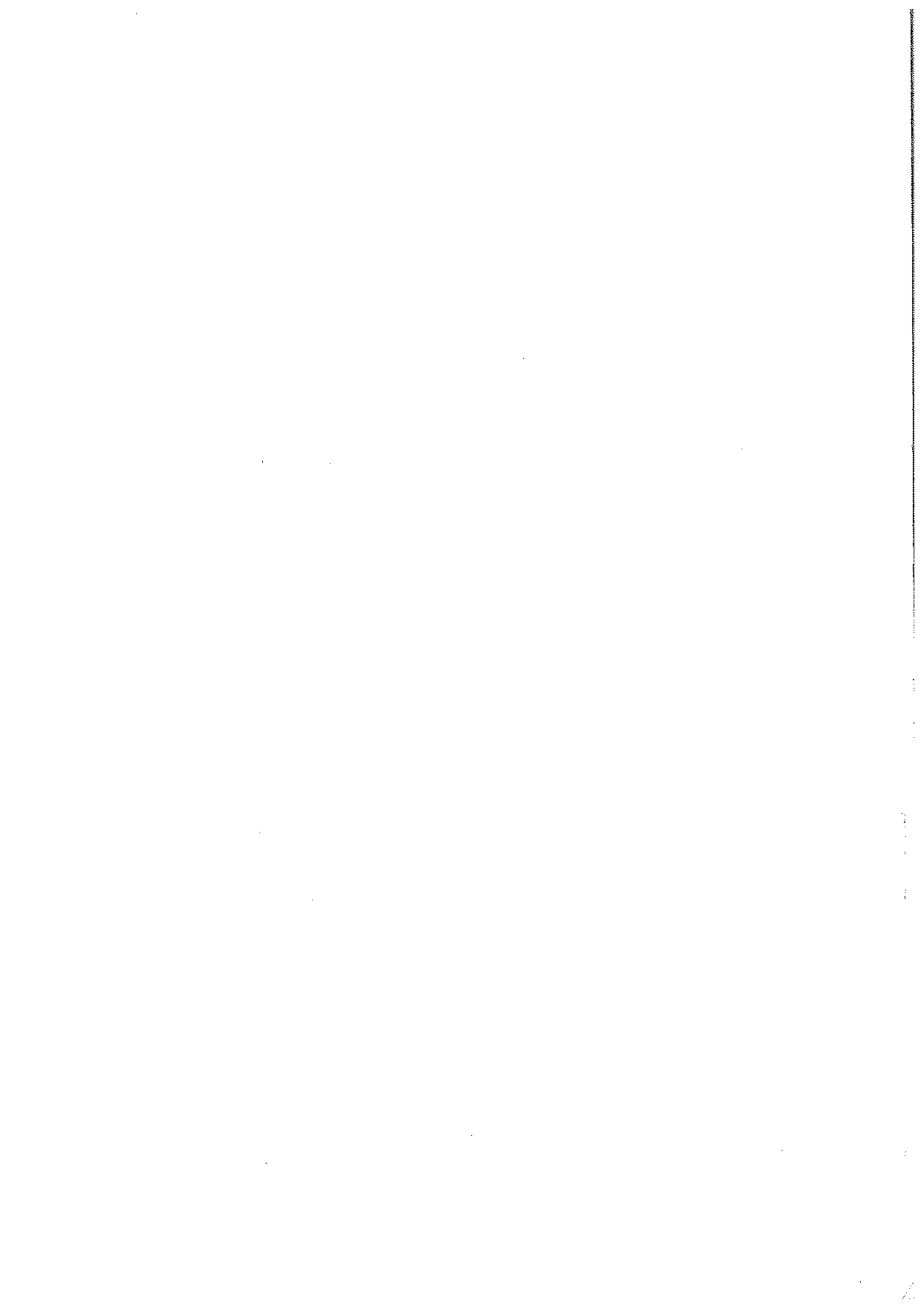
(ANANTA KUMAR SETHI)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

पश्चिम बंगाल

West Bengal

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पताकार का पता :  
Mailing Address as per record available in Registrar of Companies office:  
Asian Hotels (East) Limited  
HYATT REGENCY KOLKATA, JA-1,, SECTOR - 3, SALT LAKE CITY,  
KOLKATA - 700098,  
West Bengal, INDIA



कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा  
लिमिटेड कम्पनी के रूप में परिवर्तित होने के परिणामस्वरूप, कम्पनी के नाम में परिवर्तन का नया  
निगमन प्रमाण-पत्र

कार्पोरेट पहचान संख्या : U15122DL2007PLC157520

मैसर्स VARDHMAN HOTELS PRIVATE LIMITED

के नामले में मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

VARDHMAN HOTELS PRIVATE LIMITED

जो मूल रूप में दिनांक आठ जनवरी दो हजार सात को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स

VARDHMAN HOTELS PRIVATE LIMITED

के रूप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, के साथ पठित धारा 31/21 की शर्तों के अनुसार विधिवत आवश्यक  
विनिश्चय दिनांक 14/05/2007 को पारित किया है. उक्त कम्पनी का नाम परिवर्तित होकर आज मैसर्स

VARDHMAN HOTELS LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा दिल्ली में आज दिनांक अठारह जुलाई दो हजार सात को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name on  
Conversion to Public Limited Company

Corporate Identity Number : U15122DL2007PLC157520

In the matter of M/s VARDHMAN HOTELS PRIVATE LIMITED

I hereby certify that VARDHMAN HOTELS PRIVATE LIMITED which was originally incorporated on Eighth day of January Two Thousand Seven under the Companies Act, 1956 (No. 1 of 1956) as VARDHMAN HOTELS PRIVATE LIMITED having duly passed the necessary resolution on 14/05/2007 in terms of Section 31/21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to VARDHMAN HOTELS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Twenty Eighth day of July Two Thousand Seven.

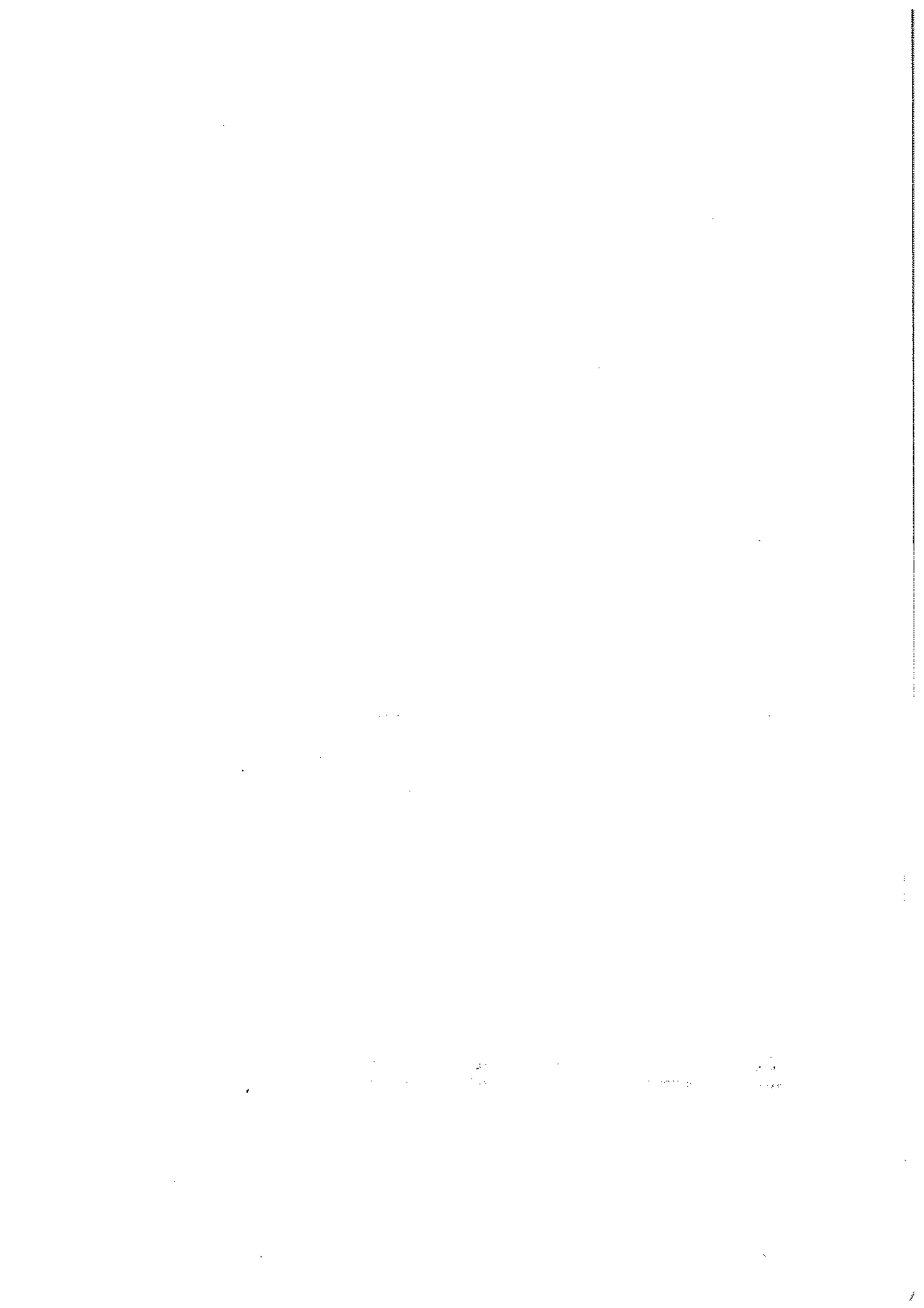


(TEJ PRAKASH SHAMI)

कम्पनी रजिस्ट्रार / Registrar of Companies  
राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा  
National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :  
Mailing Address as per record available in Registrar of Companies office:

VARDHMAN HOTELS LIMITED  
145, TRIBHUVAN COMPLEX,, ISHWAR NAGAR, MATHURA ROAD.,  
NEW DELHI - 110055,  
Delhi, INDIA



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या: U15122DL2007PLC157520

मैसर्स VARDHMAN HOTELS LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स  
VARDHMAN HOTELS LIMITED

जो मूल रूप में दिनांक आठ जनवरी दो हजार सात को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स  
VARDHMAN HOTELS PRIVATE LIMITED,

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की रातो के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा  
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य  
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 (अ) दिनांक 24.5.1985 एस्.आर.एन. A78429917 दिनांक 16/02/2010 के द्वारा  
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स  
Asian Hotels (East) Limited

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा दिल्ली में आज दिनांक सोलह फरवरी दो हजार दस को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name

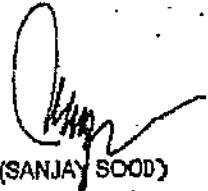
Corporate Identity Number : U15122DL2007PLC157520

in the matter of M/s VARDHMAN HOTELS LIMITED

I hereby certify that VARDHMAN HOTELS LIMITED which was originally incorporated on Eighth day of January  
Two Thousand Seven under the Companies Act, 1956 (No. 1 of 1956) as VARDHMAN HOTELS PRIVATE  
LIMITED having duly passed the necessary resolution in terms of Section 21, of the Companies Act, 1956 and the  
approval of the Central Government signified in writing having been accorded thereto under Section 21 of the  
Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No.  
G.S.R 507 (E) dated 24/06/1985 vide SRN A78429917, dated 16/02/2010 the name of the said company is this day  
changed to Asian Hotels (East) Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Sixteenth day of February Two Thousand Ten .

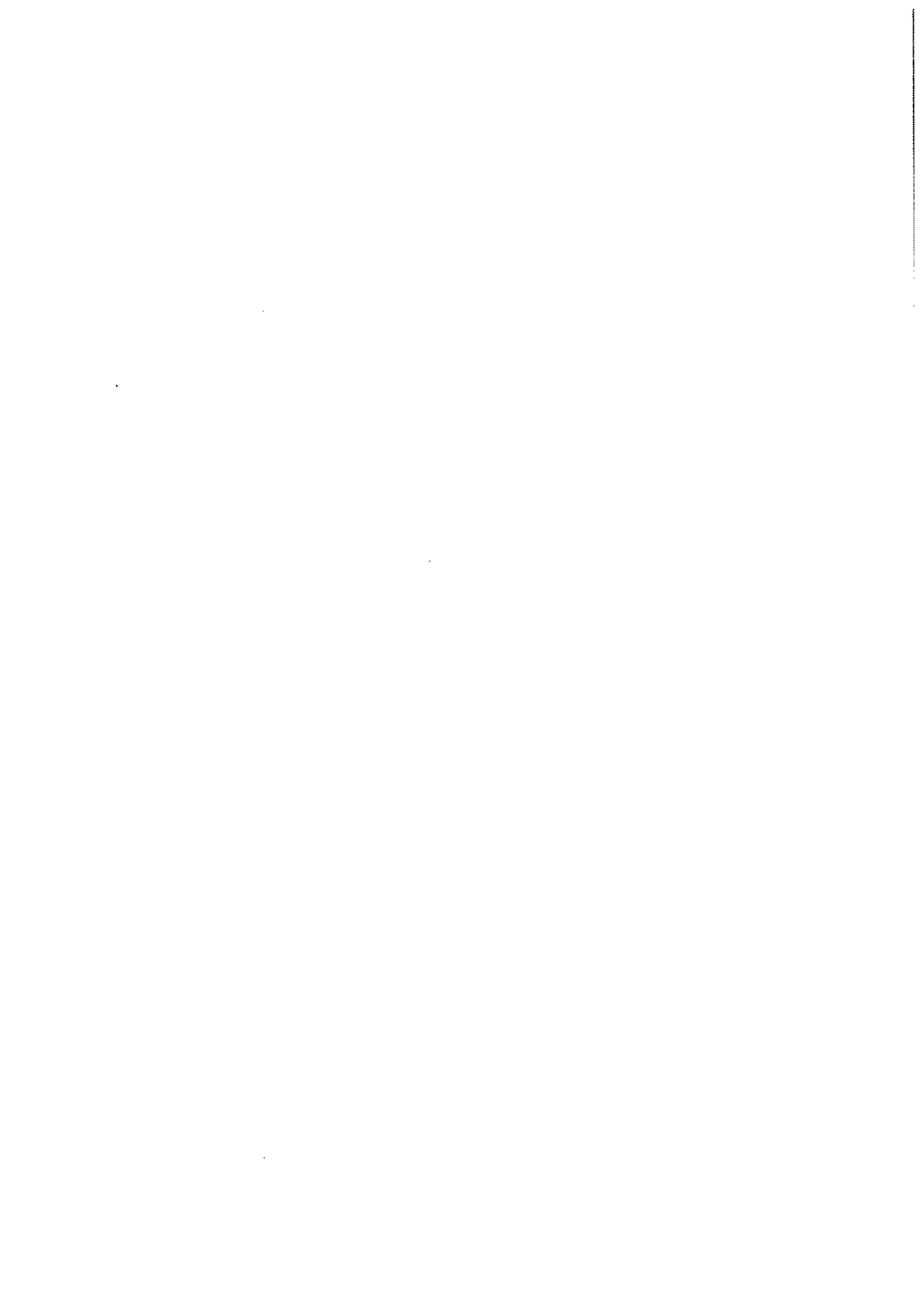


  
(SANJAY SOOD)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies  
राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा  
National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :  
Mailing Address as per record available in Registrar of Companies office:

Asian Hotels (East) Limited  
145, TRIBHUVAN COMPLEX, (SHWAR NAGAR, MAYHURA ROAD.,  
NEW DELHI - 110065,  
Delhi, INDIA







सत्यमेव जयते

Form 1

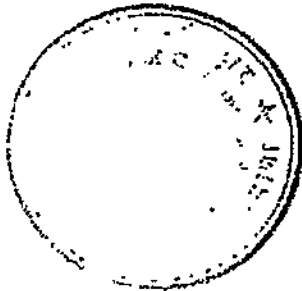
# Certificate of Incorporation

Corporate Identity Number : U15122DL2007PTC157520

2006 - 2007

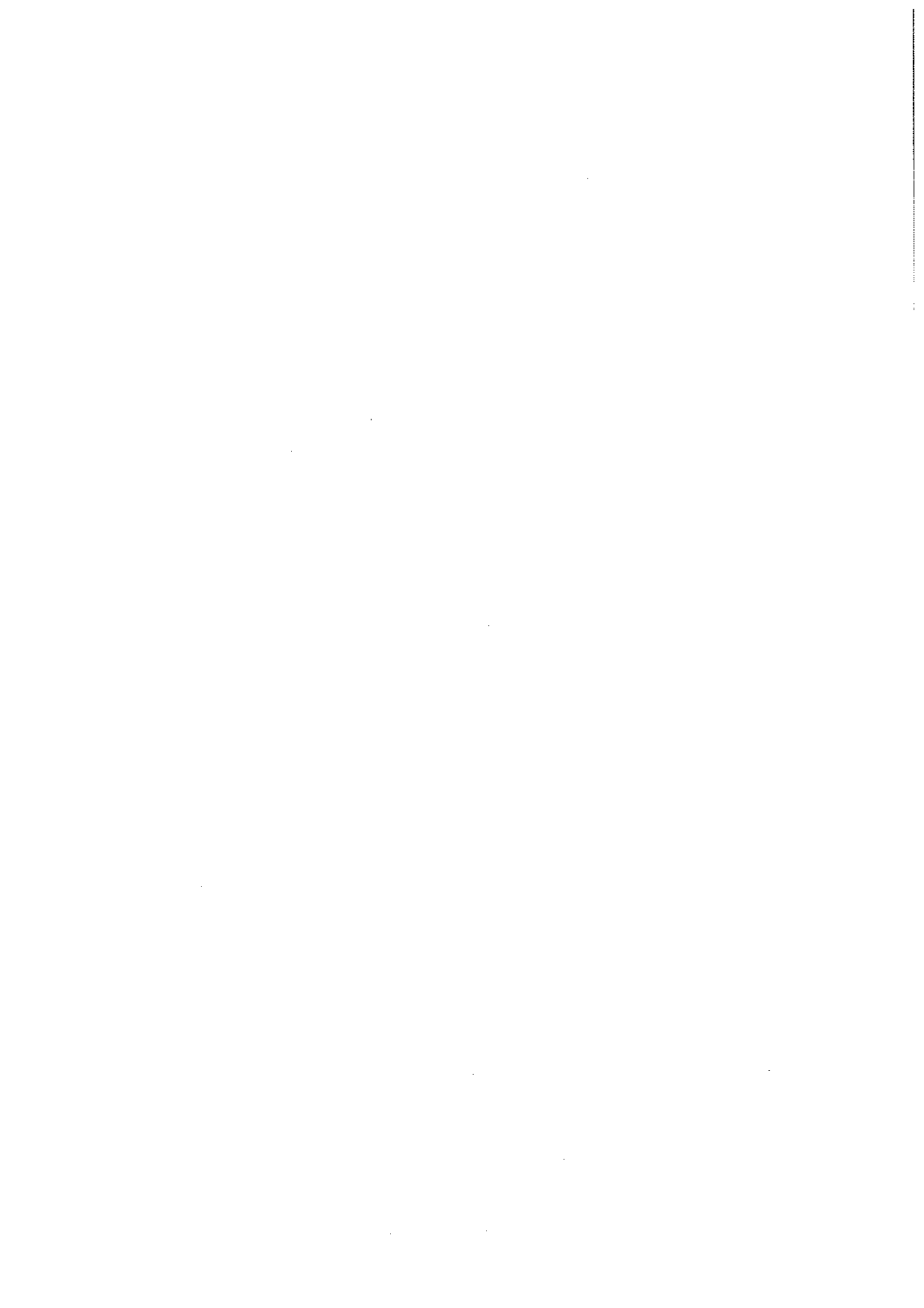
I hereby certify that VARDHMAN HOTELS PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is limited.

Given under my hand at Delhi this EIGHTH day of JANUARY TWO THOUSAND SEVEN.



(SAH RAJ KUMAR)

Registrar of Companies  
National Capital Territory of Delhi and  
Haryana



(THE COMPANIES ACT, 1956)  
(COMPANY LIMITED BY SHARES)  
MEMORANDUM OF ASSOCIATION  
OF

**ASIAN HOTELS (EAST) LIMITED#\***

- I. The Name of the Company is **ASIAN HOTELS (EAST) LIMITED#\***
- II. The Registered Office of the Company will be situated in the State of West Bengal.@
- III. The objects for which the Company is established are:

**(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**

1. To acquire 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 house, 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, meditation centers, boating clubs, flying clubs, freezing hot-preservation and baking chambers and by consolidating or connecting or subdividing properties and by leasing hiring and disposing of same.
2. To carry on the business of establishing and operating of hotels, restaurants, inns, resorts, cinema, café, tavern, beerhouse, bars, business and commercial centers, refreshment rooms and lodging house keepers, licensed victuallers, wine, beer and, brewers, malsters, 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 dairymen, 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.
3. To act 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 centers and in the field of hospitality and tourism industry whether in India or abroad.
4. \*\*To deal 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.

# Converted to public from Vardhman Hotels Private Limited To Vardhman Hotels Limited vide special resolution passed at EGM held on May 14, 2007.

\* Name Changed from Vardhman Hotels Limited to Asian Hotels (East) Limited pursuant to Clause 5.7 of the Scheme of Arrangement and Demerger approved by Hon'ble High Court of Delhi vide order no 568 dated 13th January, 2010.

\*\* Inserted vide special resolution passed at EGM held on May 14, 2007

@ w.e.f 1<sup>st</sup> September, 2010, place of Registered Office of the Company was changed consequent to Special Resolution passed through Postal Ballot and subsequent CLB Order dated 1<sup>st</sup> September, 2010 in respect of Company petition 390/17/2010- CLB under Section 17 of the Companies Act 1956.

**(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:-**

1. To acquire by purchase, lease, exchange or otherwise any movable or immovable property and any rights or privileges which the Company may deem necessary or convenient for the purpose of its main business.
2. To enter into partnership or into any arrangement for sharing profits, union of interest, joint venture, reciprocal concession or co-operation with persons or companies carrying on or engaged in the main business or transaction of this Company.
3. To import, buy, exchange, alter, improve and manipulate in all kinds of plants, machinery, apparatus, tools and things necessary or convenient for carrying on the main business of the Company.
4. To vest any movable or immovable property, rights or interest required by or received or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
5. To purchase or otherwise acquire, build, carry out, equip, maintain, alter, improve, develop, manage, work, control and superintend any plants, warehouse, sheds, offices, shops, stores, buildings, machinery, apparatus, labour lines, and houses, warehouses, and such other works and conveniences necessary for carrying on the main business of the Company.
6. To undertake or promote scientific research relating to the main business or class of business of the Company.
7. To acquire and takeover the whole or any part of the business, goodwill, trade-marks properties and liabilities of any person or persons, firm, companies or undertakings either existing or new, engaged in or carrying on or proposing to carry on business this Company is authorized to carry on, possession of any property or rights suitable for the purpose of the Company and to pay for the same either in cash or in shares or partly in cash and partly in shares or otherwise.
8. To negotiate and enter into agreements and contracts with Indian and foreign individuals, companies, corporations and such other organizations for technical, financial or any other such assistance for carrying out all or any the main objects of the Company or for the purpose of activity research and development of manufacturing projects on the basis of know-how, financial participation or technical collaboration and acquire necessary formulas and patent rights for furthering the main objects of the Company.
9. Subject to Sections 391 to 394, 394A of the Act, to amalgamate with any other company of which all or any of their objects companies having similar to the objects of the Company in any manner whether with or without the liquidation.
10. Subject to any law for the time being in force, to undertake or take part in the formation, supervision or control of the business or operations of any person, firm, body corporate, association undertaking carrying on the main business of the Company.
11. To apply for, obtain, purchase or otherwise acquire and prolong and renew any patents, patent-rights, brevets, inventions, processes, scientific technical or other assistance, manufacturing processes know-how and other information, designs, patterns, copyrights, trade-marks, licences concessions and the like right or benefits, conferring an exclusive or non-exclusive or limited or unlimited right of use thereof, which may seem capable of being used for or in connection with the main objects of the Company or the acquisition or use of which may seem calculated directly or indirectly to benefit the Company on payment of any fee royalty or other consideration and to use, exercise or develop the same under or grant licences in respect thereof or otherwise deal with same and to spend money in experimenting upon testing or improving any such patents, inventions, right or concessions.
12. To apply for and obtain any order under any Act or Legislature, charter, privilege concession, licence or authorization of any Government, State or other Authority for enabling the Company to carry on any of its main objects into effect or for extending any of the powers of the Company or for effecting and

modification of the constitution of the Company or for any other such purpose which may seem expedient and to oppose any proceedings or applications which may seem expedient or calculated directly or indirectly to prejudice the interest of the Company.

13. To enter into any arrangements with any Government or Authorities or any persons or companies that may seem conducive to the main objects of the Company or any of them and to obtain from any such Government, authority, person or company any right, charters, contracts, licences and concessions which the Company may think desirable to obtain and to carry out, exercise and comply therewith.
14. To procure the Company to be registered or recognized in or under the laws of any place outside India and to do all act necessary for carrying on in any foreign country for the business or profession of the Company.
15. To draw, make, accept, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and such other negotiable or transferable instruments, of all types or securities and to open Bank Accounts of any type and to operate the same in the ordinary course of the Company.
16. To advance money either with or without security, and to such persons and upon such terms and conditions as the Company may deem fit and also to invest and deal with the money of the Company not immediately required, in or upon such investments and in such manner as, from time to time, may be determined, provided that the Company shall not carry on the business of banking as provided in the Banking Regulations Act, 1949
17. Subject to section 58-A and 292, 293, 295, & 372A of the Act and the Regulations made thereunder and the Directions issued by the Reserve Bank of India, to receive money on deposit or loan and borrow or raise money in such manner and at such time or times as the Company think fit and in particular by the issue of debentures, debentures-stock, perpetual or otherwise and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the properties, or assets or revenues and profits of the Company both present and future, including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or such other person or company to give the lenders the power to sale and such other powers as may seem expedient and purchase redeem or pay off any such securities.
18. To undertake and execute any trusts, the undertaking of which may seem to the Company desirable, either gratuitously or otherwise.
19. To establish, or promote or concur in establishing or promote any company for the purpose of acquiring all or any of the properties, rights and liabilities of the Company.
20. To sell, lease, mortgage, exchange, grant licences and other rights improve, manage, develop and dispose of undertakings, investments, properties, assets and effects of the company or any part thereof for such consideration as may be expedient and in particular for any shares, stocks, debentures or other securities of any other such company having main objects altogether or in part similar to those of the Company.
21. Subject to the Provisions of Section 100 to 105 of the Act, to distribute among the members in specie or otherwise any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of winding up.
22. To distribute as dividend or bonus among the member or to place to reserve or otherwise to apply, as the Company may, from time to time, determine any money received by way of premium on debentures issued at a premium by the Company and any money received in respect of forfeited shares, money arising from the sale by the Company of forfeited shares subject to the provisions of Sec. 78 of the Companies Act, 1956.
23. To employ agents or experts to investigate and examine into the conditions, prospects value character and circumstances of any business concerns and undertakings and generally of any assets properties or rights which the Company purpose to acquire.

24. To accept gifts, bequests, devises or donations of any movable or immovable property or any right or interest therein from members or others.
25. To create any reserve fund, sinking fund, insurance fund or any other such special funds whether for depreciation, repairing, improving, research, extending or maintaining any of the properties of the Company or for any other such purpose conducive to the interest of the Company.
26. Subject to the provisions of Section 292, 293, 293-A & 293-B of the Companies Act, 1956 to subscribe contribute, gift or donate any money, rights or assets for any national education, religious, charitable, scientific, public, general or usual objects or to make gifts or donations of money or such other assets to any institutions, clubs, societies, associations, trusts, scientific research associations, funds, universities, college or any individual, body of individuals or bodies corporate.
27. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation, provident or gratuity funds for the benefit of and give or procure the giving of the donations, gratuities pensions, allowances, bonuses or emoluments of any persons who are or were at any time in the employment or service of the company or any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or any other company as aforesaid and the wives, widows, families and dependents of any such persons and also to establish and subsidize and subscribe to any institutions, association, club or funds calculated to be for the benefit of or advance aforesaid and make payments to or towards the insurance of any such persons as aforesaid and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
28. To establish, for any of the main objects of the Company, branches or to establish any firm or firms at places in or outside India as the Company may deem expedient.
29. To pay for any property or rights acquired by or for any services rendered to the Company and in particular to remunerate any person, firm or company introducing business to the Company either in cash or fully or partly-paid up shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by any securities which the Company has power to issue or by the grant of any rights or options or partly in one mode and partly in another and generally on such terms as the Company may determine, Subject to the provision of section 314 of the Act.
30. To pay out of the funds of the Company all costs, charges and expenses of and incidental to the formation and registration of the Company and any company promoted by the Company and also all costs, charges, duties, impositions and expenses of and incidental to the acquisition by the Company of any property or assets.
31. To send out to foreign countries, its director, employees or any other person or persons for investigation possibilities of main business or trade procuring and buying any machinery or establishing trade and business connections or for promoting the interests of the Company and to pay all expenses incurred in the connection.
32. To compensate for loss of office of any Managing Director or Directors or other officers of the Company within the limitations prescribed under the Companies Act, 1956 or such other statute or rule having the force of law and to make payments to any person whose office of employment or duties may be determined by virtue of any transaction in which the Company is engaged.
33. To agree to refer to arbitration any dispute, present or future between the Company and any other company, firm, individual or any other body and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law.
34. To appoint agents, sub-agents, dealers, managers canvassers, sales, representatives or salesmen for transacting all or any kind of the main business of which this Company is authorized to carry on and to constitute agencies of the Company in India or in any other country and establish depots and agencies in different parts of the world.

(C) THE OTHER OBJECTS ARE:-

1. To carry on the business as manufacturers, traders, importers and exporters of and dealers in aluminum utensils, steel utensils, and all other such types of utensils and kitchen requisites of all types.
2. To act as business consultant, give advice, to engage in dissemination of information in all aspects of business, organization and industry in India and to advise upon the means and methods for extending and developing systems or processes relating to production, storage, distribution, marketing, and securing of orders for sale of good in India and abroad and / or relating to the rendering of services.
3. To carry on the business of running motor lorries, motor taxis, mini buses and conveyances of all kinds and to transport passengers, and goods and to do the business of common carriers.
4. To carry on business by whole sale or retail, or otherwise of interior decorators and furnishers, upholsters, and dealers in and hirers repairs, cleaners, stores and warehouses of furniture, carpets, linoleums furnishing fabrics and such other floor coverings, household utensils, china and glass goods, fittings, curtains and such other household requisites of all types.
5. To carry on the business as brewers, distillers, bottlers, canners preservers, coopers dehydrators, malsters and merchants of and dealers in fruits, herbs, vegetables, plants and liquors by products there from, whether intoxicating or not, tonics, vitamin, beverages, flavored drinks, nectar, punch aerated water and drinks whether soft or otherwise.
6. To carry on the business of tobacconists in all its branches and to sell, make-up and manufacture tobacco, cigars, cigarettes and snuff.
7. To act as cargo agents, travel agents, ship brokers, charter party contractors, ship agents, packing forwarding and clearing agent, salvors, wreck removers, wreck raisers, auctioneers, inspectors and observers of quality control custom-house agents, commission agents and general sales agents for any of the air lines, steam-ship companies, railway and transport companies or any such person.
8. To carry on the business of cold storage of fruits, vegetable seeds, fish, meat, agricultural products, milk, dairy products and such other perishable items of all types.
9. To carry on the business of production, distribution or exhibition of films and motion pictures and the running of theatres, cinemas, studios and cinematographic shows and exhibitions.
10. To trade, deal in and undertake manufacturing, of bricks, tiles, pipes, cement lime and building construction requisites and to carry on all or any of the business of builders, contractors, architects, decorators, furnishers and to acquire hold, mortgage lease, take on lease, exchange or otherwise deal in lands, buildings, house, flats, bungalows, shops, here-dita-ments of any tenure or freehold for residential or businesses purposes.
11. To cultivate, grow, produce or deal in any agricultural, vegetable or fruit products and to carry on all or any of the businesses of farmers, dairyman, milk contractors, dairy farmers, millers, purveyors and vendors of milk and milk products, condensed milk and powdered milk, cream, cheese, butter, poultry, fruits, vegetables, cash crops and provisions of all kinds.
12. To cultivate, tea, coffee, chinchona and any other such similar product and to carry on the business of planters in all its branches, to carry on and do the business of cultivators, winners and buyers of every kind of vegetable mineral or such other product of soil, dispose of and deal in any such produce, either in its prepared, manufactured or raw state and either by wholesale or retail.

13. To carry on the business of manufactures of or dealers in pulp and paper of all kinds and articles made from paper and pulp such as card boards and wall and ceiling papers and packaging cartons and newspapers and newsprints.
14. To carry on the business of purchase and sale of petroleum products, to act as dealers and distributors for petroleum companies, to run service stations for the repair and servicing of automobiles and to manufacture or deal in fuel oils, cutting oils and greases.
15. To carry on the business of iron-founders, makers of scientific, industrial and surgical instruments, mechanical engineers and manufacturers of agricultural implements and other machinery, steel castings and forgings and malleable iron and steel castings, tools makers, brass founders, metal workers, boiler-makers, mill wrights, machinists, iron and steel converters, smiths, builders, painters, metallurgists, electrical engineers, water supply engineers, gas makers, farmers, printers, carriers and merchants and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery, implements and rolling stock.
16. To carry on the business of hoteliers, moteliers, restaurant owners, sweet-meet merchants, refreshments, room proprietors, refreshment contractors and own run garages, shops, stores, godowns, barse, refreshment rooms, cafeterias, discotheques, restaurants and places for sale, custody, bailment, deposit or protection of the valuable goods and commodities.
17. To carry on the business of manufacturing and dealing, in assembling, buying, selling reselling, exchanging, altering, repairing, importing, exporting, hiring, letting, on hire, distributing or dealing in motor cars, motor cycles, scooters, motor buses, motor lorries, motor vans, trucks, locomotive engines, trains and, all other road and rail conveyances, ships, boats, barges, launches, steamers and other vessels, aero planes, aero engines flying boats, hydroplanes, and aircrafts and aerial conveyances of every description and kind for transport or conveyance of passengers, merchandise or goods of description whether propelled or moved or assisted by means of petrol, spirit, electricity, steam, oil vapour, gas, petroleum, mechanical, animal or any other such motive power of all types.
18. To carry on the business manufacturing, dying, colorings, spinning, weaving, buying selling, importing, exporting or otherwise dealing in all fabrics and other fibrous substances and preparations and manufacturers of and dealers in cotton, silk, woolen, linen, hemp jute, rayon nylon, artificial silk and such other yarn and all kinds of woven synthetic blended textiles manufactured from such yarn.
19. To carry on the business manufactures of and dealers in industrial machinery, bearings, speed reduction units, pumps, machine tools, agricultural machinery and earth-moving machinery including road rollers, bulldozers, dumpers, scrapers loaders shovels and drag lines and light engineering, goods such as cycle and sewing machines.
20. To carry on the business of manufacturers of or dealers in ferrous or non-ferrous metals iron & steel aluminium, brass, tin, nickel, special, steel and their products.
21. To carry on the business of manufactures, stockiest, importers and exporters of and dealers, in engineering drawing sets, builders of requisites steel rules, measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools, instruments, apparatus and such allied machinery, plant, equipment and appliances of all types.
22. To carry on the business as manufacturers, stockiest, importers and exporters of and dealers in bolts, nuts, nails, hooks, and such other hardware items of all types.
23. To carry on business as manufacturers, stockiest, importers, and exporters of and dealers in forging, castings, stampings, of all metals, machinery parts, moulds, press tools, jigs, fixtures and compression moulding, steel products and automobile parts.
24. To carry on business as manufacturers stockiest, importers, exporters and repairs of and dealers in dynamos, motors, armatures, magnets, batteries, conductors, insulators, transformers, converters, switch-boards, cookers, engineers presses and insulating material.



25. To carry on business as manufacturers, stockiest, importers and exporters of and dealers in wearable and unwearable fabric, high density polyethylene and polypropylene, woven snacks and tarpaulins.
26. To carry on business as manufacturers of and dealers in and as stockiest, importers, and exporters of packing material, jointing and belting materials, asbestos materials and fibers, insulation material and welding fluxes, cartons, containers, boxes and cases made of paper, board, wood glass, plastic, pulp, cellulose films, polythene, rubber, metals, metal foils gelatine, tin flexible, treated, and laminated, or other materials.
27. To carry on business as manufacturers of and dealers in as stockiest, importers and exporters of bottles, jars, fibrite boxes corrugated containers aluminum foils of all types, wooden drums, packing cases, rods, wires, ropes, strips, conductors equipment requited for generation, distribution and transmission of electric energy, cables, motors, fans, lamps, batteries and accumulators.
28. To sell, breed, import, export, improve, prepare, deal and trade in cattle, bird, poultry, game, live and dead-stock of every description, eggs, pork-pipes sausages, pickles spices, sauces, jams, jelly, custard, prawn, potted meals, macaroni, spaghetti table delicacies, bread, biscuit, wine biscuits and such other farinaceous goods and products cocoa, confectionery, cakes and buns.
29. To carry on the traders and business of meal manufacturers, dealers in consumable stores and provisions of all kinds foods stuffs, grains flour, seeds folder, cane oils, corn, wheat, wheat products, stores, vegetable oils, ghee and vanaspati products.
30. To set up a tanners and to carry on the business as manufacturers of and dealers in and importers and exporters of leather and raw hides and skins.
31. To carry on the business as manufacturers of and dealers in or as stockiest, importers, and exporters of plastics, synthetic resins, natural resins, polymer products and chemicals required for the manufacture, processing and fabrication of plastics and similar other such products, tubes pipes, sheets films whether moulded extruded casted, formed or foamed.
32. To purchase, hold and acquire mines, mining leases, mining rights, mining claims and metalliferous lands and explore, work, exercise, develop and turn to account all sorts of major and major minor minerals working of deposits of all kinds of minerals and subsoil materials and to crush, win, set, quarry, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for market ores, metals and mineral substances of all kinds and to carry on metallurgical operations in all its branches and to prepare, process, manufacture, assemble, fabricate, cast fit, press machines, treat, weld, harden, plate, temper anneal any kind of metals and consequential products.
33. To produce, manufacture, trade, deal in all dispose of alkalies, dyes, chemicals, acids, gases, compounds, fertilizers, chemical, products of every nature and description, intermediates, derivatives, all types of floatation regents wetting agents, insecticides, fumigates, dyestuffs, catalytic agents, direct colours, basic colours pigments, drugs, biological, pharmaceuticals, serums, vitamin products, hormones and products, derived from phosphate mines, limestone quarries, bauxide mines, petroleum, natural gas and other natural deposits useful or suitable in the manufacture of chemicals and chemical products and to undertake the business of spraying of pesticides.
34. To manufacture, generate, produce, sell, dispose of and deal in industrial gases domestic gases for heating and lighting gas, system, heat light or any other such motive power obtained by incinerating buring forest refuse, wood and plants.
35. To manufacture, buy, sell, import, export, alter, improve, manipulate, prepare for market, exchange, install, repairs, service, let on hire and deal in all kinds of surgicals X-ray units, X-ray equipments, telecommunication machines, business machines, intercoms, teleprinters, dictating, and recording machines, broadcasting apparatuses, loud-speakers, radios, auto-radio reverberators, tape-players, cassette tapes, headphones, stereo - complex speakers, radios control equipments, cameras, binoculars,

microscopes, projectors, telescopes, television sets, refrigerators, coolers, radars, computers and spare parts.

36. To procure or develop and supply technical know-how for the manufacture or processing the installation or erection of machinery or plant in the working or mines, oil wells or other sources of mineral deposits or in carrying out any operations relating to agriculture, animal husbandry, dairy or poultry-farming, forestry or fishery or rendering services in connection with the provision of such technical know-how.
37. To deal in foreign exchange, subject to approval of appropriate authorities.
38. To organize and carry on the business of advertisers, advertising agents, liputic by consultants and to organize propaganda and advertising campaigns by means of press advertisements, pamphlets, handbills, circulars, advertisement reels, posters, cinema slides or by any other such means of all types or through the means of radio television or any other such media of all types.
39. To undertake and execute, in India or any part of the world, turnkey projects for electrical installations, air conditioning, refrigeration, heating, cooling, ventilation, humidification sanitary, thermal and accoustic insulation work.
40. To carry on the business as manufacturers, traders, importers and exporters of and dealers in all kinds of carpets and floor coverings, whether made of woollen, cotton, synthetic or such other fibres or fibrous materials of all types.
41. To carry on the business as traders, importers and exporters of and dealers, in cotton and jute, whether raw, semi-processed and all kinds of cotton and jute goods.
42. To carry on the business as shares and stocks brokers and to buy, sell and deal in all kind of shares stocks, securities, bonds, debentures, units and such other instruments of all types.
43. To carry on the business of public transporters and to pay all types of commercial vehicles such as Trucks, Tempos, and pick up vans for carrying goods or passengers anywhere in India.
44. To carry on the business as importers, exports agents, distributors, stockists, contractors, suppliers, dealers of any kind and to act as manufacturers, representatives, agents, brokers, commission agents and merchants of commodities, articles, products and merchants of any kind or nature.
45. To carry on the business of importers, exporters, dealers, traders, manufacturers of traders, earthmoving equipments, canal equipments, Fuel injection equipments, machine tools and such other allied products thereof.
46. To secure sound investment of foreign capital in Indian undertaking and enterprises and Indian capital in foreign undertaking and enterprises.
47. Subject to the approval of RBI under Reserve Bank of India Act, 1934, as amended by RBI (Amendment) Act, 1997, to carry on the business of leasing and hire purchase and to acquire to provide on lease or to be provided on hire purchase basis all types of industrial and offices, plant equipment, machinery, vehicles, buildings and real estate required for manufacturing, processing, transportation and trading business and such other commercial and service business related thereto.
48. Subject to the approval of RBI under Reserve Bank of India Act, 1934, as amended by RBI (Amendment) Act, 1997, to Finance the industrial enterprise by way of lending and advancing money, machinery, land, building, shed or such other things as may required by such industrial enterprises either with or without security and upon such terms and conditions as the Company may think fit and to guarantee or become securities for the performance of any agreement or contract entered into by industrial enterprises, with any financial institutions, banks or other parties for obtaining finance whether for its long terms capital, working capital, or for any deferred payment finance.

49. To undertake and transact all kinds of agency business and on and promote any business commercial or otherwise under sound principles and / or to act as distributors, agents, underwriters, brokers, estate agents, middleman, contract man, representation and indenting agent on commission, allowance, as may be deemed fit in all commodities, merchandise, and such other allied articles / lines of business.
50. To carry on the business of printing, publishing, multi- colour printing, plate making and to deal in printing ink, papers, printing machines and other printing materials.
51. To carry on the business of sale and purchase of industrial plots, Sheds, Factory building, constructions of commercial property, letting out of property, contractors for constructions of building, roads.
52. To invest, purchase, acquire, hold, underwrite, sell, exchange, deal in gifts, act as broker, sub -broker, receive or otherwise deal in shares, stocks, securities, deposits, units, real estates, debentures, debenture stock, bonds, trusts, instruments and all other type of securities and to render allied services, to act, arrange, manage and to provide all type of services as Managers to issue, advisors to issue underwriters, Registrar and transfer agents, portfolio Managers, financial consultants, brokers, factors, leasing, hire-purchase, instalments, investments, commission agents, advertisers, stationers, printer, suppliers, convencers, middlemen, consultants, representatives, indemnity and guarantee business to firms, association & joint ventures, promote companies and its allied activities to subscribe, purchase, take on lease or hire, or otherwise acquire membership of one or more stock exchange in India or abroad including OTCEI and to operate, run and manage the same.
53. To carry on the business of manufacturers, developers and to deal in computers, computer parts, hardware, software, internet, E-mail, website, fax, telex, telephones and other media of communication.
54. To subscribe for, acquire, hold, sell and otherwise deal in commodity market, shares, stock, debenture, debenture stock, units of mutual funds, bonds, mortgage, obligations and securities of any kind issued or guaranteed by the Company (body corporate or undertaking), Mutual Funds, Institutions, Government, sovereigns, ruler, commissioners, trust, municipal, local or other authority or body at whatever nature whether in India or abroad.

IV. The liability of the Members is Limited

V. \*The Authorized Share Capital of Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,40,00,000/- (One Crore Forty Lakhs) Equity Shares of Rs. 10/- each and 10,00,000/- (Ten Lakhs) Preference Shares of Rs. 10/- each.

\*\*The Authorised Capital of the Company is Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 8,90,00,000 (Eight Crores Ninety Lakhs) Equity Shares of Rs. 10/- each and 10,00,000 (Ten Lakhs) Preference Shares of Rs. 10/- each.

\*Amended in terms of Clause 5.1.1 and Clause 5.1.2 read with Clause 5.1.3, 5.1.4 and Clause 6.10 of the Scheme of Arrangement and Demerger.

\*\*Amended in terms of Clause 12 of the Scheme of Amalgamation of Forex Finance Private Limited with the Company.

We the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names.

Sl. No.	Name, Description Occupation and address of each Subscriber	No of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, address, Description occupation and Signature of witness or witnesses
1.	PANKAJ JAIN S/o Sh. J. S. Jain R/o.210-B, 2 <sup>nd</sup> Floor, Savitri Nagar, New Delhi-110017 Age : 30 Years Profession (Advocate)	5000 (Five Thousand Equity Shares Only)	sd/-	<p>The above subscribers have signed in my presence at New Delhi, Sd/- (SOVMITKA GHOSE CHAUDHURI) ADVOCATE S/o Mr. A.K. Ghose Chaudhuri 5 Lawyers, Chambers, Supreme Court of India, Tilak Marg, New Delhi-110001</p>
2.	SAMUDRA ACHARYYA S/o Sh. S.K. Acharyya R/o B-10, 157-C, Udaigiri Apartments, Sector-34, Noida, Uttar Pradesh-201301 Age: 25 Years (Service)	5000 (Five Thousand Equity Share Only)	sd/-	
TOTAL		10,000 (Ten Thousand)		

Place : New Delhi

Dated this 18<sup>th</sup> day of December 2006

THE COMPANIES ACT, 2013  
 COMPANY LIMITED BY SHARES  
 (Incorporated under the Companies Act, 1956)

**ARTICLES OF ASSOCIATION  
 OF  
 ASIAN HOTELS (EAST) LIMITED**

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the annual general meeting of the Company held on 31<sup>st</sup> July, 2015 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

<p>1. The regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 ("Table 'F'"), as are applicable to a public company limited by shares, shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof and only to the extent that there is no specific provision in these Articles. In case of any conflict between the provisions of these Articles and Table 'F', the provisions of these Articles shall prevail.</p>	<p>Table "F" to apply save as varied</p>
<p><b>I. Interpretation</b></p>	
<p>2. In these Articles –</p> <p>i. "The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section and rule thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.</p> <p>ii. "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.</p> <p>iii. "The Articles" means these articles of association of the Company or as altered from time to time.</p> <p>iv. "The Board of Directors" means the Directors, for the time being, of the Company, or as the case may be, a meeting of the Directors, duly called and constituted, or the Directors assembled at the meeting of the Directors or the requisite number of Directors entitled to pass a circular resolution in accordance with the Articles, or the Directors of the Company collectively</p> <p>v. "The Company" means "Asian Hotels (East) Limited".</p> <p>vi. "Directors" means the Directors for the time being of the Company.</p> <p>vii. "Dividend" includes bonus.</p> <p>viii. "Debenture" includes debenture stock.</p> <p>ix. "The Members" means the holders for the time being of stocks or shares</p>	<p>"The Act"</p> <p>"Rules"</p> <p>"The Articles"</p> <p>"The Board of Directors"</p> <p>"The Company"</p> <p>"Directors"</p> <p>"Dividend"</p> <p>"Debenture"</p> <p>"The Members"</p>

<p>in the Capital of the Company and includes the subscribers of the Memorandum of the Company.</p> <p>x. "Month" means calendar month;</p> <p>xi. "NRI Investment Company" means and includes Saraf Industries Limited, a Company controlled by NRIs.</p> <p>xii. "The Office" means the Registered Office of the Company for the time being;</p> <p>xiii. "Person" or "Persons" include Corporation;</p> <p>xiv. "The year" means the financial year of the Company.</p> <p>xv. "In writing" and "written" include typing, printing, lithography and other modes of representing or producing words in a visible form.</p> <p>xvi. "Seal" means the common seal of the Company.</p> <p>xvii. Words importing the singular number also include the plural number and vice versa.</p> <p>xviii. Words importing the masculine gender also include feminine gender.</p> <p>xix. Words and expressions contained in these Article shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.</p>	<p>"Month"</p> <p>"NRI Investment Company"</p> <p>"The Office"</p> <p>"Person" or "Persons"</p> <p>"The year"</p> <p>"In writing" and "written"</p> <p>"Seal"</p>
<h2>II. Share capital and variation of rights</h2>	
<p>3. The Authorised Share Capital of the Company shall be as per Clause V of Memorandum of Association of the Company.</p>	<p>Capital</p>
<p>4. The Company shall have power to increase or reduce such capital to divide the shares in the capital of the Company for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with these Articles and to modify or abrogate any such right, privileges and conditions in such manner as is for the time being provided under the Act and/or the Articles of the Company to consolidate or sub-divide these shares and to issue shares of higher or lower denomination.</p>	<p>Power to alter the capital</p>
<p>5. Subject to the provisions of the Act and the Rules &amp; these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.</p>	<p>Shares under control of Board</p>
<p>6. Subject to the provisions of the Act and the Rules &amp; these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred,</p>	<p>Shares for consideration other than cash</p>

<p>goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.</p>	
<p>7. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:</p> <p>(i) Equity share capital:  a. with voting rights; and / or  b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and</p> <p>(ii) Preference share capital</p>	<p>Kinds of share capital</p>
<p>8. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provide –</p> <p>(a) one certificate for all his shares without payment of any charges; or</p> <p>(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.</p> <p>(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>	<p>Issue of certificate</p> <p>Certificate to bear seal</p> <p>One certificate for shares held jointly</p>
<p>9. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised form with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.</p>	<p>Option to receive share certificate or hold shares with depository</p>
<p>10. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.</p>	<p>Issue of new certificate in place of one defaced, lost or destroyed.</p>
<p>11. The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.</p>	<p>Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.</p>

<p>12. (i) The Company may exercise the powers of paying commissions conferred by the Act and the Rules, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.</p> <p>(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.</p> <p>(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>	<p>Power to pay commission in connection with securities issued.</p> <p>Rate of commission in accordance with rules.</p> <p>Mode of payment of commission</p>
<p>13. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act and the Rules, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act and the Rules.</p> <p>(ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply.</p>	<p>Variation of members' rights.</p> <p>Provisions as to general meetings to apply <i>mutatis mutandis</i> to each meeting.</p>
<p>14. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.</p>	<p>Issue of further shares not to affect rights of existing members.</p>
<p>15. Subject to the provisions of the Act and the Rules, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act and the Rules.</p>	<p>Power to issue redeemable preference shares.</p>
<p>16. (i) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –</p> <p>(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or</p> <p>(b) employees under any scheme of employees' stock option; or</p> <p>(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.</p> <p>(ii) A further issue of shares may be made in any manner whatsoever as the Board may determine, including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.</p> <p>(iii) The Board or the Company, as the case may be, may issue bonus shares, in accordance with the Act and the Rules.</p>	<p>Further issue of share capital</p> <p>Mode of further issue of shares</p> <p>Bonus Share</p>
<p>17. Subject to the provisions of the Act and the Rules &amp; other applicable provisions of law, the Company may with the approval of the shareholders by</p>	<p>Sweat equity shares</p>



<p>a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf</p>	
<p>18. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and the Rules &amp; these Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise. Debentures or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.</p>	<p>Terms of issue of debentures</p>
<p>19. The NRI investment Company shall at all times hold a minimum of 26% of the issued share capital of the Company and in case of any shortfall, NRI Investment Company shall be entitled to a preferential allotment of shares at a price to be fixed in accordance with government regulations.</p>	<p>Initial subscription of capital by NRI Investment Company</p>
<h3>III. Lien</h3>	
<p>20. (i) The Company shall have a first and paramount lien</p> <p>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company</p> <p>Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>(ii) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.</p> <p>(iii) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.</p>	<p>Company's lien on shares</p> <p>Lien to extend to dividends, etc.</p> <p>Waiver of lien in case of registration</p>
<p>21. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>(i) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.</p>	<p>As per enforcing lien by sale</p>

<p>22. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>(iii) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.</p> <p>(iv) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.</p>	<p>Validity of sale</p> <p>Purchaser to be registered holder</p> <p>Validity of Company's receipt</p> <p>Purchaser not affected</p>
<p>23. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	<p>Application of proceeds of sale</p> <p>Payment of residual money</p>
<p>24. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except of as ordered by a court competent jurisdiction or to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien unless required by any statute) be bound to recognise any equitable or other claim shall prevail notwithstanding that it has received notice of any such claim.</p>	<p>Outsider's lien not to affect Company's lien.</p>
<p>25. The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>	<p>Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc</p>
<h4>IV. Certificates</h4>	
<p>26. Notwithstanding anything contained elsewhere in these Articles, the Board may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law.</p>	<p>Right of Directors to refuse sub-division</p>
<p>27. Notwithstanding anything contained elsewhere in these Articles, a certificate, if required, for a dematerialised share, debenture and other security shall be issued in the name of the Depository and all the provisions contained in these Articles in respect of the rights of a member/debenture holder of the Company shall <i>mutatis mutandis</i> apply to the Depository as if it were a member / debenture holder / security holder excepting that and notwithstanding that the Depository shall have been registered as the holder dematerialised share, debenture and other security, the person who is the beneficial owner of such shares, debentures and other securities shall be entitled to all other rights available to the registered holders of the shares, debentures and other</p>	<p>Issue of certificates, if required, in the case of dematerialised shares/debentures/ other securities and rights of beneficial owner of such shares/debentures/ other securities.</p>

<p>securities in the Company as set out in the other provisions of these Articles.</p>	
<p><b>V. Dematerialisation of securities</b></p>	
<p>28. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a register of members/ debenture-holders/ other security-holders with the details of members/ debenture-holders/ other security-holders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act and the Rules.</p>	<p>Company entitled to dematerialise its shares, debentures and other securities</p>
<p>29. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its records the name of the allottee as the beneficial owner of the security.</p>	<p>Option to hold shares in electronic or physical form</p>
<p>30. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.</p>	<p>Beneficial owner deemed as absolute owner</p>
<p>31. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable.</p>	<p>Shares, debentures and other securities held in electronic form</p>
<p>32. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.</p>	<p>Information about transfer of securities</p>
<p>33. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic</p>	<p>Provisions to apply to shares in electronic form</p>

<p>form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.</p>	
<p><b>VI. Calls on shares</b></p>	
<p>34. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.</p> <p>Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call.</p> <p>(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p> <p>(iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.</p> <p>(iv) A call may be revoked or postponed at the discretion of the Board.</p>	<p>Board may make calls</p> <p>Notice of call</p> <p>Board may extend time for payment</p> <p>Revocation or postponement of call</p>
<p>35. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.</p>	<p>Call to take effect from date of Resolution</p>
<p>36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.</p>	<p>Liability of joint holders of shares</p>
<p>37. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.</p> <p>(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	<p>When interest on call or installment payable</p> <p>Board may waive interest</p>
<p>38. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	<p>Sums deemed to be calls</p> <p>Effect of non-payment of sums</p>
<p>39. The Board --</p> <p>(i) may, if it thinks fit, receive from any member willing to advance the same,</p>	<p>Payment in anticipation of calls may carry interest</p>

<p>all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>(ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.</p>	
<p>40. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.</p>	<p>Installments on shares to be duly paid</p>
<p>41. All calls shall be made on a uniform basis on all shares falling under the same class.</p> <p><i>Explanation:</i> Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.</p>	<p>Calls on shares of same class to be on uniform basis</p>
<p>42. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.</p>	<p>Partial payment not to preclude forfeiture</p>
<p>43. The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>	<p>Provisions as to calls to apply <i>mutatis mutandis</i> to debentures, etc.</p>
<p><b>VII. Transfer of shares</b></p>	
<p>44. (i) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.</p> <p>(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</p> <p>(iii) No fee shall be charged for registration of Transfer, Transmission, probate, Succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other documents.</p>	<p>Instrument of transfer to be executed by transferor and transferee</p> <p>No fee on Transfer or Transmission</p>
<p>45. The Company shall not register a transfer of shares in, debentures of the Company held in physical form unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate relating to shares or debentures or in no such certificate is in existence, along with the letter of allotment of the shares or debentures:</p>	<p>Transfer not to be registered except on production of instrument of transfer</p>

<p>Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit:</p> <p>Provided further that nothing in this article shall prejudice any power of the Company to register as shareholder and debenture holder any person to whom the right to any share in, or debentures of, the Company has been transmitted by the operation of law.</p>	
<p>46. The Board may, subject to the right of appeal conferred by the Act and the Rules decline to register -</p> <p>(i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>(ii) any transfer of shares on which the Company has a lien.</p>	Board may refuse to register transfer
<p>47. A transfer of the shares or other interest in the Company of deceased member thereof made by his legal representative shall, although legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.</p>	Transfer by legal representative
<p>48. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two week from the receipt of the notice.</p> <p>For the purpose of above clause notice to the transferee shall deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly deliver upon the expiry of seven days from the date of dispatch.</p>	Transfer of partly paid shares
<p>49. No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor if he is represented by lawful guardian.</p>	No transfer to minor
<p>50. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall be returned to the person depositing the same.</p>	When transfers to be retained
<p>51. In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless -</p> <p>(i) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act and the Rules;</p> <p>(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(iii) the instrument of transfer is in respect of only one class of shares.</p>	Board may decline to recognise instrument of Transfer
<p>52. On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of</p>	Transfer of shares when suspended

<p>transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.</p>	
<p>53. The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>	<p>Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.</p>
<p><b>VIII. Transmission of shares</b></p>	
<p>54. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</p> <p>(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<p>Title to shares on death of a member</p> <p>Estate of deceased member liable</p>
<p>55. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p> <p>(iii) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.</p>	<p>Transmission Clause</p> <p>Board's right Unaffected</p> <p>Indemnity to the Company</p>
<p>56. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	<p>Right to election of holder of share</p> <p>Manner of testifying election</p> <p>Limitations applicable to notice</p>
<p>57. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to</p>	<p>Claimant to be entitled to same advantage</p>

<p>which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	
<p>58. The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>	<p>Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc.</p>
<p><b>IX. Forfeiture of shares</b></p>	
<p>59. If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.</p>	<p>If call or installment not paid notice must be given</p>
<p>60. The notice aforesaid shall:</p> <p>(i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</p> <p>(ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.</p>	<p>Form of notice</p>
<p>61. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.</p>	<p>In default of payment of shares to be forfeited</p>
<p>62. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.</p>	<p>Receipt of part amount or grant of indulgence not to affect forfeiture</p>
<p>63. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such</p>	<p>Entry of forfeiture in register of members</p>



notice or make such entry as aforesaid.	
64. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
65. (i) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.  (ii) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Forfeited shares may be sold, etc.  Cancellation of forfeiture
65. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.  (ii) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.  (iii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Members still liable to pay money owing at the time of forfeiture  Member still liable to pay money owing at time of forfeiture and interest  Cesser of liability
67. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;  (ii) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;  (iii) The transferee shall thereupon be registered as the holder of the share; and  (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Certificate of forfeiture  Title of purchaser and transferee of forfeited shares  Transferee to be registered as Holder  Transferee not affected
68. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales

<p>69. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.</p>	<p>Cancellation of share certificate in respect of forfeited shares</p>
<p>70. The Board may, subject to the provisions of the Act and the Rules, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.</p>	<p>Surrender of share certificates</p>
<p>71. The provisions of these regulation as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>	<p>Sums deemed to be calls</p>
<p>72. The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>	<p>Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.</p>
<p><b>X. Alteration of capital</b></p>	
<p>73. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.</p>	
<p>74. Subject to the provisions of the Act and the Rules, the Company may, by ordinary resolution --</p> <p>(i) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;</p> <p>(ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:</p> <p>Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act and the Rules;</p> <p>(iii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>(iv) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(v) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</p>	<p>Power to alter share capital</p>
<p>75. Where shares are converted into stock:</p> <p>(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as</p>	<p>Shares may be converted into Stock</p>

<p>near thereto as circumstances admit:</p> <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;</p> <p>(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;</p> <p>(iii) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.</p>	<p>Right of stockholders</p>
<p>76. The Company may, by resolution as prescribed by the Act and the Rules, reduce in any manner and in accordance with the provisions of the Act and the Rules, —</p> <p>(i) its share capital; and/or</p> <p>(ii) any capital redemption reserve account; and/or</p> <p>(iii) any securities premium account; and/or</p> <p>(iv) any other reserve in the nature of share capital.</p>	<p>Reduction of capital</p>
<p><b>XI. Joint Holders</b></p>	
<p>77. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:</p> <p>(i) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.</p> <p>(ii) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.</p> <p>(iii) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.</p> <p>(iv) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.</p>	<p>Joint-holders</p> <p>Liability of Joint-holders</p> <p>Death of one or more joint-holders</p> <p>Receipt of one sufficient</p> <p>Delivery of certificate and giving of notice to first named holder</p>

<p>(v) (a) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such jointholders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.</p> <p>(b) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.</p> <p>(vi) The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names.</p>	<p>Vote of joint-holders</p> <p>Executors or administrators as joint holders</p> <p>Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc.</p>
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## XII. Nomination

<p>78. i) Every holder of share(s) in and/or debenture(s) of the Company, so entitled under the Act and Rules framed there under, may, at any time, nominate, in the manner prescribed under the Act and the Rules, a person to whom his shares) in and/or debenture(s) of the Company shall vest in the event of his death.</p> <p>ii) Where the share(s) in and/or debenture(s) of the Company are held by more than one person jointly, the joint-holders, so entitled under the Act and Rules framed there under, may together nominate, in the manner prescribed under the Act and the Rules, a person to whom all the rights in the share(s) and/or debenture(s) of the Company, as the case may be, shall vest in the event of death of all the joint-holders.</p> <p>iii) Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise, in respect of the share(s) and/or debenture(s) of the Company, where a nomination made in the manner prescribed under the Act and the Rules, purports to confer on any person the rights to vest the share(s) and/or debenture(s) of the Company, the nominee shall, on the death of the shareholder and/or debenture holder concerned or on the death of the joint holders, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s), to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act and the Rules.</p> <p>iv) Where the nominee is a minor, the holder of shares(s) and/or debenture(s) of the Company, can make a nomination prescribed under the Act and the Rules, to appoint any person to become entitled to the share(s) and/or debenture(s) of the Company, in the event of his death, during the minority.</p>	<p>Nomination</p>
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## XIII. Capitalisation of profits

<p>79. (i) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve—</p>	<p>Capitalisation</p>
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<p>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii) below, either in or towards :</p> <p>(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).</p> <p>(iii) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>(iv) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.</p>	<p>Sum how applied</p>
<p>80. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall -</p> <p>(a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p> <p>(ii) The Board shall have power—</p> <p>(a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.</p> <p>(iii) Any agreement made under such authority shall be effective and binding on such members.</p>	<p>Powers of the Board for capitalisation</p> <p>Board's power to issue fractional certificate/coupon etc.</p> <p>Agreement binding on members</p>

<b>XIV. Buy-back of shares</b>	
81. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act and the Rules or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
<b>XV. General meetings</b>	
82. All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
83. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.  (ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two members of the Company may call an extraordinary general meeting in the same manner, as near as possible, as that in which such a meeting may be called by the Board.	Powers of Board to call extraordinary general meeting
<b>XVI. Proceedings at general meetings</b>	
84. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  (ii) No business shall be discussed or transacted at any general meeting whilst the chair is vacant, except election of Chairperson.  (iii) The quorum for a general meeting shall be as provided in the Act and the Rules.	Presence of quorum  Business confined to election of Chairperson whilst chair vacant Quorum for general meeting
85. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.	Chairperson of the meetings
86. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	Directors to elect a Chairperson
87. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
88. The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	Power of chairperson
89. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
90. (i) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every	Minutes of proceedings of meetings and resolutions passed by postal ballot

<p>such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(ii) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting --</p> <p>(a) is, or could reasonably be regarded, as defamatory of any person; or  (b) is irrelevant or immaterial to the proceedings; or  (c) is detrimental to the interests of the Company.</p> <p>(iii) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.</p> <p>(iv) The minutes of the meeting kept in accordance with the provisions of the Act and the Rules shall be evidence of the proceedings recorded therein.</p>	<p>Certain matters not to be included in Minutes</p> <p>Discretion of Chairperson in relation to Minutes</p> <p>Minutes to be evidence</p>
<p>91. (i) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</p> <p>(a) be kept at the registered office of the Company; and  (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.</p> <p>(ii) Any member shall be entitled to be furnished, within the time prescribed by the Act and the Rules, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (i) above:</p> <p>92. Provided a member who has made a request for provision of a soft copy of minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.</p>	<p>Inspection of minute books of general meeting</p> <p>Members may obtain copy of minutes</p>
<p>93. The Board, and also any person(s) authorized by it may take any decision before the commencement of any general meeting, or any meeting of a class of members in the company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this article shall be final and right to attend and participate in the meeting concern shall be subject to such decision.</p>	<p>Powers to arrange security at meetings</p>
<p><b>XVII. Adjournment of meetings</b></p>	
<p>94. (i) The Chairperson may, <i>suo motu</i>, adjourn the meeting from time to time and from place to place.</p> <p>(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p>	<p>Chairperson may adjourn the Meeting</p> <p>Business at adjourned meeting</p> <p>Notice of adjourned meeting</p>

(iv) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Notice of adjourned meeting not required
<b>XVIII. Voting rights</b>	
<p>95. Subject to any rights or restrictions for the time being attached to any class or classes of shares –</p> <p>(i) on a show of hands, every member present in person shall have one vote; and</p> <p>(ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.</p>	Entitlement to vote on show of hands and on poll
<p>96. Where a poll is to be taken, the Chairman of the meeting shall appoint such member of persons, as he deems necessary to scrutinise the poll process and votes given on the poll and to report thereon to him.</p>	Scrutineers at poll
<p>97. The Chairman shall have power, at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.</p>	
<p>98. A member may exercise his vote at a meeting by electronic means in accordance with the Act and the Rules and shall vote only once.</p>	Voting through electronic means
<p>99. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<p>Vote of joint holders</p> <p>Seniority of names</p>
<p>100. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.</p>	How members <i>non compos mentis</i> and minor may vote
<p>101. Subject to the provisions of the Act and the Rules &amp; other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.</p>	Votes in respect of shares of deceased or insolvent members, etc.
<p>102. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.</p>	Business may proceed pending poll
<p>103. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company</p>	Restriction on voting rights



have been paid or in regard to which the Company has exercised any right of lien.	
104. A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
105. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
<b>XIX. Proxy</b>	
106. (i) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.  (ii) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Member may vote in person or otherwise  Proxies when to be deposited
107. An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
108. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.  Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal
<b>XX. Board of Directors</b>	
109. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).	Board of directors
110. (i) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation

<p>(ii) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.</p>	<p>Same individual may be Chairperson and Managing Director/ Chief Executive Officer</p>
<p>111. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>(ii) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act and the Rules by an ordinary resolution passed by the Company in general meeting.</p> <p>(iii) In addition to the remuneration payable to them in pursuance of the Act and the Rules, the directors may be paid all travelling, hotel and other expenses properly incurred by them—</p> <p>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or</p> <p>(b) in connection with the business of the Company.</p>	<p>Remuneration of directors</p> <p>Remuneration to require members' consent</p> <p>Travelling and other expenses</p>
<p>112. The fee payable to the Director for attending the meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limit of such fees that may be prescribed under the Act or Rules.</p>	
<p>113. The Company may exercise the power conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.</p>	
<p>114. All cheques, promissory notes, drafts, <i>hundis</i>, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.</p>	<p>Execution of negotiable instruments</p>
<p>115. Every Director present at any meeting of the Board or of a Committee thereof shall sign his/her name in the attendance book or attendance sheet kept for that purpose or submit a duly signed attendance slip which shall be maintained as part of the book to be kept for that purpose.</p>	
<p>116. (i) Subject to the provisions of the Act and the Rules, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>(ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act and the Rules.</p>	<p>Appointment of additional Directors</p> <p>Duration of office of additional director</p>
<p>117. (i) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless</p>	<p>Appointment of alternate director</p>

<p>he is qualified to be appointed as an independent director under the provisions of the Act and the Rules.</p> <p>(ii) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India</p> <p>(iii) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.</p>	<p>Duration of office of alternate Director</p> <p>Re-appointment provisions applicable to Original Director</p>
<p>118. (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.</p> <p>(ii) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.</p>	<p>Appointment of director to fill a casual vacancy</p> <p>Duration of office of Director appointed to fill casual vacancy</p>
<p>119. Notwithstanding anything contrary contained in the Articles, if the Company has availed any loan(s) from, or issued any debentures or other instruments/securities to, any bank(s), financial institution(s), non-banking financial companies, asset reconstruction companies or any other body corporate ("Lender(s)") and so long as any monies with respect to such loan(s) granted by such Lender(s) to the Company remain outstanding by the Company to any Lender(s) or so long as the Lender(s) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Lender(s) hold equity shares in the Company as a result of conversion of such loans/debentures, or if the agreement with the respective Lender(s) provide for appointment of any person or persons as a Director or Directors, or if the Company is required to appoint any person as a director pursuant to any agreement, (which Director or Directors is /are herein after referred to as "Nominee Director(s) / Observer(s)") on the Board, the Company may appoint such person nominated by such Lender(s) as Nominee Director / Observer, in accordance with the terms and conditions specified in the agreement executed with such Lender.</p>	<p>Nominee Directors</p>
<p>120. The Board of Directors of a company may contribute to bona fide charitable and other funds:</p> <p>Provided that prior permission of the Company in general meeting shall be required for such contribution in case of any amount aggregate of which in any financial year exceed 5% of its average net profit for the three immediately preceding financial years.</p>	
<p><b>XXI. Power of Board</b></p>	
<p>121. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise</p>	<p>General powers of the Company vested in Board</p>

<p>directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and the Rules and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act and the Rules, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.</p>	
<p><b>XXII. Borrowing power</b></p>	
<p>122. The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.</p>	<p>Power to borrow</p>
<p>123. The Directors, with shareholders' consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.</p>	<p>Conditions on which money may be borrowed</p>
<p><b>XXIII. Proceedings of the Board</b></p>	
<p>124. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>(ii) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.</p> <p>(iii) The quorum for a Board meeting shall be as provided in the Act.</p> <p>(iv) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p>	<p>When meeting to be convened</p> <p>Who may summon Board meeting</p> <p>Quorum for Board meetings</p> <p>Participation at Board meetings</p>
<p>125. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	<p>Questions at Board meeting how decided</p> <p>Casting vote of Chairperson at Board meeting</p>
<p>126. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.</p>	<p>Directors not to act when number falls below minimum</p>

<p>127. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.</p>	<p>Who to preside at meetings of the Board</p> <p>Directors to elect a Chairperson</p>
<p>128. (i) The Board may, subject to the provisions of the Act and the Rules, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.</p> <p>(ii) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p> <p>(iii) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p>	<p>Delegation of Powers</p> <p>Committee to conform to Board regulations</p> <p>Participation at Committee meetings</p>
<p>129. (i) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.</p> <p>(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>	<p>Chairperson of Committee</p> <p>Who to preside at meetings of Committee</p>
<p>130. (i) A Committee may meet and adjourn as it thinks fit.</p> <p>(ii) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.</p> <p>(iii) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.</p>	<p>Committee to meet</p> <p>Questions at Committee meeting how decided</p> <p>Casting vote of Chairperson at Committee meeting</p>
<p>131. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.</p>	<p>Acts of Board or Committee valid notwithstanding defect of appointment</p>
<p>132. Save as otherwise expressly provided in the Act and the Rules, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.</p>	<p>Passing of resolution by circulation</p>
<p>133. Subject to the provisions of the Act and the Rules,—</p> <p>(i) A chief executive officer, manager, company secretary and chief</p>	<p>Chief Executive Officer, etc.</p>

<p>financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p>	<p>Director may be chief executive officer, etc.</p>
<p>134. The Foreign Investors shall by a writing addressed to the Company have the right to appoint one of the Directors of the Company to be the Chairman of the Board of Directors. On each vacancy occurring in such office from any cause whether by death, removal, retirement or otherwise, they shall have the right by a similar writing to appoint another Director in the vacancy and the Director so appointed shall then be the Chairman.</p>	
<p><b>XXIV. Managing Director</b></p>	
<p>135. (i) Subject to the provisions of the Act and the Rules, the Directors may from time to time appoint one or more of their body to be the Managing Director of the Company, in accordance within the provisions of the Act and the Rules.</p> <p>(ii) A Managing Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act and the Rules.</p>	<p>Managing Director</p>
<p>136. Subject to the provisions of the Act and the Rules and of these Articles the Foreign Investors, if any in the company, shall have the right to designate one or more of their members of the Board as the Executive Director(s) /Managing Director(s) of the Company and the Board shall within one week of the date of receipt of such letter, appoint such designate or designates as the Executive Director(s)/Managing Director(s) of the Company. The Foreign Investors shall have the right by a similar letter to require the Board to remove any Executive Director(s) /Managing Director(s) of the Company and the Board shall within one week of the date of receipt of such letter take steps to remove such Executive Director(s) /Managing Director(s). On a vacancy being caused in the office of the managing Director/ Executive Director from any cause, whether by resignation, removal or otherwise, the Foreign Investors shall have the right to designate another or other members for such appointment in the same manner as prescribed above. The terms of appointment of the Managing Director(s)/Executive Director(s) shall be such as are specified. (with the power to vary such terms) by the Foreign Investors from time to time and these shall be the terms on which the Executive Director(s) /Managing Director(s) shall be appointed by the Board. The Managing Director(s) /Executive Director(s) as the case may be so appointed, shall have such powers exercisable upon such conditions and subject to such restrictions as the Board may from time to time determine.</p>	
<p><b>XXV. Registers</b></p>	
<p>137. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of</p>	<p>Statutory registers</p>

<p>debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.</p>	
<p>138. (i) The Company may exercise the powers conferred on it by the Act and the Rules with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act and the Rules) make and vary such regulations as it may think fit respecting the keeping of any such register.</p> <p>(ii) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i>, as is applicable to the register of members.</p>	Foreign register
<p><b>XXVI. The Seal</b></p>	
<p>139. (i) The Board shall provide for the safe custody of the seal.</p> <p>(ii) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>	Seal
<p><b>XXVII. Dividends and Reserve</b></p>	
<p>140. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.</p>	Company in general meeting may declare dividends
<p>141. Subject to the provisions of the Act and the Rules, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.</p>	Interim dividends
<p>142. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p>	Dividends only to be paid out of profits

<p>(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<p>Carry forward of profits</p>
<p>143. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.</p> <p>(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<p>Division of profits</p> <p>Payments in advance Dividends to be apportioned</p>
<p>144. (i) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.</p> <p>(ii) The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.</p>	<p>No member to receive dividend whilst indebted to the Company and Company's right to reimbursement there from</p> <p>Retention of dividends</p>
<p>145. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>(iii) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.</p>	<p>Dividend how remitted</p> <p>Instrument of Payment</p> <p>Discharge to Company</p>
<p>146. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.</p>	<p>Receipt of one holder sufficient</p>
<p>147. No dividend shall bear interest against the Company.</p>	<p>No interest on dividends</p>
<p>148. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the</p>	<p>Waiver of dividends</p>



Company and if or to the extent that the same is accepted as such or acted upon by the Board.	
<b>XXVIII. Accounts</b>	
149. (i) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
(ii) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.	Restriction on inspection by members
<b>XXIX. Winding up</b>	
150. Subject to the applicable provisions of the Act and the Rules made there under:  (a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act and the Rules, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	Winding up of Company
<b>XXX. Indemnity &amp; Insurance</b>	
151. (i) Subject to the provisions of the Act and the Rules, every director, Directors and officers right to managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.  (ii) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in	Directors and officers right to indemnity

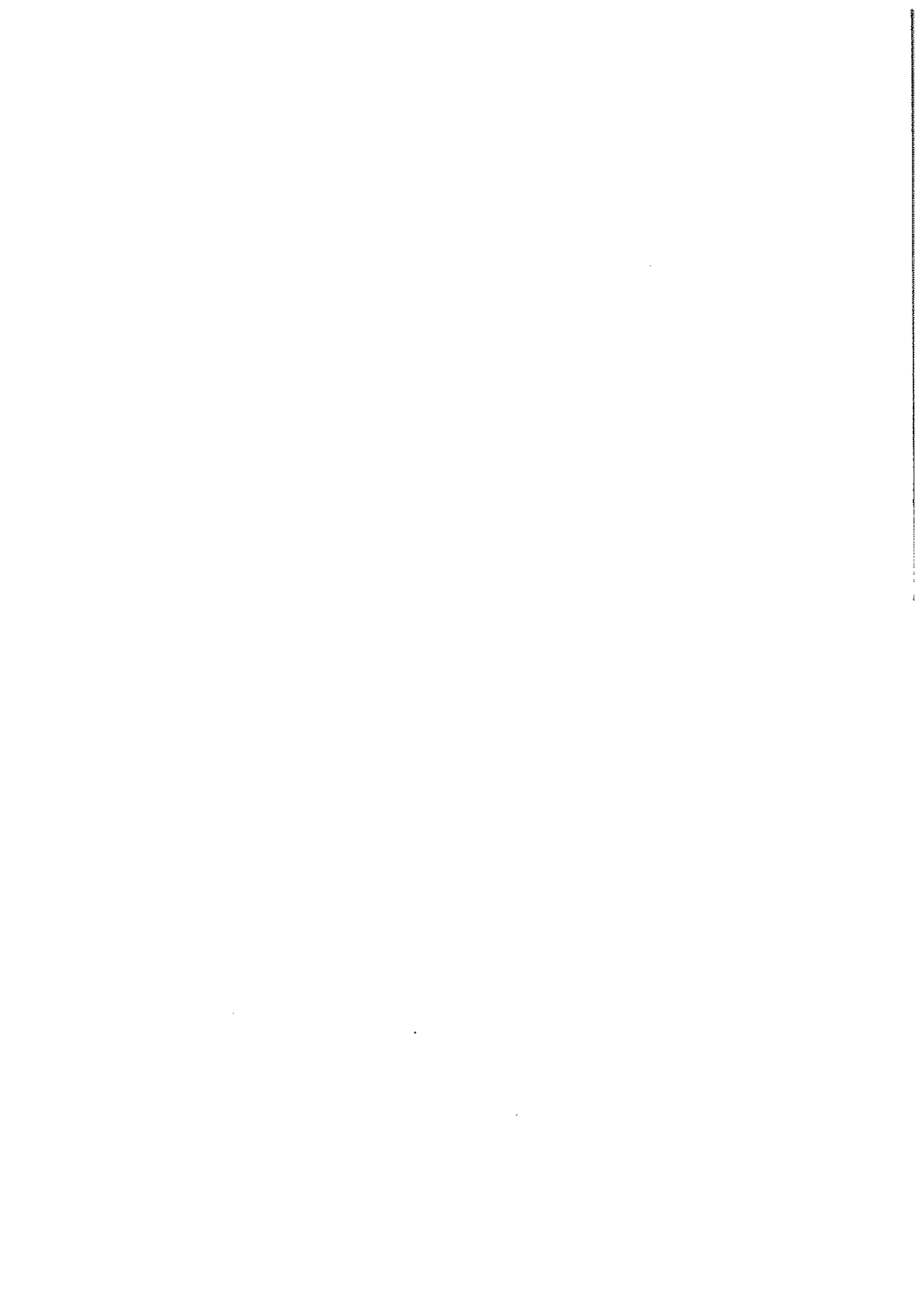
<p>which he is acquitted or discharged or in connection with any application under applicable provisions of the Act and the Rules in which relief is given to him by the Court.</p> <p>(c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.</p>	<p>Insurance</p>
<p><b>XXXI. General Power</b></p>	
<p>152. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carryout any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.</p>	<p>General Power</p>
<p><b>XXXII. Secrecy Clause</b></p>	
<p>153. Subject to the provisions of the Act and the Rules, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.</p>	<p>Secrecy Clause</p>

Sl. No.	Name, Description Occupation and address of each subscribers	Signatures of Subscribers	Signature, names, address, description And occupations of witnesses to the signatures of subscribers
1.	PANKAJ JAIN S/o Sh. J. S. Jain R/o.210-B, 2 <sup>nd</sup> Floor Savitri Nagar, New Delhi-110017 Age : 30 Years Profession (Advocate)	-S/d-	
2	SAMUDRA ACHARYYA S/o Sh. S.K. Acharyya R/o B-10, 157-C, Udaigiri Apartments, Sector-34 Noida, Uttar Pradesh-201301 Age: 25 Years	-S/d-	Witness to all signatures of Subscriber Sd/- (SOVMITKA GHOSE CHAUDHURI) S/o Mr. A.K. Ghose Chaudhuri ADVOCATE 5, Lawyers, Chambers, Supreme Court of India, Tilak Marg, New Delhi-110001

Place: New Delhi

Dated this 18<sup>th</sup>

day of December 2006



IN THE HIGH COURT OF DELHI AT NEW DELHI

COMPANY JURISDICTION

COMPANY PETITION No. 16 of 2008

CONNECTED WITH

COMPANY APPLICATION (M) No.153 of 2007

IN THE MATTER OF:

The Companies Act, 1956;

And

IN THE MATTER OF:

Petition under Sections 391-394 of the Companies Act, 1956;

And

IN THE MATTER OF:

Scheme of Arrangement and Demerger between Asian Hotels Limited, Chillwinds Hotels Limited and Vardhman Hotels Limited.

MEMO OF PARTIES

Asian Hotels Limited,  
having its Registered Office at  
Bhikaji Cama Place  
M.G. Marg,  
New Delhi-110607.

... Petitioner Company No.1/ Transferee Company

Chillwinds Hotels Limited  
having its Registered Office at  
D-4, Qutub Hotel & Apartments  
Shaheed Jeet Singh Marg  
New Delhi-110016.

... Petitioner Company No.2/ Transferee Company - I

Vardhman Hotels Limited  
having its Registered Office at  
145, Tribhuvan Complex  
Ishwar Nagar, Mathura Road  
New Delhi-110065.

... Petitioner Company No.3/ Transferee Company - II

FILED THROUGH:

(AMARCHAND & MANGALDAS & SURESH A. SHROFF & CO.)  
ADVOCATES FOR THE PETITIONER COMPANIES  
AMARCHAND TOWERS, 216, OKHLA INDUSTRIAL ESTATE,  
PHASE-III, NEW DELHI-110 020  
PH.: 26920500, 51590700 FAX: 26922900, 26924900  
EMAIL: am.delhi\_fit@amarchand.com

PLACE: NEW DELHI  
DATED: 11<sup>th</sup> JANUARY, 2008

Examined  
At  
of the Indian Companies Act

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23/1/08  
Examined  
At  
of the

Date of Presentation of .....  
 Applicant .....  
 No. of Writs .....  
 Copying .....  
 Process (Urgent/Ordinary) .....  
 Registration and Postage Fee .....  
 Agency Fees .....  
 Filing Fees .....  
 Name of Applicant .....  
 Date of Receipt of Record .....  
 for Copy .....  
 Date of Separation of Copy .....  
 Date of Delivery of Copy .....

Administrative Officer (J) .....  
 (Origin 1)  
 High Court of Delhi  
 New Delhi



**IN THE HIGH COURT OF DELHI**

**COMPANY APPLICATION NO. 1743/2009 IN CP 16/2008**

**Reserved on 18<sup>th</sup> December, 2009**

**Date of pronouncement: 13<sup>th</sup> January, 2010**

**In the matter of  
The Companies Act, 1956:**

**And**

**Application under Sections 392  
of the Companies Act, 1956**

**Amended Scheme of Arrangement and Demerger between:**

**M/s. Aslan Hotels Limited .. Applicant Company-1/  
Transferor Company**

**M/s. Chillwinds Hotels Limited .. Applicant Company-2/  
Transferee Company-I**

**AND**

**M/s. Vardhman Hotels Limited .. Applicant Company-3/  
Transferee Company-II**

**Through Mr. Rajiv Nayar, Sr. Adv.  
with Mr. Anirudh Das and  
Mr. Sahil Sharma, Advocates for  
the applicants  
Mr. Raisuddin, Dy. Registrar of  
Companies**

**SUDERSHAN KUMAR MISRA, J.**

1. By way of this application, the applicants are seeking sanction of the amended Scheme of Arrangement and Demerger annexed to the application.

2. The Scheme of Arrangement and Demerger was initially approved by this court vide order dated 29<sup>th</sup> February,

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
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Examiner Judicial Department  
High Court of Delhi  
Authorized Under Section 30  
of The Indian Evidence Act

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2008 passed in CP 16/2008. Thereafter, vide CA 383/2008, the applicants sought some modifications in Clauses 6.12 and 5.3.1 of the Scheme, and the same were allowed to be amended vide order dated 9<sup>th</sup> April, 2008. The applicants again sought an amendment in the Scheme of Arrangement and Demerger vide CA No. 721/2008 on the ground that redemption of preferential shares, which had become due, was overlooked and a modification was sought to the extent of taking into consideration the redemption of the preference shares which had been effected prior to the effective date of the Scheme. This application was also allowed on 18<sup>th</sup> August, 2008 and an additional Clause 5.9 was allowed to be added in the Scheme of Arrangement and Demerger.

3. Thereafter the applicant companies moved another application, viz. CA 793/2009, seeking amendment, for the third time, to the Scheme of Arrangement and Demerger. In the application, amendments were sought in Clauses 5.3.1, 6.12 and 5.9 and also insertion of Clause 1.1.7 in the Scheme, on the ground that in view of the prolonged delay in receiving the approval of the West Bengal Government to the transfer of the leasehold property, coupled with the fact that there was a material change in the economic and market situation which has necessitated a true reflection in the Scheme of values and

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High Court of Delhi  
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of The Indian Evidence Act



pricing, which are marked related. It was submitted by the learned counsel for the applicants that the amendments were necessary to be incorporated in the Scheme so that it may be effectively implemented and worked out.

4. Vide order dated 29<sup>th</sup> May, 2009 passed in CA 793/2009, this court stayed the implementation of the Scheme to which approval was accorded by this court on 29<sup>th</sup> February, 2008 and the amendments were approved vide order dated 9<sup>th</sup> April, 2008 and 18<sup>th</sup> August, 2008 and this court directed convening of the meeting of the equity shareholders of the applicant company-1 on 30<sup>th</sup> September, 2009 at 10.30 am for seeking their approval to the Amended Scheme. The court, however, dispensed with the requirement of convening and holding the meetings of the equity shareholders of applicant companies no. 2 & 3. The matter was directed to be listed in court on 28<sup>th</sup> October, 2009.

5. During the pendency of the said application, viz. CA 793/2009, the applicant companies filed their fourth application, viz. CA No. 1094/2009, seeking amendment to the appointed date of the Scheme to come into effect from 31.07.2009 to 15.10.2009 on the ground that two investors namely, M/s. Fineline Holdings Ltd. and M/s. Global Operations Pvt. Ltd., who

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had invested an amount of Rs.3,41,00,100/- in applicant company-1 had expressed their inability to remit the moneys by 31.07.2009, but that they remained committed to bringing in the investments by 15.10.2009. Vide order dated 31<sup>st</sup> August, 2009, this court allowed CA No. 1094/2009 and the appointed date of the Scheme was amended from 31.07.2009 to 15.10.2009. The meeting of the equity shareholders of applicant company-1, which was directed to be held on 30<sup>th</sup> September, 2009, vide order dated 29.5.2009, was directed to be rescheduled for 28<sup>th</sup> January, 2010. The applicant company-1 was also directed to file its segmented balance sheet as on 15.10.2009 in this court as well as in the office of the Regional Director, Northern Region.

6. The applicants thereafter filed CA No. 1486/2009, seeking amendment to the Scheme for the fifth time, praying that due to certain exigencies of business, the appointed date, which was earlier fixed as 15.10.2009, be now varied to 31<sup>st</sup> October, 2009 and the meeting of equity shareholders of applicant company-1, which was to be held on 28<sup>th</sup> January, 2010, be now pre-poned to 11<sup>th</sup> December, 2009. In view of the new SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 in place of the SEBI (Disclosure and Investor Protection) Guidelines, 2000, the applicants also sought

amendment to the Scheme by incorporating Clause 1.2.4 in the amended Scheme of Arrangement and Demerger.

7. Vide order dated 10<sup>th</sup> November, 2009, this court allowed CA 1486/2009 and took on record the amended Scheme of Arrangement and Demerger and directed that the meeting of the equity shareholders of applicant company-1, that had been fixed for 28<sup>th</sup> January, 2010, shall now be convened on 11<sup>th</sup> December, 2009. Notice was also directed to be issued to the Regional Director, Northern Region. Mr. Raisuddin, appearing on behalf of the Regional Director, accepted notice and submitted that they have no objection to the proposed amendments in the Scheme of Arrangement and Demerger. The applicant companies were also permitted to file in this court their respective segmented balance sheets, as demerged in accordance with the Scheme, along with the Schedule of Assets, as prescribed in Form 42 of the Companies (Court) Rules, 1959. The applicants have filed a copy of the certified segmented undertaking-wise balance sheet of applicant company-1, as at 31<sup>st</sup> October, 2009.

8. The applicant companies have thereafter filed the present application seeking sanction of the amended Scheme of Arrangement and Demerger. Mr. Gaurav Liberhan, Chairperson

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High Court of Madhya Pradesh  
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appointed for the meeting of the equity shareholders of applicant company-1, has filed his affidavit dated 26<sup>th</sup> November, 2009 submitting that the citations were published in Statesman (English) and Veer Arjun (Hindi) on 16<sup>th</sup> November, 2009. Copies of the newspaper clippings containing the publications have been filed along with the affidavit.

9. The chairperson of the ordered meeting of the equity shareholders of applicant company-1 has filed his report submitting that the meeting was duly held on 11<sup>th</sup> December, 2009, as directed. He has further submitted that the equity shareholders of applicant company-1, present and voting in the meeting, have approved the amended Scheme of Arrangement and Demerger by overwhelming majority.

10. No objection has been received to the amended Scheme of Arrangement and Demerger from any other party.

11. In view of the approval accorded by the equity shareholders of the applicant companies and the Regional Director, Northern Region, to the proposed amended Scheme of Arrangement and Demerger, there appears to be no impediment to the grant of sanction to the amended Scheme of Arrangement and Demerger. Consequently, sanction is hereby granted to the

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High Court of Madhya Pradesh  
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amended Scheme of Arrangement and Demerger under Sections 391 and 394 of the Companies Act, 1956. The applicant companies will comply with the statutory requirements in accordance with law. Certified copy of this order be filed with the Registrar of Companies within five weeks. It is also clarified that this order will not be construed as an order granting exemption from payment of stamp duty as payable in accordance with law. Upon the sanction becoming effective from the appointed date of Arrangement, i.e. 31<sup>st</sup> October, 2009, the Mumbai Undertaking of the transferor company shall stand merged in the transferee company-I, and the Kolkata Undertaking of the transferor company shall stand merged in the transferee company-II.

12. The application stands allowed in the above terms.  
Dasti. /

- Sd -  
SUDERSHAN KUMAR MISRA, J.

January 13, 2010  
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Registrar of Companies  
Mumbai



IN THE HIGH COURT OF DELHI AT NEW DELHI  
(ORIGINAL JURISDICTION)  
IN THE MATTER OF THE COMPANIES ACT, 1956

AND  
IN THE MATTER OF SCHEME OF ARRANGEMENT AND DEMERGER  
BETWEEN  
COMPANY APPLICATION NO.1743/2009

IN  
COMPANY PETITION NO.16/2008  
CONNECTED WITH  
COMPANY APPLICATION (M) NO.153/2007  
IN THE MATTER OF M/s Asian Hotels Ltd.,  
having its Regd. Office at:  
Bhikaji Cama Place,  
M.G. Marg, New Delhi-110067

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NK  
Examiner, Judicial Department  
High Court of Delhi  
Authorized Under Section 70  
of The Indian Evidence Act

Petitioner/Transferor Company

AND  
IN THE MATTER OF M/s Chillwinds Hotels Ltd.,  
having its Regd. Office at:  
D-4, Qutub Hotel & Apartments,  
Shaheed Jeeb Singh Marg, New Delhi-110016

Petitioner/Transferee Company No.1

IN THE MATTER OF M/s Vardhman Hotels Ltd.,  
having its Regd. Office at:  
145, Tribhuvan Complex, Ishwar Nagar,  
Mathura Road, New Delhi-110065

Petitioner/Transferee Company.No.2

BEFORE HON'BLE MR. JUSTICE SUDERSHAN KUMAR MISRA  
DATED THIS THE 13<sup>th</sup> DAY OF JANUARY, 2010

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 13/01/2010 for sanction of Amended Scheme of Arrangement and Demerger proposed to be made between M/s Asian Hotels Ltd. (hereinafter referred to as the Transferor Company) and M/s Chillwinds Hotels Ltd. and M/s Vardhman Hotels Ltd. (hereinafter referred to as the Transferee Companies) in two stages: Stage-1 being the demerger of Mumbai Undertaking from Transferor Company and be vested in Transferee Company No.1 and Stage-2 being the demerger of Kolkatta Undertaking from Transferor Company and be vested in Transferee Company No.2. Subsequently, on 09/04/2008 on an application filed by the petitioners, this Court permitted modification of first paragraph of Clause 5.3.1, and Clause 6.12 of the Scheme. Subsequently, on 29/05/2008 and 18/08/2008 on applications filed by the Petitioners, this Court permitted further amendments to the Scheme of Arrangement and Demerger. The Petitioners further filed CA No.1094/2008 and CA No.1486/2009 proposing further amendments to the Scheme of Arrangement and Demerger whereby the requirement of convening and holding the meetings of the Equity Shareholders of the Transferor Company were ordered to be convened in CA No.793/2009 dated 29/05/2009 for the purpose of considering and if thought fit approving with or without modification, the Amended Scheme of Arrangement and Demerger and the publication in the newspapers namely (1) Statesman (English) and (2) Veer Arjun (Hindi) dt.

Day

16/11/2009 containing the advertisement of the notice; the affidavits of Sh. Gaurav Liberhan, Chairperson filed on 26/11/2009 showing the publication and despatch of the notices convening the said meeting, the report of the Chairperson of the meeting as to the result of the meeting.

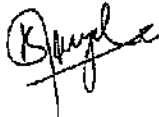
Upon hearing Sh. Rajiv Nayyar, Sr. Advocate with Mr. Anirudh Das and Mr. Sahil Sharma, Advocates for the Petitioner and Mr. Raisuddin, Dy. Registrar of Companies in person and it appearing from the reports that the Amended Scheme of Arrangement and Demerger has been approved unanimously without any modification by the said Equity Shareholders of the Transferor Company present and voting either in person or by proxy and Regional Director, Northern Region, Ministry of Company Affairs, Noida on behalf of Central Government stating inter-alia that the Central Government has no objection to the proposed Amended Scheme of Arrangement and Demerger and there being no investigation proceedings pending in relation to the Petitioner Companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE AMENDED SCHEME OF ARRANGEMENT AND DEMERGER set forth in Schedule-I annexed hereto and doth hereby declare the same to be binding on all the Equity Shareholders and Creditors of the Transferor and Transferee Companies and all concerned and doth approve the said Scheme of Arrangement and Demerger with effect from the appointed date i.e. 31/10/2009.

AND THIS COURT DOTH FURTHER ORDER AS UNDER:

- 1(a). That all the property, rights and powers of the Bombay Undertaking of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Bombay Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company No.1 and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company No.1 for all the estate and interest of the Bombay Undertaking of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
- 2(a). That all the liabilities and duties of the Bombay Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company No.1 and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company No.1; and
- 3(a). That all the proceedings now pending by or against the Bombay Undertaking of the Transferor Company be continued by or against the Transferee Company No.1; and
- 4(a). That the Transferee Company No.1 do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by Clause 5.4 of Part-V of the scheme given in the Scheme of Arrangement and Demerger herein the shares in the

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Transferee Company No.1 to which they are entitled under the said Arrangement and Demerger; and

5(a). That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty, that is payable in accordance with law; and

1(b). That all the property, rights and powers of the Kolkatta Undertaking of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Kolkatta Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company No.2 and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company No.2 for all the estate and interest of the Kolkatta Undertaking of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2(b). That all the liabilities and duties of the Kolkatta Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company No.2 and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company No.2; and

3(b). That all the proceedings now pending by or against the Kolkatta Undertaking of the Transferor Company be continued by or against the Transferee Company No.2; and

4(b). That the Transferee Company No.2 do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by Clause 5.4 of Part-V of the scheme given in the Scheme of Arrangement and Demerger herein the shares in the Transferee Company No.2 to which they are entitled under the said Arrangement and Demerger; and

5(b). That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty, that is payable in accordance with law; and

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

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SCHEDULE - I  
ANNEXURE 'C'

"AMENDED SCHEME"

**SCHEME OF ARRANGEMENT AND DEMERGER**

**BETWEEN**

**ASIAN HOTELS LIMITED  
AND ITS SHAREHOLDERS AND CREDITORS**

**AND**

**CHILLWINDS HOTELS LIMITED  
AND ITS SHAREHOLDERS**

**AND**

**VARDHMAN HOTELS LIMITED  
AND ITS SHAREHOLDERS**



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**PART-I**

**1. INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1.1 Introduction**

**1.1.1 Asian Hotels Limited**

(i) Asian Hotels Limited ("AHL") is a public limited company incorporated under the Companies Act, 1956, having its registered office at Bhikaji Cama Place, M.G. Road, New Delhi- 110066.

(ii) The main objects of AHL are as follows:

(a) *To acquire by purchase, lease, exchange hire or otherwise, lands, plots, buildings and hereditaments of any tenure or description situated in Union Territory of Delhi or elsewhere in the Indian Union and any estate or interest and rights therein in particular by constructing, reconstructing altering, improving, decorating, furnishing and maintaining hotels, motels, restaurants, dining rooms, bars, catering rooms, garages, stables, lodging houses, commercial buildings, farm house, warehouses, clubs, health clubs, dressing rooms, beauty Saloons, baths, laundry rooms, reading, writing and library rooms, indoor and outdoor play grounds and stadiums, swimming pools, theatre, opera and Cinema houses, museum and Art rooms video and other fun game rooms, race courses, meditation centres, boating clubs, flying clubs, freezing-hot-preservation and baking chambers and other apartments, showrooms, shops and conveniences of all kinds and by consolidating or connecting or subdividing properties and by leasing, hiring and disposing of same.*

(b) *To carry on the business of establishing and operating of hotels, restaurants Inns, Cinemas, Cafe, tavern, beerhouse, refreshment room and lodging house keepers, licensed, victuallers, wine, beer and spirit merchants, 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 dairymen, Ice merchants, importers and dealers of all kinds of foods and foodstuffs, vegetarian or non-vegetarian, live and dead stocks, whether half prepared, fully prepared or in raw form, colonial and foreign produce of all descriptions, hotelware, hair dressers, perfumers, chemists, proprietors of clubs, night clubs health clubs seminar fashion show and cultural programme, bath, dressing rooms, laundries, reading, writing and newspaper*

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rooms, libraries, grounds, fun games, places of amusement, recreation, sports, games entertainments and instruction of athletes, tobacco, cigar and cigarettes merchants, agents for railways, roadways, airways and shipping companies and transporters and carriers, the article and opera box office, proprietors.

- (c) To act as consultants, managers, operators, advisers, planners, valuers to and impart technical know in the field of planning construction, operation of hotels, restaurants, recreation entertainment centres and in the field of tourism industry whether in India or abroad.
- (d) To subscribe for, acquire, hold, sell and otherwise deal in shares, stock, debentures, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any Company (body corporate or undertaking) of whatever nature and wheresoever constituted or carrying on business in shares, stocks, debentures, debenture stock, bonds, mortgages, obligations and other securities issued or guaranteed by any government, sovereign, ruler, commissioners, trust, municipal, local or other authority or body of whatever nature, whether in India or elsewhere.
- (iii) AHL is presently engaged in three segmented businesses and runs and operates three distinct hotel undertakings. The three undertakings of AHL are as follows:
- (a) the hotel undertaking at Delhi ("Delhi Undertaking");
- (b) the hotel undertaking at Kolkata, together with its investments ("Kolkata Undertaking"); and
- (c) the hotel undertaking at Mumbai, together with its investments ("Mumbai Undertaking").
- (iv) The equity shares of AHL are listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited.

#### 1.1.2. Chillwinds Hotels Limited

- (i) Chillwinds Hotels Limited ("Transferee Company- F") is a company incorporated under the Companies Act, 1956 and having its registered office at D-4, Qutub Hotel and Apartments, Shaheed Jeeb Singh Marg, New Delhi-16. Transferee Company-1 is a wholly owned subsidiary of the Transferor Company.
- (ii) The main objects of Transferee Company-1 are as follows:



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- (a) To acquire 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 house, warehouses, clubs, health clubs, dressing rooms, beauty saloons, , baths, laundry rooms, reading, writing and library rooms, indoor and outdoors play grounds and stadiums, swimming pool, theatre, opera and cinema houses, internet cafe, museum and art rooms, video and other fun games room, race courses, meditation centers, boating clubs, flying clubs, freezing hot-preservation and baking chambers and by consolidating or connecting or subdividing properties and by leasing hiring and disposing of same.
- (b) To carry on the business of establishing and operating of hotels, restaurants, inns, resorts, cinema, cafe, tavern, beerhouse, bars, business and commercial centers, 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 dairymen, 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, hotelware, 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.
- (c) To act as consultants, managers, trainers, operators, advisers, 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.

Certified to be True (a) To deal 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

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Company-II, respectively, through a scheme of arrangement and demerger.

1.1.5 The restructuring would result in enhancement of shareholder value, leading to operational efficiencies and synergies and enable each of the three promoter groups to vigorously pursue growth and acquisition opportunities for AHL Residual and the two resultant transferee companies.

1.1.6 The demerger, transfer and vesting of the Mumbai Undertaking and the Kolkata Undertaking in Transferee Company-I and Transferee Company-II, respectively, in accordance with this Scheme shall take place from the Effective Date but with effect from the Appointed Date and shall be in accordance with Section 2 (19AA) of the Income Tax Act, 1961.

1.1.7 Conduct of Business Between Appointed Date and Effective Date

(i) With effect from the Appointed Date and up to the Effective Date, AHL shall carry on and shall be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all its assets on account of, and in trust for:

- (a) AHL Residual Company with respect to the business and assets pertaining to AHL Residual Undertaking,
- (b) Transferee Company-I with respect to the business and assets pertaining to Mumbai Undertaking, and
- (c) Transferee Company-II with respect to the business and assets pertaining to Kolkata Undertaking.

(ii) With effect from the Appointed Date and up to the Effective Date, all the profits or incomes accruing or arising to AHL, or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by AHL shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of:

- (a) AHL Residual Company with respect to profits or incomes pertaining to AHL Residual Undertaking and the expenditure or losses pertaining to AHL Residual Undertaking,
- (b) Transferee Company-I with respect to profits or incomes pertaining to Mumbai Undertaking and the expenditure or losses pertaining to Mumbai Undertaking, and

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- (c) Transferee Company-II with respect to profits or incomes pertaining to Kolkata Undertaking and the expenditure or losses pertaining to Kolkata Undertaking.
- (iii) AHL shall carry on the businesses pertaining to AHL Residual Undertaking, Mumbai Undertaking and Kolkata Undertaking with reasonable diligence and in the same manner as it had been doing hitherto.
- (iv) All debts, liabilities, duties and obligations which arise or accrue on or after the Appointed Date with respect to any of AHL Residual Undertaking or Mumbai Undertaking or Kolkata Undertaking, shall be deemed to be the debts, liabilities, duties and obligations of AHL Residual Undertaking or Mumbai Undertaking or Kolkata Undertaking, as the case may be, whether or not provided in the books of account of AHL.
- (v) Before the Appointed Date, AHL shall receive the share application money aggregating to Rs. 3,11,00,00,400/- from Fineline Holdings Limited or its nominees and/or associates for subscription of 57,59,260 FCPS in AHL and the share application money aggregating to Rs. 29,99,99,700/- from Global Operations Pte Ltd. or its nominees and/or associates, for subscription of 5,55,555 FCPS in AHL and then AHL shall issue and allot the requisite number of FCPS to Fineline Holdings Limited or its nominees and/or associates and Global Operations Pte Ltd. or its nominees and/or associates, respectively, prior to the Effective Date only in accordance with Clause 5.3 hereof, which will be deemed to have been allotted as of the Appointed Date. Such allotment would relate back to the Appointed Date and the allocation of FCPS, preference share capital and related securities premium account would be deemed to have been allocated as of the Appointed Date.

1.2 Definitions & Interpretations

1.2.1 In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meanings as set out hereinbelow:

"Act" means the Companies Act, 1956 (1 of 1956), the rules and regulations made thereunder and will include any statutory modifications or re-enactment thereof.

"AHL" has the meaning assigned to it in Clause 1.1.1(i) above.

"AHL Residual Company/ AHL Residual/ AHL Residual Undertaking" is the term used to refer to the residual AHL, as would emerge immediately after the transfer and vesting of the Mumbai Undertaking and the Kolkata Undertaking in Transferee Company-I and Transferee Company-II, respectively, including



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99,00,000 1% non-convertible redeemable preference shares of Rs. 10/- each issued in AHL at a premium of Rs. 80/- per share, for the aggregate value of Rs. 89,10,00,000/- and such residual company shall have the obligation to pay dividends and redeem such preference shares.

"Appointed Date" means October 31, 2009.

"Board of Directors" in relation to each of AHL, Transferee Company-I and Transferee Company-II, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.

"Effective Date" has the meaning assigned to it in Clause 6.12 hereof.

"High Court" mean the Hon'ble High Court of Delhi at New Delhi.

"Kolkata Undertaking" means and includes the following:

- (a) all assets whether movable or immovable, tangible or intangible, including all rights, title, interest, covenant, undertakings, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or moveable, and whether leased or otherwise, including inventory and work in progress, together with all present and future liability including contingent liabilities and debts appertaining thereto, of AHL all of which relate to the Kolkata Undertaking;

For the purpose of identification, the immovable properties of the Kolkata Undertaking are more fully set out in Schedule I hereof;

- (b) all investments (including the shares held in G.J.S. Hotels Limited and Regency Convention Centre and Hotels Limited), loans and advances (including accrued interest thereon, along with advances for purchase of certain shares of Regency Convention Centre and Hotels Limited from other shareholders thereof, and provisions against such advances) of AHL appertaining to the Kolkata Undertaking;
- (c) all debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, pertaining to the Kolkata Undertaking;
- (d) all permits, quotas, rights, entitlements, licenses, approvals, consents, tenancies, offices and depots, trademarks,



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copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses, easements, powers and facilities of every kind and description whatsoever appertaining to the Kolkata Undertaking.

- (e) all employees and contract labour engaged in the Kolkata Undertaking at their respective offices, branches, depots, shops at their current terms and conditions; and
- (f) cash in bank of a minimum of Rs. 251 Crores and all earnest monies and/or security deposits, payment against warrants or other entitlements in connection with or relating to the Kolkata Undertaking.

"Mumbai Undertaking" means and includes the following:

- (a) all assets whether movable or immovable, tangible or intangible, including all rights, title, interest, covenant, undertakings including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or moveable, and whether leased or otherwise, including inventory and work in progress, together with all present and future liability including contingent liabilities and debts appertaining thereto, of AHL all of which relate to the Mumbai Undertaking.

For the purpose of identification, the immovable properties of the Mumbai Undertaking are more fully set out in Schedule II hereof;

- (b) all investments (including investments in Aria Consultancy Services India Private Limited), loans and advances, including accrued interest thereon, of AHL appertaining to the Mumbai Undertaking, including deposits/ advances paid towards acquisition of immovable property in Bangalore;
- (c) 99,00,000 1% non-convertible redeemable preference shares of Rs. 10/- each issued at a premium of Rs. 30/- per share, for the aggregate value of Rs. 82,10,00,000/- together with the obligation to pay dividends and redeem the said preference shares;
- (d) all debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, pertaining to the Mumbai Undertaking (including debts).

\* Name being changed to "Aria Hotels and Consultancy Services Private Limited". All corporate records required for change of name have been compiled and requisite forms and applications are being filed with the Registrar of Companies for approval of change in name.



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borrowings and liabilities incurred in relation to Aria Consultancy Services India Private Limited);

- (e) all permits, quotas, rights, entitlements, licenses, approvals, consents, tenancies, offices and depots, trademarks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses, easements, powers and facilities of every kind and description whatsoever appertaining to the Mumbai Undertaking;
- (f) all employees and contract labour engaged in the Mumbai Undertaking at their respective offices, branches, depots, shops at their current terms and conditions; and
- (g) all earnest monies and/or security deposits, payment against warrants or other entitlements in connection with or relating to the Mumbai Undertaking.

"NCLT" has the meaning assigned to it in Clause 1.2.3 hereof.

"Record Date" has the meaning assigned to it in Clause 5.4.1 hereof.

"Scheme" means this Scheme of Arrangement and Demerger in its present form, with or without modifications, as may be approved for sanction by the Hon'ble High Court.

"Transferee Company-I" has the meaning assigned to it in Clause 1.1.2(i) above.

"Transferee Company-II" has the meaning assigned to it in Clause 1.1.3(i) above.

1.2.2 Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.

1.2.3 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Hon'ble High Court in this Scheme, the reference would include, if appropriate, reference to



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the National Company Law Tribunal ("NCLT") or such other forum or authority, as may be vested with any of the powers of a High Court under the Act.

1.2.4 The SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("DIP Guidelines") issued by the Securities and Exchange Board of India ("SEBI") have been rescinded and replaced by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") notified on August 26, 2009, circular no. SEBI/CFD/SCRR/01/2009/03/09, dated September 3, 2009 issued by the SEBI and certain other notifications issued by the SEBI. Therefore, all references to DIP Guidelines, wherever appearing in the Scheme, shall now be substituted by the corresponding provisions of the ICDR Regulations and/ or the applicable SEBI circulars/ notifications and shall be construed in the context and reference to the ICDR Regulations.

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**PART-II**

**2. SHARE CAPITAL**

**2.1 AHL**

The capital structure of AHL, as on 1<sup>st</sup> September, 2007 is as under:

Authorized Share Capital	Amount in Rupees
4,00,00,000 equity shares of Rs. 10/- each	40,00,00,000
3,00,00,000 preference shares of Rs. 10/- each	30,00,00,000
Total	70,00,00,000
Issued and Subscribed share capital	Amount in Rupees
2,28,03,564 equity shares of Rs. 10/- each	22,80,35,640
2,00,00,000 1% non-convertible redeemable preference shares of Rs. 10/- each	20,00,00,000
Total	42,80,35,640
Paid-up Share Capital	Amount in Rupees
2,28,03,564 equity shares of Rs. 10/- each	22,80,35,640
1,00,00,000 1% non-convertible redeemable preference shares of Rs. 10/- each	10,00,00,000
Total	32,80,35,640
Share Application Money - received from Magus Estates & Hotels Private Limited - in respect of 1,00,00,000 1% non-convertible redeemable preference shares of Rs. 10/- each, including securities premium of Rs. 80/- per share	90,00,00,000

Note: The share application money in respect of 1,00,00,000/- 1% non-convertible redeemable preference shares of Rs. 10/- each, has been received and shares have been allotted, and accordingly, the 'Paid Up Share Capital' and the 'Issued and Subscribed Share Capital' are identical.

**2.2 Transferee Company-I**

The capital structure of Transferee Company-I, as on June 30, 2007 is as under:



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<b>Authorized Share Capital</b>	<b>Amount in Rupees</b>
50,000 equity shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>

<b>Issued and Subscribed and Paid-up share capital</b>	<b>Amount in Rupees</b>
50,000 equity shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>

2.3 Transferee Company-II

The capital structure of Transferee Company-II, as on June 30, 2007 is as under:

<b>Authorized Share Capital</b>	<b>Amount in Rupees</b>
50,000 equity shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>

<b>Issued and Subscribed and Paid-up share capital</b>	<b>Amount in Rupees</b>
50,000 equity shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>



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PART-III

3. DEMERGER, TRANSFER AND VESTING OF THE MUMBAI UNDERTAKING IN TRANSFEREE COMPANY-I

3.1 Upon this Scheme becoming effective, the Mumbai Undertaking shall stand demerged from AHL and be vested in Transferee Company-I, without any further deed or act, together with all properties, assets, rights, benefits and interest therein, subject to existing charges or *lis pendens*, if any thereon, in favour of banks and financial institutions, with effect from the Appointed Date.

3.2 Without prejudice to the generality of the foregoing, upon the Scheme becoming effective with effect from the Appointed Date:

- (i) any and all assets relating to the Mumbai Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme shall stand transferred and vested by AHL to Transferee Company-I and shall become the property and an integral part of Transferee Company-I. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery and possession or negotiation and endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties (including shares and other investments, which are in dematerialised form) upon its transfer and vesting in Transferee Company-I;
- (ii) any and all movable properties of AHL relating to the Mumbai Undertaking, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of Transferee Company-I;
- (iii) any and all immovable properties (including land together with the buildings and structures standing thereon) of AHL relating to the Mumbai Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in Transferee Company-I, without any act or deed done by AHL or Transferee Company-I. Schedule II sets out the immovable properties pertaining to the Mumbai Undertaking.



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With effect from the Effective Date, Transferee Company-I shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of Transferee Company-I shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective with effect from the Appointed Date, in accordance with the terms hereof without any further act or deed on part of Transferee Company -I (save and except for filing the sanction order relating to the Scheme with the Registrar of Companies, NCT of Delhi and Haryana);

- (iv) any and all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not or disclosed in the books of accounts of AHL relating to the Mumbai Undertaking, including those relating to EPCG licenses relating to the Mumbai Undertaking, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company-I and Transferee Company-I undertakes to meet, discharge and satisfy the same.

It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

- (v) any and all contracts, agreements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements and other instruments of whatsoever nature in relation to the Mumbai Undertaking, to which AHL is a party or to the benefit of which, the Mumbai Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect, on or against or in favour of Transferee Company-I and may be enforced as fully and effectually as if, instead of AHL, Transferee Company-I had been a party or beneficiary or obligee thereto.

All contractors engaged by AHL for use of contract labourers in relation to the Mumbai Undertaking, shall be deemed to have been engaged by Transferee Company-I in the same manner as other contractual arrangements referred above;



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(vi) all permits, no objection certificates, permission, approvals, consents, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Mumbai Undertaking to which AHL is a party or to the benefit of which AHL may be eligible and which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in Transferee Company-I without any further act or deed done by AHL and Transferee Company-I and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Transferee Company-I upon the vesting and transfer of the Mumbai Undertaking pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of the Transferee Company-I, and may be enforced by Transferee Company-I as fully and effectually as if, instead of AHL, Transferee Company-I had been the original party or beneficiary or obligee thereto;

Upon the Scheme becoming effective, with effect from the Appointed Date, any such statutory and regulatory no-objection certificates, licenses, permissions, consents, approvals, authorisations or registrations, as are jointly held for the Mumbai Undertaking and the AHL Residual Undertaking, including the statutory licenses, permissions or approvals or consents required to carry on the operations in the AHL Residual Undertaking, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, pursuant to the filing of this Scheme as sanctioned by the Hon'ble High Court, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in Transferee Company-I without hindrance or let from the Effective Date.

The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Mumbai Undertaking shall vest in and become available to Transferee Company-I pursuant to the Scheme;

(vii) all permanent employees of AHL, engaged in or in relation to the Mumbai Undertaking shall be engaged by Transferee Company-I, with the benefit of continuity of service and on such terms and conditions, as are no less favourable than those on which they are currently engaged by AHL.



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With regard to provident fund, gratuity fund, superannuation fund or any other special fund or any other special scheme created or existing for the benefit of such employees of AHL, upon the Scheme becoming effective, the existing amounts, whether held by way of cash and/or investments, in the gratuity fund, provident fund and superannuation fund trusts, if any, created by AHL for its employees including employees of the Mumbai Undertaking shall be pro rata transferred to the gratuity fund, provident fund and superannuation fund schemes carried on by Transferee Company-I on the same terms and conditions in relation to the employees of AHL being transferred to Transferee Company-I. With effect from the Effective Date, Transferee Company-I shall make the necessary contributions for such transferred employees of AHL in relation to the existing gratuity fund, superannuation fund, provident fund benefits and benefits under any other special fund or scheme. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Mumbai Undertaking in relation to such schemes or funds shall become those of Transferee Company-I. It is clarified that the services of all transferred employees of AHL, to Transferee Company-I will be treated as having been continuous for the purpose of the aforesaid schemes or funds.

Transferee Company-I agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the permanent employees engaged in the Mumbai Undertaking, the past services of such employees with AHL shall also be taken into account and agrees and undertakes to pay the same as and when payable. Transferee Company-I shall continue to abide by any agreement(s)/ settlement(s) entered into with any labour unions/employees by AHL in relation to the Mumbai Undertaking;

(viii) Transferee Company-I shall bear the burden and enjoy the benefits of any legal or other proceedings relating to or in connection with the Mumbai Undertaking, initiated by or against AHL. If any suit, appeal or other proceedings relating to the Mumbai Undertaking, of whatsoever nature by or against AHL be pending, the same shall not abate, be discontinued or in anyway be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against Transferee Company-I in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against AHL, as if this Scheme had not been made. Transferee Company-I undertakes to have such legal or other proceedings relating to or in connection with the Mumbai Undertaking, initiated by or against AHL, transferred in its name and to have the same continued, prosecuted and



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enforced by or against Transferee Company-I to the exclusion of AHL. Transferee Company-I also undertakes to deal with all legal or other proceedings, which may be initiated by or against the Mumbai Undertaking or Transferee Company-I after the Effective Date, but relating to the Mumbai Undertaking, in respect of the period up to the Effective Date, in its own name and account and to the extent possible, to the exclusion of AHL. Transferee Company-I further undertakes to pay all amounts including interest, penalties, damages, etc., which may be called upon to be paid or secured in respect of any liability or obligation relating to the Mumbai Undertaking for the period up to the Effective Date. Any reasonable costs incurred by AHL, in respect of the proceedings started by or against it relating to the Mumbai Undertaking and for the period from the Appointed Date, up to the Effective Date shall be reimbursed by Transferee Company-I, upon submission of necessary evidence of having incurred such costs by AHL to Transferee Company-I; and

(ix) all taxes, duties, cess payable by AHL relating to the Mumbai Undertaking for the period after the Appointed Date including all or any refunds/credit/claims relating thereto shall be treated as the liability or refunds/credit/claims, as the case may be, of Transferee Company-I, provided however that any direct and indirect taxes that cannot specifically be earmarked as the liability or refunds/credit/claims relating to the Mumbai Undertaking shall continue to be borne by the AHL Residual Undertaking.

3.3 The AHL Residual Undertaking and Transferee Company-I, as the case may be, shall at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or novation other writings or arrangements with any party to any contract or arrangement in relation to the Mumbai Undertaking to which AHL is a party as may be required to formalise the effectiveness of the Scheme. Provided however that execution of any confirmation or novation or other writings or arrangements shall in no event postpone the giving effect to the Scheme from the Appointed Date. Transferee Company-I shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of AHL and to carry out or perform all such formalities or compliances referred to above on part of AHL.

3.4 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, sales tax remissions, tax holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Hon'ble High Court in Transferee Company-I, Transferee Company-I shall file the relevant intimations, for the record of the statutory authorities who shall take them on file



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to mutate them in the name of Transferee Company-I without any further act or deed, provided however that for statistical purpose if any application has to be lodged with details of Transferee Company-I, Transferee Company-I shall do so and relevant statutory/ competent authorities shall continue the benefit of such permissions, approvals, permits, etc. to be provided to Transferee Company-I pursuant to the sanction order in relation to this Scheme without any reconsideration.

3.5 For the purpose of giving effect to the vesting order passed under Sections 391, 394 and other applicable provisions of the Act, in respect of this Scheme, Transferee Company-I shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the legal right(s) upon the vesting of such assets of the Mumbai Undertaking in accordance with the provisions of Sections 391, 394 and other applicable provisions of the Act. AHL and Transferee Company-I shall jointly and severally be authorised to execute any writings as are required to remove any difficulties and carry out any formalities or compliance for the implementation of this Scheme.

3.6 Conduct of business

3.6.1 With effect from the Effective Date, Transferee Company-I shall commence and carry on and shall be authorized to carry on the business of the Mumbai Undertaking, carried on by AHL.

3.6.2 Transferee Company-I unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Mumbai Undertaking with effect from the Effective Date, in order to give effect to the foregoing provisions.

3.6.3 With effect from the Appointed Date and until occurrence of the Effective Date, the business of AHL pertaining to Mumbai Undertaking shall be carried on in the manner provided in Clause 1.1.7 hereof.

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4. **DEMERGER, TRANSFER AND VESTING OF THE KOLKATA UNDERTAKING IN TRANSFeree COMPANY-II**

4.1 Upon this Scheme becoming effective, the Kolkata Undertaking shall stand demerged from AHL and be vested in Transferee Company-II, without any further deed or act, together with all properties, assets, rights, benefits and interest therein, subject to existing charges or *lis pendens*, if any thereon, in favour of banks and financial institutions with effect from the Appointed Date.

4.2 Without prejudice to the generality of the foregoing, upon the Scheme becoming effective with effect from the Appointed Date:

(i) any and all assets relating to the Kolkata Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme shall stand transferred and vested by AHL to Transferee Company-II and shall become the property and an integral part of Transferee Company-II. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery and possession or negotiation and endorsement as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties (including shares and other investments, which are in dematerialised form) upon its transfer and vesting in Transferee Company-II;

(ii) any and all movable properties of AHL relating to the Kolkata Undertaking, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of Transferee Company-II;

(iii) any and all immovable properties (including land together with the buildings and structures standing thereon) of AHL relating to the Kolkata Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in Transferee Company-II, without any act or deed done by



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AHL or Transferee Company-II. Schedule I sets out the immovable properties pertaining to the Kolkata Undertaking. With effect from the Effective Date, Transferee Company-II shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties and transfer of the leasehold and other rights therein, as applicable, in the name of Transferee Company-II shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective with effect from the Appointed Date, in accordance with the terms hereof without any further act or deed on part of Transferee Company-II (save and except for filing the sanction order relating to the Scheme with the Registrar of Companies, NCT of Delhi and Haryana);

- (iv) any and all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not or disclosed in the books of accounts of AHL relating to the Kolkata Undertaking, including those relating to EPCG licenses relating to the Kolkata Undertaking, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company-II and Transferee Company-II undertakes to meet, discharge and satisfy the same.

It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

- (v) any and all contracts, agreements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements and other instruments of whatsoever nature in relation to the Kolkata Undertaking, to which AHL is a party or to the benefit of which, the Kolkata Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect, on or against or in favour of Transferee Company-II and may be enforced as fully and effectually as if, instead of AHL, Transferee Company-II had been a party or beneficiary or obligee thereto.

All contractors engaged by AHL for use of contract labourers in relation to the Kolkata Undertaking, shall be deemed to



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have been engaged by Transferee Company-II in the same manner as other contractual arrangements referred above;

- (vi) all permits, no objection certificates, permission, approvals, consents quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Kolkata Undertaking to which AHL is a party or to the benefit of which AHL may be eligible and which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in Transferee Company-II without any further act or deed done by AHL and Transferee Company-II and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Transferee Company-II upon the vesting and transfer of the Kolkata Undertaking pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of the Transferee Company-II, and may be enforced by Transferee Company-II as fully and effectually as if, instead of AHL, Transferee Company-II had been the original party or beneficiary or obligee thereto;

Upon the Scheme becoming effective, with effect from the Appointed Date, any such statutory and regulatory no-objection certificates, licenses, permissions, consents, approvals, authorisations or registrations, as are jointly held for the Kolkata Undertaking and the AHL Residual Undertaking, including the statutory licenses, permissions or approvals or consents required to carry on the operations in the AHL Residual Undertaking, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, pursuant to the filing of this Scheme as sanctioned by the Hon'ble High Court, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in Transferee Company-II without hindrance or let from the Effective Date.

The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Kolkata Undertaking shall vest in and become available to Transferee Company-II pursuant to the Scheme;

- (vii) all permanent employees of AHL, engaged in or in relation to the Kolkata Undertaking shall be engaged by Transferee Company-II, with the benefit of continuity of service and on



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such terms and conditions, as are no less favourable than those on which they are currently engaged by AHL.

With regard to gratuity fund, provident fund and superannuation fund or any other special fund or any other special scheme created or existing for the benefit of such employees of AHL, upon the Scheme becoming effective, the existing amounts, whether held by way of cash and/or investments, in the gratuity fund, provident fund and superannuation fund trusts created by AHL for its employees including employees of the Kolkata Undertaking shall be pro rata transferred to the gratuity fund, provident fund and superannuation fund schemes carried on by Transferee Company-II on the same terms and conditions in relation to the employees of AHL being transferred to Transferee Company-II. With effect from the Effective Date, Transferee Company-II shall make the necessary contributions for such transferred employees of AHL in relation to the existing gratuity fund, superannuation fund, provident fund benefits and benefits under any other special fund or scheme. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Kolkata Undertaking in relation to such schemes or funds shall become those of Transferee Company-II. It is clarified that the services of all transferred employees of AHL, to Transferee Company-II will be treated as having been continuous for the purpose of the aforesaid schemes or funds.

Transferee Company-II agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the permanent employees engaged in the Kolkata Undertaking, the past services of such employees with AHL shall also be taken into account and agrees and undertakes to pay the same as and when payable. Transferee Company-II shall continue to abide by any agreement(s)/ settlement(s) entered into with any labour unions/employees by AHL in relation to the Kolkata Undertaking;

(viii) Transferee Company-II shall bear the burden and enjoy the benefits of any legal or other proceedings relating to or in connection with the Kolkata Undertaking, initiated by or against AHL. If any suit, appeal or other proceedings relating to the Kolkata Undertaking, of whatsoever nature by or against AHL be pending, the same shall not abate, be discontinued or in anyway be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against Transferee Company-II in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or



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against AHL, as if this Scheme had not been made. Transferee Company-II undertakes to have such legal or other proceedings relating to or in connection with the Kolkata Undertaking, initiated by or against AHL, transferred in its name and to have the same continued, prosecuted and enforced by or against Transferee Company-II to the exclusion of AHL. Transferee Company-II also undertakes to deal with all legal or other proceedings, which may be initiated by or against the Kolkata Undertaking or Transferee Company-II after the Effective Date, but relating to the Kolkata Undertaking, in respect of the period up to the Effective Date, in its own name and account and to the extent possible, to the exclusion of AHL. Transferee Company-II further undertakes to pay all amounts including interest, penalties, damages, etc., which may be called upon to be paid or secured in respect of any liability or obligation relating to the Kolkata Undertaking for the period up to the Effective Date. Any reasonable costs incurred by AHL, in respect of the proceedings started by or against it relating to the Kolkata Undertaking and for the period from the Appointed Date, up to the Effective Date shall be reimbursed by Transferee Company-II, upon submission of necessary evidence of having incurred such costs by AHL to Transferee Company-II; and

- (ix) all taxes, duties, cess payable by AHL relating to the Kolkata Undertaking for the period after the Appointed Date including all or any refunds/credit/claims relating thereto shall be treated as the liability or refunds/credit/claims, as the case may be, of Transferee Company-II, provided however that any direct and indirect taxes that cannot specifically be earmarked as the liability or refunds/credit/claims relating to the Kolkata Undertaking shall continue to be borne by the AHL Residual Undertaking.

4.3 The AHL Residual Undertaking and Transferee Company-II, as the case may be, shall at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or novation other writings or arrangements with any party to any contract or arrangement in relation to the Kolkata Undertaking to which AHL is a party as may be required to formalise the effectiveness of the Scheme. Provided however that execution of any confirmation or novation or other writings or arrangements shall in no event postpone the giving effect to the Scheme from the Appointed Date. Transferee Company-II shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of AHL and to carry out or perform all such formalities or compliances referred to above on part of AHL.



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Examiner of Hotel Department  
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4.4 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, sales tax remissions, tax holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Hon'ble High Court in Transferee Company-II, Transferee Company-II shall file the relevant intimations, for the record of the statutory authorities who shall take them on file to mutate them in the name of Transferee Company-II without any further act or deed, provided however that for statistical purpose if any application has to be lodged with details of Transferee Company-II, Transferee Company-II shall do so and relevant statutory/ competent authorities shall continue the benefit of such permissions, approvals, permits, etc. to be provided to Transferee Company-II pursuant to the sanction order in relation to this Scheme without any reconsideration.

4.5 For the purpose of giving effect to the vesting order passed under Sections 391, 394 and other applicable provisions of the Act in respect of this Scheme, Transferee Company-II shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the legal right(s) upon the vesting of such assets of the Kolkata Undertaking in accordance with the provisions of Sections 391, 394 and other applicable provisions of the Act. AHL and Transferee Company-II shall jointly and severally be authorised to execute any writings as are required to remove any difficulties and carry out any formalities or compliance for the implementation of this Scheme.

4.6 Conduct of business

4.6.1 With effect from the Effective Date, Transferee Company-II shall commence and carry on and shall be authorized to carry on the business of the Kolkata Undertaking, carried on by AHL.

4.6.2 Transferee Company-II unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Kolkata Undertaking with effect from the Effective Date, in order to give effect to the foregoing provisions.

4.6.3 With effect from the Appointed Date and until occurrence of the Effective Date, the business of AHL pertaining to Kolkata Undertaking shall be carried on in the manner provided in Clause 1.1.7 hereof.



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PART-V

5. ENTITLEMENT OF MEMBERS OF AHL; INCREASE IN THE AUTHORISED CAPITAL OF TRANSFEREE COMPANY-I AND TRANSFEREE COMPANY-II, ACCOUNTING TREATMENT, AND MATTERS RELATING TO SHARE CAPITAL ETC.

5.1 Increase in authorized share capital of Transferee Company-I

5.1.1 Upon this Scheme coming into effect and with effect from the Effective Date, the authorized share capital of Transferee Company-I of Rs. 5,00,000/- divided into 50,000 equity shares of Rs. 10/- each, in terms of Clause V of its Memorandum of Association shall stand enhanced to an amount of Rs. 14,00,00,000/- towards equity shares of Rs. 10/- each, and an amount of Rs. 11,00,00,000/- towards preference shares of Rs. 10/- each.

5.1.2 Accordingly, the words and figures in Clause V of the Memorandum of Association of Transferee Company-I shall stand modified and be substituted to read as follows:

*"The Authorized Share Capital of the Company is Rs. 25,00,00,000/- divided into 1,40,00,000 equity shares of Rs. 10/- each, and 1,10,00,000 preference shares of Rs. 10/- each."*

5.1.3 It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of Transferee Company-I to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 16, Section 81, Section 94 or any other applicable provisions of the Act, would required to be separately passed by Transferee Company-I.

5.1.4 In the event of any fees being required to be paid for increase in the authorized share capital of Transferee Company-I, Transferee Company-I is permitted to make such payments between the date of pronouncement of the sanction order in relation to this Scheme from the High Court and lodgment thereof with the Registrar of Companies, NCT of Delhi and Haryana.

5.2 Increase in authorized share capital of Transferee Company-II

5.2.1 Upon this Scheme coming into effect and with effect from the Effective Date, the authorized share capital of Transferee Company-II of Rs. 5,00,000/- divided into 50,000 equity shares of Rs. 10/- each, in terms of Clause V of its Memorandum of Association shall stand enhanced to an amount of Rs. 14,00,00,000/- towards equity



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of The Registrar of Companies, NCT of Delhi

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shares of Rs. 10/- each, and an amount of Rs. 1,00,00,000/- towards preference shares of Rs. 10/- each.

5.2.2 Accordingly, the words and figures in Clause V of the Memorandum of Association of Transferee Company-II shall stand modified and be substituted to read as follows:

*"The Authorized Share Capital of the Company is Rs.15,00,00,000/- divided into 1,40,00,000 equity shares of Rs. 10/- each, and 10,00,000 preference shares of Rs. 10/- each."*

5.2.3 It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of Transferee Company-II to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 16, Section 81, Section 94 or any other applicable provisions of the Act, would be required to be separately passed by Transferee Company-II.

5.2.4 In the event of any fees being required to be paid for increase in the authorized share capital of Transferee Company-II, Transferee Company-II is permitted to make such payments between the date of pronouncement of the sanction order in relation to this Scheme from the High Court and lodgment thereof with the Registrar of Companies, NCT of Delhi and Haryana.

### 5.3 Raising of additional capital in AHL

5.3.1 Consent of the shareholders of AHL shall be deemed to be sufficient authority for the issuance of 63,14,815 1% fully convertible preference shares of Rs. 10/- each ("FCPS") at a premium of Rs. 530/- per preference share, i.e. at an issue price of Rs.540/- each by AHL for an aggregate amount of Rs.3,41,00,00,100/-, within 15 days after the receipt of the formal drawn up and sanction order in Form 42 of the Companies (Court) Rules, 1959 of the High Court in relation to the Scheme (as amended by the present amendment).

The objects of the aforesaid issue on preferential allotment basis are to facilitate the trifurcation of AHL as envisaged in this Scheme. The proceeds of the above issue may be allocated, for the purposes of utilization, by the Board of Directors of AHL, to the respective undertakings as per the expansion/financial plans of the three undertakings or otherwise.

The FCPS shall be convertible, in one or more tranches, into equity shares of face value of Rs. 10 each of the respective companies, i.e. AHL Residual Company, Transferee Company - I, or Transferee Company - II, as the case may be (based on allocation of FCPS in terms of the Scheme), any time during the period commencing seven months after the commencement of the trading of the equity shares of the respective companies by the Bombay Stock Exchange, being



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Examiner for the Department  
of The Insolvency and Liquidation Act

the designated stock exchange, and ending on the expiry of eighteen months from the date of issuance thereof, as may be decided by the respective subscribers to the FCPS from time to time. In the event any subscriber does not exercise the option to convert the FCPS into equity shares within the aforementioned period, the FCPS held by such subscriber would compulsorily get converted into equity shares at the end of eighteen months period from the date of issuance thereof.

The relevant date for the purposes of conversion of FCPS shall be a date 30 days prior to the date on which the holder of the FCPS becomes entitled to apply for conversion as above.

The FCPS shall be converted by AHL Residual, Transferee Company-I and Transferee Company-II into their respective equity shares at a price calculated in accordance with the formula prescribed in Clause 13.1.1.1 of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("DIP Guidelines").

The FCPS referred to above shall be issued as follows:

- (i) 57,59,260 FCPS for an aggregate value of Rs. 3,11,00,00,400/- shall be issued by AHL to Fineline Holdings Limited, a company incorporated under the laws of Mauritius and having its registered office at 1<sup>st</sup> Floor, Manor House, Cnr St. George/Chazal Streets, Port Louis, Mauritius. It is a foreign corporate body wholly owned by the Jatia group, one of the promoter groups of AHL.

The said 57,59,260 FCPS may be issued either to Fineline Holdings Limited or its nominees and/or associates. Hence, all references in this Scheme relating to and in connection with issuance of the said FCPS to Fineline Holdings Limited or the subscription of the said FCPS by Fineline Holdings Limited shall be construed accordingly.

- (ii) 5,55,555 FCPS for an aggregate value of Rs. 29,99,99,700/- shall be issued by AHL to an independent private equity investor, namely Global Operations Pte. Ltd., a company incorporated under the laws of Singapore, having its registered office at 17, Philip Street # 05-01, Grand Building, Singapore 048695, or its nominees and/or associates, who are not promoters or persons acting in concert with the promoters, directly or indirectly.

While carrying out the share allotment in accordance with this Scheme, AHL shall not be required to reserve any shares in respect of the FCPS issued in accordance with this Clause 5.3.1.



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5.3.2 The conversion of the FCPS issued to Fineline Holdings Limited shall be subject to the condition that if the promoter equity shareholding in AHL Residual exceeds 75% of the total issued capital then the excess equity shareholding of the promoters and the persons acting in concert with them (upon conversion) in AHL Residual shall be reduced in accordance with one or more of the options presently provided in Clause 40A of the Equity Listing Agreement, including by way of private placement to dilute their shareholding or by sale of promoter shares to non-promoters and persons who are not acting in concert.

5.4 Entitlement of members of AHL to receive shares of Transferee Company-I and Transferee Company-II

5.4.1 Upon coming into effect of this Scheme and upon vesting of the Mumbai Undertaking in Transferee Company-I and Kolkata Undertaking in Transferee Company-II, AHL Residual shall determine a record date ("Record Date") being a date post filing of the sanction order of this Scheme with the Registrar of Companies, which it shall intimate to Transferee Company-I and Transferee Company-II for completion of all allotments of shares to the shareholders of AHL in accordance with this Scheme.

5.4.2 Upon coming into effect of this Scheme and upon vesting in and transfer of the Mumbai Undertaking in Transferee Company-I, and the Kolkata Undertaking in Transferee Company-II, with effect from the Appointed Date and after the appropriation of reserves as provided for in Clause 5.5.1:

(i) for every 3 equity shares of Rs. 10/- held in AHL after appropriation of reserves as provided for in Clause 5.5.1, as on the Record Date, every equity shareholder of AHL shall be entitled to receive (a) 1 equity share of face value of Rs. 10/- each of Transferee Company-I, credited as fully paid-up, (b) 1 equity share of face value of Rs. 10/- each of Transferee Company-II, credited as fully paid-up, and (c) 1 equity share of face value of Rs. 10/- each of AHL Residual Undertaking, credited as fully paid-up.

(ii) for every 1,00,00,000 1% non-convertible redeemable preference share of Rs. 10/- each held in AHL:

(a) Magus Estates and Hotels Private Limited shall be entitled to receive 1,00,000 1% non-convertible redeemable preference shares of face value of Rs. 10/- each of Transferee Company-I, credited as fully paid-up; 1,00,000 1% non-convertible redeemable preference shares of face value of Rs. 10/- each of Transferee Company-II, credited as fully paid-up; and 98,00,000 1% non-convertible redeemable preference



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shares of face value of Rs. 10/- each, credited as fully paid-up shall continue to be retained by Magus Estates and Hotels Private Limited in AHL Residual Undertaking.

(b) Infrastructure Development Finance Company Limited shall be entitled to receive 98,00,000 1% non-convertible redeemable preference shares of face value of Rs. 10/- each of Transferee Company-I, credited as fully paid-up; 1,00,000 1% non-convertible redeemable preference shares of face value of Rs. 10/- each of Transferee Company-II, credited as fully paid-up; and 1,00,000 1% non-convertible redeemable preference shares of face value of Rs. 10/- each, credited as fully paid-up shall continue to be retained by Infrastructure Development Finance Company Limited in AHL Residual Undertaking.

(iii) for 57,59,260 FCPS of an aggregate value of Rs. 311,00,00,400/- held in AHL, Fineline Holdings Limited shall be entitled to receive 18,520 FCPS of Transferee Company-I, credited as fully paid-up, the aggregate value of which is Rs. 1,00,00,800/-; 18,520 FCPS of Transferee Company-II, credited as fully paid-up, the aggregate value of which is Rs. 1,00,00,800/-; and 57,22,220 FCPS, credited as fully paid-up, the aggregate value of which is Rs. 3,08,99,98,800 shall continue to be retained by Fineline Holdings Limited in AHL Residual Undertaking.

(iv) for 5,55,555 FCPS of an aggregate value of Rs. 29,99,99,700 held in AHL, Global Operations Pte. Ltd. or its nominees and/or associates, shall be entitled to receive 9,260 FCPS of Transferee Company-I, credited as fully paid-up, the aggregate value of which is Rs. 50,00,400/-; 9,260 FCPS of Transferee Company-II, credited as fully paid-up, the aggregate value of which is Rs. 50,00,400/-; and 5,37,035 FCPS, credited as fully paid-up, the aggregate value of which is Rs. 28,99,98,900 shall continue to be retained in AHL Residual Undertaking.

5.4.3 Each shareholder of AHL shall have the option, to be exercised by way of giving a notice to Transferee Company-I and Transferee Company-II, as applicable, on or before such date as may be determined by the board of directors of Transferee Company-I and Transferee Company-II, as applicable, in this regard, to receive the shares of Transferee Company-I and Transferee Company-II, either in certificate form or in dematerialized form. It is clarified that in the event of non-receipt of the aforesaid notice or in the event of such a notice being incomplete, the shareholders of AHL who hold their shares in a dematerialized form shall be issued the shares of



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Transferee Company-I and Transferee Company-II, as may be applicable, in the dematerialized form as per the records maintained by the Depositories as on the Record Date and those who hold the shares in physical form shall be issued certificates. Wherever applicable, the certificates shall be sent by Transferee Company-I and Transferee Company-II to the shareholders of AHL at their respective registered addresses by insured post, as appearing in the register maintained by AHL with respect to its members (or in the case of joint holders to the address of that one of the joint holders whose name stands first in such registers in respect of such joint holding).

5.4.4 In the event the aforesaid allotment of shares result in fractional entitlements, the board of directors of AHL shall be empowered to nominate a committee of Board of Directors or any such person, as the Board of AHL may appoint in this behalf who shall be authorized to consolidate all such fractional entitlements of AHL equity shares into whole equity shares of AHL and seek resultant entitlements of equity shares in respect of those consolidated fractional shares from the board of directors of the AHL Residual Undertaking, Transferee Company-I and Transferee Company-II. On receipt of resultant entitlements of shares of AHL Residual Undertaking, Transferee Company-I and Transferee Company-II, such committee or such person acting as a trustee shall be bound by the express understanding to cause the sale of such equity shares at such price(s), at such time(s) and to such person(s), other than promoters and persons acting in concert with them, as the trustee may deem fit and the trustee shall deposit the net sale proceeds of such sale (after deduction therefrom the expenses incurred, if any, in connection with the sale) with the AHL Residual Undertaking, which shall be disbursed to the fractional entitlement holders, subject to withholding tax, if any.

5.4.5 The equity shares in the capital of Transferee Company-I and Transferee Company-II, issued to the shareholders of AHL, as aforesaid, shall rank *pari passu* in all respects, with the existing equity shares in Transferee Company-I and Transferee Company-II, as applicable, from the Effective Date, including payment of dividend, as applicable.

The terms and conditions of the non-convertible redeemable preference shares and FCPS to be issued by Transferee Company-I and Transferee Company-II and to be retained in AHL Residual Undertaking in accordance with Clause 5.4.2 above shall be same as those pertaining to the non-convertible redeemable preference shares and FCPS issued by AHL.

5.4.6 All shareholders of AHL whose names shall appear on the register of members of AHL as on the Record Date, shall surrender their share certificates for cancellation thereof to AHL in accordance with the



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procedure stipulated by AHL. AHL shall, on receipt of the share certificates from the shareholders, cancel the submitted share certificates and issue fresh share certificates to the shareholders for such number of shares as those shareholders are entitled to in the AHL Residual Undertaking. All such fresh share certificates shall be sent by AHL to the shareholders at their registered address as appearing in the said register of members and AHL shall not be responsible for any loss in transmission. In the event any shareholder of AHL fails to submit the share certificate(s) of AHL held by it to AHL, the said share certificate(s) of AHL shall be deemed to have been cancelled and fresh share certificate(s) shall be issued to such shareholder for such number of shares as the shareholder is entitled to in AHL Residual Undertaking. Such fresh share certificate(s) shall be sent by AHL to the shareholders at the registered address as appearing in the register of members and AHL shall not be responsible for any loss in transmission. The fresh share certificate(s) so issued to the shareholder of AHL shall be issued by AHL under a new range of distinctive numbers and the old range of distinctive numbers under which the cancelled share certificate(s) was issued shall automatically stand cancelled.

5.4.7 Share certificates in respect of the non-convertible redeemable preference shares and the FGPS issued by AHL shall stand cancelled in so far as and in respect of such number of shares, which are allocated to the Transferee Company-I or the Transferee Company-II in pursuance of this Scheme and in respect of which the Transferee Company-I and the Transferee Company-II are required to issue fresh share certificates to the respective preference shareholders.

#### 5.5 Accounting Treatment and Allocation of Reserves

5.5.1 The equity share allotment ratio stated in Clause 5.4.2 above has been determined by the Board of directors of AHL, Transferee Company-I and Transferee Company-II based on their independent judgment and taking into consideration the Capital Allocation Fairness Report provided by an independent valuer, i.e. S.S. Kothari Mehta and Company. The allocation of capital shall be deemed to be arrived at in the following manner:

- a) By appropriation of the general reserves of AHL as on the Appointed Date, to the extent of Rs.11,40,17,820/- to increase the deemed paid up equity share capital of AHL, pre-demerger, to Rs. 34,20,53,460/;
- b) The deemed increased equity share capital of AHL shall be equally allocated to the three undertakings at demerger so that each of AHL Residual Undertaking, Transferee Company-I and Transferee Company-II shall have the paid up equity share



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capital of Rs. 11,40,17,820/- each at demerger as a result of this Scheme.

- 5.5.2 Transferee Company-I shall upon this Scheme coming into effect, with effect from the Appointed Date, record the assets and liabilities of the Mumbai Undertaking vested in it pursuant to this Scheme, at their respective book values provided by the statutory auditor of AHL.
- 5.5.3 Transferee Company-II shall upon this Scheme coming into effect, with effect from the Appointed Date, record the assets and liabilities of the Kolkata Undertaking vested in it pursuant to this Scheme, at their respective book values provided by the statutory auditor of AHL.
- 5.5.4 AHL shall upon this Scheme coming into effect, with effect from the Appointed Date, record the assets and liabilities of the AHL Residual Undertaking vested in it pursuant to this Scheme, at their respective book values provided by the statutory auditor of AHL.
- 5.5.5 Upon the Scheme coming into effect, with effect from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the board of directors of Transferee Company-I, and Transferee Company-II be required to be made, the individual reserves of AHL shall be accounted for and dealt with in the books of account of AHL. Transferee Company-I and Transferee Company-II in the following manner:
- (a) The general reserve of AHL as on the Appointed Date, shall be diminished for a sum of Rs. 11,40,17,820/- to increase the deemed paid up equity share capital of AHL as on the Appointed Date.
  - (b) Subject to (a) above, all reserves, other than securities premium reserve and revaluation reserve of AHL immediately prior to the Appointed Date, shall be divided in equal proportion between AHL Residual Undertaking, Transferee Company-I and Transferee Company-II. As regards the profits generated or losses incurred between the Appointed Date and the Effective Date, the credit or debit, as the case may be, for the same shall be passed on to the respective undertaking on actual accrual basis.
  - (c) The securities premium account arising on the issue of 1,00,00,000 1% non-convertible redeemable preference shares in AHL to Infrastructure Development Finance Company Limited shall be transferred to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking in the following proportions:



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Transferee Company-I : Rs. 78,40,00,000/-  
Transferee Company-II : Rs. 80,00,000/-  
AHL Residual Undertaking: Rs. 80,00,000/-

- (d) The securities premium account arising on the issue of 1,00,00,000 1% non-convertible redeemable preference shares in AHL to Magus Estates and Hotels Private Limited shall be transferred to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking in the following proportions:

Transferee Company-I : Rs. 80,00,000/-  
Transferee Company-II : Rs. 80,00,000/-  
AHL Residual Undertaking: Rs. 78,40,00,000/-

- (e) The securities premium account arising on the issue of 57,59,260 FCPS in AHL to Fineline Holdings Limited shall be transferred to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking in the following proportions:

Transferee Company - I : Rs. 98,15,600/-  
Transferee Company - II : Rs. 98,15,600/-  
AHL Residual : Rs. 3,03,27,76,600/-

- (f) The securities premium account arising on the issue of 5,55,555 FCPS in AHL to Global Operations Pte Limited or its nominees and/or associates, shall be transferred to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking in the following proportions:

Transferee Company - I : Rs. 49,07,800/-  
Transferee Company - II : Rs. 49,07,800/-  
AHL Residual : Rs. 28,46,28,550/-

- (g) The revaluation reserves relating to the hotel land and buildings pertaining to the AHL Residual Undertaking shall be retained in AHL Residual Undertaking.

5.5.6 In each of Transferee Company-I and Transferee Company-II, the accounting shall respectively be as under:

- (a) all fixed and current assets, investments, loans and advances of the transferred undertaking will be accounted for at book value;
- (b) all liabilities taken over will be accounted for at book value;
- (c) all reserves as are allocated to them as detailed in Clause 5.5.5 above;

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- (d) the equity share capital, and preference share capital as detailed in the Scheme;
- (e) the security premium account as detailed in Clause 5.5.5 above.
- (f) the balance after deducting (b), (c), (d) and (e) from (a) shall be credited to general reserve of Transferee Company-I and Transferee Company-II, respectively.

In AHL Residual Undertaking, the loss arising from the restructuring and transfer of the Kolkata Undertaking and the Mumbai Undertaking shall be set off against revaluation reserve.

**5.6 Listing of securities**

Equity shares issued and/or deemed to be reissued pursuant to the allocation under the Scheme by Transferee Company-I, Transferee Company-II and AHL Residual, shall, subject to applicable regulations, be listed and admitted to trading, without any lock-in conditions on the National Stock Exchange, and the Bombay Stock Exchange, where the securities of AHL are listed and are admitted to trading. Transferee Company-I and Transferee Company-II shall be constituted as public companies and their authorized capital would stand substantially enhanced pursuant to this Scheme. They shall also comply with the principles of corporate governance, applicable to directors, appointment of independent directors, audit committees and other relevant provisions, prior to listing.

However, FCPS issued pursuant to Clause 5.3.1 hereof and the equity shares resulting there from shall be subject to lock-in in accordance with the provisions of Chapter XIII of the DIP Guidelines.

**5.7 Change in name**

Upon this Scheme becoming effective<sup>1</sup>:

- (i) the name of AHL shall be deemed to have been changed to "Asian Hotels (North) Limited" or "AHL (North) Limited", as may be permitted by the Registrar of Companies;
- (ii) the name of Transferee Company-I shall be deemed to have been changed to "Asian Hotels (West) Limited" or "AHL (West) Limited", as may be permitted by the Registrar of Companies; and

<sup>1</sup> The three original companies will reserve these names and such reserved names will be valid till the Effective Date of the Scheme.

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(iii) the name of Transferee Company-II shall be deemed to have been changed to "Asian Hotels (East) Limited" or "AHL (East) Limited", as may be permitted by the Registrar of Companies.

5.8 Inter-se transfer of shares amongst groups of promoters or within promoter groups during pendency of Scheme and thereafter

The shareholding of the promoters in AHL is more particularly described in Schedule III hereto. The shareholders of the Jatia Group at serial nos. 1 to 15 of Schedule III constitute a group in accordance with the provisions of Regulation 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("Takeover Code"). The shareholders of the Gupta Group at serial nos. 16 to 45 of Schedule III constitute a group in accordance with the provisions of Regulation 3(1)(e) of the Takeover Code. The shareholders of the Saraf Group at serial nos. 46 to 48 of Schedule III constitute a group in accordance with the provisions of Regulation 3(1)(e) of the Takeover Code. The cost of acquisition of the promoter shares in AHL shall be relevant for determination of the cost of acquisition of shares in Transferee Company-I and Transferee Company-II. Any inter-se transfer within or between the Jatia Group, Gupta Group and Saraf Group in any of AHL Residual, Transferee Company-I and Transferee Company-II shall constitute exempt transfers under the Takeover Code, subject to statutory filings under Regulation 3(3) and 3(4) of the Takeover Code, and other compliance requirements, if any, under the Takeover Code. The shareholding of the promoters in AHL listed in Schedule III and which have been held by qualifying promoters for more than 3 years shall be deemed to have been held for the same duration in Transferee Company-I and Transferee Company-II as these are resultant shareholdings and this recognition shall be available on the listing and/or inter-se transfer of securities of Transferee Company-I and Transferee Company-II. Statutory exemptions for inter-se transfer of promoter shareholding is deemed to be available for the shareholding of the Jatia Group, Gupta Group and Saraf Group in AHL Residual, Transferee Company-I and Transferee Company-II in relation to any transfer of shares between them.

5.9 Effect of redemption of the non-convertible redeemable preference shares in terms of issuance thereof as amended :

In the event,

- i. any of the 1,00,00,000 1% non-convertible redeemable preference shares of Rs.10/- each held in AHL by Magus Estates and Hotels Private Limited; and/or



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ii. any of the 1,00,00,000 1% non-convertible redeemable preference shares of Rs.10/- each held in AHL by Infrastructure Development Finance Company Limited

are redeemed by AHL in terms of issuance thereof as amended; at any point in time prior to this Scheme becoming effective in terms of Clause 6.12 hereof, the entitlement to receive the non-convertible redeemable preference shares to be held by Magnus Estates and Hotels Private Limited and/or Infrastructure Development Finance Company Limited, as the case may be, in Transferee Company-I, Transferee Company-II and AHL Residual Undertaking in terms of Clause 5.4.2 (ii) shall respectively stand reduced proportionately on the Effective date of the Scheme to the extent of such redemption.

Consequently, the aggregate value of non-convertible redeemable preference share capital, corresponding number of non-convertible redeemable preference shares and the value of related Securities Premium Account to be apportioned to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking, wherever referred to/occurring in this Scheme shall stand modified/reduced proportionately, as above. Similarly, Capital Redemption Reserve Account created on redemption of non-convertible redeemable preference shares in pursuance of Section 80 of the Act, shall also be apportioned to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking in proportion to the capital redeemed out of the capital allocated under Clause 5.4.2 (ii) hereof.

Similarly, appropriate adjustments shall be made in respect of redemption of non-convertible preference shares, if any, made between the Appointed Date and the Effective Date to achieve the essence of the foregoing provisions.

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and paid up equity share capital of Transferee Company-II, comprising of 50,000 equity shares of Rs. 10/- each, aggregating to Rs. 5,00,000/-, as was issued and paid up for the purposes of incorporation of Transferee Company-II and transferred to AHL Residual and its nominees by the initial promoters of Transferee Company-II, shall be cancelled. The share certificates held by AHL Residual representing the equity shares in Transferee Company-II shall be deemed to be cancelled and non-est and not tradable from and after such cancellation on the Record Date.

- 6.4 Transferee Company-I and Transferee Company-II shall not be required to add the words "and reduced" as part of their corporate name.
- 6.5 AHL, Transferee Company-I and Transferee Company-II are expressly permitted to revise their respective income tax returns and related TDS certificates and the right to claim refund, advance tax credits including MAT credit etc. upon this Scheme becoming effective and have expressly reserved the right to make such provisions in their respective income tax returns and related TDS certificates and the right to claim refund, advance tax credits including MAT credit etc. pursuant to the sanction of this Scheme.
- 6.6 In the event any lender of AHL requires satisfaction of the charge over AHL properties and recordal of a new charge with Transferee Company-I or Transferee Company-II, as the case may be, AHL and Transferee Company-I or Transferee Company-II, as the case may be, shall for good order and for statistical purposes, file appropriate forms with the Registrar of Company, NCT of Delhi and Haryana, as accompanied by the sanction order or a certified copy thereof and any deed of modification or novation executed by either AHL or Transferee Company-I or Transferee Company-II, as the case may be.
- 6.7 No stamp duty shall be payable in West Bengal and Delhi for vesting of the Kolkata Undertaking in Transferee Company-II, pursuant to this Scheme, as no stamp duty is payable in the States of West Bengal and Delhi on transfer of property through an order of the Hon'ble High Court sanctioning a scheme of arrangement under Sections 391-394 of the Act.

Furthermore, since all movable properties belonging to the Mumbai Undertaking and the Kolkata Undertaking shall be transferred by way of delivery and possession, no stamp duty shall be payable on transfer of such properties.

- 6.8 AHL, Transferee Company-I and Transferee Company-II shall, with all reasonable dispatch, make applications to the Hon'ble High Court under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and



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conducting of the meetings of the classes of their respective members and/or creditors and for sanctioning this Scheme, with such modifications as may be approved by the Hon'ble High Court.

- 6.9 Upon this Scheme being approved to by the requisite majority of the members and creditors of AHL, and of the members of Transferee Company-I and Transferee Company-II (as may be directed by the Hon'ble High Court), AHL, Transferee Company-I and Transferee Company-II shall, with all reasonable dispatch, apply to the Hon'ble High Court, for sanction of this Scheme under Sections 391 to 394 and other applicable provisions of the Act and for such other order or orders, as the said Hon'ble High Court may deem fit for carrying this Scheme into effect.
- 6.10 Upon this Scheme becoming effective, the shareholders of AHL, Transferee Company-I and Transferee Company-II shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.
- 6.11 This Scheme is conditional upon and subject to:
  - (i) The Scheme being agreed to by the respective requisite majorities of the members (either by way of a meeting or a letter of consent) and the creditors of AHL, and the members of Transferee Company-I and Transferee Company-II in accordance with Section 391-394 and other applicable provisions of the Act;
  - (ii) The vesting of the leasehold property belonging to the Koikata Undertaking shall be subject to the approval of the Government of West Bengal; and
  - (iii) The Scheme being sanctioned by the Hon'ble High Court and certified copy of the orders of the High Court sanctioning this Scheme being filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana by AHL, Transferee Company-I and Transferee Company-II, respectively.
- 6.12 This Scheme shall become effective on the date of filing of Form 42 of the Companies (Court) Rules, 1959 of the High Court in relation to the Scheme (as amended by the present amendment) along with Form 21 with the Registrar of Companies, NCT of Delhi and Haryana. Such date shall be known as the "Effective Date".
- 6.13 Each of AHL, Transferee Company-I and Transferee Company-II (acting through their Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Hon'ble High Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for



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implementing and/or carrying out this Scheme. Each of AHL, Transferee Company-I and Transferee Company-II (acting through their Board of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of the order of the Hon'ble High Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- 6.14 AHL, Transferee Company-I and Transferee Company-II shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the Hon'ble High Court or any other authority is not on terms acceptable to them.
- 6.15 All costs, charges, taxes, duties, levies and fees and all other expenses, if any, arising out of or incurred in carrying out and implementing the terms and conditions or provisions of the Scheme and incidental thereto pertaining to this Scheme shall be borne by each of AHL, Transferee Company-I and Transferee Company-II.
- 6.16 Upon coming into effect of the Scheme, the past track record of AHL relating to the Mumbai Undertaking and the Kolkata Undertaking including without limitation, the profitability, sales and service volumes and market share shall be deemed to be the track record of Transferee Company-I and Transferee Company-II, respectively, for all commercial and regulatory purposes.
- 6.17 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred with effect from the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder, except that items (h) to (l) below shall be deemed to have occurred simultaneously:
- a) Increase in the authorized share capital of Transferee Company-I;
  - b) Increase in the authorized share capital of Transferee Company-II;
  - c) Increase in the issued and paid-up equity share capital of AHL as contemplated in Clause 5.5.1;
  - d) Allocation of the deemed increased equity share capital of AHL equally to Transferee Company-I, Transferee Company-II and AHL Residual Undertaking.
  - dd) Issue and allotment of FCPS in terms of Clause 5.3.1 and their allocation in terms of Clause 5.4.2.



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- e) Demerger of the Mumbai Undertaking and transfer and vesting thereof in Transferee Company-I;
- f) Demerger of the Kolkata Undertaking and transfer and vesting thereof in Transferee Company-II;
- g) Issuance of eligibility intimation for share entitlements for fully paid-up equity shares of AHL Residual, Transferee Company-I and Transferee Company-II as are to be reissued/ issued and allotted to the equity shareholders of AHL, as on the Record Date;
- h) Cancel the original issued and paid-up share capital i.e. 50,000 equity shares of Rs. 10/- each held by AHL in both Transferee Company-I and Transferee Company-II and return the money to AHL Residual;
- i) Reissue of new share certificates for fully paid-up 1% non-convertible redeemable preference shares and ECPS of Transferee Company-I and Transferee Company-II to the preference shareholders of AHL, as applicable;
- j) Reissue of new share certificates for fully paid-up 1% non-convertible redeemable preference shares in AHL Residual for apportioned amount as per the Scheme;
- k) Reissue of new share certificates for fully paid-up ECPS in AHL Residual for apportioned amount as per the Scheme;
- l) Cancellation of the equity share certificates, non-convertible redeemable preference shares certificates and share certificates for ECPS issued by AHL prior to the Effective Date.

6.18 Upon this Scheme becoming effective, the Board of Directors of AHL Residual shall determine the Record Date, which shall be later than the Effective Date, for issue and allotment of fully paid-up equity shares to the shareholders of AHL Residual. The same shall also constitute Record Date for Transferee Company-I and Transferee Company-II. New equity shares allotted to the shareholders of AHL Residual pursuant to the Scheme shall remain frozen in the depositories system till listing/ trading permission is granted by the designated stock exchange.

6.19 On determination of the Record Date, AHL shall provide to Transferee Company-I and Transferee Company-II, the list of its shareholders, as on the Record Date who are entitled to receive fully paid-up equity shares and/or preference shares of Transferee Company-I and Transferee Company-II, in terms of this Scheme in



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order to enable Transferee Company-I and Transferee Company-II to issue and allot such fully paid-up equity shares and/ or preference shares, as applicable, to such shareholders. New equity shares allotted to the shareholders of AHL Residual in Transferee Company-I and Transferee Company-II pursuant to the Scheme shall remain frozen in the depositories system till listing/ trading permission is granted by the designated stock exchange.

6.20 The stock exchanges at which the securities of AHL are listed, being the National Stock Exchange and Bombay Stock Exchange, shall list the equity shares of both Transferee Company-I and Transferee Company-II, subject to compliance with Clause 8.3.5 of the DIP Guidelines, without either Transferee Company-I or Transferee Company-II making an initial public offer, since the requisite minimum of 25% of the paid-up share capital of each of Transferee Company-I and Transferee Company-II shall comprise of shares allotted to the public holders of shares in AHL. Accordingly, Transferee Company-I and Transferee Company-II shall be listed simultaneously on all such stock exchanges within a reasonable period of the receipt of the final order of the High Court sanctioning this Scheme, as accompanied by relevant listing applications and documents.

6.21 In case any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors and/or other persons entitled to or claiming any right to any equity shares in AHL or as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to Transferee Company-I and Transferee Company-II or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to the arbitration under the Arbitration and Conciliation Act, 1996, whose decision shall be final and binding on all concerned.

6.22 If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part.

6.23 The transfer of properties and liabilities to and the continuance of proceedings by or against Transferee Company-I and Transferee Company-II, with respect to the Mumbai Undertaking and the Kolkata Undertaking, respectively, shall not affect any transaction or proceedings already concluded by AHL on or before the Effective Date, to the end and intent that Transferee Company-I and

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Transferee Company-II accept and adopt all acts, deeds, and things done and executed by AHL in respect thereto as done and executed on behalf of itself.

6.24 AHL, Transferee Company-I and Transferee Company-II shall make necessary applications before the Hon'ble High Court for sanction of this Scheme and any dispute arising out of this Scheme shall be subject to the jurisdiction of the Court located in Delhi only.

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Schedule I

List of immovable properties pertaining to the Kolkata Undertaking

All that leasehold land measuring 6.0047 acres bearing Plot No. I in Block JA in Sector-III of Bidhannagar in the District of North 24 Parganas, Police Station Bidhannagar, Registration Office Bidhannagar.

Boundaries:

North	:	Stadium Complex and Type II Road
South	:	Stadium
East	:	Stadium
West	:	E.M. Bye Pass Road after 15 m strip of land



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**Schedule II**

**List of immovable properties pertaining to the Mumbai Undertaking**

All those pieces or parcels of land admeasuring 15,330 Sq. Mts. originally bearing C.T.S No. 47 (Part) of Village Bapnala and Survey No. 98(Part) / C.T.S No. 145 (Part) Survey No. 102 (Part) / C.T.S. No. 232 (Part) of Village Sahar and now bearing C.T.S. No. 145-B/1 of Village Sahar admeasuring 9,957.60 Sq. Mtrs and C.T.S No. 41-B/3C of Village Bapnala admeasuring 5,375.40 Sq.Mts. and aggregating to 15,333 Sq. Mts or thereabouts and bounded as herein: on or towards the North by C.T.S. No. 41 (Part), 47 (Part) and 48 of Village Bapnala; on or towards the East by C.T.S. No. 48 of Village Bapnala and Survey No. 98 (Part)/C.T.S. No. 145 (Part) of Village Sahar; on or towards the South by existing 27.45 M. wide Sahar Airport Road; and on or towards the West by proposed 13.40 M (44ft) wide D.P. Road as reflected in the sanctioned D.P.of K/East Ward.



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**of The Indian Evidence Act.**

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Schedule III

Shareholding of the promoters of AHL in AHL

M/s R.K. Jatia & Shiv Jatia Group

S.No.	Name of Holder	No. of Shares Held on 31.03.2007	%
1	Yans Enterprises (H.K.) Ltd	4960151	21.752
2	Shiv Kumar Jatia	226800	0.995
3	Archana Jatia	25900	0.114
4	Amritesh Jatia	8400	0.037
5	Shashi Jatia	29750	0.130
6	Adarsh Jatia	8400	0.037
7	Prarthana Jatia	3500	0.015
8	Subh Karan Jatia [Deceased; shares yet to be transmitted to the legal heirs]	50300	0.221
9	Subhkarun Durgadutt HUF	16450	0.072
10	Subh Karan Jatia [Deceased; shares yet to be transmitted to the legal heirs]	4000	0.018
11	Subh Karan Jatia ( shares pledged with Bank of Bahrain & Kuwait B S C) [Deceased; shares yet to be transmitted to the legal heirs]	15000	0.066
12	Ram Pyari Jatia [Deceased; shares yet to be transmitted to the legal heirs]	4200	0.018
13	Mosaic Intertrade Ltd	41659	0.183
14	More Energy India Ltd	93335	0.409
15	Hermanos Zubadi Investments Pvt Ltd	119499	0.524
	<b>TOTAL</b>	<b>5607344</b>	<b>24.590</b>

M/s Gupta Group

16	D S O Ltd	3335281	14.626
17	Chaman Lal Gupta Sons HUF	32900	0.144
18	Sushil Gupta	78100	0.342
19	Sushil Gupta	33760	0.148
20	Sushil Kumar Gupta	10240	0.045
21	Gunjan Jain	31500	0.138
22	Sushil Gupta/Vinita Gupta/Sandeep Gupta	26180	0.115
23	Brij Mohan Lal Agarwal/Nirmal Agarwal	40	0.000
24	Brij Mohan Lal Agarwal/Nirmal Agarwal	100	0.000



D. Singh

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25	Gunjan Jain/Sushil Gupta/Vinita Gupta	20300	0.089
26	S K Gupta & Son HUF	14000	0.061
27	Vinita Gupta	70140	0.308
28	Vinita Gupta	2380	0.010
29	Jyotsna Karl	2800	0.012
30	Sushil Gupta/Sandeep Gupta	2090	0.009
31	Sushil Kumar Gupta/Vinita Gupta	60	0.000
32	Sandeep Gupta	1700	0.007
33	Sandeep Gupta/Sudhir Gupta	920	0.004
34	Vinita Gupta/Sushil Gupta/Sandeep Gupta	17500	0.077
35	Asha Kiran Gupta/Satish Kumar Gupta	22500	0.099
36	Pankaj Gupta/Satish Kumar Gupta	30100	0.132
37	Sushil Gupta/Sandeep Gupta	4950	0.022
38	Sudhir Gupta	100	0.000
39	Sudhir Gupta	125900	0.552
40	Sonal Sharma / Subir Sharma	2000	0.009
41	Madhu Jain	16500	0.072
42	Nikhlesh Jain	8250	0.036
43	Anubha Jain	8250	0.036
44	Renu Arun Agarwal	33000	0.145
45	Inovoa Securities Ltd	2080	0.009
	<b>TOTAL</b>	<b>3933621</b>	<b>17.250</b>

**M/s Saraf Group**

46	Saraf Industries Ltd	2378331	10.430
47	Forex Finance Ltd	901188	3.952
48	Forex Finance Ltd	179469	0.787
	<b>TOTAL</b>	<b>3458988</b>	<b>15.169</b>


**Other Promoters\*\***

49	Vinod Subhakaran Jatia	88050	0.386
50	Prateek Jatia	22050	0.097
51	Nita Jatia	29400	0.129
52	Vidip V Jatia	8650	0.038
53	Yardley Investment & Trading Co. Pvt Ltd	54070	0.237
54	Makalu Trading Ltd	273208	1.198
55	Helmet Traders Pvt Ltd	81830	0.359
56	Superways Enterprises Pvt Ltd	22480	0.099
57	Superways Inv. & Finance Pvt Ltd	50	0.000
58	Delaware Properties Pvt Ltd	56780	0.249
59	Atishay Jatia	8400	0.037
60	Smita Jatia	14700	0.064
61	Ramesh Jatia	10430	0.046



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62	Ram Gopal Saraf	140	0.001
63	Shyam Sunder Saraf	630	0.003
TOTAL		670868	2.942

64	Asian Holdings Pvt Ltd*	824008	3.614
GRAND TOTAL		14494829	63.564

\*Asian Holdings Pvt. Ltd. is a Company in which there is joint shareholding of Promoter groups of the Company and also of Mr. Vinod Kumar Jatia and Mr. Ramesh Kumar Jatia.

\*\* These persons/ entities are not under control of the Jatia Group, Saraf Group or the Gupta Group and not persons acting in concert with them.



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High Court  
Authorized Signatory  
of The Indian Evidence Act



ANAM HOTELS LIMITED  
 CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2007

	HEAD OFFICE (ANALOGOUS)	DELHI (ANALOGOUS)	MUMBAI (ANALOGOUS)	KOLKATA (ANALOGOUS)	IN R.S. (INR.)
					TOTAL
<b>SOURCES OF FUNDS</b>					
<b>Share Capital</b>	2,000.00	-	-	-	2,000.00
<b>Reserves and Surplus</b>					
- Capital Reserve	4.23	-	-	-	4.23
- General Reserve	7,148.56	-	-	-	7,148.56
- Profit Reserve	12,982.00	-	-	-	12,982.00
- Profit in P & L A/c	22,177.29	-	-	-	22,177.29
- Other Reserves	11,899.22	-	-	-	11,899.22
	54,101.30	4,826.78	100.00	8,427.00	67,555.08
<b>NET DEBTORS TAX LIABILITY</b>	4,842.24	-	-	-	4,842.24
<b>NET DEBTORS</b>	58,943.54	4,826.78	100.00	8,427.00	72,397.32
<b>NET EQUITY</b>	2,004.24	-	-	-	2,004.24
<b>NET ASSETS</b>	60,947.78	4,826.78	100.00	8,427.00	74,301.56
<b>APPLICATION OF FUNDS</b>					
<b>Fixed Assets</b>					
- Land	-	86,618.70	24,802.36	18,840.40	1,30,261.46
- Plant & Equipment	-	5,000.00	3,907.00	3,876.00	12,783.00
- Intangible Assets	-	10,000.00	21,000.00	10,000.00	41,000.00
- Other Assets	-	1,000.00	1,000.00	1,000.00	3,000.00
	-	1,03,618.70	50,709.36	33,716.40	1,88,044.46
<b>Current Assets</b>	550	200.00	1,000.00	100.00	2,850.00
<b>Current Liabilities</b>					
- Trade Payables	-	200.00	200.00	200.00	600.00
- Other Liabilities	70.00	2,000.00	1,000.00	500.00	4,200.00
	120.00	2,200.00	1,200.00	700.00	5,220.00
<b>NET CURRENT ASSETS</b>	1,730.00	2,000.00	1,200.00	100.00	5,030.00
<b>NET ASSETS</b>	62,677.78	7,026.78	1,200.00	33,816.40	1,03,720.96
<b>NET EQUITY</b>	2,004.24	-	-	-	2,004.24
<b>NET DEBTORS</b>	60,673.54	7,026.78	1,200.00	33,816.40	1,01,716.72

1. The Consolidated Balance Sheet as at 31st MARCH 2007 of Anam Hotels Limited has been prepared on the basis of the financial statements of Anam Hotels Limited and its subsidiaries as audited by the Audit Committee and approved and recommended by the Corporate Accounting Committee in their reports dated 12th July, 2007.

2. The Revenue Paper documents annexed stand as confirmation of issue and holding of Equity Shares and is a part of Cash Statement.

3. (a) In General Terms, all the shares have been allotted according to the aforesaid facts.

(b) Amount of Equity Shareholding in net of unclaimed amount appearing in the above table.

4. Shareholding Statement is available for inspection at the Registered Office of the Company.

5. Fixed Assets including Current Assets in Figures will stand subject to the provisions of the Companies Act, 1956.

6. Investments in Equity Shares of Anam Hotels Limited, an associate company and Anam Hotels Limited, a subsidiary company are not of financial nature.

7. Fixed Assets according to the 2006 MCA 21 is part of Cash Statement along with annual financial statements.

8. Loans & Advances

(a) Amounts receivable from Anam Hotels Limited, Anam Hotels Limited & Anam Hotels Limited, is a part of Cash Statement.

(b) Other amounts receivable from Anam Hotels Limited, Anam Hotels Limited & Anam Hotels Limited, is a part of Cash Statement.

9. Other amounts receivable are shown in separate statements.

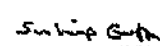
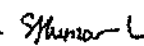

10. Current Liabilities in respect of equity shares have been allotted to the extent where the fixed assets are available.

11. Provisions for equity & loan receivables have been provided based on the provisions of the Companies Act, 1956, and other applicable laws.

	HEAD OFFICE	DELHI	MUMBAI	KOLKATA	IN R.S. (INR.)
		UNCLAIMED	UNCLAIMED	UNCLAIMED	TOTAL
1. Current Liabilities					
(a) Current Liabilities	-	1,000.00	100.00	-	1,100.00
(b) Other Liabilities	-	-	100.00	-	100.00
2. Equity Shares	-	4,826.78	4,826.78	12,427.00	22,100.56

FOR ANAM HOTELS LIMITED

Date: 12th July 2007



  
 S. Singh      S. Kumar      V. Venkatesh  
 Director      Director      Director



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 High Court  
 Authority under Section 7C  
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SCHEDULE - VI

ASIAN HOTELS LIMITED  
CERTIFIED SEGMENTED UNDERTAKING-WISE BALANCE SHEET AS AT 31ST OCTOBER, 2008

	ASIAN HOTELS LIMITED			(Rs. in lakhs)
	LUCKNOW	BOMBAY	KOLKATA	TOTAL
	REVENUE	UNDERTAKING	UNDERTAKING	
<b>LIABILITIES</b>				
<b>SHAREHOLDERS' FUND</b>				
Equity Share Capital				2,290.26
Add: Transfers from General Reserve as per clause (Refer clause 5.5.5 (a) of the Scheme)				1,140.18
Equity Share Capital Reserve (Refer clause 5.5.7 of the Scheme)	1,140.18	1,140.18	1,140.18	3,420.62
1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) Capital (Refer clause 5.4.2 of the Scheme)	486.00	486.00	18.00	1,000.00
Fully Convertible Preference Share Capital (FCPS)-Pending allotment Representing Capital (Refer clause 5.4.2 of the Scheme)	425.23	2.78	2.78	831.48
Representing Share Premium (Refer clause 5.5.5 (c) and (f) of the Scheme)	20,174.05	647.23	147.23	21,468.82
	21,795.56	1,636.21	1,698.01	24,169.88
<b>RESERVES AND SURPLUS</b>				
-Capital Reserve (Refer clause 5.5.5 (b) of the Scheme)	1.41	1.41	1.41	4.23
-Share Premium on NCPS (Refer clause 5.5.5 (c) and (f) of the Scheme)	3,960.00	3,960.00	80.00	8,000.00
-General Reserve				8,150.00
Less: Transferred to Equity Share Capital as per clause (Refer clause 5.5.5 (a) of the Scheme)				(1,140.18)
-General Reserve retained (Refer clause 5.5.5 (b) of the Scheme)	2,556.81	2,556.81	2,566.61	7,869.82
Less: Transferred to share premium being the excess of assets over liabilities (Refer clause 5.5.5 (b) of the Scheme)	-	7,287.37	85,117.00	92,404.37
-Dividend Development Fund Reserve (Refer clause 5.5.5 (b) of the Scheme)	2,536.81	8,643.28	37,873.80	70,054.29
-Capital Redemption Reserve for redeemed NCPS (Refer clause 5.5.5 (d) of the Scheme)	486.00	486.00	18.00	1,000.00
-Capital Redemption Reserve for redeemable NCPS (Refer clause 5.5.5 (d) of the Scheme)	498.32	880.36	13.32	1,392.00
Less: Transferred to share premium being the excess of assets over liabilities moving out (Refer clause 5.5.5 (b) of the Scheme)	81,808.83	-	-	81,808.83
-Surplus in Profit & Loss Account (Refer clause 5.5.5 (b) of the Scheme)	19,378.36	-	-	19,378.36
	8,338.40	8,338.40	8,339.40	25,016.20
	47,886.11	29,802.17	72,489.08	144,800.34
<b>LOAN FUNDS</b>				
Secured Loans	16,184.26	348.24	-	16,532.70
<b>NET DEFERRED TAX LIABILITY</b>				
	1,284.41	3,271.88	2,181.38	6,737.67
<b>BHOP SECURITY DEPOSITS</b>				
	861.88	-	-	861.88
<b>CURRENT LIABILITIES AND PROVISIONS</b>				
-Current Liabilities	12,488.26	3,080.87	1,287.80	16,857.33
-Provisions	2,436.26	211.21	193.79	2,841.26
	14,924.52	3,292.08	1,481.59	19,698.19
<b>TOTAL</b>	<b>126,188.24</b>	<b>31,164.76</b>	<b>77,262.14</b>	<b>234,615.14</b>
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Gross Block	195,872.53	26,346.87	20,158.64	242,378.04
Less: Depreciation	4,818.44	6,469.43	4,884.78	16,172.65
Net Block	191,054.09	19,877.44	15,273.86	226,205.39
Capital Work-in-Progress	883.25	10.80	169.87	1,063.92
	191,937.34	19,888.24	15,443.73	227,269.31
<b>INVESTMENTS (Including Subsidiaries)</b>				
	-	2,888.80	26,862.81	29,751.61
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
-Inventories	806.34	221.83	182.43	1,210.60
-Sundry Debtors	1,041.78	899.34	268.89	2,210.01
-Cash and Bank Balances	294.77	587.13	32,754.17	33,636.07
-Loans and Advances	19,848.41	3,829.30	1,509.49	25,187.20
	21,991.30	4,538.50	34,714.98	61,244.78
<b>TOTAL</b>	<b>126,188.24</b>	<b>31,164.76</b>	<b>77,262.14</b>	<b>234,615.14</b>
	548.17	172.83	-	721.00
	612.18	-	-	612.18
	11,011.73	833.16	243.01	12,087.90



Current Liabilities:  
Overriding Capital Structure Commitments  
Claims against the Company not acknowledged as debts  
Borrowing obligations in respect of EPCG License

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High Court of India  
Authority: Section 70  
of The Indian Evidence Act.

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### DIRECTORS' CERTIFICATION

Certified that the above mentioned Segmented Undertaking-wise Balance Sheet of Asian Hotels Limited as at October 31, 2009 (the Appointed Date) has been prepared duly considering inter alia the covenants of the Scheme of Arrangement and De-merger (the Scheme) after giving effect thereto and is based upon the following:

- The balances of the assets and liabilities of the respective undertakings as appearing in the books of account of the undertakings.
- The balances of assets and liabilities appearing in the books of accounts at the Head Office level duly apportioned to the respective undertakings as specifically related to the respective undertakings or related to the specific assets and liabilities or operations or employees of the respective undertakings.
- The balances of accounts relating to the respective undertakings in accordance with the Scheme and in terms of the decisions of the Board of Directors of Asian Hotels Limited taken in this regard from time to time.
- Share Capital and Reserves, including Securities premium, after adjustments in terms of the Scheme.

The above balances as appearing in the Certified Segmented Undertaking-wise Balance Sheet of Asian Hotels Limited as at October 31, 2009 the effective close of business day as on the Appointed Date have been approved by the respective Board of Directors of Chillwinds Hotels Limited and Vardhman Hotels Limited, being the recipient of the Mumbai Undertaking and Kolkata Undertaking respectively, in its meetings held on 26<sup>th</sup> November, 2009 and by the Board of Directors of Asian Hotels Limited in its meeting held on 30<sup>th</sup> November, 2009.

On behalf of the Board of Directors

New Delhi

Dated: November 30, 2009

Sushil Gupta  
Managing

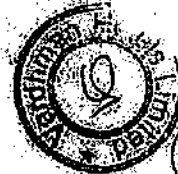
Director (West)

Shiv Jaita  
Managing

Director (North)

Umash Saraf  
Managing

Director (East)



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**AUDITORS' CERTIFICATE**

We, M/s Mohinder Puri & Co., Chartered Accountants, the Statutory Auditors of Asian Hotels Limited (the Company) have verified the information given in the Segmented Undertaking-wise Balance Sheet of Asian Hotels Limited as on October 31, 2009, as appended hereto, from the books of accounts maintained by Asian Hotels Limited.

We also certify that we have received all information required by us for the purpose of verification.

We do hereby certify that in our opinion, and to the best of our knowledge and belief and according to the information and explanations given to us, the assets and liabilities of the respective undertakings of the Company as disclosed above in the Segmented Undertaking-wise Balance Sheet, duly certified by the Managing Directors of the Company, are based on and extracted from the books of accounts of the Company and adjusted in accordance with the Scheme of Arrangement and De-merger, as filed with the Hon'ble High Court of Delhi, which is also placed at and is the subject matter of the Court convened Meeting of the Equity shareholders of the Company to be held on December 11, 2009.

This Certificate is being issued at the specific request of the Board of Directors of the Company so as to provide the Certified Segmented Undertaking-wise Balance Sheet of the Company as at October 31 2009, after giving effect to the terms of the Scheme, to the Hon'ble Delhi High Court and also despatch to the equity shareholders of the Company.

The said Certified Segmented Undertaking-wise Balance Sheet of the Company shall form part of the Scheme as Schedule-V thereof.

This certificate should be read along with the notes as given therein duly forming part of the said Segmented Undertaking-wise Balance Sheet.



*[Signature]*  
**AS VIG**  
MEMBERSHIP NO. 16920  
PARTNER  
MOHINDER PURI & CO.,  
CHARTERED ACCOUNTANTS

*[Signature]*

New Delhi  
Dated: November, 30, 2009



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*[Signature]*  
Examiner  
Auditor  
of The market

# MOHINDER PURI & COMPANY

CHARTERED ACCOUNTANTS  
1A-D VANDHNA  
11 TOLSTOY MARG  
NEW DELHI 110 001

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## AUDITORS' REPORT

To the Members of ASIAN HOTELS LIMITED

We have audited the attached Balance Sheet of ASIAN HOTELS LIMITED as at 31<sup>st</sup> October, 2009 (Post Demerger) annexed thereto. The Balance Sheet is the responsibility of the Company's management. Our responsibility is to express an opinion on the Balance Sheet based on our audit.

As per the Scheme of Arrangement and Demerger (the Scheme) referred to in Note 11 in the Schedule 12 of Notes Annexed to the Balance Sheet, the Kolkata Undertaking and Mumbai Undertaking have been demerged as of the Appointed Date i.e. 31<sup>st</sup> October, 2009. The necessary disclosures in terms of the Accounting Standards 24 (AS-24) on 'Discontinued Operations' are given in the said note.

This Balance Sheet of the Company has been prepared in terms of clause 6.1 of the Scheme post giving effect to the terms of the Scheme and will be filed with the Hon'ble High Court of Delhi and also be despatched to the equity shareholders of the Company.

This Balance Sheet of the Company shall form part of the Scheme as Schedule-VI thereof.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.



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High Court of Delhi  
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of The Indian Evidence Act

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Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books;
- (iii) The Balance Sheet dealt with by this report is in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> October, 2009 (Post Demerger), in conformity with the accounting principles generally accepted in India.

*Raj*



For MOHINDER PURI & COMPANY  
Chartered Accountants

*Vikas Vig*  
VIKAS VIG  
PARTNER  
MNO: 16920

NEW DELHI  
DATED: 16<sup>th</sup> January 2010



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High Court  
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ABRAH HOTELS LIMITED  
BALANCE SHEET AS AT 31ST OCTOBER 2010  
(POST DEMERGER AS AN RESIDUAL COMPANY)

-51-54-

Schedule

<b>APPLICATION OF FUNDS</b>			
<b>SHAREHOLDER FUNDS</b>			
Share Capital	1		9221.93
Fully Convertible Preference Share Capital (FCPS) - Pending Allotment (Refer Note 17 of Schedule 12)			
Reserve for Capital			
Less: Transferred on account of reorganisation pursuant to the Scheme of Arrangement and Demerger (Refer clause 5.4.2 of the Scheme)		531.49	
		<u>5.58</u>	624.92
Representing Securities Premium			
Less: Transferred on account of reorganisation pursuant to the Scheme of Arrangement and Demerger (Refer clause 5.5.5(i) & (j) of the Scheme)		33408.62	
		<u>294.46</u>	23174.96
Reserves and Surplus	2		47758.12
<b>LOAN FUNDS</b>	3		
Secured Loans			18184.36
<b>NET DEFERRED TAX LIABILITY</b>	4		1266.41
<b>SHOP SECURITY DEPOSITS</b>			281.58
			<u>9221.93</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>	5		
Gross Stock		105072.53	
Less: Depreciation		<u>6918.24</u>	
Net Block			98254.29
Capital Work-in-Progress		<u>553.74</u>	98808.03
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	6		
Sundry Debtors	7	606.34	
Cash and Bank Balances	8	1041.78	
Loans and Advances	9	254.77	
		<u>1863.93</u>	
Less:			21362.31
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	10		12469.25
Provisions	11		12436.38
			<u>24905.63</u>
<b>NET CURRENT ASSETS</b>			(2073.30)
			<u>9221.93</u>
<b>SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES</b>	12		



OUR REPORT ATTACHED  
R.K. Bhatnagar & Co.  
Member Firm & Company  
Chartered Accountants

NEW DELHI  
DATED: 16th January 2010

*[Signature]*  
R.K. BHARGAVA  
Chairman

*[Signature]*  
SUSHIL GUPTA  
Managing  
Director (Plant)

ON BEHALF OF THE BOARD OF DIRECTORS  
*[Signature]*  
SHY JATA  
Managing  
Director (Plant)

*[Signature]*  
UNKEEH SARAF  
Managing  
Director (Plant)

*[Signature]*



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High Court  
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of The Income Tax Act

**ASHAN HOTELS LIMITED**  
**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31ST OCTOBER, 2009 (POST DEMERGER AS AN RESIDUAL COMPANY)**

*52/88*

	Rs In Lakhs
<b>SHARE CAPITAL</b>	
<b>AUTHORISED</b>	
49,000,000 Equity Shares of Rs. 10 each	4900.00
30,000,000 Preference Shares of Rs. 10 each	3000.00
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>	
22,803,994 Equity Shares of Rs. 10 each fully paid	2280.39
Add: Transferred from General Reserve as per Contra (Refer clause 5.5.2(i) of the Scheme)	1140.18
Less: Transferred on account of reorganisation pursuant to the Scheme of Arrangement and Demerger (Refer clause 5.5.1 of the Scheme)	520.54 (2,700.36)
11,401,782 Equity Shares of Rs. 10 each fully paid released as per clause 5.4.8 of the Scheme	1140.18
10,000,000 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs. 10 each fully paid	1000.00
Less: Transferred on account of reorganisation pursuant to the Scheme of Arrangement and Demerger (Refer clause 5.4.2 of the Scheme)	505.00
4,500,000 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs. 10 each fully paid (Refer Note 15 of schedule 12)	450.00
	<b>1835.18</b>

**2. RESERVES & SURPLUS**

	30.09.2009	Additions / (Deductions)	Deductions (re-organisation as per scheme)	31.03.2009 Post-Demerger
Capital Reserve (Refer clause 5.5.6 of the Scheme)	4.23		2.92	1.49
Capital Redemption Reserve for redeemed NCPS (Refer Note 15 of the Schedule 12)	5000.00		505.00	4995.00
Capital Redemption Reserve for redeemable NCPS (Refer Note 16 of the Schedule 12)	1332.00		833.58	498.42
Securities Premium on NCPS (Refer Note 16 of the Schedule 12)	8008.00		4940.00	3968.00
General Reserve (Refer Note 1 below) (Refer clause 5.5.5 (b) of the Scheme)	8810.00	(1,140.18)	5113.21	2556.61
Tourism Development Unlied Reserve (Refer clause 5.5.5 (b) of the Scheme)	15995.08		10,864.04	5332.02
Revaluation Reserve (Refer Note 2 below)	81902.52	(8.49)	62414.57	19279.36
Surplus in Profit & Loss Account (Refer Note 3 below) (Refer clause 5.5.5 (c) of the Scheme)	26180.90	(132.86)	18,678.81	8369.23
	<b>145265.71</b>	<b>(1,277.36)</b>	<b>102250.21</b>	<b>41736.62</b>

- Note:
- Rs. 1140.18 lakhs has been transferred from General Reserve to Equity Share Capital as per Contra (Refer clause 5.5.2(i) of the Scheme)
  - Rs. 62414.57 lakhs has been transferred from Revaluation Reserve due to Loss on restructuring and transfer of Mumbai undertaking and Kolkata undertaking (Refer Note 15 of the Schedule 12)
  - Rs. 132.86 lakhs deduction from Profit & Loss Account, relates to one month ending October 31, 2009

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**Examiner, Department**  
**of**  
**Authorisation of Companies 70**  
**of The Income Tax Act**



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	Rs in Lakhs
<b>LOAN FUND</b>	
<b>SECURED LOANS</b>	
<b>TERM LOANS</b>	
From Banks	
DBS Bank Limited (Secured by exclusive equitable mortgage of Hotel Hyatt Regency Delhi property and Personal guarantee of one of the directors of the Company)	5000.00
- CCI Bank Limited Secured against hypothecation of certain vehicles	41.20
- Punjab National Bank (For business of generation of electricity) Secured by first charge by way of mortgage of land and hypothecation of movable situated at Ghazipur & Gurgaon, Maharashtra	1373.75
- ICBI Bank Limited - Rupee Loan (Secured by first part part charge (hypothecation) of whole of plant & machinery, construction material, equipments and other assets of the Company both present and future (save and except book debts) of Hotel Hyatt Regency Delhi)	5067.29
Interest accrued and due	148.40
<b>OTHER LOANS</b>	
Short Term Loans and Advances	
From ICBI Bank Limited - Secured against hypothecation of inventories and book debts (both present & future) - Secured against credit card collection	329.34 511.36
	16164.30
* net of balances in collection accounts	
- Term loans due within one year	347.83 2841.23
<b>NET DEFERRED TAX LIABILITY</b>	
Tax liability (Access) due to timing differences in respect of Depreciation	1482.46
Provision for Retirement Benefits	(234.88)
Provision for doubtful debts / advances	(1.83)
Statutory Dues	(150.33)
	1286.41



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 of The Income Tax Department

ASIAN HOTELS LIMITED  
 STATEMENT OF ASSETS AND LIABILITIES AS AT  
 31ST OCTOBER, 2008 (PREPARED AS PER RESOLUTION COMPANY)

5. FIXED ASSETS - IN CASH

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31/10/2008	As at 31/10/2007	As at 31/10/2006	As at 31/10/2008	As at 31/10/2007	As at 31/10/2006	As at 31/10/2008	As at 31/10/2007
Land - Leasehold	1427.71	1427.71	1427.71	0.00	0.00	0.00	1427.71	1427.71
Land - Freehold	80281.59	80281.59	80281.59	0.00	0.00	0.00	80281.59	80281.59
Buildings	28231.85	28231.85	28231.85	0.00	0.00	0.00	28231.85	28231.85
Plant and Machinery	8694.55	8694.55	8694.55	0.00	0.00	0.00	8694.55	8694.55
Motor Vehicles	25684.44	25684.44	25684.44	0.00	0.00	0.00	25684.44	25684.44
Investment	1911.32	1911.32	1911.32	0.00	0.00	0.00	1911.32	1911.32
<b>Total</b>	<b>161530.06</b>	<b>161530.06</b>	<b>161530.06</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>161530.06</b>	<b>161530.06</b>

CAPITAL WORKS IN PROGRESS Refer Note 14 of Schedule 12)

Notes:

(a) Gross Block including Rs. 87131.81 value being the amount added on acquisition of land and buildings with effect from 28th February, 2007 (Refer Note 15 of Schedule 12)

(b) Land & Buildings includes Rs. 10341 Lakhs, amount paid to Urban Development Authority (UDA) and recovered by the Company, but not recognized as revenue in its books as per para 19 of ICAI.

(c) Adding includes leasehold improvement

and block

(d) Vehicle includes Power generated

and block

(e) Land & Buildings and Plant & Machinery includes amount relating to the purchase of generation of electricity

Land - Freehold

and block

and block

and block

and block

and block

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ASHA HOTELS LIMITED  
 SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
 31ST OCTOBER, 2009 (POST DEMERGER AS AHL RESIDUAL COMPANY)

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 - 55 -

	Rs in Lakhs
<b>INVENTORIES</b>	
Wines & Liquor	166.66
Provisions, Other Beverages and Smokes	97.32
Crockery, Cutlery, Silverware, Linen etc.	168.61
General Stores and Spares	94.65
	<b>527.24</b>
<b>1. SUDDEN DEBITORS</b>	
Outstanding for over 6 months	0.00
Others	1046.58
	<b>1046.58</b>
Less: Provision for doubtful debts	4.80
	<b>1041.78</b>
Unsecured considered good	1841.78
Unsecured considered doubtful	4.80
<b>2. CASH AND BANK BALANCES</b>	
Cash in hand	29.33
Charges in hand	42.16
With Scheduled Banks:	
Current Accounts	182.82
Unpaid Dividend Current Accounts	28.56
Fixed Deposits *	19.80
	<b>264.77</b>
* include:	
- under lien against overdraft facilities	19.00
<b>3. LOANS &amp; ADVANCES</b>	
Advances receivable in cash or in kind or for value to be realized	6489.82
Advance income tax	11821.88
Fringe Benefit Tax (net)	97.91
Security Deposits	718.78
Interest accrued on Fixed Deposits	0.85
	<b>18539.42</b>
Provision for doubtful advances/deposits	0.00
	<b>18539.42</b>
Unsecured considered good	19548.42
Unsecured considered doubtful	0.00



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 of The Indian Income Tax Act.

ASIAN HOTELS LIMITED  
 SCHEDULES APPENDED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
 31ST OCTOBER, 2008 (POST DEMERGER AS AIL RESIDUAL COMPANY)

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 -56-

CURRENT LIABILITIES	Rs in Lakhs
Sundry Creditors - for capital projects - others *	192.07
Advances from Customers	1472.53
Interest accrued but not due on loans	784.50
Security Deposits received	0.22
Other Liabilities**	23.25
	3472.57
* Includes due to Micro, Small & Medium Enterprises (refer Note 25 of Schedule 12)	
** Includes due to	0.08
- Unclaimed Dividends	78.16
- Directors (including commission)	156.58
	3244.36
<b>11 PROVISIONS</b>	
Gratuity	526.31
Leave Encashment	13.54
Income Tax	15551.82
Proposed dividend on Equity Shares	224.54
Dividend on Preference Shares	3.75
Corporate Dividend Tax	39.49
	16159.45



*Handwritten initials and signatures:*  
 S, P, L, H

**ASIAN HOTELS LIMITED**  
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 Auditor, Section 70  
 of The Companies Act, 1956



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**ASIAN HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31<sup>ST</sup> OCTOBER, 2009 (POST DE-MERGER AS AHL RESIDUAL COMPANY)**

**12. SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES**

1. (i) **Basis of Accounting**  
The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies Accounting Standards Rules, 2006 under the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
  - (ii) **Use of Estimates**  
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.
  - (iii) **Revenue Recognition**  
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
    - (a) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
    - (b) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
    - (c) Dividend income from investments is recognized when the Company's right to receive payment is established.
    - (d) Income from generation of electricity is recognised when the actual generated units are transferred and billed to the buyer.
    - (e) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.
  - (iv) **Income in Foreign Exchange**  
The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills, is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.
  - (v) **Interest on Income Tax Refunds / Demands**  
It is accounted for as income in the period/year when granted and as tax expense when determined by the Department.
  - (vi) **Claims Recoverable**  
Claims recoverable are accrued only to the extent as admitted by the parties.
  - (vii) **Expenses remittable in foreign exchange**  
These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.
2. (i) **Foreign Exchange Transaction**  
Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the period/year end are translated at the period/year end rates resulting in exchange differences being recognized as income /expense (net).



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Examined and found correct  
At New Delhi on 30  
of the month of October, 2009.



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**ASIAN HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31<sup>ST</sup> OCTOBER, 2009 (POST DE-MERGER AS AHL RESIDUAL COMPANY)**

- (ii) **Foreign Currency Balances**  
 Foreign Currency balances at the period/year end have been converted at the period/year end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.
3. **Employee Benefits**
- (i) Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet.
- (ii) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to Profit and Loss Account of the period/year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.
4. **Taxation**
- (i) Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current period/year timing differences between taxable income and accounting income for the period/year and reversal of timing differences of earlier years.
- (ii) Deferred Tax is provided during the period/year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with Accounting Standard 22 (AS-22).
- (iii) Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
- (iv) Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Balance Sheet date.
5. **Fixed Assets and Depreciation**
- (a) **Fixed Assets**  
 Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortisation. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.
- (b) **Depreciation**
- (i) Depreciation as per straight line method has been charged in the accounts based on circular no 1/86 of the Department of Company Affairs;
- (ii) On the assets acquired on or after 2.4.87 at the rates as prescribed under Schedule XIV of the Companies Act, 1956 pro rata from the month of purchase. If purchased before or on 15<sup>th</sup> of the month, depreciation is charged from the month of purchase otherwise depreciation is charged from the month following the month of purchase.
- (iii) On the assets prior to 2.4.87 at the rates computed in the respective years of acquisition of those assets on the basis of rates specified by the Income Tax Act, 1961 and the rules made thereunder in terms of Section 205(2) (b) of the Companies Act, 1956 without making any adjustment in respect of excess depreciation provided for in the earlier years amounting to Rs.244.16 lakhs.



Certified to be true and correct  
 Examiner of Accounts  
 Department of Company Affairs  
 New Delhi



ASIAN HOTELS LIMITED  
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
31<sup>ST</sup> OCTOBER, 2009 (POST DE-MERGER AS AHL RESIDUAL COMPANY)

- (iv) Depreciation on leasehold improvements is being charged equally over the period of the lease.
- (v) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve Account.
- (vi) No depreciation is charged on the assets sold/ discarded during the period/year.
- (vii) The period in respect of leases of leasehold lands is either perpetual or for substantially long term and hence no depreciation has been charged on the premiums paid.

6. **Investments**  
Investments that are readily realizable and intended to be held for not more than a year are classified as current investments or short term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Profit and Loss Account. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Profit and Loss Account. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

- 7. **Inventory**
  - (a) Inventory is valued at cost or net realizable value whichever is lower
  - (b) Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.

8. **Impairment**  
The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

9. **Earnings per share**  
Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year.

10. **Provisions**  
A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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of The Indian Revenue Service

ASIAN HOTELS LIMITED  
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
31ST OCTOBER 2008 (PART DISMEMBER AS A/S. RESIDUAL COMPANY)

Rs In Lakhs

- 11. A Scheme of Arrangement and Demerger (the Scheme) was approved by the Board of Directors of the Company on 14th May, 2007. The Scheme envisaged the divestiture of the Company in the following manner:
  - (i) Kolkata Undertaking as defined in clause 1.2.1 of the Scheme, comprising, interests of Hotel Hyatt Regency Kolkata and investment in the shares held in GJS Hotels Limited and Regency Convention Centre and Hotels Limited and, appropriate cash liquidity.
  - (ii) Mumbai Undertaking as defined in clause 1.2.1 of the Scheme, comprising, interests of Hotel Hyatt Regency Mumbai, investment in the shares held in A/Si Hotels & Consultancy Services Private Limited and deposits/advance paid towards acquisition of immovable property in Bangalore.
  - (iii) A/Si Residual as would emerge immediately after the transfer of and vesting in of Mumbai undertaking and the Kolkata undertaking in Chivwinds Hotels Limited (Transferor Company-Q) and Vardhman Hotels Limited (Transferee Company-R) respectively.

The Scheme, which was approved by the High Court of Delhi vide its order dated 20th February, 2008 and amended vide Orders dated 9th April, 2008 and 18th August, 2008, was filed with the Registrar of Companies, MCT of Delhi & Haryana, but could not take effect as certain conditions precedent could not be fulfilled. In order to overcome the impediments in implementation of the Scheme and to determine a fixed date which should be the Appointed Date for the purpose of drawing up the undertaking vice balance sheets in terms of the Scheme, the Company made an application to the Hon'ble Court in May 2008, introducing the Appointed Date and incorporated certain clauses to define how the business of the three undertakings would be conducted between the Appointed Date and the Effective Date. The Hon'ble High Court vide its order dated 25th May, 2008, stayed the effect and implementation of the Scheme, as approved earlier and directed the Company to obtain the approval of its equity shareholders for the amended Scheme. However, before the equity shareholders' meeting could be convened in terms of Order dated 25th May, 2008, the Company made additional applications in August 2008 and November 2008, for further amendments, and accordingly, the Hon'ble Court vide its Order dated 10th November, 2008, directed the Company to convene a meeting of its equity shareholders on 11th December, 2008, to obtain their approval for the amended Scheme, before it could be considered by the Hon'ble Court. Pursuant to the directions of the Hon'ble Court, the Company had called its equity shareholders' meeting on 11th December, 2008 and the amended Scheme was approved by the equity shareholders and sanctioned by the Hon'ble Court. The amended Scheme is expected to be implemented by the end of January 2010 having retrospective effect from the Appointed Date i.e. 31st October, 2008. Subsequent thereto, the Promoter Groups intend to transfer their shareholding interest in the three demerged entities as provided in Clause 5.5 of the Scheme.

In view of the above, the operations of Kolkata undertaking and Mumbai undertaking constitute discontinued operations within the meaning of Accounting Standard (AS) 24. As at 31st October, 2008, the carried amount of the assets of the Kolkata undertaking were Rs 77302.14 Lakhs and of the Mumbai undertaking were Rs 36108.76 Lakhs and their liabilities were Rs 22184.84 Lakhs and Rs 30600.29 Lakhs respectively.

- 12. Proposed Dividend on equity shares payable, if any, is subject to pending approval at the Annual General Meeting.

13. Contingent Liabilities:

- (i) Outstanding Capital Expenditure Commitments
- (ii) Claims against the Company not acknowledged as debts
- (iii) Export obligation in respect of EPCG Licences

548.97  
637.78  
11041.75

14. Capital Work-In-Progress consists of

- (i) Renovation/retaining work / other work in progress
- (ii) Advances for capital contracts (unsecured, considered good)

465.91  
87.65

553.24

- 15. The Company, based on the report by a Certified Valuer, had revalued land and building of Hotel Hyatt Regency Delhi, one of the units of the Company, on 28th February 2007 at Rs 85,700.00 lakhs, thereby increasing the value of land and building by an amount of Rs 22,511.81 lakhs, and therefore an equivalent amount had been credited to the Realisation Reserve Account. The method adopted by the Certified Valuer for revaluation purpose, was the Cost of Contractor's method. Consequently, there was an additional charge of Rs 143.78 on account of depreciation on increase in value of assets due to revaluation and accordingly, an equivalent amount had been withdrawn from the Realisation Reserve Account and credited to the Profit & Loss Account upto 31st October 2008.

The Loss arising to the Company from restructuring and transfer of the Kolkata undertaking and the Mumbai undertaking has been set off against the Realisation Reserve mentioned above (Refer clause 5.5(g) of the Scheme).

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Examiner  
Authorised under Section 70  
of The Income Tax Act





**ASHA HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31st DECEMBER 2008 (PART DEMINGER AS AHL RESIDUAL COMPANY)**

61

Rs in Lakhs

16. During the prior year, the Company with an object to facilitate information under the Scheme had allotted 2 crore, 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPs) of Rs 10/- each at a premium of Rs 80/- per share. As per the respective Subscription Agreement with Infrastructure Development Finance Company Limited (IDFC) and Magus Estate and Hotels Limited (Magus), a Company in which two of the allottees are interested for subscription to the said preference shares, the Company is to redeem the said Preference Shares in three installments of 25%, 25% and 50% (including premiums) respectively as under:

Date of Redemption	Amount of Redemption Including Redemption Premium (Rs in lakhs)	
	IDFC	MAGUS (as per agreed revised terms)
June 30, 2008	3300.00	2250.00
June 30, 2009	2880.00	2250.00
June 30, 2010	4822.00	4800.00

Upto the appointed date, 50% of such NCPs have already been redeemed.

An amount of Rs 17,488 lakhs, out of the proceeds here the above said preference shares had been subscribed as equity in G/S Hotels Ltd, a subsidiary of the Company which is a part of the Kolkata undertaking as per the terms of the Scheme.

Securities Premium on NCPs represents premium received on issue of above said NCPs.

Capital Redemption Reserve for redeemed NCPs represents redeemed 1% Cumulative Redeemable Non-Convertible Preference Shares

Capital Redemption Reserve for redeemable NCPs represents the value of redemption of 1% Cumulative Redeemable Non-Convertible Preference Shares and for the premium payable on their redemption over and above the amount available in Securities Premium Account.

The above said NCPs, Securities premium on NCPs, Capital Redemption Reserve for redeemed NCPs and Capital Redemption Reserve for redeemable NCPs, have been allocated to AHL Residual Company, Transferee Company-I and Transferee Company-II as per the terms of the Scheme (Refer clause 5.4.2 (i) and also clause 5.5.5.(d) and (f) of the Scheme).

17. The Company had received Rs 34,100 lakhs as subscription money against the Fully Convertible Preference Shares (FCPS) pursuant to the Scheme from Finalia Holdings Limited and Global Operations Pte. Ltd.

An amount of Rs 3000 lakhs, proceeds from the above said FCPS had been subscribed as equity in G/S Hotels Ltd, a subsidiary of the Company and Rs 31100 lakhs has been kept under reserve account, which are the parts of the Kolkata undertaking as per the terms of the Scheme.

The above said FCPS (pending allotment) has been allocated to AHL Residual Company, Transferee Company-I and Transferee Company-II as per the terms of the Scheme (Refer clause 5.3, clause 5.4.2 (ii) & (j) and also clause 5.5.5.(e) and (f) of the Scheme).

The FCPS shall be convertible, in one or more tranches, into equity shares of face value of Rs 10/- each of the respective companies, i.e. AHL Residual Company, Transferee Company-I, or Transferee Company-II, as the case may be (based on allocation of FCPS in terms of the Scheme).

18. The Company has not recognised any loss on impairment in respect of assets of the Company as it required in terms of Accounting Standard (AS) 28 on "Impairment of Assets" since in the opinion of the Management, as considered by the Audit Committee, the reduction in value of any asset, to the extent required.

19. The Company has received notices with regard to Service Tax demands on certain services aggregating to Rs 467.98 Lakhs considered to be not payable in the opinion of the Company. These are thus included under "Contingent Liabilities" as "Claims against the Company not acknowledged as debts" as no provision has been made against the same.

20. Post effectiveness of the Scheme, the Company would be operating in hotel business at only one geographical location namely Hotel Hyatt Regency Delhi. During the prior years, the Company had altered its object clause of memorandum of association and entered into a different business segment, viz., power generation, governed by different risks and returns. However, it is not a reportable segment as defined under the said Accounting Standard, hence no separate disclosures have been made. The assets and liabilities relating to the said business have however, been disclosed in the accounts separately.

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Examined and found correct

Authorised Signatory  
of The Companies Act



**ASIAN HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31<sup>ST</sup> OCTOBER, 2009 (POST DE-MERGER AS AHL RESIDUAL COMPANY)**

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

- (a) Defined contribution plans
  - i) Provident fund
- (b) Defined benefit plans
  - a) Contribution to Gratuity funds
  - b) Compensated absences – Earned leave.

in accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

**Economic Assumptions**

The discount rate and salary increases assumed are the 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.



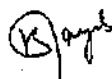
**Discount Rate**

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefit obligations works out to 0 years. For the current valuation a discount rate of 8% p.a. compound, has been used in consultation with the employer.

**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. The assumptions used are summarised in the following table:

	Gratuity (Unfunded)	Compensated absences Earned leave (Unfunded)
Discount rate (per annum)	8%	8%
Future salary increase	7%	7%
Expected rate of return on plan assets	0%	0%
In service mortality	LIC (1994-96) duly Modified 58 years	LIC (1994-96) duly modified 58 years
Retirement age	Upto 30 years 3%	Upto 30 years 3%
Withdrawal rates:	Upto 44 years 2%	Upto 44 years 2%
	Above 44 years 1%	Above 44 year 1%



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 High Court  
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**ASIAN HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31ST OCTOBER, 2008 (POST DEMERGER AS AHL RESIDUAL COMPANY)**

**22. Related Party Disclosures**

a) Parties which significantly influence the Company (either individually or with others)

- (i) Yans Enterprises (P.K.) Ltd.
- (ii) DSO Ltd.
- (iii) Saral Industries Ltd.

b) Related Parties

• Key Management Personnel

Mr. Sushil Gupta  
 Mr. Shiv Jais  
 Mr. Umesh Saral

Managing Director (West)  
 Managing Director (North)  
 Managing Director (East)

• Relatives of Key Management Personnel

Mr. Sandeep Gupta

Son of Mr. Sushil Gupta

• Entities controlled by Directors or their relatives

Sell Ceramics Ltd  
 M/s Bhasin & Co  
 Choice Hospitality (India) Pvt Ltd  
 Energy Infrastructure (I) Limited  
 Godfrey Philips Ltd  
 Juniper Hotels Pvt Ltd

Magus Estates & Hotels Ltd  
 Nepal Travel Agency Pvt Ltd  
 Ram Pyari Devi Charitable Trust  
 WEL Infravade Ltd  
 Eden Park Hotels Pvt. Ltd

c) Disclosure in respect of balances of transactions with related parties are as follows:

Particulars	Rs in Lakhs
<b>Outstanding Payables</b>	
- Mr. Shiv Jais ( as commission)	338.57
- M/s Bhasin & Co.	0.50
<b>Outstanding Receivables</b>	
- Magus Estates & Hotels Ltd.	11.13
- Mr. Sandeep Gupta	2.47
- WEL Infravade Ltd.	0.63
- Energy Infrastructure (I) Limited	0.73



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 High Court of Delhi  
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 of The Indian Evidence Act

**ARIAN HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT**  
**31st DECEMBER, 2004 (POST DEMERGER AS A.H. RETORIAL COMPANY)**

Rs in Lakhs

23. Municipal Corporation of Delhi introduced a new method for payment of property tax under "UAI Area Scheme" w.e.f. 1st April, 2004. The Federation of Hotels and Restaurants Association of India (FHRAI) and the Company filed a writ petition in the High Court of Delhi against the said new method, which is still pending. However, in terms of the interim order dated 10th September, 2004 passed by the Hon'ble High Court, the Company has been paying a sum of Rs 54.52 Lakhs per annum based on the Reasonable Value method then existing. As a matter of abundant caution, and based on the legal opinion obtained by the Company, the Company has provided for the difference in property tax as per UAI Area Scheme and the payments made since introduction of the said new method, alongwith interest thereon. Such calculations are based on usage factor of 18.

24. (A) Future commitments in respect of assets acquired under Finance Schemes		
Minimum Installments	payable within one year	11.60
	later than one year but not later than five years	13.54
Present value of minimum installments	payable within one year	28.98
	later than one year but not later than five years	12.21
(B) Future minimum lease payments receivable by the Company in respect of non-cancellable operating leases (other than land) for shops and vehicles entered into by the Company:		
(i) Not later than one year		32.56
(ii) Later than one year and not later than five years		12.41

25. In the previous year, Government of India had promulgated an Act namely The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) which came in to force with effect from October 2, 2006. The Company had sent letters to its suppliers for confirmations of their registration in MSMED Act, 2006 and on the basis of reply received from suppliers the disclosure is given below.





The Disclosure relating to Micro and Small Enterprises are as follows:

a) Principal amount remaining unpaid to any supplier as at the period end		8.00
b) Interest due thereon		8.00
c) 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 period) but without adding the interest specified under the MSMED Act		0.00
d) Amount of interest accrued and remaining unpaid at the end of the period		0.00

26. This Balance Sheet of the Company has been prepared in terms of Clause B.1 of the Scheme, post giving effect to the terms of the Scheme and will be filed with Hon'ble High Court of Delhi and also be despatched to the equity shareholders of the Company.

Schedules I to 12 form an integral part of the Balance Sheet

ON BEHALF OF THE BOARD OF DIRECTORS

 R.K. SHARMA Chairman	 SUSHIL GUPTA Managing Director (West)	 SHYV JATIA Managing Director (North)	 LAKSHY SARAF Managing Director (East)
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NEW DELHI  
 DATED: 19th January 2010



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 High Court of Delhi  
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 of The Indian Evidence Act



**S S KOTHARI MEHTA & CO**  
CHARTERED ACCOUNTANTS

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Ishwar Nagar  
Mathura Road  
New Delhi-110065  
Phones : +91-11-4670 8888  
Fax : +91-11-6662 8889  
E-mail : delhi@sskmin.com

**AUDITORS' REPORT**

To the Members of **CHILLWINDS HOTELS LIMITED**

We have audited the attached reconstructed Balance Sheet of **CHILLWINDS HOTELS LIMITED** as at 1<sup>st</sup> November, 2009 (Post De-Merger and beginning of business hours of the day) annexed thereto. The Balance Sheet is the responsibility of the Company's management. Our responsibility is to express an opinion on the Balance Sheet based on our audit.

As per the Scheme of Arrangement and Demerger (the Scheme) referred to in Note 3 in Schedule 12 Notes to Accounts annexed to the Balance Sheet, the Mumbai Undertaking has been demerged from Asian Hotels Limited as of the Appointed Date i.e. 31<sup>st</sup> October, 2009.

This Balance Sheet of the Company has been prepared after giving effect to the terms of the Scheme, to be filed with the Hon'ble Delhi High Court and also to be dispatched to the equity shareholders of the Company.

This Balance Sheet of the Company shall form part of the Scheme as Part-VI thereof.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Certified to be True

Examiner of Accounts  
of The Income Tax Act



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**S. S. KOTHARI MEHTA & CO.**

We report that:

- (i) We have collected all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books. The books have incorporated the assets, liabilities and reserves as transferred to and vested in the company in terms of the provisions of the Scheme;
- (iii) The Balance Sheet dealt with by this report is in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet dealt with by this report complies with the Accounting Standards referred to in Section 211 (3C) of the Companies Act 1956;
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in the case of Balance Sheet, of the state of affairs of the Company as at 1<sup>st</sup> November, 2009 (Post De Merger and beginning of business hours of the day) in conformity with the accounting principles generally accepted in India.

**For S. S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUNK TULSIAN**  
 PARTNER  
 M.No. 89907



New Delhi  
DATED: 16-11-10

Certified to be true & correct  
 Examined by Judicial Department  
 New Delhi  
 Auth. as per Section 7D  
 of The Indian Evidence Act



**CHILLWINDS HOTELS LIMITED**  
**BALANCE SHEET AS AT 1ST NOVEMBER, 2009**


	Schedule	As at 1st November, 2009 Amount (Rs. Lacs)
<b>SOURCES OF FUNDS</b>		
Share Capital	1	1,637.98
Reserves & Surplus	2	29,872.22
Secured Loans	3	345.34
Net Deferred Tax Liability		2,871.98
		<b>34,727.50</b>
<b>APPLICATION OF FUNDS</b>		
<b>FIXED ASSETS</b>		
Gross Block	4	36,390.97
Less: Depreciation		8,448.43
Net Block		27,942.64
Capital Work-in-Progress		10.80
		29,953.35
<b>INVESTMENTS</b>		
	5	2501.00
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
Inventories	6	221.63
Sundry Debtors	7	909.34
Cash and Bank Balances	8	588.04
Loans and Advances	9	3,858.83
		5,578.84
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Liabilities	10	3,981.28
Provisions	11	211.21
		3,302.49
<b>NET CURRENT ASSETS</b>		
Profit & Loss Account		2,273.15
		<b>34,727.50</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>		
	12	

As per our report of even date

For and on behalf of the Board

FOR S.S. KOTHARI MEHTA & CO.  
 CHARTERED ACCOUNTANTS


*Arun K. Tulsian*  
 ARUN K. TULSIAN  
 (Partner)  
 Membership No. 48907



*[Signature]*  
 (DIRECTOR)

*[Signature]*  
 (DIRECTOR)

Place: New Delhi  
 Dated: 16-11-2010

Certified to be  
  
 Examiner of Income Tax  
 Authenticity of the Balance Sheet  
 of The Income Tax Act.



*[Signature]*  




**CHILLWINDS HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET**  
**AS AT 1ST NOVEMBER, 2009**

	As at 1st November, 2009 Amount (Rs. Lacs)
<b>SCHEDULE-1</b>	
<b>SHARE CAPITAL</b>	
<b>AUTHORISED</b>	
1,40,00,000 Equity Shares of Rs. 10 each	1,400.00
1,10,00,000 Preference Shares of Rs. 10 each	1,100.00
	<b>2,500.00</b>
<b>SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>	
11401782 Equity Shares of Rs. 10 each fully paid up (Refer clause 5.5.1 of the Scheme)	1,140.18
4950000 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs.10 each (Refer clause 5.4.2 of the Scheme)	495.00
Fully Convertible Preference Share Capital (FCPS)-Pending allotment Representing Capital (Refer clause 5.4.2 of the Scheme)	2.78
	<b>1,637.96</b>
<b>SCHEDULE-2</b>	
<b>RESERVES &amp; SURPLUS</b>	
<b>Capital Reserve</b>	
Allocated to demerged undertaking (Refer clause 5.5.5 of the Scheme)	1.41
<b>Capital Redemption Reserve</b>	
For redeemed NCPS (Refer clause 5.5.5.(b) of the Scheme)	495.00
For redeemable NCPS	829.36
<b>Security Premium</b>	
on 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) (Refer clause 5.5.5.(c) and (d) of the Scheme)	3,980.00
on Fully Convertible Preference Share Capital (FCPS)-Pending allotment (Refer clause 5.5.5.(e) and (f) of the Scheme)	147.23
<b>Tourism Development Unfunded Reserve</b> (Refer clause 5.5.5.(b) of the Scheme)	5,332.02
<b>General Reserve</b>	
Allocated to demerged undertaking (Refer clause 5.5.5.(i) of the Scheme)	2,556.81
Add: Transfer of excess of assets over liabilities (post demerger) (Refer clause 5.3.6 of the Scheme)	7,287.37
<b>Surplus in Profit &amp; Loss Account (Refer clause 5.5.5.(b) of the Scheme)</b>	<b>9,262.22</b>
	<b>29,872.22</b>
<b>SCHEDULE-3</b>	
<b>SECURED LOANS</b>	
<b>Short term loans</b>	
Overdraft from Banks (Secured against hypothecation of inventories)	345.34
	<b>345.34</b>
<b>SCHEDULE-4</b>	
<b>INVESTMENTS - LONG TERM</b>	
Trade, Unquoted	
25,010,000 equity shares of Rs. 10/-each in Aris Hotels & Consultancy Services Pvt. Ltd.(a subsidiary company)	2,501.00
This investment is pledged as security for certain term loan taken from bank and financial institution by Aris Hotels and Consultancy Services Private Limited, a subsidiary company.	
	<b>2,501.00</b>

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 of The Indian Evidence Act.



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**GOGLAWINDS HOTELS LIMITED**  
**SCHEDULE - 4**  
**FIXED ASSETS**

**ADDITIONS PURSUANT TO SCHEME OF ARRANGEMENT & DEMERGER**

GROUP OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 31st October, 2009	ADDITIONS PURSUANT TO SCHEME OF ARRANGEMENT IN DEMERGER	SALES/TPR	AS AT 1st November, 2009	AS AT 31st October, 2009	ADDITIONS PURSUANT TO SCHEME OF ARRANGEMENT IN DEMERGER	SALES/TPR	AS AT 1st November, 2009	AS AT 31st October, 2009
Land - freehold	9,287.31			9,287.31				9,287.31	
Buildings	14,808.78			14,808.78	1,574.06		1,574.06	13,234.72	
Furn & Machinery	9,059.66			9,059.66	3,058.58		3,058.58	6,001.08	
Furniture & Fixtures	2,750.83			2,750.83	1,605.45		1,605.45	1,145.38	
Vehicles	444.39			444.39	210.34		210.34	234.05	
<b>TOTAL</b>	<b>26,340.97</b>			<b>26,340.97</b>	<b>6,448.43</b>		<b>6,448.43</b>	<b>19,892.54</b>	
Capital Work In Progress				18.88				18.88	

**Note**

1. Aris Hotels and Consultancy Services Private Limited, a subsidiary company has taken a term loan from banks and financial institutions for which a security is mortgaged by way of second paid passed charge created by the Company on its immovable property situated at Mumbai namely Hyatt Regency, Mumbai.
2. Land - Freehold includes 60% of 1059.54 lacs stamp duty on land & building at Mumbai, which was earlier shown as receivable from Maharashtra Tourism Development Corporation under the head loans & advances. The Maharashtra Tourism Development Corporation has agreed and submitted for Rs. 528.32 lacs as to be refunded back to the company.

3. Bidding includes leasehold improvement

Rs. In Lacs  
 12.00  
 12.64

Gross Block  
 Net Block

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**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET  
AS AT 15<sup>TH</sup> NOVEMBER, 2008**

	As at 1st November, 2008 Amount (Rs. Lacs)
<b>SCHEDULE-6 INVENTORIES</b>	
Wines & Liquor	56.07
Provisions, Other Beverages and Smokes	11.88
Crockery, Cutlery, Silverware, Linen etc.	104.05
General Stores & Spares	49.62
	<b>221.62</b>
<b>SCHEDULE-7 SUNDRY DEBTORS</b>	
Outstanding for a period exceeding six months	24.37
Other debts	890.58
	<b>914.95</b>
Less: Provision for doubtful debts	5.59
	<b>909.34</b>
Unsecured considered good	909.34
Unsecured considered doubtful	5.59
<b>SCHEDULE-8 CASH AND BANK BALANCES</b>	
Cash in hand	7.88
Cheques in hand	61.37
With Scheduled Banks :	
In Current Accounts	248.71
In Fixed Deposits	250.00
	<b>568.04</b>
<b>SCHEDULE-9 LOANS AND ADVANCES</b>	
Loan to subsidiary companies	
Aria Hotels & Consultancy Services Pvt Ltd	12.17
Advances recoverable in cash or in kind or for value to be received	3,285.20
Balance with Govt. departments & others	528.32
Security Deposits	26.96
Interest accrued on loans, deposits and investments (net of tax)	6.34
	<b>3,858.07</b>
Less: Provision for doubtful advances/deposits	1.45
	<b>3,856.62</b>
Unsecured considered good	3,828.30
Unsecured considered doubtful	1.45
<b>SCHEDULE-10 CURRENT LIABILITIES</b>	
Sundry Creditors	
Due to Micro, Small and Medium Enterprises	
Other Creditors*	801.15
Advance from Customers	216.13
Security Deposits	1,200.80
Other Liabilities	871.21
	<b>3,091.28</b>
* Includes commission payable to directors Rs. 359.58 lacs	
<b>SCHEDULE-11 PROVISIONS</b>	
Provision for Gratuity	175.08
Provision for Leave Encashment	31.77
Proposed Dividend (including corporate dividend tax)	4.89
	<b>211.74</b>
(Proposed dividend includes dividend on pref Shares - 3.75 & dividend on NCPs - 0.64)	



*S. S. Kothari*      *By*

Certified to be true  
*M*  
 Examiner, Judicial Department,  
 High Court of Madhya Pradesh,  
 Aizawl, Assam, Section 70  
 of The Indian Companies Act.



CHILLWINDS HOTELS LIMITED

SCHEDULE: 12

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

i) **Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standard Rules, 2006 under the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) **Use of Estimates**

The preparation of financial statement is in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

iii) **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (a) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
- (b) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (c) Dividend income from investments is recognized when the Company's right to receive payment is established.
- (d) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

iv) **Income in Foreign Exchange**

The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.

v) **Claims Recoverable**

Claims recoverable are accrued only to the extent as admitted by the parties.

vi) **Expenses remittable in foreign exchange**

These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.



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- vii) (a) **Foreign Exchange Transactions**  
Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year end are translated at the year end rates resulting in exchange differences being recognized as income /expenses (net).
- (b) **Foreign Currency Balances**  
Foreign Currency balances at the year end are converted at the year end rate of exchange except covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.
- viii) **Employee Benefits**
  - (a) Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet.
  - (b) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.
- ix) **Taxation**
  - (a) Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
  - (b) Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).
  - (c) Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
  - (d) Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.
- x) **Fixed Assets and Depreciation**
  - (a) **Fixed Assets**  
Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.
  - (b) **Depreciation**
    - (i) Depreciation as per straight line method has been charged in the accounts.
    - (ii) The charge is on the basis of rates as prescribed under Schedule XIV of the Companies Act, 1956 pro rata from the month of purchase. If purchased before or on 15th of month depreciation is charged from the month of purchase otherwise depreciation is charged from the month following the month of purchase.
    - (iii) No depreciation is charged on the assets sold/ discarded during the year.



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- xi) **Investments**  
Investments that are readily realisable and intended to be held for not more than a year are classified as current investments or short term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Profit and Loss Account. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Profit and Loss Account. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.
- xii) **Inventory**  
(a) Inventory is valued at cost or net realizable value whichever is lower  
(b) Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- xiii) **Impairment**  
The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.
- xiv) **Cash and cash equivalents**  
Cash and cash equivalents in the cash flow comprise cash at bank and cash/ cheques in hand and short term deposits with Banks less short term advances from Banks.
- xv) **Provisions and Contingent Liabilities**  
Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

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**B. NOTES TO ACCOUNTS**

1. This Balance Sheet of the Company has been prepared after giving effect to the terms of the Scheme, to be filed with the Delhi High Court and also to be dispatched to the equity shareholders of the Company.
2. Contingent Liabilities not provided for in respect of:
  - a) Estimated amount of contracts remaining to be executed on capital account (net of advances): Rs. 172.93 Lacs.
  - b) Export obligation in respect of EPCG Licenses: Rs. 833.16 Lacs.
3. Pursuant to the Scheme of Arrangement & Demerger (the Scheme) under section 391-394 of the Companies Act, 1956 and approved by the Hon'ble High Court of Delhi vide its Order dated 13<sup>th</sup> January 2010, the Mumbai undertaking of the Asian Hotels Ltd. as defined in clause 1.2.1 of the Scheme comprising interalia of hotel Hyatt Regency, Mumbai and related assets & liabilities stands transferred to & vested in the Company w.e.f the appointed date, 31<sup>st</sup> October, 2009.

All fixed and current assets, investments, loans & advances and debts & liabilities taken over have been accounted for at book values. Accounting treatment and allocation of reserves has been carried out in accordance with the provisions in the Scheme.

Excess of assets over debts & liabilities taken over has been credited to General Reserve in accordance with clause 5.5 of the Scheme.

4. Capital Work in Progress consists of:

Advances for capital contracts	10.80 Lacs
--------------------------------	------------

5. The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books. In respect of subsidiaries such decision is based on the management accounts/audited accounts of the subsidiaries, as available on the basis of the information and explanations available.
6. Loans and advances include a claim in respect of stamp duty lodged with Maharashtra Tourism Development Corporation by the company of Rs 528.32 Lacs relating to land at Mumbai, considered to be fully recoverable in the opinion of the management.
7. Out of Service Tax demand for Rs. 146.11 Lacs, Rs. 95.94 Lacs had been paid under protest. In the opinion of the management, amount paid under protest is not liable to be paid and hence has been included under "Loans & Advances" as "Claims Recoverable". Refund of the amount has been applied for vide application dated May 9, 2008.



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- 8. As the company is engaged in only one segment of Hotel business, therefore, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.
- 9. The Company has classified the various benefits provided to employees as under:-
  - a) Defined contribution plans
    - i. Provident fund
  - b) Defined benefits plans
    - i. Contribution to Gratuity funds
    - ii. Compensated absences – Earned leave

In accordance with Accounting Standard 15 (revised 2005), 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. The estimated term of the benefit obligations works out to 0 years. For the current valuation a discount rate of 8 % p.a. compound, has been used in consultation with the employer.

**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. The assumptions used are summarized in the following table:



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	Gratuity (Unfunded)	Compensated absences Earned leave (Unfunded)
Discount Rate (per annum)	8%	8%
Future salary increase	8%	8%
Expected rate of return on plan assets	0%	0%
In service mortality	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Retirement age	58 years	58 years
Withdrawal rates:	Upto 30 years 3%	Upto 30 years 3%
	Upto 44 years 2%	Upto 44 years 2%
	Above 44 years 1%	Above 44 years 1%

Pursuant to the Scheme of Arrangement & Demerger (the Scheme), liabilities on account of gratuity and leave encashment benefit which have been transferred to & vested in the company are Rs.175.05 lacs and Rs.31.76 lacs respectively. The plan assets are held in the respective trusts maintained by Asian Hotels Ltd. prior to the Scheme which will be appropriated in future.

10. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows :-

Subsidiaries	Aria Hotels & Consultancy Pvt. Limited
Associates	None
Key Management Personnel	Mr. Sushil Gupta (Managing Director)
Relatives of Key Management Personnel	Mr. Sandeep Gupta (Son of Mr. Sushil Gupta)
Entities over which Directors and their relatives can exercise significant influence	M/s. Bhasin & Co Choice Hospitality (India) Pvt Ltd. Godfrey Philips Ltd. Eden Park Hotels Pvt. Ltd.

Transactions with related parties

Particulars	Subsidiaries	Associates	Relatives of Key Management Personnel	Key Management Personnel	Entities controlled by Directors or their relatives
Receivables	1,217,234	-	-	-	265,897



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For investment in Subsidiaries, refer schedule-5.

11. Net deferred tax liability is on account of the following:

Timing difference in respect of:	(Rs. in Lacs)
Depreciation	2944.67
Provision for retirement benefits	(70.30)
Provision for doubtful debts / advances	<u>(2.39)</u>
	<u>2871.98</u>

12. Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the company:

a) Not later than one year	33.00 Lacs
b) Later than one year and not later than five years	41.25 Lacs

13. 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) were redeemable in three installments of 25%, 25% and 50% (including redemption premium) on 30<sup>th</sup> June 2008, 30<sup>th</sup> June 2009 and 30<sup>th</sup> June 2010 respectively.

Amount of Redemption pending (In Rs. lacs)		
Date of Redemption	IDFC	MAGUS
30 <sup>th</sup> June, 2010	2391.84	2227.50

The amounts are in accordance with the ratios of allocation mentioned in clause 6.5 of the Scheme of Arrangement & Demerger.

14. The company has received Rs 150.01 Lacs as subscription money against the Fully Convertible Preference Shares (FCPS) to be issued pursuant to the Scheme.

15. Disclosure of other items as required by Part -II of Schedule -VI to the Companies Act, 1956 is not applicable.

16. Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006.

The Company had sent letters to its suppliers for confirmation of their registration in MSMED Act, 2006 and on the basis of reply received from suppliers the disclosure is given below:-

Particulars	Current year	Previous year
a) Principal amount remaining unpaid to any supplier as at date	0.00	0.00
b) Interest due thereon	0.00	0.00
c) Amount of interest paid by the company in terms of section 16 of the MSMED, along with amount of the payment made	0.00	0.00



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to supplier beyond the appointed day		
d) 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 the interest specified under the MSMED	0.00	0.00
e) Amount of interest accrued and remaining unpaid	0.00	0.00

17. Term Loans taken by Aria Hotels and Consultancy Services Private Limited, a subsidiary company, from a financial institution and bank are secured by way of-
- a) Mortgage by way of second pari passu charge created by the company on its immovable property situated at Mumbai namely Hotel Hyatt Regency, Mumbai.
  - b) First pari passu charge created by the Company on credit card receivables of Hyatt Regency, Mumbai.
  - c) Pledge of investment of the Company in Aria Hotels and Consultancy Services Private Limited, a subsidiary company.
  - d) Personal Guarantees of two of the directors of the Company.
18. There are no foreign currency exposures with the company.
19. Schedules 1 to 12 form an integral part of the Balance Sheet as at 1st November, 2009.

As per our report of even date

For and on behalf of the Board

For S. S. Kothari Mehta & Co.  
Chartered Accountants

Arjun K. Folsian  
Partner  
Membership No. 89907



*[Signature]*  
(Director)

*[Signature]*  
(Director)

*[Signature]*

Place: New Delhi  
Dated: 1.11.2010



Certified to be True :  
*[Signature]*  
Examiners, (Public) Department  
of The Institute of Cost Accountants  
of India

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**AUDITORS' REPORT**

To the Members of **VARDHMAN HOTELS LIMITED**

We have audited the attached reconstructed Balance Sheet of **VARDHMAN HOTELS LIMITED** as at 1<sup>st</sup> November, 2009 (Post De-Merger and beginning of business hours of the day) annexed thereto. The Balance Sheet is the responsibility of the Company's management. Our responsibility is to express an opinion on the Balance Sheet based on our audit.

As per the Scheme of Arrangement and Demerger (the Scheme) referred to in Note 4 in Schedule 11 Notes to Accounts annexed to the Balance Sheet, the Kolkata Undertaking has been demerged from Aslan Hotels Limited as of the Appointed Date i.e. 31<sup>st</sup> October, 2009.

This Balance Sheet of the Company has been prepared after giving effect to the terms of the Scheme, to be filed with the Hon'ble Delhi High Court and also to be dispatched to the equity shareholders of the Company.

This Balance Sheet of the Company shall form part of the Scheme as Part-VI thereof.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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High Court of Delhi  
of the Hon'ble Justice, Justice

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We report that:

- (i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books. The books have incorporated the assets, liabilities and reserves as transferred to and vested in the company in terms of the provisions of the Scheme;
- (iii) The Balance Sheet dealt with by this report is in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet dealt with by this report complies with the Accounting Standards referred to in Section 211 (3C) of the Companies Act 1956;
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in the case of Balance Sheet, of the state of affairs of the Company as at 1<sup>st</sup> November, 2009 (Post De-Merger and beginning of business hours of the day), in conformity with the accounting principles generally accepted in India.

For S. S. KOTHARI MEHTA & CO.

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Chartered Accountants

*[Handwritten Signature]*  
ARUN K. TULSIAN  
PARTNER  
M.No: 89907



New Delhi  
DATED: 16-1-2010



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Examiner of the Department  
of Public Accounts  
Authorized under Section 70  
of The Income Tax Act

**VARDHMAN HOTELS LIMITED**  
**BALANCE SHEET AS AT 1ST NOVEMBER, 2009**

	Schedule	As at 1st November, 2009 Amount (Rs. in Lacs)
<b>SOURCES OF FUNDS</b>		
Share Capital	1	1,152.98
Reserves & Surplus	2	72,526.94
<b>NET DEFERRED TAX LIABILITY</b>		2,151.39
		<b>75,831.29</b>
<b>APPLICATION OF FUNDS</b>		
<b>FIXED ASSETS</b>		
Gross Block	3	20,158.84
Less: Depreciation		4,694.78
Net Block		15,464.08
Capital Work-in-Progress		163.57
		<b>15,627.65</b>
<b>INVESTMENTS</b>	4	26,958.81
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
Inventories	5	183.43
Sundry Debtors	6	265.80
Cash and Bank Balances	7	32,758.68
Loans and Advances	8	1,438.04
		<b>34,645.95</b>
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Liabilities	9	1,298.21
Provisions	10	102.70
		<b>1,400.91</b>
<b>NET CURRENT ASSETS</b>		<b>33,245.03</b>
Profit & Loss Account		
		<b>75,831.29</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	11	
<b>NOTES ON ACCOUNTS</b>		

As per our report of even date

For and on behalf of the Board

**FOR S.S. KOTHARI MEHTA & CO.**  
**CHARTERED ACCOUNTANTS**

ARUN K. TULSIAN  
 (Partner)  
 Membership No. 8990



Place: New Delhi  
 Dated: 16/11/09

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 (DIRECTOR)

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 (DIRECTOR)

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Examiner  
 Author  
 of the

**YANCOPIAN HOTELS LIMITED**  
**STATEMENT OF ASSETS TO THE 31st DECEMBER 1960**

Particulars	Amount
Fixed Assets	
Land and Buildings	1,400.00
Plant and Machinery	1,400.00
Investments	
Government Securities	1,400.00
Loans and Advances	1,400.00
Other Assets	1,400.00
Current Assets	
Stocks	1,400.00
Debtors	1,400.00
Prepaid Expenses	1,400.00
Other Current Assets	1,400.00
Liabilities	
Capital	1,400.00
Reserves	1,400.00
Provisions	1,400.00
Other Liabilities	1,400.00
<b>Total</b>	<b>14,000.00</b>

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 Auditor  
 of The Indian Hotels Co. Ltd.

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 VARDHMAN HOTELS LIMITED  
 SCHEDULE - 3  
 FIXED ASSETS

GROUP OF ASSETS	AS AT 31st October, 2009		GROSS BLOCK		DEPRECIATION		NET BLOCK	
	AS AT 31st October, 2009	ADDITIONS PURSUANT SALES/TFR	AS AT 1st November, 2009	ADDITIONS PURSUANT SALES/TFR	AS AT 31st October, 2009	ADDITIONS PURSUANT SALES/TFR	AS AT 1st November, 2009	AS AT 31st October, 2009
Land - Leasehold	-	1,467.71	1,467.71	-	-	-	1,467.71	-
Buildings	9,848.36	9,848.36	9,848.36	1,090.72	1,090.72	1,090.72	8,757.65	-
Plant & Machinery	6,991.81	6,991.81	6,991.81	2,476.97	2,476.97	2,476.97	4,514.84	-
Furniture & Fixtures	1,716.97	1,716.97	1,716.97	1,672.87	1,672.87	1,672.87	644.00	-
Vehicles	133.98	133.98	133.98	54.11	54.11	54.11	79.88	-
TOTAL	20,159.84	20,159.84	20,159.84	4,894.78	4,894.78	4,894.78	15,164.99	-
Capital Work in Progress	-	152.57	-	-	-	-	-	152.57



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**VARDHMAN HOTELS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 1ST NOVEMBER, 2009**

	As at 1st November, 2009
	Amount (Rs. Lacs)
<b>SCHEDULE-6</b>	
<b>INVENTORIES</b>	
Wine & Liquor	80.80
Prepacked, Other Beverages and Smokes	28.21
Crockery, Cutlery, Silverware, Linen etc.	44.36
General Stores & Spares	18.33
	<u>171.70</u>
<b>SCHEDULE-8</b>	
<b>SUSIDRY DEBITORS</b>	
Outstanding for a period exceeding six months	38.82
Other debts	255.88
	<u>294.70</u>
Less: Provision for doubtful debts	(38.82)
	<u>255.88</u>
Unsecured considered good	245.80
Unsecured considered doubtful	24.87
<b>SCHEDULE-7</b>	
<b>CASH AND BANK BALANCES</b>	
Cash in Hand	11.80
Share Transfer Slips	3.60
With Scheduled Banks:	-
Cash Credit Accounts	0.14
Current Accounts	134.21
Fixed Deposits	32,810.74
	<u>33,760.45</u>
* Secured against hypothecation of inventories	
<b>SCHEDULE-9</b>	
<b>LOANS AND ADVANCES</b>	
Loan to subsidiary companies	-
- GSE Hotels Limited	838.27
- Regency Convention Centre & Hotels Limited	46.88
Advances recoverable in cash or in kind or for value to be received	811.28
Balance with Govt. Departments & others	140.00
Security Deposits	18.86
Interest earned on loans, deposits and investments (net of tax)	88.34
	<u>1,933.53</u>
Unsecured considered good	1,905.48
Unsecured considered doubtful	-
<b>SCHEDULE-10</b>	
<b>CURRENT LIABILITIES</b>	
Sundry Creditors	-
Micro, Small and Medium Enterprises	-
Other Creditors	579.82
Advances from Customers	174.00
Security Deposits	-
Other Liabilities	544.21
	<u>1,298.03</u>
* Includes commission payable to directors Rs. 350.00 lacs	
<b>SCHEDULE-11</b>	
<b>PROVISIONS</b>	
Provision for Gratuity	62.46
Provision for Leave Encashment	20.24
	<u>82.70</u>



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Examined and found correct  
 Authorised Signatory  
 of the Vardhman Hotels Limited

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**VARDHMAN HOTELS LIMITED**

**SCHEDULE: 11**

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

- i) **Basis of Accounting**  
The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standard Rules, 2006 under the relevant provisions of the Companies Act, 1958. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- ii) **Use of Estimates**  
The preparation of financial statement is in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.
- iii) **Revenue Recognition**  
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
  - (a) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
  - (b) Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
  - (c) Dividend Income from investments is recognized when the Company's right to receive payment is established.
  - (d) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.
- iv) **Income in Foreign Exchange**  
The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.
- v) **Claims Recoverable**  
Claims recoverable are accrued only to the extent as admitted by the parties.
- vi) **Expenses remittable in foreign exchange**  
These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.



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of the Indian Companies Act

vii) (a) **Foreign Exchange Transactions**  
Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year end are translated at the year end rates resulting in exchange differences being recognized as income /expenses (net).

(b) **Foreign Currency Balances**  
Foreign Currency balances at the year end are converted at the year end rate of exchange except covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

viii) **Employee Benefits**  
(a) Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet.

(b) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

ix) **Taxation**  
(a) Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

(b) Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).

(c) Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.

(d) Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

x) **Fixed Assets and Depreciation**  
(a) **Fixed Assets**  
Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

(b) **Depreciation**  
(i) Depreciation as per straight line method has been charged in the accounts.

(ii) The charge is on the basis of rates as prescribed under Schedule XIV of the Companies Act, 1956 pro rata from the month of purchase. If purchased before or on 15th of month depreciation is charged from the month of purchase otherwise depreciation is charged from the month following the month of purchase.



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(iii) No depreciation is charged on the assets sold/ discarded during the year.

xj) **Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments or short term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Profit and Loss Account. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Profit and Loss Account. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

xii) **Inventory**

- (a) Inventory is valued at cost or net realizable value whichever is lower
- (b) Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.

xiii) **Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

xiv) **Cash and cash equivalents**

Cash and cash equivalents in the cash flow comprise cash at bank and cash/ cheques in hand and short term deposits with Banks less short term advances from Banks.

xv) **Provisions and Contingent liabilities**

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

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Exhibitor in Form of Department  
Authorised by Section 70  
of The Income Tax Act

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2. NOTES TO ACCOUNTS

1. This Balance Sheet of the Company has been prepared after giving effect to the terms of the Scheme, to be filed with the Delhi High Court and also to be dispatched to the equity shareholders of the Company.
2. Estimated amount of contracts remaining to be executed on capital account (net of advances): Rs. Nil
3. Contingent Liabilities not provided for in respect of:
  - a) Claims against the company not acknowledged as debts: Rs. 14.58 lacs.
  - b) Export obligation in respect of EPCG Licenses: Rs. 243.01 lacs.
4. Pursuant to the Scheme of Arrangement & Demerger (the Scheme) under section 391-394 of the Companies Act, 1956 and approved by the Hon'ble High Court of Delhi vide its Order dated 13<sup>th</sup> January 2010, the Kolkata undertaking of the Asian Hotels Ltd, as defined in clause 1.2.1 of the Scheme comprising interalia of hotel Hyatt Regency, Kolkata and related assets & liabilities stands transferred to & vested in the company w.e.f. the appointed date, 31<sup>st</sup> October, 2009.

All fixed and current assets, investments, loans & advances and debts & liabilities taken over have been accounted for at book values. Accounting treatment and allocation of reserves has been carried out in accordance with the provisions in the Scheme.

Excess of assets over debts & liabilities taken over has been credited to General Reserve in accordance with clause 5.5 of the Scheme.


5. Capital Work In Progress consists of:
 

Renovation/refurbishing work/other work in progress	157.75 Lacs
Advances for capital contracts	5.82 Lacs

6. As on date company held 91,652 Equity Shares of Rs 10/- each of its subsidiary, 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. 334 lacs for acquiring further shares of RCC from their existing shareholders.




The principal assets of RCC comprise of an interest in a parcel of land at Mumbai, such interest being the subject matter of dispute pending in the Bombay High Court. However, RCC has been legally advised by its lawyers that it has a good chance of success. An independent broker has also made an indicative offer to the Company for its interest in RCC at a value which is higher than the related book value in the books of the Company. Such assets form part of the company's undertaking at book values.

The value of the above assets is primarily dependent on the legal dispute and is, therefore, subject matter of significant uncertainty at this juncture. As such, the ultimate outcome of the matter and, therefore, whether there is impairment, if any, in the value of the aforesaid assets cannot be reasonably determined at present.


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Examiner, Financial Statements  
 Authorised Signatory  
 of The Institute of Cost Accountants of India

29  
The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books. In respect of subsidiaries such decision is based on the management accounts/audited accounts of the subsidiaries, as available on the basis of the information and explanations available.

8. The Company has received notices with regard to Service Tax demand on certain services aggregating to Rs 14.58 Lacs considered to be not tenable in the opinion of the Company. These are thus included under "Contingent Liabilities" as "Claims against the company not acknowledged as debts" and no provision has been made against the same.
9. As the company is engaged in only one segment of Hotel business, therefore, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.
10. The Company has classified the various benefits provided to employees as under-
  - a) Defined contribution plans
    - i. Provident fund
  - b) Defined benefits plans
    - i. Contribution to Gratuity funds
    - ii. Compensated absences – Earned leave

In accordance with Accounting Standard 15 (revised 2005), 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. The estimated term of the benefit obligations works out to 0 years. For the current valuation a discount rate of 8 % p.a. compound, has been used in consultation with the employer.

#### 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. The assumptions used are summarized in the following table:



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Examiner of Audit Statement  
In accordance with Section 70  
of The Indian Evidence Act.

	Gratuity (Unfunded)	Compensated absences Earned leave (Unfunded)
Discount Rate (per annum)	8%	8%
Future salary increase	8%	8%
Expected rate of return on plan assets	0%	0%
In service mortality	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Retirement age	58 years	58 years
Withdrawal rates:	Upto 30 years 3%	Upto 30 years 3%
	Upto 44 years 2%	Upto 44 years 2%
	Above 44 years 1%	Above 44 years 1%

Pursuant to the Scheme of Arrangement & Demerger (the Scheme), liabilities on account of gratuity and leave encashment benefit which have been transferred to & vested in the company are Rs.82.46 lacs and Rs.20.24 lacs respectively. The plan assets are held in the respective trusts maintained by Asian Hotels Ltd. prior to the Scheme which will be appropriated in future.

11. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows :-

Subsidiaries	a) Regency Convention Centre and Hotels Limited b) GJS Hotels Limited
Associates	None
Key Management Personnel	Mr. Umesh Saraf (Managing Director)
Relatives of Key Management Personnel	Mr. R.G.Saraf (Uncle of Mr. Umesh Saraf)
Entities over which Directors and their relatives can exercise significant influence	Juniper Hotels Pvt. Ltd. Nepal Travel Agency Pvt. Ltd.


**Transactions with related parties**

Particulars	Subsidiaries	Associates	Relatives of Key Management Personnel	Key Management Personnel	Entities controlled by Directors or their relatives
Receivables	59,108,879	-	-	-	-

For Investment in Subsidiaries, refer schedule-4.



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 Examiner, Judicial Department  
 High Court  
 Jaipur  
 under the Indian Evidence Act.



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12. Net deferred tax liability is on account of the following:

Timing difference in respect of:	(Rs. In lacs)
Depreciation	2186.12
Provision for retirement benefits	(34.81)
Provision for doubtful debts / advances	<u>(9.82)</u>
	<u>2151.39</u>

13. 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) were redeemable in three installments of 25%, 25% and 50% (including redemption premium) on 30<sup>th</sup> June 2008, 30<sup>th</sup> June 2009 and 30<sup>th</sup> June 2010 respectively.

Amount of Redemption pending (in Rs. lacs)		
Date of Redemption	IDFC	MAGUS
30 <sup>th</sup> June, 2010	48.32	45.00

The amounts are in accordance with the ratios of allocation mentioned in clause 5.5 of the Scheme of Arrangement & Demerger.

- 14. The company has received Rs 150.01 Lacs as subscription money against the Fully Convertible Preferences Shares (FCPS) to be issued pursuant to the Scheme.
- 15. Disclosure of other items as required by Part -II of Schedule -VI to the Companies Act, 1956 is not applicable.
- 16. Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006.

The Company had sent letters to its suppliers for confirmation of their registration in MSMED Act, 2006 and on the basis of reply received from suppliers the disclosure is given below:-

Particulars	Current year	Previous year
a) Principal amount remaining unpaid to any supplier as at date	0.00	0.00
b) Interest due thereon	0.00	0.00
c) Amount of interest paid by the company in terms of section 16 of the MSMED, along with amount of the payment made to supplier beyond the appointed day	0.00	0.00
d) 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 the interest specified under the MSMED	0.00	0.00
e) Amount of interest accrued and remaining unpaid	0.00	0.00



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Certified to be  
 Examined and  
 Audited in accordance with Section 70  
 of the Indian Evidence Act.



17. There are no foreign currency exposures with the company.

18. Schedules 1 to 11 form an integral part of the Balance Sheet as at 1st November, 2009.

As per our report of even date

For and on behalf of the Board

For S. S. Kothari Mehta & Co.  
Chartered Accountants

Arun K. Tulsiani  
Partner  
Membership No. 8980



Place: New Delhi  
Dated: 14-11-2010

*[Signature]* ————— 3 —————  
(Director) (Director)

*[Signature]*



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Examiner, Ministry of Corporate Affairs  
of The Institute of Cost Accountants of India

93 SCHEDULE - II

**IN THE HIGH COURT OF DELHI AT NEW DELHI  
COMPANY JURISDICTION**

**COMPANY PETITION NO. 16 OF 2008**

**IN THE MATTER OF:**

The Companies Act, 1956;

**AND**

**IN THE MATTER OF:**

Petition under Sections 391-394 of the Companies Act, 1956;

**AND**

**IN THE MATTER OF:**

Scheme of Arrangement and Demerger between Asian Hotels Limited, Chillwinds Hotels Limited and Vardhman Hotels Limited.

**AND**

**IN THE MATTER OF:**

<b>ASIAN HOTELS LIMITED</b> , having its Registered Office at Bhikaji Cama Place, M.G. Marg, New Delhi-110607.	...Petitioner Company No.1/ Transferor Company
<b>CHILLWINDS HOTELS LIMITED</b> , having its Registered Office at D-4, Qutub Hotel & Apartments, Shaheed Jeeb Singh Marg, New Delhi-110016.	...Petitioner Company No.2/ Transferee Company-I
<b>VARDHMAN HOTELS LIMITED</b> , having its Registered Office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110055.	...Petitioner Company No.3/ Transferee Company-II

**SCHEDULE**

Short description of the properties, assets and liabilities of the Transferor Company to be transferred to Transferee Company - I as part of the "Mumbai Undertaking" and Short description of the properties, assets and liabilities of the Transferor Company to be transferred to Transferee Company - II as part of the "Kolkata Undertaking".

**PART I**

**Short description of the freehold property of the Transferor Company to be transferred to Transferee Company - I**

All those pieces or parcels of land admeasuring 15,330 Sq. Mts. originally bearing C.T.S No. 47 (Part) of Village Bapnala and Survey No. 98(Part) / C.T.S No. 145 (Part) Survey No. 102 (Part) / C.T.S. No. 232 (Part) of Village Sahar and now bearing C.T.S. No. 145-B/1 of Village Sahar admeasuring 9,957.60 Sq. Mtrs and C.T.S No. 41-B/3C of Village Bapnala admeasuring 5,375.40 Sq.Mtrs. and aggregating to 15,333 Sq. Mts or thereabouts and bounded as herein: on or towards the North by C.T.S. No. 41 (Part), 47 (Part) and 48 of Village Bapnala; on or towards the East by C.T.S. No. 48 of Village Bapnala and Survey No. 98 (Part)/C.T.S. No. 145 (Part) of Village Sahar; on or towards the South by existing 27.45 M. wide Sahar Airport Road; and on or towards the West by proposed 13.40 M (44ft) wide D.P. Road as reflected in the sanctioned D.P.of K/East Ward.

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Examiner, District Court  
 Authority Under Section 115A  
 of The Indian Evidence Act



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Short description of the freehold property of the Transferor Company being transferred to Transferee Company - II

Nil

**PART II**

Short description of the leasehold property of the Transferor Company to be transferred to Transferee Company - I

Nil

Short description of the leasehold property of the Transferor Company being transferred to Transferee Company - II

All that leasehold land measuring 6.0047 acres bearing Plot No. I in Block JA in Sector-III of Bhidannagar in the District of North 24 Parganas, Police Station Bidhannagar, Registration Office Bidhannagar.

Boundaries:

North	:	Stadium Complex and Type II Road
South	:	Stadium
East	:	Stadium
West	:	E.M. Bye Pass Road after 15 m strip of land

**PART III**

Short description of all stocks, shares, debentures, charges in action and licenses, permissions, approvals, exemption certificates, entitlements and statutory approvals under various applicable laws of the Transferor Company being transferred to the Transferee Company - I

- (a) all assets whether movable or immovable, tangible or intangible, including all rights, title, interest, covenant, undertakings, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or moveable, and whether leased or otherwise, including inventory and work in progress, together with all present and future liability including contingent liabilities and debts appertaining thereto, of the Transferor Company all of which relate to the Mumbai Undertaking;
- (b) all investments (including investments in 2,50,10,000 equity shares of the face value of Rs. 10/- each credited as fully paid-up, of Aria Hotels and Consultancy Services Private Limited' bearing distinctive numbers from 001 to 2,50,10,000 including 10 shares held jointly with a nominee of the Company), loans and advances, including accrued interest thereon, of the Transferor Company appertaining to the Mumbai Undertaking, including deposits/ advances paid towards acquisition of immovable property in Bangalore;

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High Court  
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- (c) all debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, pertaining to the Mumbai Undertaking (including debts, borrowings and liabilities incurred in relation to Arja Hotels and Consultancy Services Private Limited);
- (d) all permits, quotas, rights, entitlements, licenses, approvals, consents, tenancies, offices and depots, trademarks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses, easements, powers and facilities of every kind and description whatsoever appertaining to the Mumbai Undertaking;
- (e) all earnest monies and/or security deposits, payment against warrants or other entitlements in connection with or relating to the Mumbai Undertaking.

Short description of all stocks, shares, debentures, charges in action and licenses, permissions, approvals, exemption certificates, entitlements and statutory approvals under various applicable laws of the Transferor Company being transferred to the Transferee Company - II

- (a) all assets whether movable or immovable, tangible or intangible, including all rights, title, interest, covenant, undertakings, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or moveable, and whether leased or otherwise, including inventory and work in progress, together with all present and future liability including contingent liabilities and debts appertaining thereto, of the Transferor Company all of which relate to the Kolkata Undertaking;
- (b) all investments (including 1,09,61,000 equity shares of Rs. 10/- each credited as fully paid-up, held in GJS Hotels Limited bearing distinctive numbers from 001 to 10961000 including 60 shares jointly held with the nominees of the Company; and 91,652 equity shares of Rs. 10/- each credited as fully paid-up of Regency Convention Centre and Hotels Limited bearing distinctive numbers from 70001 to 145000; 14751 to 23076; and 53751 to 62076), loans and advances (including accrued interest thereon, along with advances for purchase of certain shares of Regency Convention Centre and Hotels Limited from other shareholders thereof, and provisions against such advances) of the Transferor Company appertaining to the Kolkata Undertaking;
- (c) all debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, pertaining to the Kolkata Undertaking;

*Agreed*

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- (d) all permits, quotas, rights, entitlements, licenses, approvals, consents, tenancies, offices and depots, trademarks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses, easements, powers and facilities of every kind and description whatsoever appertaining to the Kolkata Undertaking;
- (e) cash in bank of Rs. 327.58 Crores and all earnest monies and/or security deposits, payment against warrants or other entitlements in connection with or relating to the Kolkata Undertaking.

Dated this the 13<sup>th</sup> January, 2010.

(By order of the Court)

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*N/S 11/10*

Examiner Judicial Department  
High Court of West Bengal  
Authorized Under Section 70  
of The Indian Evidence Act.

*Sd-*  
Joint Registrar (Co)  
For Registrar General.

56.8

Date of Presentation of Application for copy ..... 10/11/10  
 No. of Words/Pages ..... 104  
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 Total Rupees ..... 5.00  
 Name of Applicant ..... Mr. Aniruddh Das  
 Date of Receipt of Record .....  
 for Copy .....  
 Date of reparation of Copy ..... 25/11/10  
 Date of Delivery of Copy ..... 25/11/10

Aniruddh Das  
 Administrative Officer (Jd)  
 (Original)  
 High Court of Delhi  
 New Delhi

Aniruddh Das  
 25/11/10



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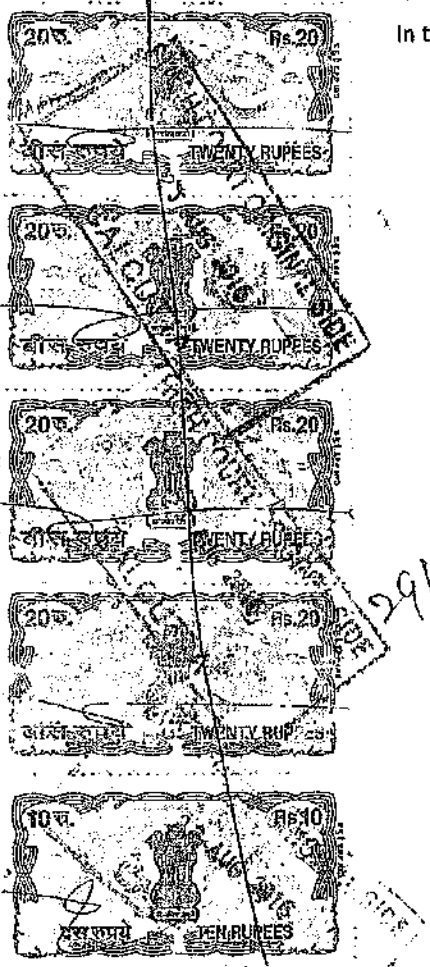
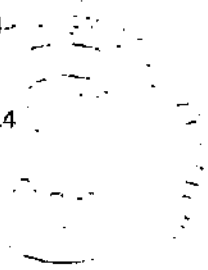
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 Agency Fees .....  
 Total Rupees ..... 5.65  
 Name of Applicant ..... Aniruddh Das  
 Date of Receipt of Record .....  
 for Copy .....  
 Date of reparation of Copy ..... 28/11/10  
 Date of Delivery of Copy ..... 28/11/10

Aniruddh Das  
 Administrative Officer (Jd)  
 (Original)  
 High Court of Delhi  
 New Delhi



~~70~~ - 23-8-2016

Company Petition No.468 of 2014-  
Connected with  
Company Application No.55 of 2014  
In the High Court at Calcutta  
Original Jurisdiction



In the Matter of:  
The Companies Act, 1956  
And

In the Matter of:  
An Application under Sections 391(2)  
and 394 read with Section 100 of the  
said Act.

And

In the Matter of:  
Forex Finance Private Limited, a  
Company incorporated under the  
provisions of the Companies Act,  
1956, having its registered office at  
15, India Exchange Place, Kolkata 700  
001, within the aforesaid jurisdiction

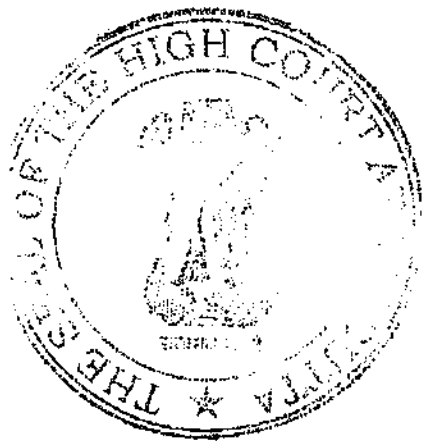
And

Asian Hotels (East) Limited, a  
Company incorporated under the  
provisions of the Companies Act,  
1956, having its registered office at  
Hyatt Regency Kolkata, JA-1, Sector-  
3, Salt Lake City, Kolkata 700 098,  
within the aforesaid jurisdiction.

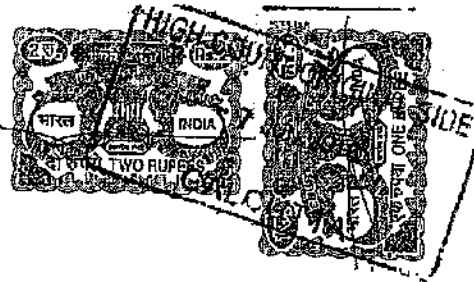
- 1. Forex Finance Private Limited
- 2. Asian Hotels (East) Limited

....Petitioners

Execd  
Wangeli - Sanjivani  
(woman)  
23/8/16







Company Petition No. 468 No. of 2014  
Connected with  
Company Application No. 65 No. of 2014

**IN THE HIGH COURT AT CALCUTTA**

Original Jurisdiction

459  
7-6-16

52-22-8  
2016

President of the Union of India

In the Matter of:  
The Companies Act, 1956  
And

In the Matter of:  
An application under Sections  
391(a) and 394 read with  
Section 100 of the said Act.

The Honourable Mr. Justice  
Biswanath Somadder }

And

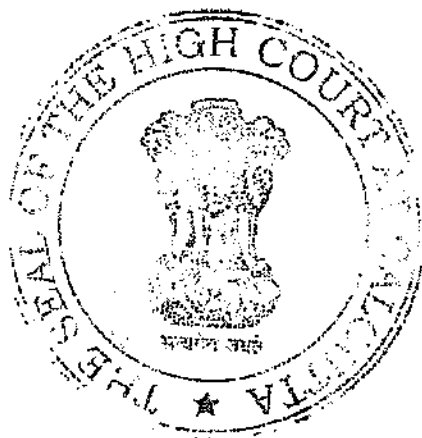
In the Matter of:  
Forex Finance Private Limited,  
a Company incorporated under  
the provisions of the Companies  
Act, 1956, having its registered  
office at 15, India Exchange  
Place, Kolkata - 700017, within  
the aforesaid jurisdiction.

And

Asians Hotels (East) Limited,  
a Company incorporated  
under the provisions of the  
Companies Act, 1956, having

its....

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its registered office at  
Wyatt Regency Kolkata, SA-1,  
Sector-3, Salt Lake City,  
Kolkata - 700098, within  
the aforesaid jurisdiction.

1. Forex Finance Private  
Limited.

2. Asian Hotels (East)  
Limited.

----- Petitioners.

The above petition coming on for hearing  
on this day upon reading the said petition  
the order dated tenth day of February in  
the year two thousand fourteen and as  
modified by an order dated third day of  
March in the year two thousand fourteen  
whereby the meeting of the Equity shareholders  
of the abovenamed petitionere company no. 1.  
Forex Finance Private Limited (hereinafter  
referred to as the said transferor company)  
was dispensed with in view of the written  
consent given by all the equity shareholders  
of the said transferor company in respect of  
the ....

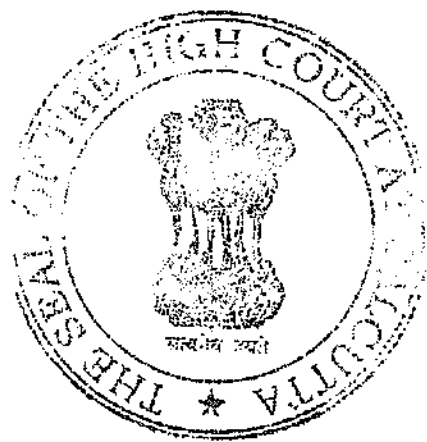
  
H.P.2



3.

the proposed scheme of Amalgamation of the said transferee company with abovenamed petitioner company no. 2. Asian Hotels (East) Limited (hereinafter referred to as the said transferee company) And a meeting of the said transferee company was ordered to be held by the said order dated tenth day of February in the year two thousand fourteen and as modified by the said order dated third day of March in the year two thousand fourteen for the purpose of considering and if thought fit, approving with or without modification the proposed scheme of amalgamation of the said transferee company with the said transferee company And annexed to the Joint affidavit of Madhvendra Prakash and Saumen Chattopadhyay filed on twenty ninth day of January in the year two thousand fourteen and a supplementary affidavit filed by the petitioner company no. 2 / transferee company, an affidavit of Saumen Chattopadhyay affirmed on tenth day of March in the year two thousand fourteen and filed on eleventh day of March in the year two thousand fourteen the "Business Standard" and the "Aajkal" both dated fifteenth day of March in the year two....

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4.

two thousand fourteen each containing the advertisement of the notices convening the said meeting directed to be held by the said order dated tenth day of February in the year two thousand fourteen and third day of March in the year two thousand fourteen, the affidavit of Saumen Chattopadhyay affirmed on thirty first day of March in the year two thousand fourteen showing the publications and despatch of the said notices convening the said meetings the report of the chairperson of the said meeting filed on twenty second day of April in the year two thousand fourteen as to the result of the said meeting And upon reading on the part of the said petitioner companies an affidavit of Ranajit Naskar filed on twenty second day of July in the year two thousand fourteen and the exhibits therein referred to And upon reading on the part of the Central Government an affidavit of Shri Narendra Kumar Bhala, Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata, filed on eighth day of March in the year two thousand sixteen And the letter dated fourteenth day of March in the year two thousand sixteen of the Deputy Director, Ministry of Corporate Affairs, Office of the Regional Director (Eastern Region), Government of India with  
... regard....

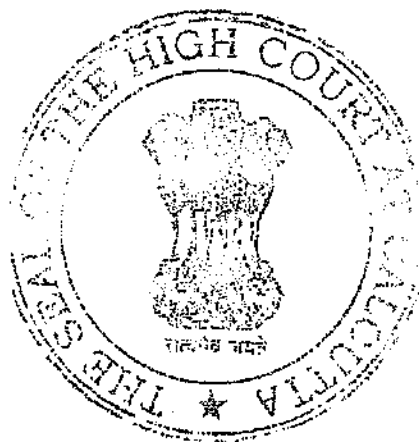
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regard to observations made in paragraph 2(b) and 2(c) of the affidavit of the Central Government. And upon reading the order made herein and dated twenty fifth day of June in the year two thousand fourteen. And upon reading on the part of the objector, Asian Hotels (West) Limited, an affidavit of Nikhil Sethi affirmed on a eighth day of March in the year two thousand sixteen and a joint reply thereto filed by the petitioner companies of Prince Kumar and Soumya Saha affirmed on twelfth day of September in the year two thousand fourteen and filed on fifteenth day of September in the year two thousand fourteen and a supplementary affidavit on the part of the objector, Asian Hotels (West) Limited an affidavit of Sandeep Gupta filed on seventh day of March in the year two thousand sixteen. And upon hearing Mr. Ratnanko Banerjee senior Advocate (Mr. D.N. Sharma, Mr. Aniket Agarwal, Ms. Risha Saha Advocates appearing with him) And Mr. Ranjan Bachawat (Mr. Anindam Guha, Mr. Soumya Sadhan Bose Advocates, appearing with him) Senior Advocate appearing for the Objector, Asian Hotels (West) Limited And Ms. Someshree Saha Advocate for the Central Government and it appearing from

the....

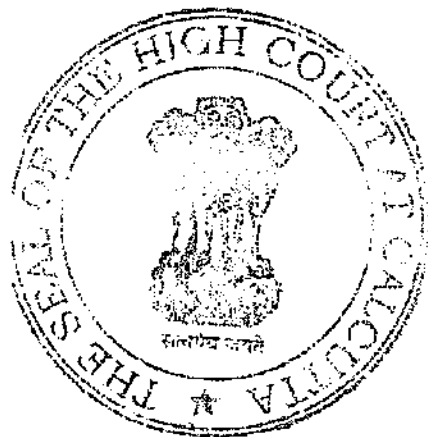


6.

the said report of the chairperson that the proposed scheme of amalgamation has been approved by the requisite majority of the equity shareholders of the said transferee company in accordance with law And since the comments made in paragraph 2(a) of the affidavit of the Central Government with regard to filing of Form MGT-14 and consequent amendment of clause 12.7 of Part II of the said scheme has been already disposed of by an order dated eighth day of March in the year two thousand sixteen of this Honble Court with the observation that a similar issue was dealt with by this Honble Court in Company Petition No. 229 of 2015 (BMS Realty Private Limited & Anr.) and the said comment of the Central Government made in paragraph 2(a) can be complied with in the manner as directed by this Court in Company Petition No. 229 of 2015 by the petitioners by filing Form INC-28 with the office of the Registrar of Companies, which the petitioners undertake to file. And since the Honble Court is of the view that the comments made in paragraph 2(b) and 2(c) of the affidavit of the Central Government are adequately clarified And in as much as the said petitioner companies being the defendant

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P.6

No. 8 . . . .



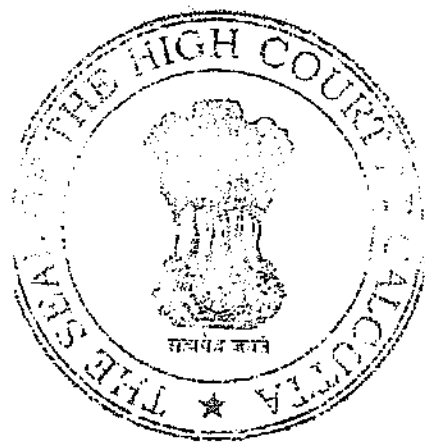
7.

No. 8 and 9 in a suit, pending before the Hon'ble Delhi High Court, approached the Delhi High Court in compliance with the order dated fifteenth day of March in the year two thousand sixteen of this Hon'ble Court seeking clarification that the order of status quo passed by the Delhi High Court in such suit shall have no effect in respect of the present application filed under section 301(2) and 394 of the Companies Act And having perused an order passed by the Delhi High Court on twelfth day of May in the year two thousand sixteen it appears that the position has been clarified by the Delhi High Court in respect of the subsisting order of status quo And in view of the above:-

This Hon'ble Court doth hereby sanction the proposed scheme of amalgamation set forth in annexure 'A' of the petition herein and specified in the Schedule 'A' hereto and doth hereby declare same to be binding with effect from first day of April in the year two thousand twelve (hereinafter referred to as the said 'Appointed Date') on the said transferee company and the said transferor company and their respective shareholders and all concerned.

This....

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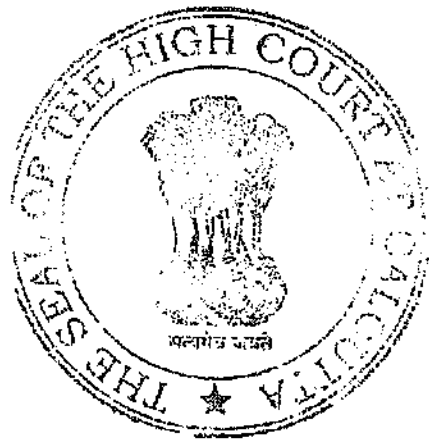
This Court doth order :-

1. That all the property, right and powers of the said transferor company, including those specified in the first, second and third parts of the Schedule-B hereto but excluding those specified in clause 4.2 of the said scheme be transferred from the said Appointed date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vest in the said transferee company for all the estate and interest of the said transferor company therein but subject nevertheless to all charges now affecting the same; and

2. That all the debts, liabilities, duties and obligations of the said transferor company be transferred from the said appointed date without further act or deed to the said transferee company and, accordingly, the same shall, pursuant to section 394(2) of the Companies Act 1956 be transferred to and become the debts, liabilities, duties and obligations of the said transferee company; and

*[Signature]*

*[Signature]*





9.

3. That all proceedings and/or suits and/or appeals now pending by or against the said transferor company shall be continued by or against the said transferee company, and

4. That leave be and the same is hereby granted to the said petitioner companies to file the schedule of assets of the said transferor company as stated in para 23 of the petition within a period of three weeks from the date hereof; and

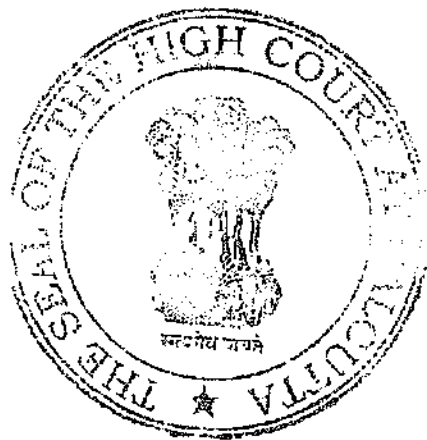
5. That the said transferee company do issue and allot to the shareholders of the said transferor company the shares in the Transferee company to which they are entitled in terms of clause 12 of the said scheme; and

6. That the said transferor company and the said transferee company do within a period of thirty days after the date of the order made herein cause the certified copy thereof to be delivered to the Registrar of Companies, West Bengal for registration; and

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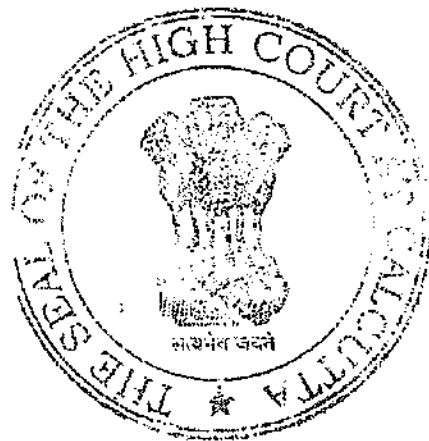
7. That the Official Liquidator attached to this Hon'ble Court do file a report under second proviso to section 394 (1) of the Companies Act 1956 in respect of the said transferor company within a period of six weeks from the date hereof; and

8. That the said Official Liquidator do forthwith serve a copy of the said report filed by him in terms of the above on Khaitan & Company the Advocates on-record for the said petitioner companies immediately after filing the same with this Hon'ble Court; and

9. That leave be and the same is hereby granted to the said transferee company to apply for the dissolution without winding up of the said transferor company after filing of the said report by the said Official Liquidator; and

10. That in the event the said petitioner companies supply a legible computerised print out of the scheme and the schedule of assets in acceptable form to the department, the concerned department will append such computerised print out, upon verification, to the certified copy of  
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11.

this order without insisting on a hand written copy thereof; and

11. That the said petitioner companies do pay to the Central Government its costs of and incidental to this application assessed at three hundred Gold Mohurs; and

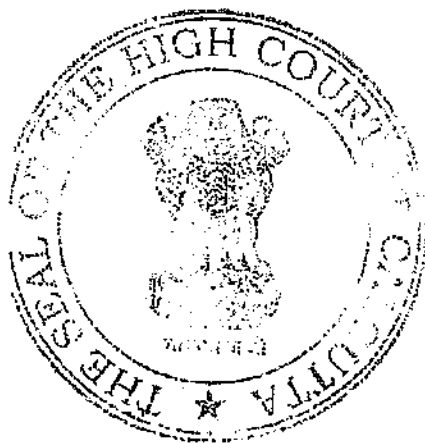
12. That the Company Petition No. 468 of 2014 be and the same is hereby disposed of with the aforesaid directions.

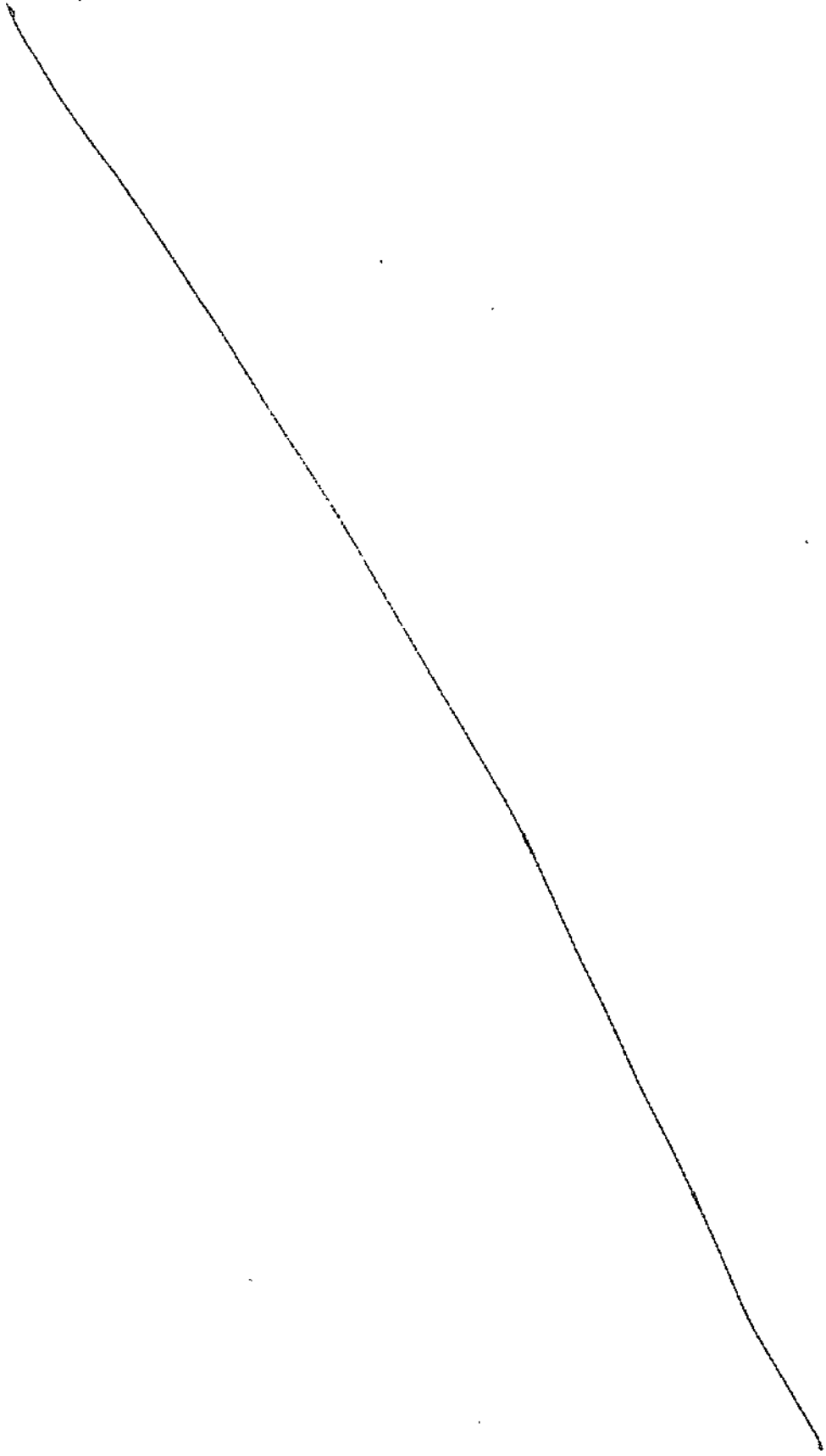
Witness, Mrs. Manjula Chellur, Chief Justice at Calcutta aforesaid the seventh day of June in the year two thousand sixteen.

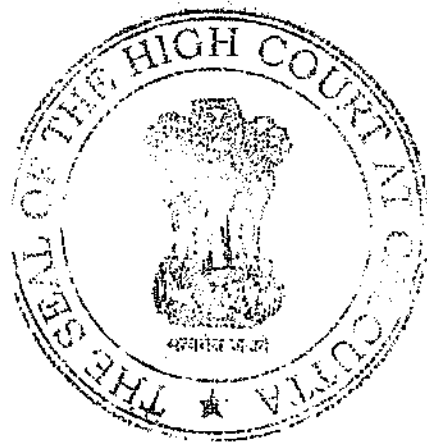
Khaitan & Company — Advocates  
Shri M. C. Pousty — Deputy Government Advocate

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P-11

S. D. Sen  
22/08/2016  
For Registrar  
Bm









**Schedule "A" above referred to**

**Scheme of Amalgamation**

**(PURSUANT TO SECTION 391 OF THE COMPANIES ACT, 1956)**

**of**

**Forex Finance Private Limited**

**with**

**Asian Hotels (East) Limited**

**PART - I**

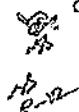
**(Preliminary)**

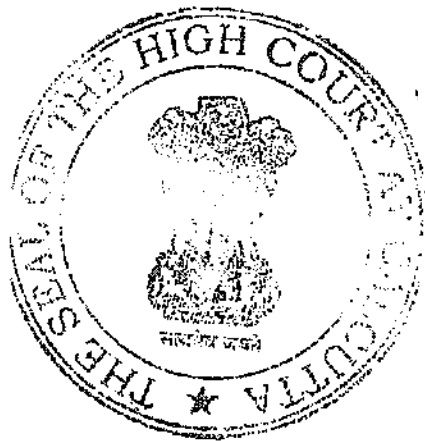
**1. DEFINITIONS:**

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

- i. "Act" means The Companies Act, 1956, including any statutory modifications, re-enactments or amendments thereof.
- ii. "Appointed Date" means the 1st day of April, 2012.
- iii. "Transferor Company" means Forex Finance Private Limited, a Company incorporated under the provisions of the Act and having its registered office at 15 India Exchange Place, Kolkata 700 001 in the State of West Bengal.
- iv. "Transferee Company" means Asian Hotels (East) Limited, a Company incorporated under the provisions of the Act and 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. "Scheme" means this Scheme of Amalgamation of the Transferor Company with the Transferee Company in its present form or with such modifications as sanctioned by the Hon'ble High Court at Calcutta.
- vi. "Effective Date" means the date or last of the dates on which certified copies of the order sanctioning this Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies.
- vii. "Record Date" means the date fixed by the Board of Directors or a committee thereof of the Transferee Company for the purpose of determining the members of the Transferor Company to whom new shares will be allotted in terms of this Scheme.
- viii. "Undertaking of the Transferor Company" means and includes:
  - (i) All the properties, assets, rights and powers of the Transferor Company; and
  - (ii) All the debts, liabilities, duties and obligations of the Transferor Company.

Without prejudice to the generality of the foregoing clause the said Undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situate including all office equipments, inventories, investments in shares, debentures, bonds and other securities, sundry debtors, cash and bank balances, loans and advances, leases and all other interests and rights in or





arising out of such property together with all liberties, easements, advantages, exemptions, approvals, licenses, trademarks, patents, copyrights, import entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by the Transferor Company or which the Transferor Company is entitled to together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records of the Transferor Company.

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

2. SHARE CAPITAL:

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company as on the date of the meetings of Board of Directors of the said Companies further considering and approving this Scheme, i.e. as on 23 May 2013, is as under:

	(Rs.)
i. <u>The Transferor Company:</u>	
<u>Authorised Share Capital:</u>	
7,50,00,000 Equity Shares of Rs.10/- each	75,00,00,000/-
 <u>Issued, Subscribed and Paid up Share Capital:</u>	
4,50,00,000 Equity Shares of Rs.10/- each	45,00,00,000/-
	(Rs.)
ii. <u>The Transferee Company:</u>	
<u>Authorised Share Capital:</u>	
1,40,00,000 Equity Shares of Rs.10/- each	14,00,00,000/-
10,00,000 Preference Shares of Rs.10/- each	1,00,00,000/-
	-----
	15,00,00,000/-
 <u>Issued, Subscribed and Paid up Share Capital:</u>	
1,14,40,585 Equity Shares of Rs.10/- each fully paid up	11,44,05,850/-

At present, the Transferor Company holds 31,27,072 Equity Shares in the Transferee Company constituting 27.33% of the total Issued Equity Share Capital of the Transferee Company

3. DATE OF TAKING EFFECT AND APPOINTED DATE:

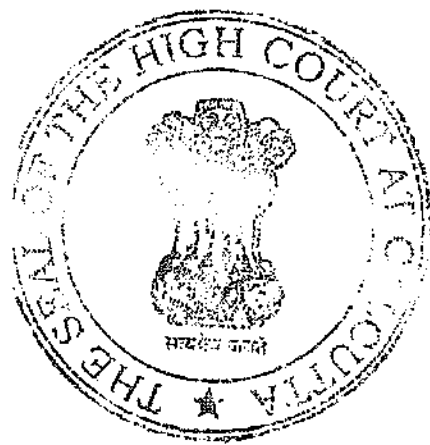
The Scheme although operative from the Appointed Date, shall become effective on the Effective Date pursuant to filing of certified copies of the order sanctioning the same with the Registrar of Companies by the Transferor Company and the Transferee Company on such date.

4. OBJECTS AND REASONS:

i. The Transferee Company is engaged in the business of running a hotel, being the "Hyatt Regency" hotel in Salt Lake in Kolkata. The Transferor Company is engaged in the business of investing in shares and securities of other bodies corporate. Two of its main Investments are 31,27,072 Equity Shares held by it in the Transferee Company as aforesaid and 3,00,10,000 Equity Shares held by it in Robust Hotels Private Limited, another group Company which is running a hotel, viz the Hyatt Regency hotel in Mount Road in Chennai.

ii. In view, inter alia, of the commonality of interests of the Transferor Company and the Transferee Company in the business of hoteliering, It is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and the terms and conditions stated in this Scheme of Amalgamation.

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- iii. The amalgamation will result in the formation of a larger and stronger Company having a core operating business with the backing and leverage of a sound financial asset base which is conveniently held and monitored as an incidental part of the entire undertaking and activities of the amalgamated entity without detracting from the operating business or diluting focus thereon. The same will provide greater depth to the asset and income base of the amalgamated entity with the asset base constituting of both operating and financial assets and income stream coming from two regional hotels, viz the said hotels at Kolkata and Chennai. The larger capital and asset base and will strengthen the balance sheet and fortify the position of the amalgamated entity to raise funds required for expansion of its business and interests more efficiently and adequately as also to conduct trade on more favourable terms.
- iv. The amalgamation will enable the business and interests of the Transferor Company and the Transferee Company to be held, managed and controlled more conveniently and advantageously. The same will also result in reduction in overheads and other expenses, and, will enable the undertakings concerned to rationalize and streamline their management, business and finances and to effect internal economies and eliminate duplication of work to their common advantage.
- v. The Scheme is proposed accordingly and will have beneficial results for the said Companies, their shareholders, employees and all concerned.

**PART - II**  
(The Scheme)

**5. TRANSFER OF UNDERTAKING:**

- 5.1 With effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme. Accordingly, the Undertaking of the Transferor Company shall, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and manner of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company, as a going concern without any further act, deed, matter or thing (save as provided in Clause 5.2 below) so as to become on and from the Appointed Date the Undertaking of the Transferee Company.
- 5.2 It is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company accordingly without requiring any deed or instrument of conveyance for the same. The Transferor Company does not have any immovable property whatsoever.
- 5.3 All debts, liabilities, duties and obligations of the Transferor Company shall be transferred to the Transferee Company, without any further act or deed, pursuant to the provisions of Section 394 of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company.
- 5.4 The transfer of the Undertaking of the Transferor Company, as aforesaid, shall be subject to the existing charges, if any, over or in respect of any of the assets or any part thereof, provided however that such charges shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer of such assets to the Transferee Company and no such charges shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by it and the charges in respect of such indebtedness

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of the Transferee Company shall not extend or be deemed to extend or apply to the assets so acquired by the Transferee Company.

5.5 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by the Transferor Company for their operations and/or to which the Transferor Company is entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to the Transferee Company, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. Since the Undertaking of the Transferor Company will be transferred to the Transferee Company as a going concern without any break or interruption in the operations thereof, the Transferee Company 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 Undertaking of the Transferor Company on the basis of the same upon this Scheme becoming effective. Further, all benefits to which the Transferor Company is entitled in terms of the various Statutes and / or Schemes of Union and State Governments, including MAT credit and other benefits under Income Tax Act and tax credits and benefits relating to Excise (including Modvat/Cenvat), Sales Tax, etcetera shall be available to the Transferee Company upon this Scheme becoming effective. It is clarified that the registrations which shall be so acquired by the Transferee Company from the Transferor Company shall not include the registration of the Transferor Company as a Non-Banking Financial Company since the amalgamated Transferee Company will continue to carry and focus on its existing business of running a hotel as its principal business with assets and income from such principal business constituting major part of its total assets and income even after the amalgamation.

5.6 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstandings as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

6. **LEGAL PROCEEDINGS:**

If any suits, actions and proceedings of whatsoever nature (hereinafter called "the Proceedings") by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

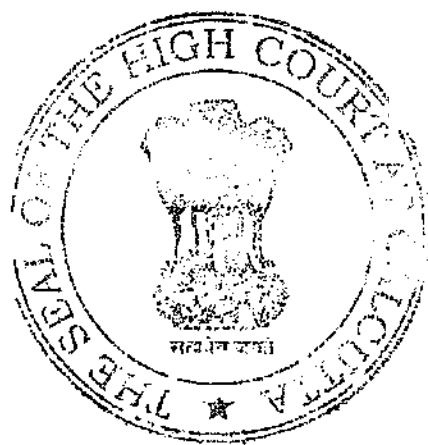
7. **CONTRACTS AND DEEDS:**

Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, engagements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company 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 the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

8. **SAVING OF CONCLUDED TRANSACTIONS:**

The transfer of the Undertaking of the Transferor Company under Clause 5 above, the continuance of Proceedings under Clause 6 above and the effectiveness of contracts and deeds under Clause 7 above, shall not affect any transaction or Proceedings already concluded by the







Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

**9. EMPLOYEES:**

On and from the Effective Date:

- 9.1 All the employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company without treating it as a break, discontinuance or interruption in service on the said date.
- 9.2 Accordingly the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.
- 9.3 It is expressly provided that the Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees, as applicable, of the Transferor Company shall be continued by the Transferee Company and the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company.

**10. DISSOLUTION OF THE TRANSFEROR COMPANY:**

The Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 394 of the Act.

**11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE:**

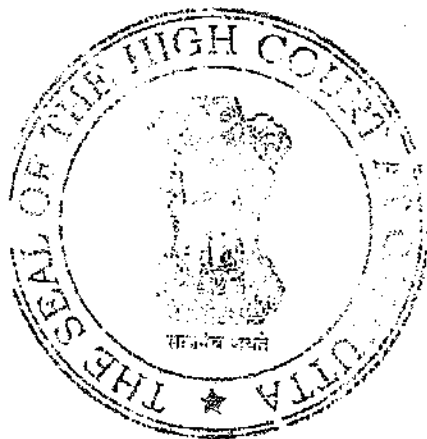
11.1 With effect from the Appointed Date and up to the Effective Date:

- i. The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for the Transferee Company.
- ii. The Transferor Company shall carry on its businesses and activities with due diligence and business prudence and shall not charge, mortgage, encumber or otherwise deal with their assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of their business, without the prior written consent of the Transferee Company.
- iii. All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company including accumulated losses shall for all purposes be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

11.2 It is expressly clarified and provided that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividend at any rate, whether interim or final, to its Equity Shareholders for the period commencing on and from the Appointed Date. In the event the Transferee Company declares such dividend prior to the Record Date the shareholders of the Transferor Company as on the Record Date who are issued and allotted New Equity Shares of the Transferee Company shall also be eligible to receive an amount representing dividend at the same rate on such New Equity Shares in the Transferee

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Company. For this purpose, the Transferee Company shall, at the time of declaration of dividend as aforesaid, reserve for payment such amount representing dividend to the Transferor Company's shareholders.

**12. ISSUE OF SHARES**

12.1 Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, issue and allot to the members of the Transferor Company holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date ("the Record Date"), as the Board of Directors of the Transferee Company shall determine, Equity Shares of Rs.10/- each in the Transferee Company credited as fully paid up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") in the following ratio:

1 (One) New Equity Share of Rs.10/- each in the Transferee Company credited as fully paid up for every 14(Fourteen) Equity Shares of Rs.10/- each fully paid-up held by them in the capital of the Transferor Company.

12.2 No fractional shares shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled to under the provisions of 12.1 above. Such fractional entitlements, if any, shall be ignored.


12.3 The New Equity Shares of the Transferee Company to be issued and allotted in lieu of the Equity Shares of the Transferor Company shall rank paripassu in all respects with the existing Equity Shares of the Transferee Company, including for dividend, if declared by the Transferee Company as provided in clause 11.2 above. Further such new Equity Shares shall, subject to compliance with requisite formalities, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Shares of the Transferee Company are listed and/or admitted to trading.

12.4 In respect of the shareholding of the members of the Transferor Company held in dematerialised form, the Equity Shares in the Transferee Company shall, subject to applicable regulations, also be issued to them in the dematerialised form pursuant to clause 12.1 above with such shares being credited to the existing depository accounts of the members of the Transferor Company entitled there, as per records maintained by the National Securities Depository Limited and / or Central Depository Services (India) Limited on the Record Date.

12.5 In respect of the shareholding of the members in the Transferor Company held in the certificate form, the Equity Shares in the Transferee Company shall be issued to such members in certificate form. Members of the Transferor Company desirous of receiving the new shares in the Transferee Company in dematerialised form should have their shareholding in the Transferor Company dematerialised on or before the Record Date.

12.6 For the purposes as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite consent or approval of the Government of India and the Reserve Bank of India and other Appropriate Authorities concerned, for the issue and allotment by the Transferee Company to the respective non-resident members of the Transferor Company, of the New Equity Shares in the Share Capital of the Transferee Company in the ratio aforesaid.

12.7 Consequent to and as part of the amalgamation of the Transferor Company with the Transferee Company herein, the Authorised Share Capital of the Transferor Company shall stand merged into and combined with the Authorised Share Capital of the Transferee Company pursuant to the Scheme, without any further act of deed, and without payment of any registration or filing fee on such combined Authorised Share Capital under Section 611 of the Act, the Transferor Company and the Transferee Company having already paid such fees. Accordingly, the Authorised Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Company with the Transferor Company shall be a sum of Rs.90,00,00,000/- divided into 8,20,00,000 Equity Shares of Rs.10/- each and 10,00,000 Preference Shares of Rs.10/- each and Clause V of the Memorandum of Association

  
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and Article 3 of the Articles of Association of the Transferee Company shall stand altered accordingly.

**13. CANCELLATION OF EXISTING SHARES OF TRANSFEE COMPANY**

All shares held by the Transferor Company in the share capital of the Transferee Company as on the Effective Date, shall stand cancelled, without any further act or deed, upon this Scheme becoming effective. In lieu thereof no allotment of any new shares or any payment shall be made to any person whatsoever.

**14. ACCOUNTING:**

14.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interests method under Accounting Standard (AS) 14, 'Accounting for Amalgamations' recommended by the Institute of Chartered Accountants of India and notified under Section 211 (3C) of the Companies Act, 1956.

14.2 Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of accounts of the Transferee Company at the book value as recorded in the Transferor Company's books of accounts.

14.3 All reserves of the Transferor Company, excluding Reserve Fund, shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of the Transferor Company. The Reserve Fund of the Transferor Company has been created under statute which is not applicable to the Transferee Company at present and will also not be applicable to after the amalgamation herein and hence such Reserve Fund is not required to be continued or maintained by such Transferee Company. Such fund was created out of profits and, accordingly, the amount thereof shall be credited to General Reserves in the books of the Transferee Company.

14.4 The difference between the carrying amount in the books of the Transferor Company of its investment in the shares of the Transferee Company which shall stand cancelled in terms of this Scheme and the aggregate face value of such shares shall, subject to the other provisions contained herein, be adjusted against and reflected in the Reserves of the Transferee Company as its Board of Directors may determine.

14.5 The difference between the amount recorded as additional share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Companies in lieu whereof such additional share capital is issued shall, subject to the other provisions contained herein, be also adjusted against and reflected in the Reserves of the Transferee Company as its Board of Directors may determine.

**15. APPLICATIONS:**

The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make necessary applications under Sections 391 to 394 of the Act, to the Hon'ble High Court at Calcutta for seeking shareholders' approvals in accordance with law and sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up. The said companies shall also apply for and obtain such other approvals, as required by law. Any such application shall, upon constitution of the National Company Law Tribunal under Section 10Fa of the Act, be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the Hon'ble High Court at Calcutta shall be construed as references to the National Company Law Tribunal as the context may require. The Transferor Company and the Transferee Company shall also apply for such other approvals as may be necessary in law, if any, for bringing the Scheme into effect. Further, the Transferor Company and the Transferee Company 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.



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**16. APPROVALS AND MODIFICATIONS:**

The Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

- 16.1 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 High Court at Calcutta 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.
- 16.2 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 the Transferor Company and the Transferee Company (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.

**17. SCHEME CONDITIONAL UPON:**

The Scheme is conditional upon and subject to the approval of the Scheme by the requisite majority of the members of the Transferor Company and the Transferee Company pursuant to Section 391(1) of the Act and Sanction of the same by the Hon'ble High Court at Calcutta pursuant to Section 391(2) of the Act. Accordingly, the Scheme although operative from the Appointed Date as specified herein, shall become effective pursuant to filing of certified copies of the order sanctioning the same with the Registrar of Companies by the Transferor Company and the Transferee Company.

**18. 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, shall be borne and paid by the Transferee Company. In the event the Scheme does not take effect or stands withdrawn for any reason whatsoever, each Company shall pay and bear their own costs.

**19. RESIDUAL PROVISIONS:**

- 19.1 On the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 391 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Section 81(1-A), 100 and any other provisions of the Act to the extent the same may be considered applicable.
- 19.2 Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all Bank Accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.
- 19.3 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.

*[Handwritten initials]*

*16  
p-19*

*L. Das Sarkar  
22-10-2016*

For Registrar  
*[Signature]*





Schedule B above referred to

**SCHEDULE OF ASSETS**

**OF**

Forex Finance Private Limited ("the Transferor Company") as on 1<sup>st</sup> April 2012 ("Appointed Date") to be transferred to Asian Hotels (East) Limited ("the Transferee Company")

**Part - I**

**(Short Description of Freehold Property of the Transferor Company)**

Nil

**Part - II**

**(Short Description of Leasehold Property of the Transferor Company)**

Nil

**Part - III**

**(Short description of stocks, shares, debentures and other choses in action of the Transferor Company)**

1. Movables specified in clause 5.2 of the Scheme are transferable to the Transferee Company as provided therein.
  
2. Investments in Shares and securities as on the Appointed Date include the following:-
  - i. 31,27,072 Equity Shares of Asian Hotels (East) Limited of Rs.10/- each.
  - ii. 4,58,377 Equity Shares of Asian Hotels (East) Limited of Rs.10/- each.
  - iii. 3,00,10,000 Equity Shares of Robust Hotels Private Limited of Rs.10/- each.
  - iv. 3,18,966 units of Kotak Floater Long Term Fund Daily Dividend (Face Value Rs.10/-

*Exd*  
*P-20*  
*20.8.2016*  
*Exd*  
*Sumi Sarkar*  
*23.8.16*

CONFIRMED TO BE A TRUE COPY  
*Bhargava Mukherjee*  
20.8.16  
Authorized under Section 117  
of the Indian Companies Act, 1973  
(Amended 1972)

*S. Dasgupta*  
22/08/2016  
For Registrar  
*Sm*



Received a copy  
Ranjit Nath  
clerk to M/s Khaitan & Co

Advocates  
22/08/2016

Received a copy  
of the order  
dated 23/08/16  
for M/s. Priyanga Adl.  
Govt. Advocate

50 B/Ls

C.P. No. 468 of 2014  
Connected with  
C.A. No. 55 of 2014

**IN THE HIGH COURT AT CALCUTTA**

Original Jurisdiction

In the Matter of Companies Act, 1956

and

In the Matter of **Forex Finance  
Private Limited** and another

Order

of the 7<sup>th</sup> day of June 2016  
Filed this 23<sup>rd</sup> day of August 2016

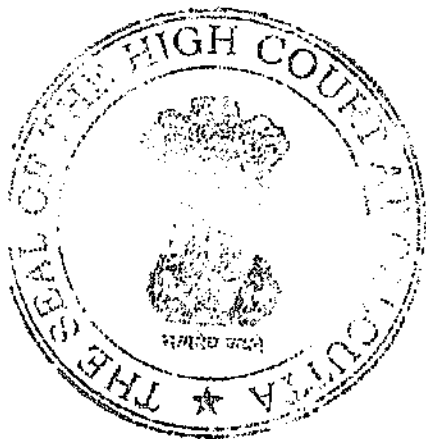
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B.M. Mandal 23/8/16  
High Court, C.S.

S. Bhattacharya  
23/8/16

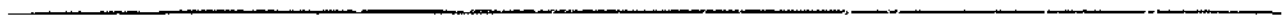
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*[Signature]*  
Superintendent,  
Company Matters Department.



1/21

Attorney  
Khaitan & Company  
Advocates



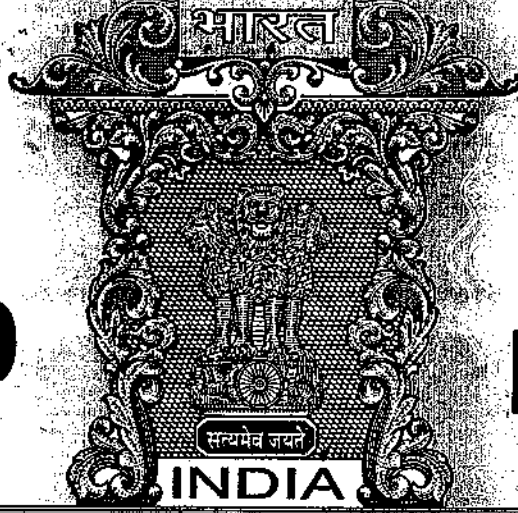
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TEN  
RUPEES

Rs.10

INDIA NON JUDICIAL

पश्चिमबङ्ग पश्चिम बंगाल WEST BENGAL

29AB 910532

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

1  
KOLKATA BENCH

CP (CAA) No. 770 / KB / 2018

CA (CAA) No. 516 / KB / 2017

In the matter of the Companies Act, 2013; Section – 230-232

AND

In the matter of: GJS Hotels Ltd. & Anr

Certified Copy of the Order dated 06.02.2019 passed by this Bench.



103732

Sl. No.....Date.....  
Name.....  
Add.....  
AMT..... 10/-

06 FEB 2019

Asian Hotel (E) Ltd

Sittala St, Kof

SCUNITRA C  
Municipal Staff  
C. S. S.

Form No. CAA.7

[Pursuant to section 232 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

Company Petition No.770 of 2018

connected with

CA(CAA) No. 516/KB/2017

IN THE MATTER OF:

The Companies Act, 2013 - Section 230(6) read with Section 232(3)

-And-

IN THE MATTER OF:

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

-And-

..... Petitioner No.1



*[Handwritten signature]*

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

..... Petitioner No.2

IN THE MATTER OF:

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

..... PETITIONERS

**Order Under Sections 230 and 232 of the Companies Act,2013**

1. The above Company Petition coming on for further hearing on the 24<sup>th</sup> January, 2019 and upon hearing the advocate appearing for the Petitioners and upon hearing Deputy Director of Regional Directorate, Eastern Region representing the Central Government the final order was passed on the 06<sup>th</sup> February, 2019.

2. The object of this Petition is to obtain sanction of this Tribunal to the Scheme of Arrangement between GJS Hotels Limited, being the Petitioner Company No.1, "GJSHL", Asian Hotels (East) Limited, being the Petitioner Company No.2, "AHEL" and Robust Hotels Private Limited, "RHPL" and their respective shareholders whereby and whereunder it is





proposed to reorganise and reconstruct the said Companies by (1) reconstructing GJSHL and AHSL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHSL 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 Scheme of Arrangement, a copy whereof is annexed with the Petition and marked "A".

3. The Scheme shall be operative from the Appointed Date, i.e. the close of business hours on the 31<sup>st</sup> March, 2016.

4. The Board of Directors of the Petitioner Companies and Robust Hotels Private Limited, at their respective meetings held on 10<sup>th</sup> February, 2017, by resolutions passed unanimously, approved the Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders.

5. The true copies of the said Board resolutions are annexed with the Petition and collectively marked "K".

6. It is stated in the Petition that Asian Hotels (East) Limited is a well established hospitality company engaged primarily in the business of running the 'Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, Asian Hotels (East) Limited 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). Asian Hotels (East) Limited thus also has substantial



interests in the hospitality business through its subsidiaries, being GJS Hotels Limited which is a direct and wholly owned subsidiary of Asian Hotels (East) Limited and Robust Hotels Private Limited which is a subsidiary of GJS Hotels Limited. While Robust Hotels Private Limited is running the 'Hyatt Regency' hotel at Anna Salai, Tenampet in Chennai, GJS Hotels Limited is pursuing a project for establishing a hotel in Bhubaneswar, Odisha. The operations of GJS Hotels Limited have been funded primarily by Asian Hotels(East) Limited by a combination of equity capital and loan while the operations of Robust Hotels Private Limited have also been funded primarily by Asian Hotels(East) Limited and GJS Hotels Limited by a combination of equity capital, preference capital and debt. While Asian Hotels (East) Limited has been in the hospitality business for several years, the business of GJS Hotels Limited and Robust Hotels Private Limited 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.

7. It is also stated in the Petition that the demerger will simplify the holding structure of the subsidiaries of Asian Hotels (East) Limited and result in Robust Hotels Private Limited also becoming a direct wholly owned subsidiary of Asian Hotels (East) Limited consequent to transfer of the investment of GJS Hotels Limited in Robust Hotels Private Limited to Asian Hotels (East) Limited as part of the demerger.

8. It is further submitted in the Petition that the demerger will enable GJS Hotels Limited 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 GJS Hotels Limited without the responsibility of monitoring investments in Robust Hotels Private Limited. The demerger will also enable independent evaluation of the said business of GJS Hotels Limited and facilitate running and operation of such business and growth and development plans thereof to be funded independently.

9. It is stated in the Petition that the Scheme will suitably realign and adjust the relationship between the capital and assets of the respective Companies and have beneficial results for the applicant Companies, their shareholders and all concerned.

10. It is submitted in the Petition that there are no proceedings pending under Sections 235 to 251 of the Companies Act, 1956 or under Sections 210 to 227 of the Companies Act, 2013 against GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited.

11. The Auditors of GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited have confirmed that the accounting treatment in the Scheme is in conformity with the accounting standard prescribed under Section 133 of the Companies Act, 2013.

12. The Certificate issued by the Auditors of GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited are annexed with the Petition and collectively marked "R".

13. It is stated in the Petition that GJS Hotels Limited and Robust Hotels Private Limited are unlisted companies while Asian Hotels (East) Limited is a listed Company. The shares of Asian Hotels (East) Limited



are listed on BSE Limited and the National Stock Exchange of India Limited.

14. Pursuant to the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November, 2015, Asian Hotels (East) Limited duly filed the Scheme with the said Stock Exchanges on 10<sup>th</sup> March, 2017 for their approval pursuant to the listing agreements entered into by it with the said Stock Exchanges. Apart from the same, Asian Hotels (East) Limited 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 in terms of the SEBI Circular dated 30<sup>th</sup> November, 2015 and addressed all queries on the said documents.

15. The Complaints Report required to be filed in terms of the said Circular was also duly filed by Asian Hotels (East) Limited. BSE and NSE by their respective letters dated 18-05-2017 and 23-05-2017 have since confirmed that they have 'no adverse observation' on the Scheme pursuant to the said SEBI Circular.

16. In this regard, the Petitioner companies have filed an affidavit dated 16<sup>th</sup> December, 2017 in terms of the Order of this Tribunal dated 14<sup>th</sup> December, 2017.

17. The copies of the said letters dated 18<sup>th</sup> May, 2017 and 23<sup>rd</sup> May, 2017 issued by BSE and NSE are annexed with the Petition and collectively marked "S".

18. It is further submitted in the Petition that the Scheme embodies the arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective



shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of GJS Hotels Limited or Asian Hotels (East) Limited. 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.

19. It is further stated in the Petition that upon the Scheme coming into effect, Asian Hotels (East) Limited and GJS Hotels Limited would continue to have substantial excess of assets over liabilities and be in a position to meet their liabilities, as and when they accrue and in the ordinary course of business.

20. The creditors of the Petitioner Companies are not affected in any manner by the Scheme. On the contrary, the Scheme will inure to their benefit and is in their interest. The Scheme does not involve any debt restructuring and therefore, the requirement to disclose details of capital restructuring is not applicable.

21. From the record it appears that pursuant to an order dated 21<sup>st</sup> December, 2017, as modified by an order dated 4<sup>th</sup> January, 2018, passed by this Tribunal in Company Application CA(CAA) No.516/KB/2017, the petitioners had duly served notices of separate meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner No.2 and also on Statutory Authorities through post, including the Central Government through the Regional Director, Ministry of Corporate Affairs, Eastern Region, Kolkata; (b) The Registrar of Companies, West Bengal; (c) Deputy Commissioner of Income Tax; (d) Chief Commissioner of Income Tax; (e) Securities Exchange Board of India; (f) The Manager, Listing Department, BSE Limited; (g); The Manager, Listing Department, National Stock Exchange of India Limited.



22. Further, notice of meetings was also published in the "Business Standard" in English and in "Ekdin" in Bengali on 21<sup>st</sup> January, 2018.

23. An affidavit of compliance was duly filed on 14<sup>th</sup> February 2018 by the petitioners in respect of said service and publication.

24. Pursuant to the above order dated 21<sup>st</sup> December, 2017, as modified by an order dated 4<sup>th</sup> January, 2018, separate meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner No.2 were duly held on 21<sup>st</sup> day of February, 2018.

25. The meeting of the Equity Shareholders and Unsecured Creditors of Petitioner No.1 were dispensed with in view of such shareholders and creditors having already considered and giving their written consent to the Scheme in the form of Affidavits. Further since there were no Secured Creditors of Petitioner Companies no meetings were required to be held of the said Companies.

26. In terms of the order dated 21<sup>st</sup> December, 2017, as modified by an order dated 4<sup>th</sup> January, 2018, of this Tribunal, the Shareholders of the Petitioner Companies were also given the option of voting on the Scheme prior to the date of the meeting by postal ballot or e-voting during the respective voting period fixed therefor in accordance with the said order and the relevant rules. In terms of the said order only those shareholders who had not already cast their votes by postal ballot/e-voting were allowed to vote by poll at the venue of the meeting.



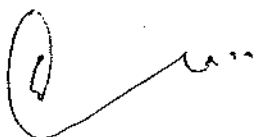
27. The Scrutinizer appointed by this Tribunal scrutinized the papers relating to the voting at the meetings and submitted his report thereon. The votes cast in each mode, i. e postal ballot, e-voting and poll at the venue were consolidated. The requisite quorum was present at the said meetings of the Equity Shareholders and Unsecured Creditors. The said meeting of the Equity Shareholders of AHEL approved the said scheme by requisite majority without any modification in terms of the aforesaid resolution and the said meeting of the Unsecured Creditors of AHEL unanimously approved the said Scheme without any modification in terms of the aforesaid resolution.

28. The Chairperson of the respective meetings of the Equity Shareholders and Unsecured Creditors of Petitioner No.2 has submitted his respective reports vide affidavit affirmed on 21<sup>st</sup> March, 2018.

29. The declaration of the results of the respective meeting were also posted on the website of AHEL and published in the "Business Standard" and "Ekdin", in their respective issues dated 24<sup>th</sup> February, 2018.

30. After such due compliance, the petitioners have made the instant petition bearing No. CP (CAA) No. 770/KB/2018, connected with CA(CAA) No. 516/KB/2017, before this Tribunal, among other things, seeking final sanction to the proposed Scheme of Arrangement.

31. This Tribunal had passed an order dated 10<sup>th</sup> August, 2018 in the said Petition, bearing CP(CAA) No. 770/KB/2018, connected with CA(CAA) No. 516/KB/2017, and directed publication to be effected of



the hearing of the Petition, issuance of the notices of this Petition to the statutory authorities for their objections, if any.

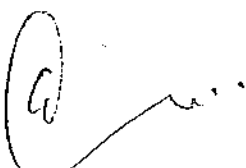
32. In compliance of the Order dated 10<sup>th</sup> August, 2018, passed in CP(CAA) No. 770/KB/2018, connected with CA(CAA) No. 516/KB/2017, the Petitioner Companies have filed affidavit of service affirmed on 30<sup>th</sup> August, 2018, evidencing publication of notice in the newspapers and service of notice upon the Central Government and other relevant Statutory Authorities.

33. The Regional Director, Eastern Region, Ministry of Corporate Affairs, has given his observations, vide Reply affidavit affirmed on 17<sup>th</sup> September, 2018 ("Reply").

34. The Petitioners have filed their rejoinder affirmed on 20<sup>th</sup> November, 2018 dealing with all the observations of the Regional Director in the said Affidavit dated 17<sup>th</sup> September, 2018 ("Rejoinder").

35. Upon considering the Rejoinder, the Regional Director has filed his Sur Rejoinder vide affidavit affirmed on 28<sup>th</sup> November, 2018 ("Sur-Rejoinder") to which the petitioners have filed their Explanatory Notes dated 2nd January, 2019 ("Explanatory Notes"), as was directed by this Tribunal vide its Order dated 21<sup>st</sup> December, 2018.

36. The Regional Director Regional Director, Eastern Region, Ministry of Corporate Affairs had replied to the Explanatory Notes vide his supplementary sur-rejoinder affidavit affirmed on 3rd January, 2019 ("Supplementary Sur-Rejoinder"), to which Supplementary Notes dated 24th January, 2019 ("Supplementary Notes") was submitted by the petitioners.





37. The Regional Director has principally made three observations in his Reply which have been reiterated in his subsequent affidavit, as aforesaid. The same have been dealt with by the petitioners in their Rejoinder and the responses have been reiterated in their rejoinder and notes, as aforesaid. The said observations made by the Regional Director, Eastern Region, Ministry of Corporate Affairs vide his Affidavits are given below :

I. 2(a) of the Supplementary Sur-Rejoinder on NBFC Issue :

*"That in respect of the contentions made in paragraph 2 and 3 of the rejoinder, it is submitted that in earlier affidavits of this deponent detailed submissions were duly made regarding the petitioner company is a systematically important core investment company and requires to make necessary pertinent compliances of RBI norms and regulations, may be considered by the Hon'ble Tribunal."*

II. 2(b) of the Supplementary Sur-Rejoinder on Composite Scheme:

*"It is submitted that in respect of the contentions made in paragraph 3 of the rejoinder the petitioner companies citing the provisions for merger of more than one transferor companies with one Transferee Company as a provision approval of the proposed composite scheme of arrangement. In this regard, the detailed submissions of this deponent in earlier affidavit regarding the composite schemes are not allowable under section 230-232 of the Companies Act, 2013 may be considered by the Hon'ble Tribunal."*



III. Paragraph 2(q) of the Reply Affidavit of the Regional Director, Eastern Region, Ministry of Corporate Affairs on Authorised Share Capital of RHPL:

*"It is submitted that clause 15 of the scheme provides for increase of the Authorized Capital of Robust Hotels Private Limited but no mention of fee payable to Registrar of Companies for such increase. In the Companies Act 2013, under section 61 or section 64 there is no provision for conversion of Authorized Preference Share Capital into Authorized Equity Share Capital or debentures into Authorized Equity Share Capital. Since the Companies Act 2013 does not provide for such conversion, it shall result into loss of Government revenue if the Authorized Capital is increased without payment of fee."*

38. The petitioners have inter alia, dealt with the issue of NBFC in paragraph 2 of their Explanatory Notes in terms as follows:

"AHEL is admittedly not a non-banking financial company and is operating a hotel, being the Hyatt Regency hotel in Kolkata. Further, GJSHL had undertaken a project for establishing a hotel at Bhubaneswar, in the State of Odisha and is also a holding company of Robust Hotels Private Limited ("RHPL"), a company owning and operating a hotel in Chennai. As such GJSHL does not trade in its investments in RHPL. As stated in paragraph 5 of the petitioners' Rejoinder, the petitioner No.1 (GJSHL) is not a non-banking financial company and is not required to be registered under the Reserve Bank of India Act, 1934 ("RBI Act"). The same has also been certified by the Statutory Auditors of GJSHL in their reports to the members of GJSHL, including in their report on the financial statements of GJSHL for the



financial year ended 31st March, 2017, included in Annexure "C" to the petition (Per clause (xvi) at page 124 of the petition). Without prejudice to the aforesaid, it is reiterated that GJSHL would in any event be a core investment company which is not a systemically important core investment company in terms of clause (xxv) of paragraph 3 of the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 ("CIC Master Directions") and hence exempted from registration under the RBI Act as per paragraph 2(i) of such CIC Master Directions."

39. The petitioners have, inter alia, dealt with the observations relating to Composite Scheme in paragraph 3 of their Explanatory Notes, inter alia as follows:

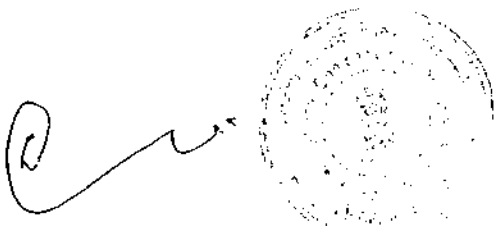
"The petitioners reiterate that the instant Scheme is a composite Scheme of Arrangement between three companies, being AHSL, GJSHL and RHPL and their respective shareholders of which two companies, viz GJSHL and AHSL have their registered offices at Kolkata within the jurisdiction of this Hon'ble Tribunal while the third company, viz RHPL, has its registered office at Chennai within the jurisdiction of the Hon'ble Chennai Bench of the National Company Law Tribunal. All provisions and parts of the Scheme, including Parts I, II and III thereof, are connected and necessary for proper working of the Scheme as a whole. Such Scheme of Arrangement is a composite Scheme of Arrangement between the said parties under Sections 230 and 232 of the Companies Act, 2013 ("Act"). The Scheme is squarely covered and contemplated by the Act, including the said sections and is in accordance therewith. Such schemes are clearly contemplated and provided for under the said sections 230 and 232 of the Act and must necessarily be so in the context of schemes entailing amalgamation or demerger or otherwise involving two or more companies. Further, such composite Schemes of



Arrangement are in fact encouraged by legislation and judicial precedents for avoiding multiple and cumbersome applications and procedures and facilitating a single window clearance to such schemes. The principle is also enshrined in Companies (Compromises, Arrangements & Amalgamations) Rules, 2016. Rule 3(2) of the said Rule provided that **"where more than one company is involved in a scheme in relation to which an application under sub-rule (1) is being filed, such application may, at the discretion of such companies be filed as a joint application"**. Accordingly, GJSHL and AHEL having their registered offices within the jurisdiction of this Hon'ble Tribunal, have jointly filed the instant petition before this Hon'ble Tribunal for sanction of the Scheme and are the two petitioners before this Hon'ble Tribunal, as also correctly reflected in the cause title of the instant petition while RHPL, the third company, having its registered office in Chennai has also duly filed its petition for sanction of the Scheme before the Hon'ble Chennai Bench of the National Company Law Tribunal and is pursuing the same."

40. With respect to the observations of the Regional Director relating to Authorised Share Capital of RHPL, the Petitioners have dealt with the same in paragraph 8 of their Rejoinder and submitted that fees, if any, required to be paid on increase of Authorised Share Capital of RHPL, will be paid by RHPL.

41. It is further stated in the said explanatory notes dated 02<sup>nd</sup> January, 2019 that the instant Scheme of Arrangement is to the benefit and advantage of the said Companies, their shareholders, employees and all concerned. The Scheme is just, fair and reasonable and is not contrary to any provisions of law and does not violate any public policy.

A handwritten signature in black ink is written over a circular official stamp. The stamp contains text around its perimeter, which is partially obscured by the signature and the low resolution of the scan.

The Scheme has also been approved bona fide by the shareholders of the Petitioner Companies.

42. Heard the arguments of Ld. Senior Counsel for the Petitioner Companies and the Ld. Joint Director, Office of the Regional Director, Eastern Region, Ministry of Corporate Affairs. Perused the records, documents annexed to the petition and affidavits and Notes filed in the instant proceedings.

43. In view of the facts stated above and since all the requisite compliance has been fulfilled, the following orders in terms of prayers made in the Petition are passed :

**THIS TRIBUNAL DOTH ORDER**

a. The Scheme of Arrangement mentioned in paragraph 1 of this petition, being Annexure "A" to the Petition, is sanctioned by this Tribunal to be binding with effect from the close of business hours on the 31st day of March, 2016 ("Appointed Date") on GJS Hotels Limited ("GJSHL") and Asian Hotels (East) Limited ("AHEL"), their respective shareholders, creditors and all concerned ;

b. All the property, rights and powers of GJSHL relating to the Demerged Undertaking, including those described in the Schedule of Assets but excluding those specified in clause 4.2 of the Scheme, be transferred from the said Appointed Date, without further act or deed, to AHEL and, accordingly, the same shall pursuant to Section 232(4) of



the Companies Act, 2013 be transferred to and vested in AHEL for all the estate and interest of GJSHL therein but subject, nevertheless, to the charges affecting the same, as provided in the Scheme ;

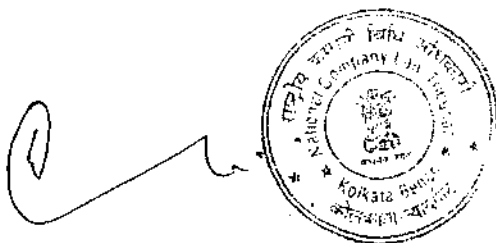
c. All the debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking be transferred from the said Appointed Date, without further act or deed, to AHEL and, accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013, be transferred to and become the debts, liabilities, duties and obligations of AHEL ;

d. All the employees of GJSHL relating to the Demerged Undertaking shall be engaged by AHEL as provided in the Scheme ;

e. All proceedings and/or suits and/or appeals pending by or against GJSHL in respect of the Demerged Undertaking be continued by or against AHEL as provided in the Scheme ;

f. Leave is granted to the Petitioners to file the Schedule of Assets showing the present freehold and leasehold properties of the Demerged Undertaking of GJSHL to be transferred to AHEL in the form as prescribed in the Schedule to Form No.CAA7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within three weeks from the date of this order ;

g. GJSHL and AHEL do each within thirty days of the date of the receipt of this order, cause a certified copy to be delivered to the Registrar of Companies for registration.



44. In the event the Petitioners supply legible computerized print out of the scheme and schedule of assets in acceptable form to the department, the department will append such computerized print-out, upon verification to the certified copy of the order without insisting on a hand-written copy thereof.

45. Accordingly, CP(CAA) No.770/KB/2018, connected with CA(CAA) No. 516/KB/2017 stands disposed of.

**Witness:**

Sri M.B. Gosavi, Hon'ble Member (Judicial) at Kolkata aforesaid on the 06<sup>th</sup> February, 2019.

Khaitan & Co., Advocate on record for the petitioners.

Mr. K.S. Pradhan JD (R.D., E.R.).



*(Handwritten signature)*

**Schedule of Assets**

**First Part-I**


**(As per Annexure)**

**Second Part-II**

**(As per Annexure)**

**Third Part-III**

**(As per Annexure)**



**Registrar-in-charge**

**National Company Law Tribunal**

**Kolkata Bench**

Dated, the 11<sup>th</sup> day of *July* March, 2019.





**SCHEME OF ARRANGEMENT**  
(Pursuant to Section 230 of the Companies Act, 2013)

BETWEEN  
**GJS HOTELS LIMITED**  
AND  
**ASIAN HOTELS (EAST) LIMITED**  
AND  
**ROBUST HOTELS PRIVATE LIMITED**  
AND  
THEIR RESPECTIVE SHAREHOLDERS

FOR  
DEMERGER OF INVESTMENT DIVISION (DEMERGED UNDERTAKING) OF  
GJS HOTELS LIMITED TO ASIAN HOTELS (EAST) LIMITED  
AND  
REORGANISATION OF SHARE CAPITAL AND DEBENTURES OF ROBUST  
HOTELS PRIVATE LIMITED

**PART - I**  
(Preliminary)

**1. Definitions:**

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

- i. "Act" means the Companies Act, 2013 or any statutory modifications or re-enactment thereof.
- ii. "NCLT" means the Hon'ble National Company Law Tribunal.
- iii. "GJSHL" means GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-3, Salt Lake City, Kolkata 700 098 in the State of West Bengal.
- iv. "AHEL" means Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-3, Salt Lake City, Kolkata 700 098 in the State of West Bengal.
- v. "RHPL" means Robust Hotels Private Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at 365, Anna Salai, Teynampet, Chennai 600 018 in the State of Tamil Nadu.
- vi. "Appointed Date" means the close of business hours on the 31<sup>st</sup> 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, AHPL 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, AHPL and RHPL as on the date of approval of this Scheme by their Boards of Directors, i.e as on 10<sup>th</sup> February, 2017 is as under:

i. GJSHL:

Authorised Share Capital:

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

1,09,61,000 Equity Shares of Rs.10/- each fully paid up	10,96,10,000/-
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ii. <u>AHEL:</u>	
<u>Authorised Share Capital:</u>	(Rs.)
8,90,00,000 Equity Shares of Rs.10/- each	89,00,00,000/-
10,00,000 Preference Shares of Rs.10/- each	1,00,00,000/-
	-----
	90,00,00,000/-
	-----
<u>Issued, Subscribed and Paid up Share Capital:</u>	
1,15,27,797 Equity Shares of Rs.10/- each fully paid up	11,52,77,970/-
iii. <u>RHPL:</u>	
<u>Authorised Share Capital:</u>	(Rs.)
9,50,00,000 Equity Shares of Rs.10/- each	95,00,00,000/-
43,00,000 Redeemable Preference Shares of Rs.100/- each	43,00,00,000/-
1,40,00,000 Preference Shares of Rs.10/- each	14,00,00,000/-
	-----
	152,00,00,000/-
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<u>Issued, Subscribed and Paid up Share Capital:</u>	
9,39,42,769 Equity Shares of Rs.10/- each	93,94,27,690/-
43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each ("CRPS")	43,00,00,000/-
89,64,623 1% Compulsorily Convertible Preference Shares of Rs.10/- each ("CCPS")	8,96,46,230/-
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	145,90,73,920/-
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2.2 GJSHL, AHEL and RHPL hold shares inter se as follows:-

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



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

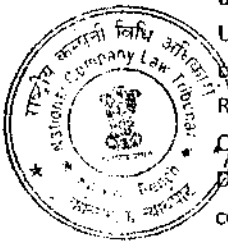
- 2.3 In addition to the above, AHEL had also given a loan (short term borrowing) of Rs.373.14 crores to GJSHL and GJSHL had subscribed to and held 2,05,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL as on the Appointed Date. It is clarified that 50,00,000 Debentures out of the said 2,05,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL have since been redeemed by RHPL on 27<sup>th</sup> 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 1<sup>st</sup> 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 31<sup>st</sup> 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 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.

- 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, 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 AHFL on a much larger scale. As such the investment in RHPL will be held and monitored in AHFL more efficiently and advantageously without detracting from the hotel operating business carried on directly by AHFL 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 AHFL 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 AHFL)

4. **Transfer of Demerged Undertaking of GJSHL:**
  - 4.1 With effect from the Appointed Date, the Demerged Undertaking of GJSHL shall stand demerged to AHFL. 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 AHFL, 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 AHFL accordingly as an integral part of the Demerged Undertaking transferred to AHFL, without requiring any deed or instrument of conveyance for the same.
  - 4.3 In respect of such of the assets of the Demerged Undertaking other than those referred to in Clause 4.2 above, the same shall, be transferred to and vested in and/or be



deemed to be transferred to and vested in AHEL pursuant to an order passed under the provisions of Section 232 of the Act.

- 4.4 All debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking as on the close of business on the day immediately preceding the Appointed Date and all other debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceding the Appointed Date shall also be transferred to AHEL, without any further act or deed, pursuant to an order passed under the provisions of Section 232 of the Act, so as to become the debts, liabilities, duties and obligations of AHEL.
- 4.5 The transfer and vesting of the Demerged Undertaking of GJSHL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof.
- 4.6 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by GJSHL for the operations of the Demerged Undertaking /or to which GJSHL is entitled to in relation to the Demerged Undertaking in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in AHEL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of AHEL. Since the Demerged Undertaking will be transferred to and vested in AHEL as a going concern without any break or interruption in the operation thereof, AHEL shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective. Further, all benefits, including, under Income Tax, Excise (including Cenvat), Sales Tax etc to which GJSHL is entitled in relation to the Demerged Undertaking in terms of the various Statutes and / or Schemes of Union and State Governments shall be available to and vest in AHEL upon this Scheme becoming effective.
- 4.7 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, balances or other outstandings as between AHEL and GJSHL in relation to the Demerged Undertaking, the same shall stand cancelled consequent to transfer of the Demerged Undertaking to AHEL and the obligations in respect thereof shall come to an end. Due effect of such cancellation shall be given in the books of account accordingly with effect from the Appointed Date as a result of such cancellation of inter-company loans, deposits, balances or other outstandings and there would be no accrual of interest or any other charges in respect of the same. The loan (short term borrowing) taken by GJSHL from AHEL in relation to the Demerged Undertaking as on the Appointed Date shall stand cancelled accordingly consequent to transfer of the Demerged Undertaking to AHEL.
- 4.8 The demerger and transfer of the Demerged Undertaking of GJSHL to AHEL in terms of this Scheme shall be deemed to have taken place and come into effect prior to reorganisation of Share Capital and Debentures of RHPL in terms of Part III of this Scheme.



**5. Legal Proceedings:**

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

**6. Contracts and Deeds:**

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

**7. Saving of Concluded Transactions:**

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

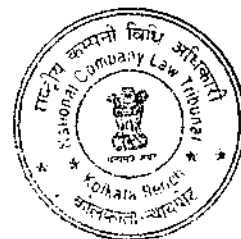
**8. Employees:**

On and from the Effective Date:

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

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

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



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

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

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

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

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

**10. No issue of Shares:**

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

**11. Accounting:**

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

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

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

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





effect to the accounting, as aforesaid, the net credit amount of Rs.2,16,72,915/- lying in the Business Reconstruction Reserve shall be adjusted against the General Reserve Account of AHEL.

- 1.5 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.

**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.

**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**

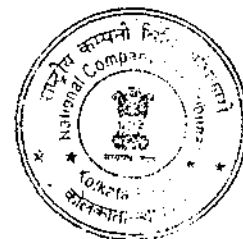
(Reorganisation of Share Capital and Debentures of RHPL)

**Appropriation to Equity Share Capital**

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 Rs.10/- 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.

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 27<sup>th</sup> 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 31<sup>st</sup> 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.

- 7.3 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)

##### **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.

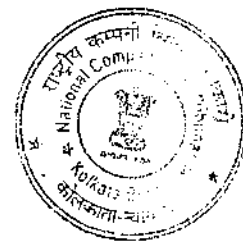
##### **Approvals and Modifications:**

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:

- 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.
- 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.

**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, subdivision 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 1<sup>st</sup> 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
<b>Fixed Assets</b>	
Long term loans & advances	
Other non-current assets	
<b>Investments</b>	602,32,42,553
<b><u>Current Assets, Loans and Advances</u></b>	
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
<b>Net Current Assets</b>	
<b>Total Assets</b>	<b>6,06,02,92,449</b>
<b><u>Current Liabilities &amp; Provisions</u></b>	
Short term borrowings from AHEL	373,14,18,600
Trade payables	
Other Current Liabilities	26,212
Short-term provisions	
<b><u>Non-Current Liabilities</u></b>	
Long Term provisions	14,452
<b>Total Liabilities</b>	<b>373,14,59,264</b>
<b>Net Asset (Credit)</b>	<b>2,32,88,33,185</b>



Before the National Company Law Tribunal

Kolkata Bench

Company Petition No. 770 of 2018

In the Matter of the Companies Act, 2013 - Section 230(6)

read with Section 232(3)

And

In the Matter of:

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

And

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

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

..... Petitioners



**SCHEDULE OF ASSETS**

OF

The Demerged Undertaking of GJS Hotels Limited ("GJSHL") as on 31<sup>st</sup> March 2016 ("the Appointed Date")

**Part - I**

(Short Description of Freehold Property of the Demerged Undertaking of GJSHL)

NIL

**Part - II**

(Short Description of Leasehold Property of the Demerged Undertaking of GJSHL)

NIL

**Part - III**

(Short description of stocks, shares, debentures and other choses in action of the Demerged Undertaking of GJSHL)

1. Movables specified in clause 4.2 of the Scheme are transferable to Asian Hotels (East) Limited ("AHEL") as provided therein.
2. Investments in shares, stocks and debentures as on the Appointed Date, include the following:-
  - a. 6,39,32,769 Equity Shares of Rs. 10/- each of Robust Hotels Private Limited ("RHPL")
  - b. 89,64,623 1% Cumulative Redeemable Optional Convertible Preference Shares ("CCPS") of Rs. 10/- each of RHPL
  - c. 2,05,00,000 0.1% Unsecured Redeemable Non-Convertible Debentures ("Debentures") of Rs. 100/- each of RHPL





3. Other Current & Non-Current Assets as on the Appointed Date amounting to Rs.18,45,000/-
4. Advance to Hotel Division as on the Appointed Date amounting to Rs. 3,49,11,362/-
5. Loans & Advances as on the Appointed Date amounting to Rs. 2,18,500/-
6. Cash and Bank Balances as on the Appointed Date amounting to Rs. 75,034/-

Note : It is clarified that the above Schedule is of the Assets as existing as on the Appointed Date. All 89,64,623 CCPS have been converted into 6,02,31,060 equity shares of Rs.10/- each and 50,00,000 Debentures out of the aforesaid 2,05,00,000 Debentures have been redeemed after the Appointed Date, as also clarified in clause 2.3 of the Scheme. In terms of the Scheme, all transactions relating to the Demerged Undertaking, including the aforesaid transactions, which have been completed on or after the Appointed Date and upto the Effective Date are deemed to have been done and completed on behalf of AHEL.



Before the National Company Law Tribunal  
Kolkata Bench  
Company Petition No. 770 of 2018

in the Matter of the Companies Act, 2013 - Section 230(6)  
read with Section 232(3)

And

In the Matter of:

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

..... Petitioners

Schedule of Assets



HA NO-931/2019  
Date of Presentation  
of application for Copy 06/02/19  
No. of Pages Thirty Seven  
Copying Fee 185/-  
Registration & Postage Fee -  
Total 250/-  
Date of Receipt &  
Record of 11/07/19  
Date of Payment of Copy 16/07/19  
Date of Receipt of Copy 16/07/19

DD/DR/AR / Court Officer  
National Company Law Tribunal  
Kolkata Bench

Form No. CAA.7

[Pursuant to section 232 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

C.P (CAA) NO.133/KB/2021

CONNECTED WITH

C.A (CAA) NO.1155/KB/2020

In the matter:

Section 230(6) read with section 232(3) of the Companies Act, 2013

-And-

In the matter of :

**Asian Hotels (East) Limited**, a company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Companies Act, 2013, having Corporate Identification No. L15122WB2007PLC162762 and its registered office at Hyatt Regency, JA-1, Sector – 3, Salt Lake City, Kolkata – 700106, in the State of West Bengal.

.....Petitioner

-And-

**Robust Hotels Private Limited**, a company incorporated under the Companies Act, 1956 and being a Company within the meaning of the

COMPARED

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Companies Act, 2013, having Corporate Identification No. U55101TN2007PTC062085 and its registered office at 365, Anna Salai Teynampet, Chennai – 600018 in the State of Tamil Nadu.

....Resulting Company

-And-

In the matter of:

1. Asian Hotels (East) Limited

....Petitioner

2. Robust Hotels Private Limited

...Resulting Company

**Order Under Sections 230 and 232 of the Companies Act, 2013**

The above Company Petition coming on for further hearing on the 06<sup>th</sup> December, 2021 and upon hearing the advocate appearing for the Petitioners and upon hearing Deputy Director of Regional Directorate, Eastern Region representing the Central Government the final order was passed on the 20<sup>th</sup> December, 2021. Further the Corrigendum Order was passed on 28.07.2022

1. This Court convened through video conferencing.
2. The instant application has been filed under section 230(6) [read with section 232(3)] of the Companies Act, 2013 ("Act") for sanction of the

**COMPARED**



Scheme of Arrangement between **Asian Hotels (East) Limited (AHEL)**, being the Petitioner abovenamed (Demerged Company” or “Petitioner ”) and **Robust Hotels Private Limited (RHPL)**, being the “Resulting Company” abovenamed (Resultant Company) and their respective shareholders and unsecured creditors. The Scheme provides for demerger from the Appointed Date, being the Effective Date in the manner and on the terms and conditions stated in the said Scheme of Arrangement (“Scheme”).

3. The Petition has now come up for final hearing. Counsel for the Applicants submits as follows:-

(a) The Scheme was approved unanimously/ by requisite majority by the respective Board of Directors of the Petitioner and Resulting Company at their meetings held on November 14, 2019 and January 13, 2020 respectively.

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

I AHEL primarily operates in two business segments through separate business divisions: (i) its Hotel Division is engaged in the operation and management of the Hyatt Regency, Kolkata; and (ii) its Investment Division comprising of: (a) Strategic Investments Unit, which inter alia includes its investments in and loans given to RHL and GJS Hotels Limited (“Strategic Investments Unit”); and (b) Securities Trading Unit, which inter alia includes its treasury / liquid investments, which are

COMPARED



regularly traded, and bounds, mutual funds and shares of certain companies (which already are under an agreement of sale, part performance completed) ("Securities Trading Unit").

II Each of the business carried by the AHEL by itself and along with its subsidiaries have significant potential for growth and profitability, however, the nature of risk, competition, challenges, opportunities and business methods for AHEL and RHPL are very different. The proposed demerger would result in segregation and transfer of the Securities Trading Unit into RHPL / Resulting Company and continued housing of the Hotel Division in AHEL / Demerged Company.

III This scheme is expected to result in the following benefits for AHEL and/or RHPL (as applicable):

- (i) Unlocking the value of AHEL shares to its shareholders, which is presently getting subdued on account of subdued performance and balance sheet of RHPL;
- (ii) Possible release of guarantees presently given by AHEL to the lenders of RHPL. This would clear the contingent liability as appearing in the financial statements of AHEL, and will potentially improve the credit rating of AHEL, thereby enabling reduction in cost of finance of AHEL and better price discovery on the stock market;

COMPARED

*20/11/17*



- (iii) Pursuant to the Scheme, the Equity Shares of RHPL shall also be entitled to the benefit of getting listed on the Stock Exchanges pursuant to the SEBI Circular. Therefore, shareholders of AHEL (as of the Record Date) shall, as a result of the Scheme, hold Equity Shares of 2 (two) listed entities, AHEL and RHPL. Such shareholders would then be able to choose to remain invested in both or either of AHEL and RHPL, giving them greater flexibility in managing / dealing with their investments in different companies, being AHEL and RHPL in view of their respective business, and individual risk profiles;
- (iv) improving the balance sheet of RHPL and its credit rating by providing liquid assets and resources that would enable enhancement in future profitability without any sacrifice of value by the shareholders of AHEL, enabling potential turn-around and/or expansion programs for RHPL, and assist RHPL in supporting and potentially reducing its debt burden and cost of financing;
- (v) Enable unlocking of the true value of the RHPL for the shareholders of AHEL (in a separate entity, being RHPL), which does not appear to be reflecting fully and accurately in the present consolidated market valuation of AHEL on account of there being a holding company discount;
- (vi) Provide scope for attracting and accessing targeted funding and investors for each of AHEL and RHPL and provide better flexibility in pursuing long term growth plans and

COMPARED



strategies for the separate companies AHIL and RHPL, instead of RHPL continuing to use AHIL's credit rating and guarantees and equity funds;

(vii) Enable the management of AHIL to evaluate the performance of the Hotel Division on an independent basis and keep its risks (if any) ring-fenced; and

(viii) Enable enhanced strategic flexibility and focus of the respective managements of AHIL and RHPL, thereby facilitating the separate managements to efficiently exploit opportunities for the each of the said business.

IV. The Scheme Entities believe that this Scheme is in the best interests of the Scheme Entities and their respective shareholders and creditors, and other stakeholders, as it is expected to provide greater financial strength and flexibility and better access to funds to both AHIL and RHPL.

(c) The Statutory Auditors of the Petitioner and Resulting Company have by their certificates dated 13.01.2020 and 07.02.2020 confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.

(d) No proceedings are pending under sections 210 to 227 of the Companies Act, 2013 against the Petitioner.

**COMPARED**

*Nehal S.*





- (e) The share entitlement ratio of shares in consideration of the Arrangement has been fixed on a fair and reasonable basis and on the basis of the Report thereon of Messrs D & A Financial Services (P) Limited.
- (f) In compliance with Securities and Exchange Board of India (“SEBI”) Circular dated 10<sup>th</sup> March, 2017 on Schemes of Arrangement, as amended from time to time (“SEBI Circular”), the said Petitioner duly filed the Scheme with the said BSE and NSE for their approval to the same. The said BSE and NSE by their respective letters dated May 21, 2020 after receiving comments from SEBI, have confirmed they have ‘no adverse observation’ on the Scheme.
- (g) By an order dated 28<sup>th</sup> January, 2021, along with Corrigendum dated 2<sup>nd</sup> February, 2021 and 9<sup>th</sup> February, 2021 in **Company Application (CAA) No.1155/ KB/2020**, this Tribunal made the following directions with regard to meetings of shareholders and unsecured creditors under section 230(1) [read with section 232(1) of the Act]:

**Meetings directed to be held:** Meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner for considering the schemes were directed to be held on 17<sup>th</sup> March, 2021.

- (i) The Ld. Counsel appearing for Petitioner submits that the said meetings were duly held on 17<sup>th</sup> March, 2021, as directed and the said meetings duly approved the Scheme by requisite majority.

**COMPARED**

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(ii) The Ld. Counsel further submitted that virtual meeting of the shareholders and unsecured creditors of Demerged Company were duly held on 17<sup>th</sup> March, 2021 and the said meetings duly approved the Scheme by requisite majority.

(h) Consequently, the Petitioner presented the instant petition being **Company Petition No.133/KB/2021** for sanction of the Scheme. By an order dated 20.10.2021 the instant petition was admitted by this Tribunal and fixed for hearing on 6<sup>th</sup> December 2021 upon issuance of notices to the Statutory / Sectoral Authorities and advertisement of date of hearing to be advertised in the "**Business Standard**" in English and "**Aajkal**" in Bengali as per rule 16(1) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 ("**CAA Rules**"). In compliance with the said order dated 20.10.2021, the Petitioner has duly served such notices on the Regional Director, Eastern Region on 22<sup>nd</sup> October 2021 and 16<sup>th</sup> November 2021, Ministry of Corporate Affairs, New Delhi on 22<sup>nd</sup> November 2021, The Registrar of Companies, West Bengal on 22<sup>nd</sup> October 2021 and 16<sup>th</sup> November 2021, Income Tax Department having jurisdiction on 22<sup>nd</sup> October 2021 and 16<sup>th</sup> November 2021, Chief Commissioner of Income Tax, (West Bengal and Sikkim Region), Kolkata on 22<sup>nd</sup> October 2021 and 16<sup>th</sup> November 2021, The Securities And Exchange Board of India on 22<sup>nd</sup> November 2021, the BSE Limited, Mumbai on 22<sup>nd</sup> November 2021 and the National Stock Exchange, Mumbai on 22<sup>nd</sup> November 2021. The Petitioner has also published such advertisements in the "**Business Standard**" in English and "**Aajkal**" in Bengali on 17<sup>th</sup> November, 2021. An affidavit of compliance in this regard has also been filed by them on 1<sup>st</sup> December 2021. The Authorities, as aforesaid, have not filed their representation.

COMPARED

*Debit*



- (i) All statutory formalities requisite for obtaining sanction of the Scheme have been duly complied with by the Petitioner The Scheme has been made bona fide and is in the interest of all concerned.
4. The petitioner submits that in the meantime, the National Company Law Tribunal, Division Bench-I, Chennai has in CP/28/CHE/2021 in CA/401/CAA/2020 filed by the Resulting Company has sanctioned the scheme of arrangement by the order dated 13<sup>th</sup> October,2021.
5. Pursuant to the said advertisements and notices The **Regional Director**, Eastern Region, Ministry of Corporate Affairs, Kolkata (“RD”) filed his reply dated December 3, 2021 which has been dealt with by Petitioner by their Rejoinder affidavit dated December 4, 2021. The observations of the RD and responses of the Petitioner are summarized as under:-

(a) **Paragraph No. 2 (b) Page 3 of RD affidavit**, it was observed by RD as follows:

*“ It is submitted that on examination of the report of the Registrar of Companies, West Bengal, it appears that no complaint and/or representation regarding the proposed Scheme of Arrangement has been received against the Demerged Company namely M/s Asian Hotels (East) Limited. Further, as per available records, the Demerged Company is updated in filing their Statutory Returns.”*

(b) **Paragraph No.2(c) Page 3 of RD affidavit:**

*“It is submitted that the Demerged Company, M/s Asian Hotels (East) Limited is listed with the NSE and BSE. The NSE and the BSE by letter no.*

COMPARED



NSE//LIST/23015\_II dated 21.05.2020 and letter no. DCS/AMAL/JR/R37/1733/2020-21 dated 21.05.2020 respectively issued their "Observation letter regarding the Draft Scheme of Arrangement" and also stated that the said "Observation Letter" shall be valid for six months from 21/05/2020, within which the Scheme shall be submitted to Hon'ble NCLT. (Copies of these letters of NSE and BSE collectively marked as Annexure-I is enclosed herewith for perusal and ready reference)."

**(c) In Paragraph No.2(d) Page 4 of RD affidavit:**

"The said definition of "appointed date" does not appear to be keeping with the provisions of section 232(6) of the Companies Act 2013 or the Circular No.7/12/2019/CL-I dated 21<sup>st</sup> August 2019 of Ministry of Corporate Affairs. In the said Circular, it is clarified that "appointed date" can be a specific date or may be tied up to the occurrence of an event such as grant of license by competent authority, fulfillment of precondition agreed upon by parties or meeting of any other requirement as agreed upon by the parties. Hence the said "event" should be one which is/ involves an occurrence between the parties to the arrangement or between the parties and an external authority having bearing on the operation of the scheme. Hence, filing of the order on the scheme itself does not appear to be coming within the meaning of such "event". .....

**Paragraph No.5 Page 4 of Rejoinder of Petitioner** has submitted and clarified as: "...the said Scheme was placed before NCLT Division Bench-I, Chennai in C.P/28/CHE/2021 in C.A/401/CAA/2020 (M/s Asian Hotels (East) Limited And M/s Robust Hotels Private Limited) on behalf of Resulting Company. The Regional Director, Southern Region, Ministry of Corporate Affairs had raised similar objection therein with respect to the definition of "appointed date". However, the NCLT, Chennai Bench vide its order dated 13th October, 2021, while sanctioning the Scheme of Arrangement was pleased to observe that "The Resulting Company has adopted such date as an "Effective Date" as well as "Appointed Date" and this Tribunal, by taking into consideration the clarification issued by MCA vide its General Circular No.09/2019 on 21.08.2019 and being guided by the decision of the Madras High Court in the matter of In re: Equitas Finance Limited & Ors. [2016] 199 comp cases 124 (Mad), the

COMPARED  
D. 10/10/21



*objections as raised by the Regional Director, Southern Region in para 3 of its report is not sustainable. Thus, the "Effective Date" as well as "Appointed Date" of the Resulting and the Demerged Company, subject to the sanctioning of the Scheme by the NCLT Kolkata Bench, shall be the date on which they file the Certified Copy of the Order sanctioning the Scheme with the Concerned Registrar of Companies as per sub-clause (iii) of Clause 6.7.1 of the Scheme."*

6. Heard submissions made by the Ld. Counsel appearing for the Petitioner Upon perusing the records and documents in the instant proceedings and considering the submissions, we allow the petition and make the following orders:-

### **THIS TRIBUNAL DOETH ORDER**

- (i) the Scheme of Arrangement mentioned in paragraph 1 of this petition, being SL No.10 of Additional Documents hereto, is hereby sanctioned by this Tribunal with the Appointed Date as defined in the Scheme, and the provisions of the Scheme shall be binding and come into operation from the Appointed Date on **Asian Hotels (East) Limited** ("Demerged Company"), **Robust Hotels Private Limited** ("Resultant Company"), their respective shareholders and creditors and all concerned;
- (ii) all the property, rights and powers of **Asian Hotels (East) Limited** ("Demerged Company") relating to the Specified Undertaking, as defined in the Scheme, including those described in the Schedule of Assets herein, be transferred from the said Appointed Date, without further act or deed, to **Robust Hotels Private Limited** ("Resultant Company") and, accordingly, the same shall pursuant to section 232(4) of the Companies

**COMPARED**



Act, 2013 be transferred to and vest in **Robust Hotels Private Limited** (“Resultant Company”) for all the estate and interest of **Asian Hotels (East) Limited** (“Demerged Company”) therein but subject, nevertheless, to the charges affecting the same, as provided in the Scheme;

- (iii) all the debts, liabilities, duties and obligations of **Asian Hotels (East) Limited** (“Demerged Company”) relating to the Specified Undertaking be transferred from the said Appointed Date, without further act or deed, to **Robust Hotels Private Limited** (“Resultant Company”) and, accordingly, the same shall pursuant to section 232(4) of the Companies Act, 2013, be transferred to and become the debts, liabilities, duties and obligations of **Robust Hotels Private Limited** (“Resultant Company”);
- (iv) all the employees of **Asian Hotels (East) Limited** (“Demerged Company”) relating to the Specified Undertaking shall be engaged by **Robust Hotels Private Limited** (“Resultant Company”), as provided in the Scheme;
- (v) all proceedings and/or suits and/or appeals pending by or against **Asian Hotels (East) Limited** (“Demerged Company”) in respect of the Specified Undertaking be continued by or against **Robust Hotels Private Limited** (“Resultant Company”), as provided in the Scheme;
- (vi) **Robust Hotels Private Limited** (“Resultant Company”) shall issue and allot to the shareholders of **Asian Hotels (East) Limited** (“Demerged

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Company”), the shares in **Robust Hotels Private Limited** (“Resultant Company”) in accordance with clause [clause no.1.4.14] of the Scheme;

(vii) Leave be granted to the Petitioner to file the Schedule of Assets of the Specified Undertaking of the Transferor Company in the form as prescribed in the Schedule to Form No. CAA7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within three weeks from the date of the order to be made herein;

(viii) **Asian Hotels (East) Limited** (“Demerged Company”) and **Robust Hotels Private Limited** (“Resultant Company”) do each within thirty days of the date of the receipt of this order, cause a certified copy to be delivered to the Registrar of Companies for registration.

7. The Petitioner shall supply legible print out of the scheme and schedule of assets in acceptable form to the Registry and the Registry will append such printout, upon verification to the certified copy of the order.

8. **Company Petition (CAA) No.133/KB/2021** is disposed of accordingly.

**Witness:**

Sri Rajasekhar V.K. Hon’ble Member (Judicial) & Sri Balraj Joshi, Hon’ble Member (Technical) at Kolkata aforesaid on the 20th December, 2021.

Mr. Dharendra Nath Sharma, Advocate, Ms. Neelina Chatterjee, Advocate & Mr. Suvodeep Chakraborty, Advocate of petitioners.

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Schedule of Assets

**First Part-I**

(As per Annexure)

**Second Part-II**

(As per Annexure)

**Third Part-III**

(As per Annexure)

  
29.08.2022  
**Deputy Registrar**  
**National Company Law Tribunal**  
**Kolkata Bench**

Dated, the 29<sup>th</sup> day of August, 2022.

Note: The Corrigendum Order dated 28.07.2022, enclosed, is connected with the Main Order dated 20.12.2021 which constitutes for Drawn-up Order.

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DIVISION BENCH  
COURT - I

O-218

NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH  
KOLKATA

C.P.(CAA)/133(KB)2021  
IA(COMPANIES.ACT)/60(KB)2022

CORAM: 1. HON'BLE MEMBER(J), SHRI ROHIT KAPOOR.  
2. HON'BLE MEMBER(T), SHRI BALRAJ JOSHI

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING ON 28<sup>TH</sup> JULY, 2022, 10:30 A.M

IN THE MATTER OF	ASIAN HOTELS ( EAST ) LIMITED
UNDER SECTION	SEC. 230-232 - SECOND MOTION

Counsel / Authorised Representative appeared physically/through video conference:

Mr. D. Sharma, Advocate : For Petitioner  
Ms. Neemisha Chatterjee, Advocate :  
Mr. Suvodeep Chakraborty, Advocate :

C O R R I G E N D U M

1. Through the medium of this application few Typographical Errors are sought to be corrected in order passed on 20<sup>th</sup> December, 2021.
2. At page 3 in para I the word 'RHL' shall be read as 'RHPL' (Robust Hotels Private Limited).
3. In this paragraph the word 'Bounds' shall be read as 'Bonds'.
4. At page 11, VI of this order 'in accordance with clause [clause no. 1.4.14]' shall be read as 'in accordance with scheme [clause no. 4.2.2]'.
5. At page 11, VII it is written 'Leave be granted to the Petitioner to file the Schedule of Assets of the specified Undertaking' shall be read as 'Leave be granted to the **Petitioner to file Schedule of Assets and Liabilities of the Specified Undertaking**'.
6. The Ld. Counsel appearing for the applicant also seeks direction from this Tribunal to extend the time of furnishing certified copy of the order upon the office of the ROC.
7. This order was passed way back in December 2021 and whereas this application has been filed on 22.06.2022.
8. However, in the interest of justice we grant 30 days' time to furnish certified copy of this order upon the office of the ROC.

Kundan Kr.

sd/-

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9. The delay in filing the schedule of assets and liabilities is also condoned.
10. The same be done now within a period of 15 days from the date of uploading of this order.
11. With the above corrections and observations this application is **disposed of** rest of the

sd-

Balraj Joshi  
Member (Technical)

sd/-

Rohit Kapoor  
Member (Judicial)



**SCHEME OF ARRANGEMENT, DEMERGER AND REDUCTION OF CAPITAL  
(UNDER SECTION 230 TO 232 AND SECTION 66 OF THE COMPANIES ACT, 2013)**

**AMONGST**

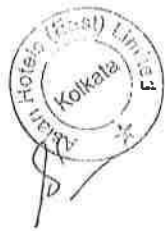
**ASIAN HOTELS (EAST) LIMITED**

**AND**

**ROBUST HOTELS PRIVATE LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



A small handwritten mark or signature.

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



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**PART I**

**1. OVERVIEW, OBJECTS AND BENEFITS OF THE SCHEME**

**1.1 Brief Overview of the Companies**

**1.1.1 Asian Hotels (East) Limited ("AHEL"):**

- (i) AHEL is a listed public limited company incorporated under the laws of India and having its registered office at Hyatt Regency, JA-1, Sector - 3, Salt Lake City, Kolkata, West Bengal - 700098, India. The CIN of AHEL is L15122WB2007PLC162762. The PAN of AHEL is AACCV4634N.
- (ii) AHEL is primarily engaged in two lines of business through separate divisions as follows: (a) Hotel Division engaged in the operation and management of Hyatt Regency, Kolkata; and (b) Investment Division which in-turn consists of the Securities Trading Unit and the Strategic Investments Unit.
- (iii) AHEL was incorporated under the name 'Vardhman Hotels Private Limited' on January 08, 2007 as a private limited with the Registrar of Companies, West Bengal, and was converted into a public limited company on July 28, 2007. The name of AHEL was changed to its present name on February 16, 2010.
- (iv) The shares and securities of AHEL are listed on the Stock Exchanges.

**1.1.2 Robust Hotels Private Limited ("RHPL"):**

- (i) RHPL is a private limited company incorporated under the laws of India and having its registered office at 365, Anna Salai Teynampet, Chennai, Tamil Nadu - 600018, India. The CIN of RHPL is U55101TN2007PTC062085. The PAN for RHPL is AADCR5418B.
- (ii) RHPL is carrying on the business of operating Hyatt Regency Hotel, a hotel located at 365, Anna Salai, Teynampet in Chennai.
- (iii) RHPL was incorporated on January 19, 2007 with the Registrar of Companies, Chennai.
- (iv) RHPL is a wholly owned subsidiary of AHEL, and the shares and securities of RHPL are not listed on any stock exchange.

**1.2 Overview of the Scheme of Arrangement**

- 1.2.1** This Scheme contemplates *inter alia* the demerger and transfer of the Demerged Undertaking from AHEL into and with RHPL, as a going concern, in accordance with Sections 230-232 of the 2013 Act and in compliance with Section 2(19AA) of IT Act, and reduction and cancellation of equity shares of RHPL held by AHEL (without payment of consideration), in terms of Section 66 of the 2013 Act and used for *inter*



For Asian Hotels (East) Limited

*Anura Kulkarni*

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allowing out its losses. In addition, as an integral part of the Scheme, AHEL shall make a bonus issue in accordance with Sections 63 of the 2013 Act of fully paid-up equity shares to its equity shareholders (as of the Record Date) in 1:2 ratio, that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10 (Indian Rupees ten) for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 (Indian Rupees ten) each held by a shareholder of AHEL as of the Record Date.

1.2.2 After the effectiveness of this Scheme, the Share Capital of RHPL consisting of the fully paid-up New Equity Shares of RHPL issued as consideration in terms of Part IV of this Scheme to the shareholders of AHEL shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time. Further, as an integral part of the Scheme, Equity Shares of RHPL (presently held by AHEL) shall stand cancelled and reduced (without payment of consideration) without any further act and deed, and hence this Scheme contemplates approval of the Tribunal(s) in terms of Section 66 of the 2013 Act, in addition to Sections 230-232 of the 2013 Act.

1.2.3 This Scheme is segregated into six parts:

- (i) Part I sets out an overview, objects and benefits of this Scheme and contains the definitions used in this Scheme and the interpretation pertaining in this Scheme;
- (ii) Part II sets out the capital structure of the Scheme Entities;
- (iii) Part III deals with reorganization of capital in AHEL and RHPL, including issuance of Bonus Shares by AHEL to its equity shareholders (as of the Record Date) in 1:2 ratio, that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10 (Indian Rupees ten) for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 (Indian Rupees ten) each held by a shareholder of AHEL as of the Record Date;
- (iv) Part IV deals with the demerger of the Demerged Undertaking from AHEL and its vesting into and with RHPL in accordance with Sections 230-232 of the 2013 Act and in compliance with Section 2(19AA) of the Income-tax Act, and issuance of consideration shares by RHPL to the shareholders of AHEL;
- (v) Part V deals with reduction of capital in RHPL and consequent cancellation of Existing Equity Shares of RHPL held by AHEL without consideration; and
- (vi) Part VI deals with the accounting treatment, taxes, miscellaneous, general terms and conditions applicable to this Scheme, and sets out certain additional arrangements that also form an integral part of this Scheme.

1.3 Objects and Rationale of this Scheme

1.3.1 AHEL primarily operates in two business segments through separate business divisions: (i) its Hotel Division is engaged in the operation and management of the Hyatt Regency, Kolkata; and (ii) its Investment Division comprising of: (a) Strategic Investments Unit,



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For Asian Hotels (East) Limited  
Saurabh Chatterjee

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which *inter alia* includes its investments in and loans given to RHPL and GJS Hotels Limited ("Strategic Investments Unit"); and (b) Securities Trading Unit, which *inter alia* includes its treasury/liquid investments, which are regularly traded, and bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed) ("Securities Trading Unit").

- 1.3.2 Each of the businesses carried on by AHEL by itself and along with its subsidiaries have significant potential for growth and profitability, however, the nature of risk, competition, challenges, opportunities and business methods for AHEL and RHPL are very different. The proposed demerger would result in segregation and transfer of the Securities Trading Unit into RHPL / Resulting Company and continued housing of the Hotel Division in AHEL/ Demerged Company.
- 1.3.3 This Scheme is expected to result in the following benefits for AHEL and/or RHPL (as applicable):
- (i) Unlocking the value of AHEL shares to its shareholders, which is presently getting subdued on account of subdued performance and balance sheet of RHPL;
  - (ii) Possible release of guarantee(s) presently given by AHEL to the lenders of RHPL. This would clear the contingent liability as appearing in the financial statements of AHEL, and will potentially improve the credit rating of AHEL, thereby enabling reduction in cost of finance for AHEL and better price discovery on the stock market;
  - (iii) Pursuant to the Scheme, the Equity Shares of RHPL shall also be entitled to the benefit of getting listed on the Stock Exchanges pursuant to the SEBI Circular. Therefore, shareholders of AHEL (as of the Record Date) shall, as a result of the Scheme, hold Equity Shares of 2 (two) listed entities, AHEL and RHPL. Such shareholders would then be able to choose to remain invested in both or either of AHEL and RHPL, giving them greater flexibility in managing / dealing with their investments in different companies, being AHEL and RHPL in view of their respective businesses, and individual risk profiles;
  - (iv) Improving the balance sheet of RHPL and its credit rating by providing liquid assets and resources that would enable enhancement in future profitability without any sacrifice of value by the shareholders of AHEL, enabling potential turn-around and/or expansion programs for RHPL, and assist RHPL in supporting and potentially reducing its debt burden and cost of financing;
  - (v) Enable unlocking of the true value of the RHPL for the shareholders of AHEL (in a separate entity, being RHPL), which does not appear to be reflecting fully and accurately in the present consolidated market valuation of AHEL on account of there being a holding company discount;
  - (vi) Provide scope for attracting and accessing targeted funding and investors for each of AHEL and RHPL and provide better flexibility in pursuing long term growth



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For Asian Hotels (East) Limited

*Sanjay Chatterjee*  
Sanjay Chatterjee



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plans and strategies for the separate companies AHEL and RHPL, instead of RHPL continuing to use AHEL's credit rating and guarantees and equity funds;

- (vii) Enable the management of AHEL to evaluate the performance of the Hotel Division on an independent basis and keep its risks (if any) ring-fenced; and
- (viii) Enable enhanced strategic flexibility and focus of the respective managements of AHEL and RHPL, thereby facilitating the separate managements to efficiently exploit opportunities for each of the said businesses.

1.3.4 The Scheme Entities believe that this Scheme is in the best interests of the Scheme Entities and their respective shareholders and creditors, and other stakeholders, as it is expected to provide greater financial strength and flexibility and better access to funds to both AHEL and RHPL.

#### 1.4 Definitions

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the meaning ascribed to such terms and expressions under the 2013 Act, and if not defined therein then under other relevant statutes, such as the Income Tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof. In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.4.1 "2013 Act" means the Companies Act, 2013 and the rules framed under such a statute and includes any alterations, modifications and amendments made to such a statute or any re-enactment of such a statute;
- 1.4.2 "Accounting Standards" means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4.3 "AHEL" or "Demerged Company" means Asian Hotels (East) Limited;
- 1.4.4 "Applicable Laws" means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, Accounting Standards, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of this Scheme or at any time after such date;

For Asian Hotels (East) Limited

*Sanjay Kulkarni*



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- 1.4.5 “**Appointed Date**” means the Effective Date (beginning of business hours) or such other date as may be directed / approved by the Tribunal(s), being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative;
- 1.4.6 “**Assets of the Demerged Undertaking**” means all assets and property (wherever located, including in the possession of third parties) pertaining to the Securities Trading Unit (whether movable or immovable, real or personal, corporeal or incorporeal, present, future, contingent, tangible or intangible), including any and all: (i) rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or any of its equipment; (ii) capital work-in-progress, furniture, fixtures, office equipment, computer software (including assets which are licensed, leased or otherwise), financial assets, cash and bank balance, application monies, current assets, sundry debtors, all outstanding loans granted, deposits made, provisions, advances, receivables, funds, leases of all kinds of property, licences, tenancy rights, premises, hire purchase and lease arrangements;(iii) tax deferrals and benefits (including sales tax and service tax), sales tax credits, CENVAT credits, MAT and other income tax credits, interest tax credits, wealth tax credits, no-objection certificates, any other tax paid in advance or in excess or provisionally or TDS deducted;(iv) benefit of any exemptions, consents, privileges, liberties, advantages, exemptions, incentives receivable under Applicable Laws or in terms of certain schemes or policies of Governmental Authorities, (including in relation to any taxes); (v) rights, title, interests, benefits, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of, or enjoyed by, or to which, AHEL may be entitled in regard to the Securities Trading Unit and all other interests in connection with or relating to such Securities Trading Unit;(vi) and specifically includes Deposits and Balances of the Demerged Undertaking, Investments of the Demerged Undertaking, Contracts of the Demerged Undertaking, IPR of the Demerged Undertaking, Licenses of the Demerged Undertaking, Employees of the Demerged Undertaking, and Books and Records of the Demerged Undertaking;
- 1.4.7 “**Board of Directors**”, in relation to any company, means the board of directors of such a company and, unless contrary to the provisions of Applicable Laws, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.4.8 “**Books and Records of the Demerged Undertaking**” means books, records, papers, files, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer information, customer and supplier pricing information, whether in physical or electronic form, directly or indirectly relating to the Securities Trading Unit;
- 1.4.9 “**Contracts of the Demerged Undertaking**” means contracts, agreements, engagements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, insurance policies, security arrangements, claims against any third parties, guarantees, letters of credit, reversions, tenancies and other such arrangements or facilities, whether written or otherwise, deeds,

For Asian Hotels (East) Limited  
  
 Saumen Chatterjee



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bonds, schemes, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature pertaining to such Securities Trading Unit, including agreements with any Governmental Authority, sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits, of whatsoever nature, which pertain to such Securities Trading Unit;

- 1.4.10 **"Demerged Undertaking"** means the undertaking, business, activities and operations of the AHEL pertaining to Securities Trading Unit, and specifically including any and all:(i) Assets of the Demerged Undertaking; and (ii) Liabilities of the Demerged Undertaking;
- 1.4.11 **"Deposits and Balances of the Demerged Undertaking"** means deposits and balances with Governmental Authorities, customers and other Persons, advance monies, earnest monies, payment against warrants or other entitlements, security deposits (including interest) paid or received, directly or indirectly, in connection with the Securities Trading Unit;
- 1.4.12 **"Effective Date"** has the meaning assigned to such term in Clause 6.7; Any references in this Scheme to "upon this Scheme becoming effective" or "upon the effectiveness of this Scheme" or "post effectiveness of this Scheme" means and refers to the Effective Date;
- 1.4.13 **"Employees of the Demerged Undertaking"** means employees of AHEL engaged in connection with the Securities Trading Unit;
- 1.4.14 **"Equity Shares"**, in regard to a company, means the fully paid-up equity shares of such a company;
- 1.4.15 **"Existing Equity Shares of RHPL"** means Equity Shares of RHPL having face value of Rs. 10 (Indian Rupees ten each), each of which is held by AHEL;
- 1.4.16 **"Governmental Authority"** means the Government of India, State Government(s) and any competent governmental, quasi-governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity, including SEBI;
- 1.4.17 **"Investment Division"** means the separate 'Investments including investment in Hotel (South)' division of AHEL consisting of (A) the Strategic Investments Unit comprising *inter alia* of investment in and loans given to RHPL and GJS Hotels Limited; and (B) the Securities Trading Unit comprising of treasury/liquid investments which is being regularly traded and bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed);
- 1.4.18 **"Investments of the Demerged Undertaking"** means investments of all kinds (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debenture stock, units, units of mutual fund schemes, pass through certificates or security receipts)



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For Asian Hotels (East) Limited

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pertaining to the Securities Trading Unit, including all investments made out of shareholders' funds, all cash balances with banks, money at call and short notice, loans, advances, contingent rights or benefits, securitised assets, receivables, benefits of assets or properties or other interest held in trust, benefit of any security arrangements, authority, allotments, approvals, reversions, money market instruments including rated certificates of deposits and commercial papers, repos, reverse repo, treasury bills, call, notice, term money, buildings, structures and offices held for the benefit of, or enjoyed by, or to which, AHEL may be entitled and the depository participant accounts;

- 1.4.19 "IPR of the Demerged Undertaking" means intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications made in regard to such intellectual property rights with Governmental Authorities, used by or held for use in connection with the Securities Trading Unit, whether or not recorded in the books of accounts, and other intellectual property rights of any nature whatsoever, books, records, files, papers, process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, and all other records and documents, whether in physical or electronic form, relating to the Securities Trading Unit;
- 1.4.20 "IT Act" means the Income-tax Act, 1961, the rules and regulations framed under such a statute and includes any alterations, modifications, amendments made thereto, and, or, any re-enactment of such a statute;
- 1.4.21 "Liabilities of the Demerged Undertaking" means debts, borrowings, duties, guarantees, and liabilities including current tax (including but not limited to income tax, goods and services tax, service tax, value added tax, sales tax, etc.) and deferred tax balances, contingent liabilities, present or future, relating to, or arising out of the activities or operations of the Securities Trading Unit, including specific loans and borrowings (if any), advanced received, and any current liabilities incurred and utilised solely for the activities or business or operation of such Securities Trading Unit, all assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including whether arising out of any contract or tort based on negligence or strict liability), whether provided for or not in the books of accounts or disclosed in the financial statements pertaining to such Securities Trading Unit;
- 1.4.22 "Licenses of the Demerged Undertaking" means licences, consents, approvals and permits (including the licenses granted by any Governmental Authorities for the purpose of carrying on the Securities Trading Unit or in connection therewith), authorizations, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, allotments, concessions, certifications, liberties, subsidies, rights to use and avail of all utilities, including telephones, leased line connections and installations, water, electricity and other services and benefits of all rights including memberships, powers and facilities of every kind and description whatsoever, whether statutory or otherwise, and any waiver



For Asian Hotels (East) Limited

*Sanjay Chakraborty*

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of the foregoing, issued by any Governmental Authorities used or held for use in connection with the Securities Trading Unit;

- 1.4.23 "New Equity Shares of RHPL" means Equity Shares of RHPL having face value of Rs. 10 (Indian Rupees ten) each;
- 1.4.24 "Person" means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or Governmental Authority or any other entity that may be treated as a person under Applicable Laws;
- 1.4.25 "Public Shareholders" in regard to a company, means shareholders of such company which are within the meaning of "public", as the term is defined in Rule 2(d) of the Securities Contracts (Regulation) Rules, 1957;
- 1.4.26 "Record Date" means the date to be fixed by the Board of Directors of AHEL in consultation with the Board of Directors of RHPL in terms of Clause 6.9 for the purpose of (i) issue of Bonus Shares in terms of Part III of this Scheme; and (ii) issue of fully paid-up New Equity Shares of RHPL by RHPL to the shareholders of AHEL in terms of Part IV of this Scheme;
- 1.4.27 "Registrar of Companies" means (i) with respect to AHEL, Registrar of Companies, West Bengal; (ii) with respect to RHPL, means the Registrar of Companies, Chennai;
- 1.4.28 "RHPL" or "Resulting Company" means Robust Hotels Private Limited;
- 1.4.29 "Scheme" means this Scheme of Arrangement and Demerger and Reduction of Capital under Section 230-232 and Section 66 of the 2013 Act, as modified or amended from time to time in accordance with Applicable Laws and with the requisite approval of the Tribunals;
- 1.4.30 "Scheme Entities" means AHEL and RHPL collectively;
- 1.4.31 "SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- 1.4.32 "Share Capital", in regard to a company, means the total issued, subscribed and paid-up share capital of such company;
- 1.4.33 "Share Entitlement Ratio" has the meaning assigned to such a term in Clause 4.2.2;
- 1.4.34 "Stock Exchanges" means collectively BSE Limited and the National Stock Exchange of India Limited; and
- 1.4.35 "Tribunal" means National Company Law Tribunal, Kolkata Bench and / or National Company Law Tribunal, Chennai Bench (as applicable), having territorial jurisdiction in the State(s) in which the respective registered offices of the Scheme Entities are located.

For Asian Hotels (East) Limited

  
Saumen Chatterjee



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1.5 **Interpretation**

1.5.1 In this Scheme, unless the context otherwise requires:

- (i) the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;
- (ii) the words "directly or indirectly" mean directly or indirectly through one or more affiliates, associates, relatives or other intermediary Persons and "direct or indirect" shall have the correlative meanings;
- (iii) any Person includes that Person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;
- (iv) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (v) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (vi) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (vii) the term "Clause" refers to the specified clause of this Scheme;
- (viii) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision;
- (ix) references to one gender includes all genders; and
- (x) words in the singular shall include the plural and *vice versa*.

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



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**PART II**

**2. CAPITAL STRUCTURE**

**2.1 AHEL**

2.1.1 The capital structure of AHEL as on December 31, 2019 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
90,000,000 Equity Shares of Rs. 10 each	900,000,000
1,000,000 Preference Shares of Rs. 10 each	10,000,000
<b>Total</b>	<b>910,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
11,527,797 Equity Shares of Rs. 10 each	115,277,970
<b>Total</b>	<b>115,277,970</b>

2.1.2 The Equity Shares of AHEL are listed on the Stock Exchanges.

**2.2 RHPL**

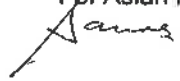
2.2.1 The capital structure of RHPL as on December 31, 2019 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
225,000,000 Equity Shares of Rs. 10 each	2,250,000,000
<b>Total</b>	<b>2,250,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
224,183,829 Equity Shares of Rs. 10 each	2,241,838,290
<b>Total</b>	<b>2,241,838,290</b>

2.2.2 RHPL is a wholly owned subsidiary of AHEL. AHEL legally and beneficially holds all 224,183,829 Equity Shares of RHPL, representing 100% (one hundred per cent.) of the Share Capital of RHPL.

2.2.3 The shares and securities of RHPL are, at present, not listed on any stock exchange, whether in India or in any other country.

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary

  
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PART III

3. REORGANISATION OF CAPITAL

3.1 Issue of Bonus Equity Shares

3.1.1 Upon the Scheme becoming effective, AHEL shall issue and allot by way of bonus, to each equity shareholder whose name is recorded in the Registrar of Members of the Company and/or the records of the depository(ies) as equity shareholder of AHEL on the Record Date, in the ratio of 1:2, that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10 (Indian Rupees ten) ("Bonus Shares") for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 (Indian Rupees ten) each held by a shareholder of AHEL as of the Record Date.

3.1.2 The Bonus Shares to be issued and allotted by AHEL shall be subject to the provisions of the Memorandum of Association and Articles of Association of AHEL and shall rank *pari passu* with the Equity Shares of AHEL in every respect.

3.1.3 As soon as practicable after the issuance of Bonus Shares, AHEL shall take necessary steps towards listing of the Bonus Shares on the Stock Exchanges, subject to all regulatory approvals and Applicable Law.

3.2 Issuance mechanics and other relevant provisions

3.2.1 The issuance and allotment of Bonus Shares to the shareholders of AHEL in terms of Part III of this Scheme is an integral part of the Scheme and shall be deemed to have been carried out as if the procedure laid down under the 2013 Act, including Section 63, as well as all applicable SEBI regulations have been complied with.

3.2.2 Subject to Applicable Laws, the Bonus Shares shall be issued in dematerialised form, unless a shareholder of AHEL gives a notice to AHEL on or before the Record Date, requesting for issuance of Bonus Shares in physical form. The shareholders of AHEL shall provide such confirmation, information and details as may be required by AHEL to issue the Bonus Shares.

3.2.3 For the purpose of the allotment of Bonus Shares, in case any member's holding in AHEL is such that the member becomes entitled to a fraction of a Bonus Share, AHEL shall not issue fractional Bonus Shares to such members, but shall consolidate all such fractions and issue such consolidated number of Bonus Shares (any further fractions being ignored) to a person, who shall act as a trustee of such Bonus Shares for the limited purpose mentioned herein, nominated by the Board of AHEL in that behalf, who shall sell such shares as and when he deems fit, but within a period of one year from the Effective Date, and shall distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to the respective fractional entitlements in the Bonus Shares.

3.2.4 No Bonus Shares will be issued under this Scheme in respect of any equity shares of AHEL that have been forfeited or partly paid. The issuance of Bonus Shares pursuant to

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this Scheme in respect of any equity shares of AHEL which are held in abeyance shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by AHEL. The Equity Shares lying in 'Unclaimed Suspense Account' (if any) and the Equity Shares held in the Investor Education and Protection Fund (if any) shall also be eligible for issuance of Bonus Shares and such Bonus Shares shall be dealt with in the same manner as Equity Shares lying in the said Unclaimed Suspense Account and/or the Investor Education and Protection Fund (as the case may be).

- 3.2.5 Bonus Shares shall be granted exclusively to the equity shareholders of AHEL as on the Record Date. This Scheme or Part III hereon does not, in any manner, constitute an offer or an invitation to the public to subscribe to the Bonus Shares / Equity Shares of AHEL. Neither the Scheme nor any related document shall constitute an offer document or prospectus in any manner or for any purpose whatsoever.
- 3.2.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of AHEL, the Board of Directors of AHEL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in AHEL as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in AHEL and in relation to the issuance of Bonus Shares. The Board of Directors of AHEL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme in regard to issuance of Bonus Shares.

### 3.3 Accounting Treatment

- 3.3.1 The Bonus Shares shall be issued by utilizing (capitalising) the entire amount in the Capital Redemption Reserve Account of AHEL pursuant to which the Capital Redemption Reserve Account shall be left with nil balance; and thereafter to the extent required from the General Reserves of AHEL.

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Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary







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PART IV

4. DEMERGER OF DEMERGED UNDERTAKING FROM AHEL TO AND INTO RHPL AND ISSUE OF CONSIDERATION SHARES BY RHPL

4.1 Demerger and Vesting of the Demerged Undertaking

4.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all the present and future assets and liabilities of the Demerged Undertaking as on the Appointed Date, whether known or unknown, and the entire business of the Demerged Undertaking shall stand transferred to and vested in RHPL, as a going concern, without any further act or deed, together with all its properties, assets, rights, benefits and interest therein, in accordance with Sections 230 to 232 of the 2013 Act and other provisions of Applicable Laws, if any, and the provisions contained herein.

4.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- (i) all Assets of the Demerged Undertaking that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and, or, by endorsement and delivery, or by vesting and recordal, including equipment, furniture and fixtures, shall stand vested in and be deemed to be vested in RHPL, wherever located, and shall become the property and an integral part of RHPL in terms of this Scheme. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) all Assets of the Demerged Undertaking that are movable properties, other than those described under sub-clause (i) above, including investments in shares and any other securities, money market instruments including rated certificates of deposits and commercial papers, repos, reverse repo, treasury bills, call, notice, term money, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authorities, customers and other Persons shall, without any further act or deed, become the property of RHPL and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. For the avoidance of doubt, it is clarified that investments of the Demerged Undertaking shall, pursuant to Sections 230 to 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in RHPL with effect from the Appointed Date.
- (iii) all Assets of the Demerged Undertaking that are immovable properties (whether owned, or leased / licensed), including any right or interest in the buildings and

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structures standing thereon and all lease / license or rent agreements, together with security deposits and advance / prepaid lease / license fee, rights and easements in relation to such properties shall stand transferred to and be vested in and, or, be deemed to have been transferred to and vested in RHPL, without any further act or deed, pursuant to applicable provisions of the 2013 Act and the provisions of this Scheme. RHPL shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease / license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee to RHPL.

- (iv) all Liabilities of the Demerged Undertaking shall, pursuant to Sections 230 to 232 of the 2013 Act and the provisions of this Scheme and, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of RHPL, without any further act or deed, and RHPL shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. For the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- (v) all Contracts of the Demerged Undertaking shall be and remain in full force and effect on, against or in favour of RHPL and may be enforced as fully and effectually as if, instead of AHEL, RHPL had been a party or beneficiary or obligor thereto. All Contracts of the Demerged Undertaking shall stand transferred and vested in favour of RHPL on the same terms and conditions. RHPL and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.
- (vi) any notices, disputes, pending suits / appeals, legal, taxation, or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to Demerged Undertaking, whether pending on the Appointed Date or which may be instituted any time in the future shall not abate, be discontinued or in any way prejudicially affected by reason of demerger and vesting of the Demerged Undertaking in RHPL or anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against RHPL in the same manner and to the same extent as would or might have been continued, prosecuted and, or, enforced by or against Demerged Undertaking, as if this Scheme had not been implemented.
- (vii) all the property, assets and liabilities of the Demerged Undertaking shall be transferred by AHEL to RHPL at the values appearing in the books of account of AHEL on the Appointed Date. The accounts of AHEL and RHPL shall be

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reconstructed in accordance with Applicable Laws and the relevant provisions of this Scheme. Upon the Scheme becoming effective, the accounts of AHEL and RHPL shall be restated with effect from the Appointed Date, as specified in the Scheme and as per directions of the Tribunal in this regard (if any). The income-tax returns, GST returns and other returns of each of AHEL and RHPL (as filed for any period after the Appointed Date) may be revised and re-filed accordingly.

- (viii) all Employees of the Demerged Undertaking shall become employees of RHPL with effect from the Effective Date, on such terms and conditions as are no less favourable in aggregate than those on which they are currently engaged by the Demerged Undertaking, without any interruption of service as a result of this demerger and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such Employees of the Demerged Undertaking, upon this Scheme becoming effective, RHPL shall stand substituted for AHEL for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by AHEL, in accordance with the provisions of Applicable Laws or otherwise. RHPL undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the Employees of the Demerged Undertaking, the past services of such Employees of the Demerged Undertaking shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Demerged Undertaking will transfer / handover to RHPL, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or on-going leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its employees and all forms, notifications, orders and contribution / identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause. RHPL shall continue to abide by any agreement(s) / settlement(s) entered into / by AHEL with any of the Employees of the Demerged Undertaking prior to the Appointed Date and from the Appointed Date till Effective Date. In case of conflict of any positions / designations between the current employees of RHPL and the employees transferred from AHEL as a consequence of this Scheme, the Board of Directors of RHPL shall be entitled to re-classify the designation of any relevant employee to resolve such conflict.
- (ix) all IPFR of the Demerged Undertaking shall stand transferred to and vested in RHPL.
- (x) all Deposits and Balances of the Demerged Undertaking shall stand transferred to and vested in RHPL.

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*Sanjay K. Sharma*



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- (xi) all Books and Records of the Demerged Undertaking shall stand transferred to and vested in RHPL.
- (xii) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, self-assessment tax, taxes withheld / paid in a foreign country, value added tax, sales tax, service tax, stamp duty etc.) including any interest, penalty, surcharge and cess, if any, payable by or refundable to or being the entitlement of AHEL in connection with the Demerged Undertaking, including all or any refunds or claims shall be treated as the tax liability or refunds / credits / claims, as the case may be, of RHPL and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses, including brought forward business loss, unabsorbed depreciation, etc., as would have been available to AHEL in connection with the Demerged Undertaking, shall pursuant to this Scheme becoming effective, be available to RHPL.
- (xiii) all Licences of the Demerged Undertaking shall be in full force and effect in favour of RHPL and may be enforced as fully and effectually as if, instead of AHEL, RHPL had been a party or beneficiary or obligee thereto. For the avoidance of doubt, it is clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution / endorsement in the name of RHPL pursuant to the sanction of this Scheme by the Tribunal and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, RHPL shall file appropriate applications / documents with relevant authorities concerned for information and record purposes.
- (xiv) benefits of any and all corporate approvals as may have already been taken by AHEL in connection with the Demerged Undertaking, including approvals under Sections 42, 62(1A), 180, 185, 186 and 188 of the 2013 Act shall stand transferred to RHPL and the said corporate approvals and compliances shall be deemed to have been taken / complied with by RHPL.
- (xv) all estates, assets, rights, title, interests and authorities accrued to and, or, acquired by AHEL in regard to the Demerged Undertaking shall be deemed to have been accrued to and, or, acquired for and on behalf of RHPL and shall, upon this Scheme becoming effective, pursuant to the provisions of Sections 230 to 232 of the 2013 Act and this Scheme, without any further act or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in RHPL to that extent and shall become the estates, assets, right, title, interests and authorities of RHPL.
- (xvi) all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of AHEL (insofar as the same pertains to the Demerged Undertaking) after the Effective Date, shall be accepted

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*Arjun Chatterjee*



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by the bankers of RHPL and credited to the accounts of RHPL, if presented by RHPL.

- 4.1.3 It is clarified that no assets, liabilities, deposits and balances, investments, contracts, intellectual property rights, licences, employees and books and records of AHEL, except those pertaining to the Demerged Undertaking (which are transferred to Resulting Company in terms of the Clause 4.1.2), shall be transferred to, or vested in, RHPL in terms of the provisions of Part IV of this Scheme.
- 4.1.4 Upon this Scheme becoming effective and the consequent demerger and vesting of the Demerged Undertaking into and with RHPL, the secured creditors of AHEL, if any, shall not be entitled to any encumbrance over any of the assets of the Demerged Undertaking. It is clarified that all the assets of the Demerged Undertaking shall, subject to Applicable Laws, remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by RHPL in accordance with the provisions of Applicable Laws. For this purpose, no further consent from the existing secured creditors of AHEL, if any, shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors, if any.
- 4.1.5 RHPL shall, at any time after this Scheme becomes effective in accordance with the provisions hereof and as the successor entity of AHEL, in relation to the Demerged Undertaking, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. RHPL shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of AHEL in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of AHEL *inter alia* in its capacity as the successor-in-interest of AHEL in relation to the Demerged Undertaking.
- 4.1.6 RHPL shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by AHEL, in connection with the Demerged Undertaking. It is clarified that if the consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of RHPL pursuant to the sanction of this Scheme by the Tribunals, and upon this Scheme becoming effective. RHPL shall file appropriate applications / documents with the relevant authorities concerned for information and record purposes and RHPL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of AHEL insofar as the same are in connection with the Demerged Undertaking and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

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*Saurabh Chatterjee*  
Saurabh Chatterjee



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**4.2 Payment of Consideration for Demerged Undertaking**

4.2.1 Upon this Scheme coming into effect, the shareholders of AHEL as of Record Date shall be entitled to receive Equity Shares of RHPL as detailed in this Clause 4.2 of this Scheme.

4.2.2 AHEL and RHPL have engaged Mr. Mahim S. Mehta, a Registered Valuer (as defined in the Companies (Registered Valuers and Valuation) Rules, 2017), to provide a Capital Allocation Report / Share Entitlement Report. In connection with such engagement, Mr. Mahim S. Mehta has issued a Capital Allocation Report / Share Entitlement Report dated January 13, 2020. AHEL and RHPL had engaged D&A Financial Services (P) Limited, Merchant Bankers, to provide a fairness opinion on Share Entitlement Ratio adopted under this Scheme. In connection with such engagement, D&A Financial Services (P) Limited, Merchant Banker has issued a fairness opinion dated January 13, 2020 ("Fairness Opinion"). The Board of Directors of each of AHEL and RHPL have determined the Share Entitlement Ratio as 1:1, based on their independent judgment and after taking into consideration the aforesaid Capital Allocation Report / Share Entitlement Report and Fairness Opinion ("Share Entitlement Ratio"). Therefore, 1 (one) Equity Share of RHPL having a face value of Rs. 10 (Indian rupees ten) each shall be issued and allotted to shareholders of AHEL for every 1 (one) Equity Share of AHEL having a face value of Rs. 10 (Indian rupees ten) each, held by shareholders of AHEL as of the Record Date.

4.2.3 In aggregate RHPL shall issue and allot 17,291,696 (one crore seventy-two lac ninety-one thousand six hundred ninety six) New Equity Shares having a face value of Rs. 10 (Indian rupees ten) each, fully paid-up, to the shareholders of AHEL as on Record Date, in a manner and proportion such that pursuant to such issuance and allotment (and reduction of capital in terms of Part V) on the Effective Date, the shareholding pattern (in terms of number of equity shares) and *inter-se* shareholding percentage of shareholders of RHPL shall mirror the shareholding pattern (in terms of number of equity shares) and *inter-se* shareholding percentage of the shareholders of AHEL, as on the Record Date.

**4.3 Issuance mechanics and other relevant provisions**

4.3.1 There shall be no change in the shareholding pattern of RHPL between the Record Date and the date on which the New Equity Shares are listed in terms of the SEBI Circular, which may affect the status of the observation / no-objection letter issued by the Stock Exchanges in respect of the Scheme (in terms of Regulations 37 of SEBI LODR). Subject to the above, in the event that AHEL and, or, RHPL, as the case may be, change their capital structures prior to the Effective Date, either by way of any increase (by issue of Equity Shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner except as specifically provided in this Scheme itself, which would have the effect of bringing some change to the capital structures of such company(ies), subject to the approval of the Scheme Entities, the Share Entitlement Ratio and / or number consideration shares to be issued (as applicable) shall stand modified / adjusted accordingly to take into account the effect of such corporate actions.

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*Sanjay Chatterjee*



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- 4.3.2 Subject to Applicable Laws, the fully paid-up New Equity Shares of RHPL that are to be issued in terms of Clause 4.2 shall be issued in dematerialised form, unless a shareholder of AHEL gives a notice to AHEL and RHPL, on or before the Record Date, requesting for issuance of such Equity Shares in physical form. The shareholders of AHEL shall provide such confirmation, information and details as may be required by RHPL to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by RHPL, AHEL is unable to provide the details of the demat account of any particular shareholder, subject to applicable law, RHPL shall allot the appropriate number of New Shares to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, RHPL is not permitted to issue and allot the New Equity Shares in physical form, and it has still not received the demat account details of certain shareholders of AHEL, it shall issue and allot such shares in lieu of the New Equity Share entitlement of such shareholders, into a demat suspense account, which shall be operated by one of the directors of RHPL, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense account into the individual demat accounts of such claimant shareholders, such number of shares as may be required in terms of this Scheme.
- 4.3.3 Equity shares to be issued by RHPL, pursuant to Clause 4.2 in respect of Equity Shares of the shareholders of AHEL which are held in abeyance shall also be kept in abeyance.
- 4.3.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of AHEL, the Board of Directors of AHEL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in AHEL as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in AHEL and in relation to the Equity Shares issued by RHPL upon the effectiveness of this Scheme. The Board of Directors of AHEL and RHPL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in RHPL on account of difficulties faced in the transition period.
- 4.3.5 The New Equity Shares to be issued and allotted by RHPL in terms of Clause 4.2 shall be subject to the provisions of the Memorandum of Association and Articles of Association of RHPL, and shall rank *pari passu* with the Equity Shares of RHPL.
- 4.3.6 The issuance and allotment of Equity Shares by RHPL to the shareholders of AHEL, in terms of Part IV of this Scheme is an integral part of the Scheme and shall be deemed to have been carried out as if the procedure laid down under Section 62 and other applicable provisions of the 2013 Act, as well as all applicable SEBI regulations have been complied with.
- 4.3.7 RHPL shall apply to the Stock Exchanges and SEBI for listing and admission of all the Equity Shares of RHPL (including the New Equity Shares of RHPL) to trading in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with Applicable Laws. RHPL shall enter into such arrangements, complete such formalities and give such confirmations and/or undertakings to the Stock Exchanges as may be

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necessary in accordance with the Applicable Laws for the listing of Equity Shares of RHPL.

- 4.3.8 The New Equity Shares of RHPL issued and allotted pursuant to the Scheme shall remain frozen in the depository system until listing/trading permission is given by the designated Stock Exchange for such New Equity Shares of RHPL.
- 4.3.9 RHPL shall, if and to the extent required, apply for and obtain any approvals from the appropriate authorities including the Reserve Bank of India, for the issue and allotment of Equity Shares of RHPL by RHPL to non-resident equity shareholders of AHEL, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment.

#### 4.4 Accounting Treatment

##### 4.4.1 Accounting treatment in the books of AHEL:

- (i) Upon this Scheme becoming effective, the book value of assets and liabilities of the Demerged Undertaking as appearing in the books of account of AHEL and transferred to RHPL shall be reduced from the book value of assets and liabilities of AHEL as on the close of business on the day immediately preceding the Appointed Date.
- (ii) The difference between the book value of assets and liabilities of the Demerged Undertaking, shall be accounted for under 'Demerger Adjustment Account', which shall be specifically created to account for this balance; and thereafter the same shall be adjusted/set-off first against the amount lying to the credit of the Capital Reserve Account, and thereafter against the amount lying to the credit of the General Reserve Account of AHEL.
- (iii) Notwithstanding the above, the Board of Directors of AHEL, in consultation with its statutory auditors, is authorized to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and is authorized by the Accounting Standards and/or Generally Accepted Accounting Principles.

##### 4.4.2 Accounting treatment in the books of RHPL:

- (i) Upon coming into effect of this Scheme, Transferee Company shall record the assets and liabilities transferred to and vested in it pursuant to this Scheme, at the same book values as appearing in the books of AHEL as on the close of business on the day immediately prior to the Appointed Date.
- (ii) RHPL shall credit its Share Capital Account in its books of account with the aggregate face value of the New Equity Shares issued to the shareholders of AHEL by it in terms of Clause 4.2, and reduce its Share Capital Account to the extent of Equity Shares of RHPL held by AHEL which are reduced and cancelled in terms of Part V of this Scheme.

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*Jaunty Chakraborty*



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- (iii) The intangible assets and goodwill transferred or arising as a result of the demerger, if any, shall be amortized in the books of accounts of RHPL in accordance with the Accounting Standards.
- (iv) The surplus or deficit, if any, of the value of the assets over the value of the liabilities of the Demerged Undertaking acquired pursuant to this Scheme by RHPL, shall, after adjusting for the value of the New Equity Shares issued by RHPL to the shareholders of AHEL pursuant to this Scheme, shall be: (a) in case of a surplus, recorded as and credited to the Capital Reserve Account, in the books of RHPL, and (b) in case of a deficit, recorded as and debited to the Goodwill Account in the books of RHPL.

4.4.3 Notwithstanding the above, the Board of Directors of AHEL and/or RHPL, in consultation with its respective statutory auditor(s), is authorized to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and in accordance with the Generally Accepted Accounting Principles (GAAP).

For Asian Hotels (East) Limited

   
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



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**PART V**

**5. REDUCTION OF CAPITAL IN RHPL**

**5.1 Reduction of Capital in RHPL**

5.1.1 The Existing Equity Shares of RHPL held by AHEL shall be reduced and cancelled (without payment of any consideration) as an integral part of the Scheme in order to present a true and fair picture of the capital structure, business, assets and financials of RHPL, in particular, the profits/losses in RHPL. The reduction does not involve either a diminution of liability in respect of share capital not paid-up or payment of paid-up share capital of RHPL to any person.

5.1.2 No prejudice will be caused to shareholders and/or creditors of RHPL by the aforesaid reduction of capital. The creditors of RHPL shall not be adversely affected by the proposed reduction of the share capital as there will be no reduction in the amounts payable to any of them, and no payment is involved to any shareholder as well. Further, the reduction of capital would not adversely affect the business or operations of RHPL or its ability to honour its commitments or pay the debts in the ordinary course of business. The Scheme does not in any manner alter, vary or affect the rights of the creditors. The Scheme does not in any manner alter, vary or affect the payment of any dues or outstanding amounts including all or any of the statutory dues payable or outstanding.

5.1.3 The consent of the shareholders and creditors of the RHPL, to this Scheme shall be deemed to be their consent under the provisions of Section 66 of the 2013 Act as well. RHPL shall not be required to (i) convene separate meeting to seek approval for cancellation of shares; or (ii) add "And Reduced" as suffix to its name, or (iii) otherwise separately comply with the procedure specified in Section 66 of the 2013 Act, and its compliance with applicable provisions of Sections 230-232 of the 2013 Act shall be deemed as adequate compliance with the procedure specified in Section 66 of the 2013 Act. The Tribunal(s)' sanction for this Scheme shall be deemed to be the Tribunal's approval under Section 66 of the 2013 Act, for reduction and reorganisation of capital by RHPL, as contemplated as an integral part of this Scheme.

5.1.4 Upon this Scheme becoming effective and after the allotment of the New Equity Shares by RHPL in terms of Clause 4.2, and reduction of Equity Shares of RHPL held by AHEL in terms of this Clause 4.4, the issued, subscribed and paid-up capital of RHPL shall be Rs. 17,29,16,960 (Indian rupees seventeen crore twenty-nine lac sixteen thousand nine hundred sixty only) consisting of 17,291,696 fully paid-up New Equity Shares having a face value of Rs. 10 (Indian rupees ten) each.

**5.2 Accounting Treatment in the books of AHEL**

Pursuant to such reduction of capital, the investment amount of Rs. 567,00,00,000 (Indian rupees five hundred sixty-seven crore) as appearing in the books of AHEL under the head 'Investments', being shares held in RHPL, shall stand cancelled, and the same shall be adjusted against the amount lying to the credit of the General Reserve Account of AHEL.

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*[Handwritten Signature]*

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pursuant to which the General Reserve Account of AHEL shall be left with nil balance; and thereafter shall be adjusted against the amount lying to the credit of the Profit And Loss Account of AHEL, to the extent required.

**5.3 Accounting Treatment in the books of RHPL**

Pursuant to such reduction of capital in RHPL, an amount equivalent to the face value of the Existing Equity Shares (of RHPL held by AHEL) which are being reduced shall first be credited to the Capital Reconstruction Reserve Account of RHPL. Thereafter, the debit balance of the Profit And Loss Account of RHPL to the extent of INR 110 Crore consisting of unabsorbed book losses and unabsorbed book depreciation (in equal proportion) shall be adjusted against the amount lying to the credit of the Capital Reconstruction Reserve Account.

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For Asian Hotels (East) Limited

*(Handwritten signature)*  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



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**PART VI**

**6. TAXES, MISCELLANEOUS AND GENERAL TERMS AND CONDITIONS**

6.1 Upon this Scheme becoming effective, the accounts of AHIEL and RHPL, as on the Appointed Date, shall be reconstructed in accordance with the terms of Part III, Part IV, Part V and Part VI of this Scheme. Each of AHIEL and RHPL shall be entitled to revise and file their respective income tax returns, wealth tax returns, TDS returns, and other statutory returns, as result of demerger and vesting of the Demerged Undertaking in RHPL.

**6.2 Taxes**

6.2.1 The provisions of Part IV of this Scheme have been drawn up in compliance with the conditions specified under the tax laws, specifically Section 2(19AA) of IT Act, and other relevant sections of IT Act. If any terms or provisions of Part IV of this Scheme are found or interpreted to be inconsistent with the provisions of the aforesaid section at a later date, including resulting from an amendment of law or for any other reason whatsoever, such provisions shall prevail and this Scheme shall (subject to the provisions of this Scheme, including Clauses 5.1.2, 5.6.6 and 5.6.7), stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect the other parts of this Scheme.

6.2.2 Upon this Scheme becoming effective, the accounts of AHIEL and RHPL as on the Appointed Date shall be reconstructed in accordance with this Scheme. AHIEL and RHPL shall be entitled to revise and refile their respective income tax returns, TDS returns, and other statutory returns and shall also have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted at source, credit of foreign taxes paid / withheld, etc., if any, consequent to implementation of this Scheme.

6.2.3 The Appointed Date shall be deemed to be the 'acquisition date' for all purposes, including for the purposes of accounts of AHIEL and RHPL.

**6.3 Conduct of business till Effective Date**

With effect from the Appointed Date and up to and including the Effective Date:

- (i) the business pertaining to the Demerged Undertaking shall be deemed to have been carried on account of, and the properties and assets of Demerged Undertaking shall be deemed to have been held for and in trust for, RHPL; and
- (ii) all profits or income arising or accruing to or received in regard to the Demerged Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid in a foreign country, value added tax, sales tax, service tax etc.) or losses arising in or incurred in regard to the Demerged

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*Laurel Chatterjee*



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Undertaking shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of RHPL.

6.4 **Alteration of the Memorandum and Articles of Association of RHPL.**

6.4.1 Amendment of Main Objects

Upon this Scheme becoming effective and with effect from Appointed Date, the main objects clause of the Memorandum of Association of RHPL shall be amended to include the following main objects. Accordingly, the Memorandum of Association of RHPL shall stand modified by inclusion of the following additional paragraph in the main objects as paragraph 4 in Clause III(A) of the Memorandum of Association of RHPL after the existing paragraph 3:

*"4. To deal with or to act as an investor by the way of acquiring, holding, selling, buying, transferring, subscribing to any shares, bonds, stocks, debentures or any other securities, of any kind, issued by or guaranteed by any government, public body, incorporated entity, authority, state, sovereign, commissioners, trusts, provincial, municipal body, or otherwise, whether in India or elsewhere, or units issued by mutual funds, 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 see expedient but not amounting to banking business as defined under the Banking Regulations Act, 1949."*

6.4.2 Conversion into Public Company

As of the Appointed Date, RHPL / Resulting Company is a 'deemed public company' in terms of the 2013 Act. Upon this Scheme becoming effective, and as an integral part and consequence thereof, RHPL shall stand converted into a 'public company' in terms of the 2013 Act. As the conversion of RHPL into a 'public company' is an integral part and consequence of the Scheme, the consent of shareholders of the RHPL to this Scheme shall be deemed to be their consent for such conversion as required under the 2013 Act, including in terms of Section 13, Section 14 and Section 18 of the 2013 Act read with Rule 29 and Rule 33 of the Companies (Incorporation) Rules, 2014; provided that the Memorandum of Association and Articles of Association of RHPL shall be amended (to the extent) required reflect such conversion, including the name clause, as required in terms of the 2013 Act, and accordingly upon the Scheme becoming effective: (i) Clause I of the Memorandum of Association of RHPL shall stand replaced by inclusion of the following clause: *"The name of the Company is Robust Hotel Limited"* (or such other name as may be approved by Registrar of Companies, Chennai and be acceptable to RHPL) and consequent changes shall be carried out in the Articles of Association of RHPL; (ii) the word "Private" appearing in the name of the RHPL in the Articles of Association and Memorandum of Association of the RHPL shall stand deleted; and (iii) provisions in the Articles of Association of RHPL: (a) restricting the right to transfer shares; (b) limiting the number of members to 200 (two hundred); and (c) prohibiting any invitation to the public to subscribe for any securities shall stand deleted. Further,

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provisions regarding minimum number of directors and minimum number of shareholders shall stand modified as per applicable law.

6.4.3 Deemed Approval of Shareholders for Amendments

The consent of the shareholders of RHPL to this Scheme shall be sufficient for the purposes of effecting each of the amendments contemplated in this Clause 6.4, and no further resolutions or approval, whether under Sections 13, Section 14, Section 18 of the 2013 Act, any other applicable provisions of the 2013 Act or under the Articles of Association of RHPL, shall be required to be separately passed, nor shall RHPL be required to pay any additional registration fees, stamp duty, etc.

6.5 **Compliance with Tax Laws**

6.5.1 Part IV of this Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, specifically Section 2(19AA) of the Income-tax Act, 1961 and other relevant sections of the Income-tax Act, 1961.

6.5.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the tax laws shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, but subject to applicable laws, the power to make such amendments/modifications as may become necessary, whether before or after the effectiveness of the Scheme, shall vest with the Board of Directors of RHPL and AHPL, which power shall be exercised reasonably in the best interests of the Scheme Entities and their shareholders, and which power can be exercised at any time.

6.6 **Filing of Applications / Petitions with Tribunal(s)**

6.6.1 The Scheme Entities shall, with all reasonable dispatch, make their respective applications or a joint application to the jurisdictional Tribunals under Sections 230 and 232 read with Section 66 of the 2013 Act and other applicable provisions thereof, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of such classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the Tribunal(s).

6.6.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of each of the Scheme Entities (wherever required), each of the Scheme Entities shall, with all reasonable dispatch, file respective petitions before the jurisdictional Tribunal(s) for sanction of this Scheme under Sections 230 to 232 of the 2013 Act, and other applicable provisions thereof, and for such other order or orders, as Tribunal(s) may deem fit for sanctioning/giving effect to this Scheme. Upon this Scheme becoming effective, the shareholders of each of the Scheme Entities, shall be deemed to have also accorded their approval under all relevant provisions of the 2013 Act, as applicable, for giving effect to the provisions contained in this Scheme.



For Asian (East) Limited  
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**6.7 Effectiveness of the Scheme**

6.7.1 This Scheme is conditional upon, and shall become effective on the happening of the last of the following ("Effective Date"):

- (i) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (if required) of each of the Scheme Entities as required under the 2013 Act;
- (ii) the Scheme being sanctioned by the jurisdictional Tribunal(s) and appropriate orders being passed by the Tribunal(s) pursuant to Sections 230 and 232 of the 2013 Act and other relevant provisions thereof, as applicable; and
- (iii) certified copies of the relevant Orders of the Tribunal(s) being filed with the Registrar of Companies, West Bengal by AHEL, and Registrar of Companies, Chennai by RHPL.

6.7.2 This Scheme shall become effective from the Effective Date, and the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

**6.8 Sequence of Events**

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative on Effective Date, only in the sequence and in the order mentioned hereunder:

- (i) issue and allotment of Bonus Shares by AHEL;
- (ii) amendment to the memorandum and articles of association of RHPL as provided in this Scheme;
- (iii) demerger and vesting of the Demerged Undertaking from AHEL into and with RHPL in accordance with Part IV of this Scheme;
- (iv) issue and allotment of fully paid-up New Equity Shares of RHPL to the shareholders of AHEL as of Record Date in accordance with Part IV of this Scheme; and
- (v) reduction and cancellation of Existing Equity Shares of RHPL held by AHEL in accordance with Part V of this Scheme.

**6.9 Record Date**

After this Scheme is sanctioned but before it becomes effective, the Board of Directors of AHEL shall, in consultation with the Board of Directors of RHPL, determine the record date ("Record Date") for (i) issuance of Bonus Shares; and (ii) the issuance and allotment of Equity Shares of RHPL to the shareholders of AHEL in terms of the Scheme and the direction of the Tribunal in this regard (if any). On determination of Record Date,

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*Signature*



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AHEL shall provide to RHPL, the list of its shareholders as on such Record Date, who are entitled to receive the Equity Shares in RHPL in terms of this Scheme in order to enable RHPL to issue and allot such Equity Shares to such shareholders of AHEL.

#### 6.10 Binding Effect

Upon this Scheme becoming effective it shall be binding on the Scheme Entities, their respective shareholders, creditors and all other stakeholders.

#### 6.11 Miscellaneous

- 6.11.1 AHEL shall comply with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time, while *inter alia* procuring the approval of its public shareholders and shall provide for voting by such public shareholders through postal ballot and e-voting. For the purposes of this Clause 6.11.1, the term 'public' shall have the meaning ascribed to such term under rule 2 of Securities Contracts (Regulation) Rules, 1957. The Scheme is conditional upon being approved by the public shareholders of AHEL through e-voting in terms of Para 9(a) of Part I of Annexure 1 of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017 (as amended from time to time) and the Scheme shall be acted upon only if votes cast by the public shareholders of AHEL in favour of the proposal are more than the number of votes cast by the public shareholders of AHEL against it.
- 6.11.2 As an integral part of the Scheme, all rights and liabilities of the Demerged Company in / to a bid presently submitted by the Demerged Company to Mumbai International Airport Limited shall stand transferred to RHPL.
- 6.11.3 The transfer of properties and liabilities to, and the continuance of proceedings in terms of the Scheme, including as envisaged in Part IV of this Scheme shall not affect any transaction or proceedings already concluded by any of the Scheme Entities on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that RHPL accepts and adopts all acts, deeds and things done and executed by AHEL in respect thereto as done and executed on behalf of itself.
- 6.11.4 Nothing contained in this Scheme shall affect the business and operations of AHEL other than the Demerged Undertaking, and the residual business(es) of AHEL shall continue to belong to, and be vested in and be managed by, AHEL.
- 6.11.5 Each of the Scheme Entities shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. The shareholders of Scheme Entities shall not be entitled to dividend (whether interim and/or final), if any, declared and paid by any of the other Scheme Entities prior to the Effective Date. The holders of the shares of each of the Scheme Entities, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends. It is clarified that the aforesaid provision in respect of declaration of dividend is only an enabling provision and shall not be deemed to confer any right on any shareholder of any of the Scheme Entities to demand or claim any dividend.



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*Saumen Chatterjee*  
Saumen Chatterjee


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- 6.11.6 Each of the Scheme Entities (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Tribunal(s), SEBI, Stock Exchange(s) and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Scheme Entities(acting through their respective Boards of Directors), are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Tribunal(s) or SEBI or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 6.11.7 Notwithstanding anything else to the contrary in this Scheme, the Scheme Entities (acting through their respective Boards of Directors), shall be at liberty to withdraw from this Scheme in case (i) any condition or alteration imposed by the Tribunal(s) or any other authority; or (ii) any deemed modifications to the Scheme resulting from the Scheme (or any part thereof) being or becoming inconsistent with applicable laws (including resulting from an amendment of law or for any other reason whatsoever) is not acceptable to the Scheme Entities; or (iii) prior to the Effective Date, the Scheme Entities (acting through their respective Board of Directors) mutually agree at any time to withdraw the Scheme for any reason.
- 6.11.8 If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Scheme Entities(acting through their respective Board of Directors), shall attempt to bring about appropriate modifications to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, in equitable manner as per the intent and spirit of the Scheme, including but not limited to such part.
- 6.11.9 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 Effective Date, shall be borne and paid by AHEL (unless mutually agreed otherwise by the Scheme Entities acting through their respective Board of Directors), and such expenses shall be entitled to be amortised in terms of Applicable Laws.

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For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



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## SCHEDULE OF ASSETS AND LIABILITIES

OF

Demerged Undertaking of Asian Hotels (East) Limited, Kolkata (the Transferor Company) as on 30<sup>th</sup> June, 2022, to be transferred to Robust Hotels Private Limited, Chennai (the Transferee Company)

### Part - I

(Short description of the freehold property of the Transferor Company)

Nil

### Part - II

(Short description of the leasehold property of the Transferor Company)

Nil

### Part - III

(Short description of all stocks, shares, debentures and other charges in action of the Transferor Company)

<u>Sl. No.</u>	<u>Particulars of Assets</u>	<u>Amount (Rs. in lakhs)</u>	<u>Total (Rs. in lakhs)</u>
1	<b>Fixed Assets</b>		
	Computer	0.02	
	Furniture, Fixture & Fittings	0.02	0.04
2	<b>Investments</b>		
	<b>(i) Mutual Funds</b>		
	Aditya Birla Sun Life Liquid Fund - Growth	452.24	
	Aditya Birla Sun Life Money Manager Fund - Growth	1,932.49	
	Axis Liquid Fund - Growth	241.52	
	ICICI Prudential Savings Fund - Growth	2,407.29	
	Kotak Money Market Fund - Growth	838.88	
	Nippon India ETF Liquid Bees - through Portfolio Management Services (PMS)	12.71	5,885.13
	<b>(ii) Fixed Deposit</b>		
	FD with SCB		1,043.00



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	<b>(iii) Bonds</b>		
	8.23% IRFCL Tax free Bond		1,654.50
	<b>(iv) Shares</b>		
	Quoted - through PMS	135.91	
	Quoted - Asian Hotels (West) Limited	1,416.16	1,552.07
3	<b>Current Assets, Loans &amp; Advances</b>		
	Advance for PMS	14.90	
	Loan to Subsidiaries	5,630.00	
	Interest accrued on Fixed Deposits	6.51	
	Interest accrued on Loans & Advances	304.16	
	Income Tax Assets - TDS Receivable	34.88	
	Dividend accrued on Equity Shares	0.02	5,990.47
4	<b>Cash and cash equivalents</b>		
	Standard Chartered Bank		1.36
	<b>Total Assets (A = 1 to 4)</b>		16,126.57
<b>Sl. No.</b>	<b>Particulars of Liabilities</b>	<b>Amount (Rs. in lakhs)</b>	<b>Total (Rs. in lakhs)</b>
1	Bonus Payable		0.10
	<b>Total Liabilities ( B )</b>		0.10
	<b>Net Assets ( A - B )</b>		16,126.47

**NOTES:**

- 1) The above schedule of Assets & Liabilities is unaudited (provisional) as on 30th June, 2022 and are subject to change due to audit on the date of effectiveness of the scheme as applicable in terms of the Scheme of Arrangement.
- 2) As per clause 1.4.5 of the Scheme of Arrangement, "Appointed Date" means the Effective Date (beginning of business hours) or such other date as may be directed / approved by the Tribunal(s), being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative;

For Asian Hotels (East) Limited  
  
 Saumen Chatterjee  
 Chief Legal Officer &  
 Company Secretary



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