



# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

October 27, 2021  
Chennai

To,  
The Manager,  
**BSE Limited**  
Listing Compliance Department  
Floor No.25, P.J. Towers,  
Dalal Street,  
Mumbai - 400 001

Scrip Code: 500016

Dear Sir/Madam,

**Sub: Disclosure under Regulation 30 of SEBI Listing Regulations, 2015**

Please find the Order copy passed by the Hon'ble NCLT against the case filed by Mr. Kamal Babbar.

In connection with the above, NCLT Order copy are enclosed.

We request you to take the above on record and acknowledge.

Thanking you,

Yours faithfully

For **ARUNA HOTELS LIMITED**



**K. LAKSHMI**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl: a/a

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI**

**IN THE MATTER OF SECTION 59 READ WITH SECTION 213 AND  
SECTION 221 AND SECTION 241 AND SECTION 242 AND SEC-  
TION 216 OF THE COMPANIES ACT 2013**

**AND**

**IN THE MATTER OF ARUNA HOTELS LIMITED**

**IA No OF 2021  
IN  
COMPANY PETITION. No. OF 2021**

Mr. Kamal Babbar

... Petitioner

-Vs.-

Aruna Hotels Ltd & Ors

... Respondents

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*K. Parvathi*  
MS 1915/2014  
Advocate for Applicant

Chennai  
20.10.2021

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI**

**IN THE MATTER OF SECTION 244 OF THE COMPANIES ACT 2013**

**AND**

**IN THE MATTER OF ARUNA HOTELS LIMITED**

**IA No OF 2021**

**IN**

**COMPANY PETITION No. OF 2021**

Mr. Kamal Babbar

...Applicant

-Vs.-

Aruna Hotels Ltd &Ors

...Respondents

**SYNOPSIS**

The 1st Respondent is a company with over 25000 shareholders. Its shares are listed on BSE. The company was a family run company under the management of its founder Mr P Marutha Pillai and thereafter his son Mr M Sivaram. The paid up equity share capital is 9 lakh shares of Rs 10 each. Only the said family of the founders were promoters

The 1st Respondent was originally in Sugar and Distillery business and over time all business apart from Hotel business was divested or shut down. From 2004 the company was only in Hotel business

Petitioner presently the largest individual shareholder of the 1st Respondent got involved in the company in 2008 by investing in the company and advancing loan. The Petitioner was for sometime appointed as Joint Managing Director during which time he helped the company get loan from banks, for which he was guarantor, and the Hotel was refurbished. ITC hotels was got involved to manage the property

In 2014 6th Respondent entities moved CLB alleging mismanagement and oppression in respect of 1st Respondent affairs. The Petition clearly reveals

that 6th Respondent entities were not in control. There was no averment in the Petition as though the 6th Respondent entities were in any manner promoters of 1st Respondent

In 2015 a memo of compromise was entered into between 1st Respondent promoters and 6th Respondent entities. Under the Memo of Compromise control of 1st Respondent moved to 6th Respondent. Founders sold their 8% shares at Rs 300 per share

The transaction triggered the SEBI take over code and 6th Respondent was bound to have made open offer to the public shareholders at Rs 300 per share. However no such offer was at all made. Without making any open offer the shares were transferred and control taken over

To try and justify the non making of open offer records were now sought to be created as though the 6th Respondent entities were promoters even previously and as though the transaction was therefore Open Offer exempt. In trying to create ante dated records the 1st Respondent ended up creating wholly contradictory records. In any event the exemption was never available as the same requires compliance with disclosure requirements in respect of shareholding which was not the case in respect of 1st Respondent

The Hotel was never reopened even till date 6 years after control change. Rs 77 crores of losses are created to siphon off funds to 6th Respondent entities. Various fake entities are made in the books and records

BSE had suspended trading in the 1st Respondent shares since 2004. In 2018 when 1st Respondent was under CIRP and all Directors were suspended as per the Code the 6th Respondent entities suppressed fact of CIRP and projected as though its person was the MD and got share trading resumed.

Company went into 2 rounds of CIRP as well.

With a claim as though to repay the promoter company loans a rights issue is now taken up. In fraud and in violation of SEBI Regulations promoters are

allowed to apply without payment for shares applied. The promoters who agreed to take 30 Lakh shares at Rs 72 per share in 2015 for Rs 21 crores are now being given 2.1 crore shares for nominally same price and real without any consideration

Shares of the company which were Rs 300 even as per 6th Respondent in 2015 are now trading 6 years after at Rs 10-15 per share due to looting by 6th respondent entities

The manner in which accounts and share records are falsified reveals a continuing disregard for law. Unambiguously the facts make a case of oppression and mismanagement of the Highest order. The Petitioner is not agitating any issue applicable to him alone as the issues apply to all 25000 shareholders deprived of their rightful monies by the 6th Respondent Machinations

There is need for investigation on matters of ownership and siphoning of funds and the Boar needs to be replaced

The Petitioner was for many years an over 13% equity stake holder and over 10% stakeholder in total share capital. Recently however due to health reasons some small sales were made by Petitioner and now Petitioner owns over 9% of the total capital and over 12% of equity. As the Petitioner is marginally short of 10% requirement an application is made for waiver under Section 244 of the Act 2013

The very board of Directors is illegal. The actual shareholding records need investigation. The siphoning o funds needs to be recovered

Hence this Petition with Application for waiver

DATED AT CHENNAI ON THIS THE 20<sup>TH</sup> DAY OF OCTOBER 2021

*K. Parvathi*  
MS 1915/2014

Advocate for Petitioner

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
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**IN THE MATTER OF SECTION 244 OF THE COMPANIES ACT 2013**

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...Respondents

**LIST OF DATES**

<b>DATE</b>	<b>EVENT</b>
1960	1st Respondent company formed as Aruna Sugars Ltd
at all times up-to 2015	1st Respondent company was under the management initially of Mr Maruthu Pillai and thereafter under the management of his son Mr M Sivaram. Mr Karthik who was the son of M Sivaram was also an Executive Director of the 3rd Respondent company, The 1st Respondent company's equity shares were listed at BSE (then Bombay Stock Exchange)
2004	Trading of the 1st Respondent equity shares at SE suspended
since 2004	all other businesses were hived off/shut down and only the hotel business was operational
2008	Petitioner got involved in the business and invested monies and was made Joint Managing Director of 1st Respondent



2012	Hotel property refurbished with loan from banks. Petitioner was eased out of the company even though Petitioner had arranged for ITC Hotels to manage the property
2014	Hotel operations shut down as promoter wanted to monetize the real estate value of the hotel property
2014	Respondents 2 to 4 and others moved CLB claiming mismanagement and oppressions. The Petition clearly sets out that Respondents 2 to 4 and other entities of 6th Respondent were not in control of 1st Respondent. The Petition did not even whisper anything about they being promoters of the 1st Respondent
2015	Memorandum of Compromise entered into to settle the dispute.. M Sivaram exited his shareholding at Rs 300 per share and 6th Respondent was out in control
2015	6th Respondent and his entities could have taken control of the 1st Respondents only after making open offer as per Securities And Exchange Board Of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 2011.
2015	6th Respondent entities take over the shares and seek to create ante dated records as though 2nd to 5th Respondents were also promoters of 1st Respondent even before 2015. All records were created after 2015 MOC and were made to try and evade open offer
2015/ 2016/ 2017	Various inconsistent and contradictory statements filed in respect of promoter shareholding. In any event the exemption sought to be claimed by the 6th Respondent would not apply as the same required acquirer and target to be disclosure compliant which was not the case

September 2015	6th Respondent entities which claimed Rs 300 per share was within 25% band of fair value in March 2015 now seek to claim fair value to be Rs 72 per share and propose preferential allotment to themselves but while proposal is approved they do not effect the same
2017	1st Respondent gets into CIRP under the Code on 2 occasions . The 2nd CIRP commences on 17.11.2017 and ends only on 15.09. 2021
2018	During CIRP period, suppressing fact of CIRP and falsely projecting a person as MD, 1st Respondent share trading at BSE is got resumed
2015-2020	Hotel not made operational. On false claim of renovation loan is availed from HDFC Bank. Various amounts are shown as loans availed from 2nd to 5th Respondents when the monies are siphoned ooff
2020	Rights issue proposed
2021	Rights issue put in place. Contrary tooSEBI regulations promoters are allowed to subscribe without payment.
2015-2021	No operations even 6 years after take over. Rs 77 crores of losses claimed in the period when there is no operation
2015 to 2021	Starting from control being taken in violation of law and operations of the company being closed and further fraud in accounts and shareholding records and siphoning off funds of company and fraud in restoration of share trading at BSE as also the rights issue now underway the acts of Respondents are all acts of oppression and mismanagement and Respondents have destroyed the wealth of the company and its members

March 2018	During the pendency of the CIRP proceedings when all Directors are suspended and can exercise no powers the 3rd Respondent concealing these facts approaches the 2nd Respondent for revocation of suspension of trading in the shares. Based on documents executed by its "Managing Director" , who was suspended and had no powers to so act, the 3rd Respondent gets the trading of its shares resumed at 2nd Respondent. Such resumption of share trading is itself a nullity as the persons who sought and effected the resumption of share trading had no authority to represent the company.
2021	Despite the specific mandate of ICDR under which any payment for a rights issue is to be not made by account adjustment the 1st Respondents provide in the Letter of Offer of the 3rd Respondent that the 6th Respondent entities alone will be permitted not to pay for their rights shares and would adjust the same against the dues owed to them.
July 2021 onwards	Petitioner sells a small part of his holding due to financial stress and health issues. Present holding is 9% of total capital and 12% of equity.. Hence Application for waiver under Section 244(1) of Act 2013 is filed.
Presently	The benefit of reliefs craved apply to all 25000 shareholders.. It is necessary that the Tribunal exercises its power under Section 242 of the Act 2013 as also under Section 213 of Act 2013. No reliefs related to redress for SEI violations is sought in this Petition though the same are oppressive and are acts against public interest even for being in violation of law

DATED AT CHENNAI ON THIS THE 20<sup>TH</sup> DAY OF OCTOBER 2021

*K. Parvathi*  
MS 1915/2014  
Advocate for Petitioner

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI

IN THE MATTER OF SECTION 244 OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF ARUNA HOTELS LIMITED

IA No OF 2021

IN

COMPANY PETITION . No. OF 2021

Mr. Kamal Babbar  
S/o. Ram Prakash Babbar  
66/1, Kasturi Avenue, MRC Nagar ,  
Raja Annamalaipuram,  
Chennai 600028

... Petitioner

-Vs.-

Aruna Hotels Ltd  
Represented By Its Company Secretary And  
Compliance Officer Ms Lakshmi Kumar  
144-145, Sterling Rd, Nungambakkam,  
Chennai, Tamil Nadu 600034

Subasri Realty Private Limited  
No.86 (Old No.1091)  
Periyar Evr High Road  
Chennai 600 007

Gay Travels Private Limited  
61, Nungambakkam High Road,  
Chennai 600034

Rani Printers Private Limited  
New No.86, Periyar Evr High Road  
Vepery Chennai 600007

Malar Publications Private Limited  
1091, Poonamallee High, Road,  
Chennai 600007

Mr. S Balasubramanian  
No 4 Bishop Garden  
Greenways Road  
Chennai 600028



*[Handwritten Signature]*

Mr. Susai Nadar David  
 (Managing Director of Aruna Hotels Ltd)  
 B1 R C Princess Royal Apartments  
 44-45 Siruvallur High Road, Perambur,  
 Chennai, Tamil Nadu 600 011.

Mr. K N Rajkumar  
 ( Director Of Aruna Hotels Ltd)  
 29a, 3rd Street Thangam Colony  
 Annanagar West  
 Chennai, Tamil Nadu - 600 040

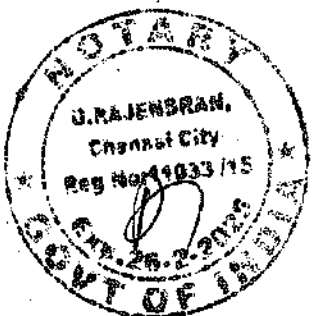
Mr. Muralidharan Ramasamy  
 Chairman and Non-Executive Director  
 E-104, Casa Grande The Address,  
 Easwaran Street, Opposite Aravind  
 Theatre, Karapakkam, Oggiamthoraiyakkam,  
 Kancheepuram, Chennai – 600 097

Respondents

**APPLICATION UNDER SECTION 244(1) OF THE  
 COMPANIES ACT 2013**

**1. Particulars of Applicant / Respondent :**

- a. The Applicant is Mr Kamal Babbar a shareholder holding 1106875 fully paid up shares of face value of Rs 10/- each of the 1st Respondent such shares accounting for 13.52% of the equity share capital of the 1st Respondent and 10.05 % of the total issued capital. The address of service of the Petitioner for the purpose of this Application shall be the address of its Advocate Ms G Rajathi and Ms K Panjalakshmi at 24, D1, Srishti Cresendo, Desika Road, Mylapore, Chennai – 600004.
- b. The 1st Respondent is a public limited company with its registered office at 144-145, Sterling Rd, Nungambakkam, Chennai, Tamil Nadu 600034 .situated within the territory over which this bench of the Hon'ble Tribunal exercises jurisdiction. The 1st Respondent company's equity shares are listed on the BSE ( formerly Bombay Stock Exchange)



*(Handwritten Signature)*

- c. The 2nd Respondent is a company registered under the Companies Act with their registered office at No.86 (Old No.1091) Periyar Evr High Road Chennai 600 007
- d. The 3rd Respondent is a company registered under the Companies Act with their registered office at 61, Nungambakkam High Road, Chennai 600034
- e. The 4th Respondent is a company registered under the Companies Act with their registered office at New No.86, Periyar Evr High Road, Vepery, Chennai 600007
- f. The 5th Respondent is a company registered under the Companies Act with its registered office at 1091, Poonamallee High, Road, Chennai 600007
- g. The 2nd to 5th Respondents are all companies set out as promoters and as lenders of the 1st Respondent
- h. The 6th Respondent is Mr S Balasubramanian S/o Sivanthi Adityan and residing at No 4 Bishop Garden Greenways Road Chennai 600028 and is the person set out presently as the promoter of the 1st Respondent. The companies set out as the 2nd to 5th Respondents are set out as entities controlled by the 5th Respondent
- i. The 7th Respondent is Mr. Susai Nadar David residing a B I R C Princess Royal Apartments, 44-45 Siruvallur High Road, Perambur, Chennai, Tamil Nadu 600 011 and is the person set out as the Managing Director of the 1st Respondent
- j. The 8th Respondent is Mr. K N Rajkumar and is a person set out as a Non Independent Director of the 1st Respondent



*Chalabur*

- k. The 9th Respondent is Mr. Muralidharan Ramasamy residing at E-104, Casa Grande The Address, Easwaran Street, Opposite Aravind Theatre, Karapakkam, Oggiamthoraiyapakkam, Kancheepuram, Chennai – 600 097 and is the person set out as the Chairman of the 1st Respondent

**2. Jurisdiction of the Chennai bench of the Hon'ble Tribunal :**

The Applicant states that this Hon'ble Tribunal has exclusive jurisdiction in respect of the reliefs sought herein as the Respondent No 1 company in respect of whose affairs the Petition is filed and reliefs is sought by orders of the Hon'ble Tribunal under this Application has its registered office in the state of Tamilnadu within the territory over which the Tribunal exercises jurisdiction.

**3. Limitation :**

- a. The Applicant states that the present application is for waiver of requirement under Section 244(1) of the Companies Act 2013 and arises only when the Petition under Section 241 of the Act 2013 is being filed. The fact of the main Petition under Section 241 of Act 2013 being within limitation the present Application is not barred by limitation

**4. The facts leading to the filing of the present Application are as follows**

- a. The full facts and reasons under which the composite petition under Section 59 read with Section 213 with Section 221 with Section 241 and Section 242 and Section 216 of the Act 2013 are set out in the Company Petition and the Applicant craves leave to refer to the same and treat them as part of the present proceedings in the interest of brevity The copy of the Composite Petition is annexed herewith as **Annexure A**. Exhibits A to Exhibits Q being part of the Composite Petition are annexed with the same Exhibit Nos in the present application



*(Handwritten Signature)*

b. The settled position in law in respect of allowing application for waiver under Section 244 (1) of Act 2013 is as set out in Company Appeals (AT) No.133 and 139 of 2017 by the Hon'ble NCLAT in judgement dated 21.09.2017 in the case of Cyrus Investments Pvt Ltd & Anr. Versus Tata Sons Ltd & Ors where it held as under:

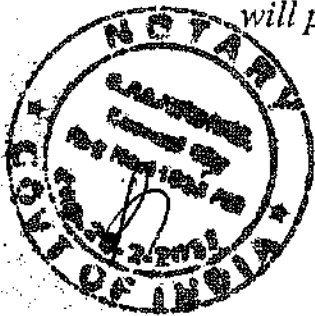
*149. The Tribunal is required to take into consideration the relevant facts and evidence, as pleaded in the application for waiver and (proposed) application under Section 241 and required to record reasons reflecting its satisfaction.*

*150. The Tribunal is not required to decide merit of (proposed) application under Section 241, but required to record grounds to suggest that the applicants have made out some exceptional case for waiver of all or of any of the requirements specified in clauses (a) and (b) of sub-section (1) of Section 244. Such opinion required to be formed on the basis of the (proposed) application under Section 241 and to form opinion whether allegation pertains to 'oppression and mismanagement' of the company or its members. The merit cannot be decided till the Tribunal waives the requirement and enable the members to file application under Section 241.*

*151. Normally, the following factors are required to be noticed by the Tribunal before forming its opinion as to whether the application merits 'waiver' of all or one or other requirement as specified in clauses (a) and (b) of sub-section (1) Section 244:-*

*(i) Whether the applicants are member(s) of the company in question ? If the answer is in negative i.e. the applicant(s) are not member(s), the application is to be rejected outright. Otherwise, the Tribunal will look into the next factor.*

*(ii) Whether (proposed) application under Section 241 pertains to 'oppression and mismanagement' ? If the Tribunal on perusal of proposed application under Section 241 forms opinion that the application does not relate to 'oppression and mismanagement' of the company or its members and/or is frivolous, it will reject the application for 'waiver'. Otherwise, the Tribunal will proceed to notice the other factors.*



*Chakrabarty*



(iii) Whether similar allegation of 'oppression and mismanagement', was earlier made by any other member and stand decided and concluded ?

(iv) Whether there is an exceptional circumstance made out to grant 'waiver', so as to enable members to file application under Section 241 etc.?

152. The aforesaid factors are not exhaustive. There may be other factors unrelated to the merit of the case which can be taken into consideration by the Tribunal for forming opinion as to whether application merits 'waiver'.

c. The Applicant states that once these tests are applied to the facts set out the waiver is bound to be granted for reasons that the fact of substantial shareholding of the Applicant is not disputed. The Applicant even today holds over 12% of the equity capital and also owns over 9% of the paid up capital. The Applicant was till recently the owner of over 10% of the paid up capital itself but had to sell some shares in deep distress due to ill health resulting in my shareholding falling marginally below 9%. The 1st Respondent states that there are over 25000 shareholders of the 1st Respondent and reliefs granted would ensure to the benefit of all the shareholders each of own shares of small quantities making it impossible for each of them to approach this Hon'ble Tribunal. The issues of oppression is not a issue of private dispute of the Applicant with the Respondents but one which affects the entire body of shareholders other than the shares held by the entities of the 5th Respondent such shareholders representing ver 60% of the capital of the company. The issues of oppression and mismanagement have severely impacted the equity shareholder where the value of their shareholding has been severely impaired by the acts of the Respondents

d. The Applicant is bound to be granted waiver under Section 224(1) of the Act 2013 for reasons above stated considering that Applicant is not seeking any reliefs pertaining only to himself or his shares and the reliefs concern the larger body of public shareholders



A handwritten signature in black ink, appearing to read 'U. Rajendran'.

5. In view of the facts above said mentioned the Applicant prays for the following reliefs:

a. The Hon'ble Tribunal may be pleased to :

(i) Waive the requirements under Section 244(1) of the Act 2013 and take on file the Applicant's Petition under Section 241 of the Act 2013

(ii) For such other and further reliefs as the nature and circumstances of the case may require.

6. The Applicant has paid the applicable fee electronically



Applicant

G. Rajathi  
MS 2345/2012

Advocate

Dated this the 20<sup>th</sup> Day  
of October 2021 at Chennai



G. Rajendran 10/24  
G. RAJENDRAN, M.A., B.L.,  
Advocate & Commissioner of Oaths  
Notary Public, GOVT OF INDIA,  
No. 48/58, East Jones Road,  
Saidapet, Chennai - 600 015.

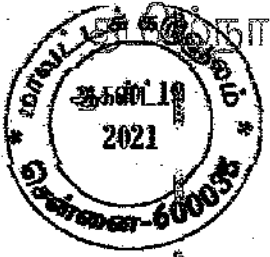


18.10.21

का (७) तमिलनाडु TAMIL NADU  
KAMAL BABBAR

97AB 611969

*A. Rouf Basha*  
 A. ROUFBASHA, B.A.,  
 STAMP VENDOR LIC No: 8/B3/97  
 NEW No: 17, OLD No: 9,  
 P.P.V. KOIL STREET, MYLAPORE,  
 CHENNAI-600 004. Ph: 24982427



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
 BENCH AT CHENNAI

IN THE MATTER OF SECTION 244 OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF ARUNA HOTELS LIMITED

IA No OF 2021  
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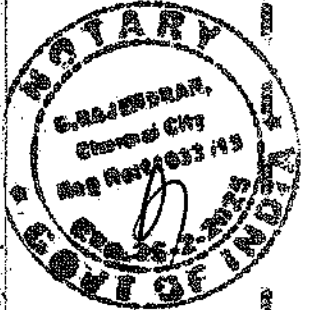
Mr. Kamal Babbar

...Applicant

-Vs.-

Aruna Hotels Ltd & Ors

...Respondents



AFFIDAVIT

I, Kamal Babbar , Indian inhabitant, S/o. Ram Prakash Babbar with my residence at 66/1, Kasturi Avenue, MRC Nagar , Raja Annamalaipuram, Chennai 600028 do solemnly affirm and state as follows:

1. I am a shareholder of the 1st Respondent and am the Applicant in the above matter and am competent to make this Affidavit
2. The statements made in paragraphs 1 to 4 in the Petition herein now shown to me are true to my own knowledge and I believe the same to be true and para 5 of the application is the prayer for reliefs .




Solemnly affirmed at Chennai  
on this the 20<sup>th</sup> day of  
October 2021 and signed his  
name in my presence:

DEPONENT

BEFORE ME



 10/24  
G. RAJENDRAN, M.A., B.L.,  
Advocate & Commissioner of Oaths  
Notary Public, GOVT OF INDIA,  
No. 48/53, East Jones Road,  
Saidapet, Chennai - 600 015.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI**

**IN THE MATTER OF SECTION 213 AND SECTION 221 AND  
SECTION 241 AND SECTION 244 AND SECTION 59 OF THE  
COMPANIES ACT 2013**

**AND**

**IN THE MATTER OF ARUNA HOTELS LIMITED**

Company Petition No.      of 2021

Mr. Kamal Babbar  
S/o. Ram Prakash Babbar  
66/1, Kasturi Avenue, MRC Nagar ,  
Raja Annamalaipuram, Chennai 600028

... Petitioner

-Vs.-

1. Aruna Hotels Ltd  
Represented By Its Company Secretary And  
Compliance Officer Ms Lakshmi Kumar  
144-145, Sterling Rd, Nungambakkam,  
Chennai, Tamil Nadu 600034

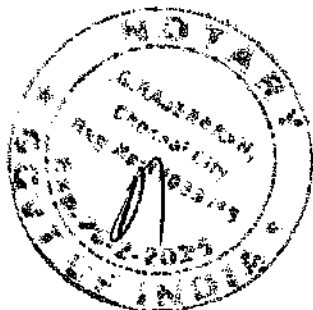
2. Subasri Realty Private Limited  
No.86 (Old No.1091)  
Periyar Evr High Road  
Chennai 600 007

3. Gay Travels Private Limited  
61, Nungambakkam High Road,  
Chennai 600034

4. Rani Printers Private Limited  
New No.86, Periyar Evr High Road  
Vepery Chennai 600007

5. Malar Publications Private Limited  
1091, Poonamallee High, Road,  
Chennai 600007

6. Mr. S Balasubramanian  
No 4 Bishop Garden  
Greenways Road  
Chennai 600028



*[Handwritten Signature]*

7. Mr. Susai Nadar David  
 (Managing Director of Aruna Hotels Ltd)  
 B1 R C Princess Royal Apartments  
 44-45 Siruvallur High Road, Perambur,  
 Chennai, Tamil Nadu 600 011.

8. Mr. K N Rajkumar  
 ( Director Of Aruna Hotels Ltd)  
 29a, 3rd Street Thangam Colony  
 Annanagar West  
 Chennai, Tamil Nadu - 600 040

9. Mr. Muralidharan Ramasamy  
 Chairman and Non-Executive Director  
 E-104, Casa Grande The Address,  
 Easwaran Street, Opposite Aravind  
 Theatre, Karapakkam, Oggiamthorai, Chennai,  
 Kancheepuram, Chennai - 600 097

Respondents

**COMPOSITE PETITION UNDER SECTION 213(b) AND SECTION 221 AND SECTION 241 AND SECTION 242 AND SECTION 447 OF THE COMPANIES ACT 2013 READ WITH RULE 11 OF THE NCLT RULES 2016**

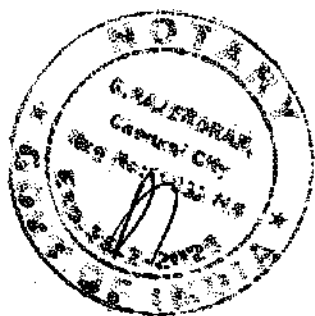
**1. Particulars of Applicant / Respondent :**

- a. The Applicant is Mr Kamal Babbar a shareholder holding 1106875 fully paid up shares of face value of Rs 10/- each of the 1st Respondent such shares accounting for 12.3% of the equity share capital of the 1st Respondent and 13.5% of the total issued capital. The address of service of the Petitioner for the purpose of this Application shall be the address of its Advocate Ms G Rajathi and Ms K Panjalakshmi at 24, D1, Srishti Cresendo, Desika Road, Mylapore, Chennai - 600004.
- b. The 1st Respondent is a public limited company with its registered office at 144-145, Sterling Rd, Nungambakkam, Chennai, Tamil Nadu 600034. situated within the territory over which this bench of the Hon'ble Tribunal exercises jurisdiction. The 1st Respondent company's equity shares are listed on the BSE ( formerly Bombay Stock Exchange)



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- c. The 2nd Respondent is a company registered under the Companies Act with their registered office at No.86 (Old No.1091) Periyar Evr High Road Chennai 600 007
- d. The 3rd Respondent is a company registered under the Companies Act with their registered office at 61, Nungambakkam High Road, Chennai 600034
- e. The 4th Respondent is a company registered under the Companies Act with their registered office at New No.86, Periyar Evr High Road, Vepery, Chennai 600007
- f. The 5th Respondent is a company registered under the Companies Act with its registered office at 1091, Poonamallee High, Road, Chennai 600007
- g. The 2nd to 5th Respondents are all companies set out as promoters and as lenders of the 1st Respondent
- h. The 6th Respondent is Mr S Balasubramanian S/o Sivanthi Adityan and residing at No 4 Bishop Garden Greenways Road Chennai 600028 and is the person set out presently as the promoter of the 1st Respondent. The companies set out as the 2nd to 5th Respondents are set out as entities controlled by the 5th Respondent
- i. The 7th Respondent is Mr. Susai Nadar David residing a B1 R C Princess Royal Apartments, 44-45 Siruvallur High Road, Perambur, Chennai, Tamil Nadu 600 011 and is the person set out as the Managing Director of the 1st Respondent
- j. The 8th Respondent is Mr. K N Rajkumar and is a person set out as a Non Independent Director of the 1st Respondent



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- k. The 9th Respondent is Mr. Muralidharan Ramasamy residing at E-104, Casa Grande The Address, Easwaran Street, Opposite Aravind Theatre, Karapakkam, Oggiamthoraiyapakkam, Kancheepuram, Chennai – 600 097 and is the person set out as the Chairman of the 1st Respondent

**2. Jurisdiction of the Chennai bench of the Hon'ble Tribunal :**

The Applicant states that this Hon'ble Tribunal has exclusive jurisdiction in respect of the reliefs sought herein as the Respondent No 1 company in respect of whose affairs the Petition is filed and reliefs is sought by orders of the Hon'ble Tribunal under this Application has its registered office in the state of Tamilnadu within the territory over which the Tribunal exercises jurisdiction.

**3. Limitation :**

- a. The Applicant states that the cause of action arises from the continuing acts of oppression and mismanagement of the 1st Respondent by the Respondents such acts causing great prejudice to the non promoter shareholders including the Petitioner herein
- b. The acts set out as being acts of mismanagement and oppression are continuing and as the cause of action is continuing there will be no bar of limitation attracted in this case
- c. The rights issue whose subscription has now closed on 13.10.2021 but in respect of which the process of allotment is not completed is also an act of oppression for reasons set out in detail in para 4 of this Petition.
- d. The matters in respect of the violation of take over code and the acts of oppression in respect of bleeding the company by shutting down its operations are all acts of oppression each of which is continuing
- e. The reliefs in respect of the other provisions of law are continuing offences



*[Handwritten Signature]*



f. In any event the period from 15.02.2020 to 03.10.2021 are to be excluded in any computation of the period of limitation

4. The facts leading to the filing of the present Petition are as follows

a. The 1st Respondent company was incorporated on 09.09.1960 as M/s Aruna Sugars Ltd and then was renamed as Aruna Sugars & Enterprises Limited' on July 03, 1986 and thereafter the name was changed again on 25.10.2000 as 'Aruna Sunrise Hotels Limited' and further the company name was changed to Aruna Hotels Ltd on 14.01.2003. True Copy of the Articles of Association and Memorandum of Objects of Aruna Hotels Ltd ( Company or 1st respondent company) as presently amended and in force is annexed herewith and marked as **Exhibit A**

b. The 1st Respondent company's present capital structure is as under:

**A. Authorised Share Capital**

6,70,00,000 Equity Shares of face value of Rs.10/- each : **Rs 67 crores**

8,00,000 Preference Shares of face value of Rs.100/- each : **Rs 8 crores**

**B. Issued, Subscribed and Paid-Up Share Capital before the Issue Equity Shares**

90,00,000 Equity Shares of face value of Rs.10/- each : **Rs 9 crores**  
Preference Shares

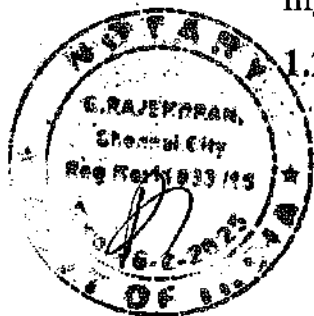
1. 60,000 14% Redeemable Cumulative Taxable Preference Shares of Rs.100/- each **Rs 0.6 crores**

2. 50,000 17.5% Redeemable Cumulative Taxable Preference Shares of Rs.100/- each : **Rs 0.50 crores**

3. 2,00,000 16.5% Redeemable Cumulative Taxable Preference Shares of Rs.100/- each : **Rs 2 Crores**

c. As such the total paid up capital of the company as on the date of filing of the present petition is **Rs 12.1 Crores**

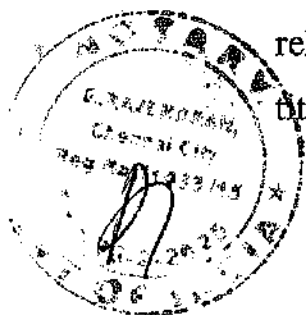
d. The Petitioner herein is a shareholder who was till early July 2021 holding 1216500 equity shares of the 1st Respondent of a paid up value of **Rs 1.2165 crores** The Petitioner herein is the largest individual shareholder



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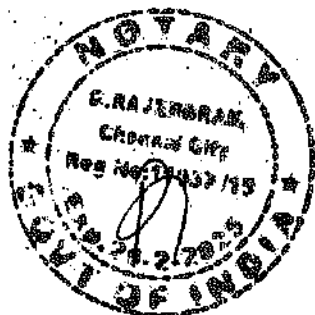
of the 1st Respondent as on the date. The Petitioner herein was holding over 10% of both the equity share capital as also the total paid up share capital on the date of filing of this present Petition and thus was meeting the requirement under Section 244 of the Act 2013 to maintain the present Petition. The Petitioner states that due to medical emergency and financial distress the Petitioner has sold some equity shares recently after early July 2021 currently holds 1106875 equity shares of 1st Respondent which is over 9% of the total issued capital of the 1st Respondent. For these reasons the Petitioner has filed an application under Section 244(1) of the Act 2013 seeking waiver from this Hon'ble Tribunal as per proviso thereunder and for reasons set out thereunder inter alia on the ground that the issues in the petition relate to over 25000 shareholders and are not matters of private grievance of the Petitioner herein. True Copy of the Demat Holding statement of the Petitioner and shareholding records of 1st Respondent is annexed herewith and marked as **Exhibit B** True copy of the extracts of the relevant pages of the Letter of offer dated 17.09.2021 of the 1st Respondent in respect of the rights issue is annexed as **Exhibit C**

- e. The Petitioner states that he was in management of the 1st Respondent company and had been forced to exit from the same. The issues of ouster of the Petitioner from the management of the 1st Respondent are not the matters which are the basis for the present Petition and hence not traversed into presently. The Petitioner was at some time during the management of M Sivaram the Joint Managing Director of the 1st Respondent. While the 5th Respondent had set out that he would be appointed as Managing Director and in fact some records were created as though to such effect the factual position is that Petitioner was never involved with any of the affairs of the 1st Respondent post the MOC and ROC records reflect as though the Petitioner ceased to be a Director of the 1st Respondent on 30.09.2015. The Petitioner reiterates that he is not seeking any reliefs based on his appointment or removal as those are matters that Petitioner would prefer to agitate if at all in other fora and not in this Pe-



tion which is on the basis of the acts of oppression and mismanagement of the Respondents aimed at the Petitioner and all its members and even the 1st Respondent itself

- f. The Petitioner states that in respect of the records furnished to SEBI and BSE as per provisions of the SEBI ( SAST) Regulations 2011 the Petitioner is shown as part of the promoter group though the Petitioner has no arrangement with the 2nd to 5th Respondents and is neither a Director nor in any manner connected with the management of the said 1st Respondent
- g. The Petitioner states that the 1st Respondent was originally under the management of its founder Mr P Maruthu Pillai and thereafter in the control of his son Mr M Sivaram who was the Managing Director. Mr Karthik Sivaram the son of Mr M Sivaram was the Executive Director of the 1st Respondent company
- h. The Petitioner states that the 1st Respondent was amongst other activities in the sugar business and the 90 room hotel at Sterling Road Chennai was commenced subsequently. Over time due to reasons not required to be traversed into in the present petition all other businesses of the 1st Respondent were divested and the Hotel at Chennai became its only business
- i. The Petitioner states that when he got associated with the 1st Respondent company loans were availed from Punjab National Bank and the hotel property was wholly refurbished and was put into operation as a business class hotel as the property had significant locational advantages. As the Petitioner was at that stage involved in the management of the company the Petitioner was a personal guarantor to the loans of the company from the said Bank. The said loans are now repaid



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- j. The Petitioner states that the 2nd to 4th Respondents and others had filed Company Petition 15/2014 at the Company Law Board inter alia under Section 397/401 of Act 1956 alleging acts of mismanagement and oppression by Mr M Sivaram and others who were then in management of the company. The Petitioner herein was also arrayed as a Respondent in the said Petition True Copy of the CP 15/2014 filed by the 2nd to 4th Respondents and others at CLB Chennai is annexed herewith and marked as **Exhibit D**
- k. The Petitioner states that the said Petition came to be settled by compromise dated 12.02.2015 (MOC) entered into between the 2nd to 4th Respondents the Petitioners in CP 15/2014 with Mr M Sivaram and family. The Memo of compromise inter alia provided for
- i. the exit of M Sivaram and family from the management of the company and the transfer of control to entities of the 5th Respondent being the 2nd to 4th Respondents and others
  - ii. the transfer of 742951 equity shares accounting for over 8 % of the equity of the company by M Sivaram and his associates to the 2nd to 4th Respondents and others at a price of Rs 300 per share
- True Copy of the MOC dated 12.02.2015 is annexed herewith and annexed as **Exhibit E**
- l. The Petitioner states that the transactions envisaged under the MOC was completed and the 5th Respondent entities took control of the company from then on
- m. The Petitioner states that the contents of CP 15/2014 clearly indicates that the Petitioners therein being entities of the 6th Respondent were neither in control of the 1st Respondent nor were they promoters of the 1st Respondent



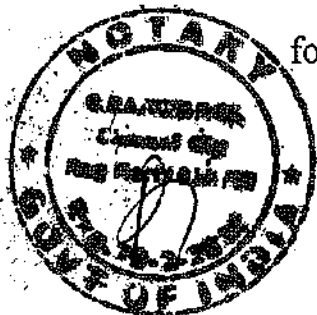
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- n. The Petitioner states that while the MOC was entered into only on 12.02.2015 at that stage even the 2013 annual accounts of the company was not placed before the shareholders . Needless to say the Annual General Meeting of the company for 2013 was also not held by then. As such all records of the company from 2013 onwards were thereafter prepared only by the company when it was in the control of the entities of the 6th Respondent
- o. The Petitioner states that the very act of reconstitution of the board and taking of control of the 1st Respondent by the 6th Respondent entities was contrary to law though the same was as per the MOC. for reason of the same being barred by the SEBI ( SAST) 2011 (Takeover Regulations) which mandated that the such transfer of control could not be made in respect of a listed company without compliance with the requirement of an open offer.
- p. The Petitioner states that it was never disclosed to the CLB that the 1st Respondent was a listed company nor was it disclosed that the provisions of SEBI (SAST) 2011 would attract to the case, Evidently the order of CLB disposing off the CP 15/2014 on the basis of the MOC dated 12.02.2015 was in no manner a waiver of the requirement vested on the 1st Respondent and the 5th Respondent to comply with the requirements of SEBI (SAST) 2011
- q. The Petitioner states that there are multiple issues of oppression and mismanagement and the nature of facts also make a case for detailed investigation. The Petitioner is in the interest of brevity setting out only the core issues hereunder and tendering documents presently on hand in view of the emergent circumstances in which the Petition herein is filed The Petitioner craves leave to file additional documents as may be necessary once the same are available to it



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- r. The Petitioner states that the core issues constituting mismanagement and oppression under Section 241 of the Act 2013 include the following:
- A. The 1st Respondent does not have a legally constituted board as Control of 1st respondent has been taken over by the 2nd to 6th Respondents in violation of the SEBI Act and regulations thereunder and all actions by the persons set out as the Board of Directors are non est and void for reason that their very appointment is vitiated by illegality
  - B. The accounts and records of the company are fabricated and does not reflect the real state of affairs of the company for any of the years
  - C. The Company's only asset being a hotel property which was in operation till 2014 and which was shut down by the previous management on 01.04.2014 only for reasons of wanting to redevelop the property as a real estate asset has been kept shut for the last 6 years and losses of Rs 77 crores have been shown as accumulated in this period
  - D. Transactions which were entered into as share application money for allotment of shares and then reflected as unsecured loans are now reflected as interest bearing Secured loans of the promoter company without any agreement being there in this and based on such claimed transactions of loans shares are being allotted at par to the promoter shareholders despite agreement with them to take up shares at Rs 72 per share of Rs 10 face value such Rights issue is being proceeded with in violation of the Regulations of SEBI and shares are sought to be allotted to the promoter entities without even payment of application money
  - E. The Company has been allowed to be placed under Corporate Insolvency Resolution process on 2 occasions resulting in loss of goodwill and the Company's Directors have undertaken transactions during CIRP in violation of the Code and The Company has got the suspension of its trading in its shares at BSE revoked without disclosing that CIRP was in force and without disclosing that the person who was set out in the appli-



cations for the same as Managing Director was a person whose status as MD was suspended by the initiation of CIRP

### **ISSUE OF ILLEGALITY IN RESPECT OF CONSTITUTION OF THE BOARD**

- r. The contents of the CP 15/2014 of the 6th Respondent entities is unambiguous that the petitioners therein were not in control of the 1st Respondent.
- s. There is not even a whisper in the said Petition as though any of the 6th respondent entities were promoters of the 1st Respondent and the entire petition proceeded on the basis that they were outside shareholders unconnected with the promoters
- t. The MOC mandated the resignation of all Directors of the M Sivaram group which was in control and the board was replaced wholesale by the nominees of the 6th Respondent
- u. The MOC also mandated that over 8% of the equity share capital of the 1st Respondent was to be transferred at a price of Rs 300 per share by old management to 6th Respondent entities
- v. The transactions in the MOC were of change of control pursuant to acquisition of shares and directly attracted the requirements of open offer under the SEBI ( SAST ) Regulations 2011(Takeover Regulations) as the shares of the 1st Respondent were listed on the Bombay Stock Exchange ( now BSE) The provisions of the Takeover regulations provide that no transaction of change of control or change in shareholding requiring a open offer thereunder can be given effect to unless such open offer is effected.
- w. Even the Annual General Meeting for 2013 of the 1st Respondent was entered into only after the MOC was executed in 2015 The Respondents have taking advantage of the fact of previous promoters not filing records



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mandatory under law have sought to create fabricated records as though the 2nd to 6th Respondents were somehow also promoters of the 1st Respondent even prior to the MOC so as to claim exemption under the Takeover Code. The claim as though the transaction was exempt under Regulation 10(1)(a)(ii) of the SEBI (SAST) 2011 is anyway defeated as the proviso (ii) to Regulation 10(1)(a) itself mandates that the same is applicable only when the Acquirer and the Target company are compliant of the continual disclosure requirements under Chapter V of the Takeover Code. The BSE filing records reveal that the records in respect of shareholding disclosures of many quarters prior to the MOC were filed only in the Year 2016 and as such the exemption under Reg 10(1)(a)(ii) was in no manner applicable to the transaction under the MOC. While even proviso (i) would not apply the same is not required to be traversed into as once the proviso (ii) is not complied with the issue of whether Proviso (i) requirement is not complied with will not arise. True Copy of the order dated 02.03.2015 of CL recording MOC dated 12.02.2015 is annexed herewith and marked as **Exhibit F** True Copy of the dates of filing of records by the 1st Respondent in respect of the continual disclosure is annexed herewith and marked as **Exhibit G**

- x. In respect of proviso (i) the 1st Respondents Annual report for 2015 itself states that the fair value was Rs 72 per share as obtained from a registered valuer and the same would ex facie reveal that proviso (i) was not complied with as well as price of Rs 300 per share set out in MOC would not be within 25% of the value determined
- y. The provisions of Chapter IV of the SEBI (SAST) 2011 are a complete bar on either the share transfer or the Directorship changes being effected in respect of the 1st Respondent without the compliance of the open offer Regulations. The records of the company reveal that there was wholesale reconstitution of the board of directors in 2015 post the MOC. The appointment of every such Director is a nullity in law and no such person can act as Director and no act of such person as Director would be valid



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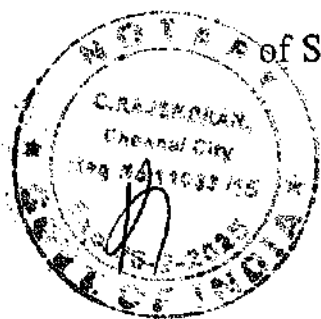


in any manner. True Copy of the records evidencing change of Directors of the 1st Respondent company are annexed herewith and marked as **Exhibit H**

z. The Petitioner states that the records of the company also reveal that the share transfers under the MOC were effected. Such transfer is also contrary to the provisions of the Takeover Regulations and are to be treated as void. Any resolution of shareholders of the Company set out as having been effected by voting made by the shares acquired by the 2nd to 5th Respondents in the company in violation of the Takeover Regulations would also be void as the Respondents 2 to 5 have no right to act as Members of the 1st Respondent company in respect of shares acquired in violation of the Takeover Regulations without compliance of the open offer requirements True Copy of the records evidencing change of shareholding of the 1st Respondent company are annexed herewith and marked as **Exhibit I**

aa. The Petitioner states that it is not only the shares acquired under the MOC by the 2nd to 5th Respondents that constitute the violation of Takeover Regulations. The 2nd and 5th Respondents were never promoters of the 1st Respondent and the entire claim of shareholding held by them in various years even prior to the MOC and even prior to the filing of the CP 15/2014 at the CLB Chennai were all transactions in violation of the Takeover Regulations as there could have been no acquisition without compliance of the provisions of the Code. An investigation of the records in respect of the dates of share transfers and the payment of consideration would reveal that the entire share acquisition by the 2nd to 5th Respondents in the 1st Respondent are all non compliant of the SEBI (SAST) 2011.

bb. The Petitioner states that the fact that the 1st Respondent was a company whose shares were listed at Bombay Stock Exchange and that provisions of SEBI (SAST) 2011 would attract were wholly suppressed to the CLB



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in the MOC. The approval of the consent terms by the CLB cannot and does not constitute any waiver of the requirements under the Takeover Code

cc. The Petitioner states that as the trading in the shares of the company were suspended since 2004 itself the fact that the 1st Respondent was a listed company was conveniently concealed by the Respondents

dd. The Petitioner states that while the provisions of the SEBI Act and Take-over Regulations are to be enforced by SEBI and all penal consequences of punishment for offences and penalties therefor as also the enforcement of the Regulations would be effected by SEBI the provisions of the SEBI Act barring appointment of Acquirer's nominees and the bar on transfer of shares pending open offer are bound to be noted by this Hon'ble Tribunal while exercising powers under the Companies Act 2013

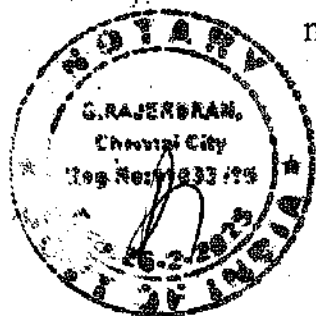
ee. The Petitioner states that the entire Board of the 1st Respondent is presently comprised only of persons appointed by complete take over of the company post the MOC and as such none of them are entitled to be Directors presently and all acts by such persons are to be treated as void

**The accounts and records of the company are fabricated and does not reflect the real state of affairs of the company for any of the years**

ff. The company claims in its Annual Report for 2014-15 (pg 54) that 3rd Respondent holds 13,20,681 shares as at 31.03.2015 accounting for 14.67% of the equity share capital of the company

gg. The shareholding disclosed to the BSE as on the same date is 8.9 lakh shares only revealing the fraudulent manner in which the records are managed

hh. The shareholding set out as that held by the said 2nd Respondent company in March 2014 is only 8.4 Lakhs shares implying that 480621 shares



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(5.67%) was acquired in FY 2014-15 which itself would have triggered the takeover code even de hors the MOC as if the 2nd Respondent were part of the promoter group as it claims then the acquisition of over 5% on gross basis in a single Financial year would itself trigger the takeover Regulations

- ii. The Petitioner states that while such frauds permeate the various records of the 1st Respondent the Petitioner is not presently traversing into each one of them as for reasons set out the Petition is filed in a situation of extreme urgency. The Petitioner craves leave to rely upon additional documents to evidence how the entire records of the 1st Respondent from 2012-13 have been created in fraud by the Respondents
- jj. The Petitioner states that the annual report of 2015-16 of the 1st Respondent ( at page 37) sets out as though the shareholding of 2nd Respondent was only 8.9 lakh shares and that it was consistently so from 01.04.2015 to 31.03.2016
- kk. The Petitioner states that the annual report of 2014-15 ( at page 7) claims that as on 30.11.2015 the date of the AGM notice the 2nd Respondent held 11,34,271 shares revealing that there is no sanctity to any of the numbers set out by the Company in its Annual reports and filings with regulators and the entire records are a charade and are created and changed at will to suit the 1st to 5th Respondents
- ll. The filing at BSE as financial report for March 2015 exemplifies the fraudulent conduct of the affairs as the promoter shareholding set out therein has no similarity with the figures subsequently claimed as being promoter shareholding on same date

True Copy of the extracts of the Annual reports of 2014-15, 2015-16 and the BSE shareholding disclosures of March 2014 and March 2015 are annexed herewith and marked as **Exhibit J**



The Company's only asset being a hotel property which was in operation till 2014 and which was shut down by the previous management on 01.04.2014 only for reasons of wanting to redevelop the property as a real estate asset has been kept shut for the last 6 years and losses of Rs.77 crores have been shown as accumulated in this period

mm. The Petitioner states that he got associated with the company in or about 2008. The Hotel property of the company was requiring refurbishment and the same was therefore got done by availing a term loan from Punjab National Bank. The property was reopened in 2011-12. An agreement was also entered into with ITC Ltd for management of the Hotel and the same came into force and the hotel was operating well. However the hotel was shut down by the previous management from 01.04.2014 as the said management wanted to convert the property into a real estate development. The Petitioner by then was disassociated with the then management and had in fact sought to convene meeting of the shareholders to remove the persons in management and the same were all matters of various legal proceedings. While the same are not relevant the fact is that the Hotel even when shut down in 2014 was in running condition and was in fact being managed by the ITC group as part of their Hotels Division

nn. The Petitioner states that despite having got control of the property way back in 2015, illegally albeit, the Respondents have kept the hotel property shut and generated no income whatsoever. The company has earned no operating revenue in the last 6 years.

oo. The Petitioner states that even as per the accounts of 2012-13 prepared in the name of the previous management but actually got made by the Respondents 2 to 5 after the takeover and placed before the shareholders only in 2015 the position in respect of the company was that it was a running hotel with total liabilities of Rs 33.37 crores by way of long and short



term borrowing. The company even as at 31.03.2013 had a networth of Rs 1248 lakhs and no revaluation reserves

pp. The Petitioner states that the company as per the 2020 accounts has negative networth of Rs 65 crores excluding revaluation reserves created after the new management was placed in control. The Petitioner states that the company as on 31.03.2020 has Rs 106 crores of borrowings as well

qq. The Petitioner states that there has been no operation. The 2nd to 5th Respondents claim as though they are renovating the hotel for the last 6 years is a sham as in today's times when a new hotel can come up in 18 months there is no need to spend 6 years to renovate. As the hotel was under management of ITC till closure in March 2014 the hotel was maintained to high standards only. The Respondents who took control in 2015 have deliberately not reopened the hotel and created a false picture of renovation only so that they can siphon off monies in the guise of renovation. The very fact that Respondents cannot renovate and resume hotel operations for 6 years is clear evidence of mismanagement. The entire money that was set out as borrowed by the company in 2013 has been refinanced by loan from HDFC Bank and the claimed loans from promoters are only false entries created by siphoning the funds under the guise of renovation. Once the investigation is taken up into the same the full truth will come before this Hon'ble Tribunal

True Copy of the relevant extracts of the records of the 2013 and 2020 Annual Reports are annexed herewith and marked as **Exhibit K**

**Transactions which were entered into as share application money for allotment of shares and then reflected as unsecured loans are now reflected as interest bearing Secured loans of the promoter company without any agreement being there in this and Based on such claimed transactions of loans shares are being allotted at par to the promoter shareholders despite agreement with them to take up shares at Rs 72 per share of Rs 10 face value such Rights issue is be-**



*Chubhury*

ing proceeded with in violation of the Regulations of SEBI and shares are sought to be allotted to the promoter entities without even payment of application money

pp. The Petitioner states that both he and his family member had funded share application money to the company at various times, These are duly reflected in the 2014 Annual Report also prepared only by the Respondents after the MOC. Additionally large amounts were advanced by the Petitioner as unsecured loans to the company. The Petitioner was "persuaded" to take back his share application money and as set out in the Annual Report of 2015 the 1st to 5th Respondents decided on a preferential issue of shares to Promoter entities at Rs 72 per share set out as the fair value of the shares

qq. The Petitioner states that no such allotment was made despite the resolution having been duly passed to make such allotment.

rr. The amounts shown as share application money were falsely shown as repaid in the 2018 accounts by sham transaction reflecting as though payment was made but the cheques were not deposited. No such transaction of cheques pending payment could have been there as from 17.11.2017 the 1st Respondent was under CIRP and cheque validity is only 3 months. In any event the company had no funds in the bank account to meet these cheques reflecting that these were merely creative entires and kite flying

ss. The Petitioner states that subsequently a resolution was got passed in the 2018 AGM as though the promoter entities will give the 1st Respondent such unsecured loans convertible to equity

tt. The said monies are now claimed in the Letter of offer dated 17.09.2021 for the rights issue as though they are secured loans. While the Letter of offer at various places refers to them as unsecured loans the restated fi-



nancial information certified by the auditors reflects them as Secured loans. Though the entire object of the rights issue is claimed to be to repay the secured loans no agreements in respect of such claimed secured loans are made available for inspection as a material document as no such loan agreement exists as what was got approved was only grant of unsecured loans

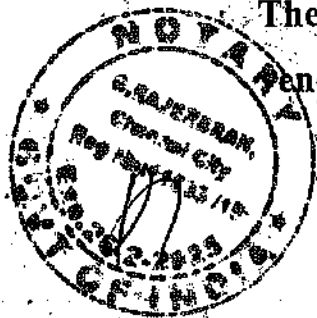
uu. The Petitioner states that the rights issue shares are sought to be allotted at par and such shares are sought to be allotted to the promoter entities without even any payment of consideration in violation of the SEBI Regulations

vv. Regulations of the SEBI ICDR mandate that all applicants in a rights issue are to be provided the same mode of payment. The rights issue allowing promoter shareholders to apply without any payment is discriminatory and a violation of the SEBI regulations and is itself an act of oppression

ww. The Petitioner states that based on claimed loans in respect of monies never infused into the company and claimed as having been brought in to fund renovation which was funded by the loan from HDFC Bank the promoters are using the rights issue as a mode to get shares for themselves without payment of any consideration. *While the promoters were to get less than 30 lakh shares for Rs 21 crores as per the agreed resolution they are now getting 205 lakh shares for Rs 20.5 crores which also they are not actually paying to the company. The same is ex facie oppressive*

True copy of the relevant extracts of the 2014 Annual Report, 2015 Annual Report, 2018 annual report and the Letter of offer dated 17.09.2021 are annexed herewith and marked as **Exhibit L**

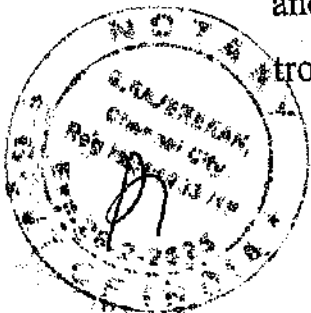
The Company has been allowed to be placed under Corporate Insolvency Resolution process on 2 occasions resulting in loss of goodwill



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**and the Company's Directors have undertaken transactions during CIRP in violation of the Code**

- xx. The Petitioner states that despite taking over a recently refurbished hotel which was under management of ITC Ltd and despite having claimed to have infused large amount of funds into the company the Respondents have managed the dubious record of taking the company into CIRP on 2 occasions. While passing order dated 17.11.2017 on the CIRP this Hon'ble Tribunal has even noted the evident act of forgery by the 1st Respondent reflecting the mismanagement of the company at all times by the Respondents
- yy. The Petitioner states that even the 1st CIRP was set aside by the NCLAT not on any merits but merely on a view that notice of demand by an Operational creditor could not be made by an Advocate on behalf of such Operational Creditor. Such view of NCLAT was subsequently held incorrect by the Apex Court. In the 2nd case the case was settled by withdrawal by making payment of Rs 1.35 crores when at all times the case of 1st Respondent was that no amounts were due to the said creditor.
- zz. The Petitioner states that it has come to know that the trading of its shares which were under suspension at BSE since 2004 were got resumed in March 2018 during the period of CIRP suppressing the same. Despite the Board being suspended by the initiation of CIRP the Respondents suppressed the fact of CIRP to BSE and also made a person who was a suspended Managing Director represent to the BSE as though he was still the Managing Director and based on records submitted by such person claiming to represent the 1st Respondent the trading suspension was got revoked
- aaa. The Petitioner states that by such acts the Respondents have continually demonstrated a attitude of indifference to any procedure and rule of law and have shown themselves wholly unfit to be in management and control of any company



*[Handwritten signature]*



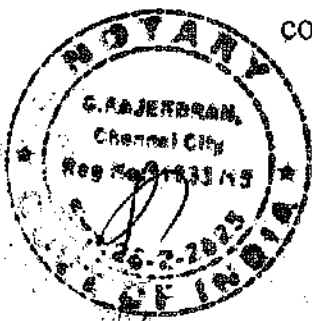
bbb. The Petitioner states that he is given to understand that during the 1st CIRP the 1st to 5th Respondents did not even allow the IRP/RP to operate the bank account and also that payments were made to related parties from the Company during the CIRP in violation of the Code. The Petitioner is not traversing further into the issue as the same would be revealed by the investigation ordered by this Hon'ble Tribunal

True Copy of the order dated 17.11.2017 directing initiation of CIRP in respect of the respondent is annexed herewith and marked as **Exhibit M** True Copy of the COC meeting minutes dated 24.03.2021 in respect of the respondent is annexed herewith and marked as **Exhibit N** True Copy of compromise with the Operational Creditor is annexed herewith and marked as **Exhibit O** True Copy of the order of this Hon'ble Tribunal dated 04.06.2021 allowing CIRP withdrawal is annexed herewith and marked as **Exhibit P** True Copy of the documents submitted by 1st Respondent to BSE during CIRP is annexed herewith and marked as **Exhibit Q**

ccc. The Petitioner states that each of the above reflect egregious conduct on the part of the Respondents. There can be no doubt that the transactions are both oppressive of the Petitioner as also the other non promoter shareholders but reflect deliberate and criminal mismanagement of the 1st Respondent for the personal benefit of the 2nd to 5th Respondents

ddd. The Petitioner states that the company has over 25000 shareholders and as such is truly widely held. The acts of the Respondents are oppressive not only of the Petitioner but of all shareholders other than those controlled by 6th Respondent. The Petitioner states that it is not seeking any relief related only to itself and the reliefs sought would benefit the company and the entire body of shareholders

eee. The Petitioner states that it is undeniable that the Respondents have not complied with the requirements of SEBI (SAST) 2011 but have acted



*[Handwritten Signature]*

fraudulently and have by false records and taking advantage of the fact that the share trading was suspended got their nominees appointed as Directors and taken control and also effected share transfers in their names all in violation of the law. The records placed by the Petitioner on the file of the Hon'ble Tribunal reveal that there was no exemption in any event available under the Takeover Regulations and the Respondents 6 to 8 all being non independent Directors got appointed by the 6th Respondent by exercise of its control are bound to be held as persons appointed as Directors in violation of law and be held not competent to hold such office as their very appointment is illegal.

fff. The Petitioner states that given the fraud ex facie evident the Respondents are not only guilty of offences under Section 448 of the Act 2013 but also liable to be prosecuted for offences under Section 447 of the Act 2013

ggg. The Petitioner states that the rights issue is now being proceeded with only on the basis of the approval for increase in authorised capital got effected by the 1st Respondent relying on 6th Respondent control and on the basis of the board resolution dated 05.08.2020 of the 1st Respondent such resolution a nullity in view of the very constitution of the board being made in violation of law

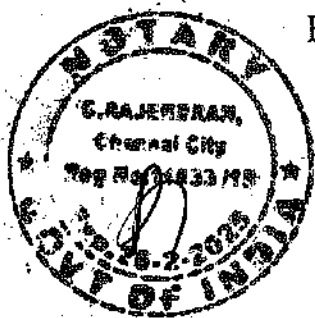
hhh. As such the above establish unambiguously that the Respondent Company has continually played a fraud in the management of the Company.

iii. The records of the 1st Respondent also reveal that its board was never validly constituted even from 2015 once the illegal appointments are held non est The Petitioner craves leave to place the additional documents and pleadings in this regard if the same were considered necessary at a subsequent stage



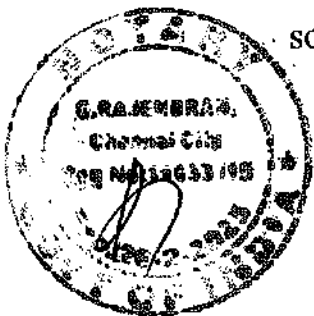
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- e. As exhaustively set out above the violations of the Company cover every sphere of its functioning and include the serious violations of creating false records of its accounts and share holding and even in respect of re-constituting its Board as also getting the share trading suspension revoked.
- f. The present rights issue is being effected only to somehow try and legitimize the control of 6th Respondent over the company. After having purchased shares at Rs 300 per share in 2015 and having claimed that the same was a fair value and then having claimed in the same year that Rs 72 per share was fair value and that 2nd to 5th Respondents will take up shares at Rs 72 per share now shares are being given to the 2nd to 4th Respondents and associates without any payment of consideration itself and the capital is quadrupled to reduce existing shareholders to miniscule minority
- g. The fact that while 1st Respondent claims to be effecting rights issue to repay loans to promoter entities chooses not even to place them for inspection as material documents reflects the fraud.
- u. In view of the facts set out above all of which are established on the records of the 1st Respondent Company itself the following emerge:
- (i) That the company is carrying on business in fraud and in a fraudulent manner
  - (ii) that the company is acting prejudicially to public interest
  - (iii) that the actions are oppressive of the members
  - (iv) That the affairs of the Company are being mismanaged and managed in fraud
- u. The Petitioner states that in the position as above there is need for investigation into the affairs of the Company under Section 213(a) of the Act 2013 and for proceedings under Section 241 and 242 of the Act 2013 to ensure that the acts of oppression are remedied by suitable orders of this Hon'ble Tribunal



*[Handwritten signature]*

- v. The Petitioner states that as shareholder who was holding over 10% of the paid up capital he would have been competent to maintain both the reliefs. The Petitioner states that as the relevant provision in Section 213(a) is only 10% of voting power and hence limited too equity shares the Petitioner is entitled to maintain the reliefs under Section 213(a) of Act 2013. In any event the Hon'ble Tribunal can act under Section 213(b) of the Act 2013 which imposes no requirement of threshold shareholding
- w. The Petitioner states that the above facts all based on incontrovertible records make a good reasons for seeking investigation under Section 213(a) of Act 2013
- x. The Petitioner states that there can be no doubt that the affairs of the company are conducted prejudicial to public interest in violation of the requirements of SEBI Act and SEBI (SAST) 2011 Regulations and also in a manner oppressive not only to the Petitioner but to all shareholders
- y. The Petitioner states that indisputably the change in directors brought about has resulted in conduct of business to the prejudice of the members
- z. The Petitioner apprehends that the Respondents may seek to alienate the properties of the 1st Respondent company or withdraw the securities and guarantees given to HDFC Bank in respect of the loans availed by the 1st Respondent
- aa. The Petitioner states that the Petition is a composite petition under Section 213 and Section 221 of the Act 2013 as also under Section 241 and 242 of the Act 2013 as also under Section 216 of Act 2013 and the same is maintainable in law.
- bb. The Petitioner states that it is entitled to maintain the reliefs under Section 213(a) and Section 221 of the Act 2013 as the Petitioner is a person holding over 10% of the share capital of the company



*Chulub*

cc. The Petitioner has sought exemption under Section 244 of Act 2013 to cover the marginal gap in meeting the 10% threshold for maintaining the petition under Section 241 of Act 2013 which covers the interest of 25000 shareholders of 1st Respondent

dd. The fact that the shares worth Rs 300 per share in 2015 are now at Rs 10 per share reflects the extent of mismanagement of the Respondents

ee. The affairs of the Respondent No 1 company ex facie indicate the need for investigation and for action of this Hon'ble Tribunal to remedy the acts of oppression and mismanagement. The Respondents 2 to 8 are bound to face appropriate action for their offences including under Section 447 and 448 of the Companies Act 2013

5. In view of the facts above said mentioned the Applicant prays for the following reliefs:

- (i) The Pass an order investigation under Section 213 of Act 2013 in respect of the affairs of the 1st Respondent from Financial Year 2012 onwards till date and based thereon direct restoration to the company of the amounts diverted therefrom by the said persons
- (ii) Direct further investigation under Section 213 of the Act 2013 and Section 216 of Act 2013 in respect of the acquisition of shares in 1st Respondent by entities connected with 6th Respondent and based thereon direct the removal from register of members of shares transferred in violation of the SEBI (SAST) 1997 and SEBI (SAST) 2011 as in force
- (iii) Terminate the office of Directorship of the 7th to 9th Respondents
- (iv) Appoint 5 persons of eminence and integrity as Directors of the company



(v) Direct the rectification of the register of shareholders to remove from the register of members all shares got transferred in violation of the SEBI (SAST) Regulations 2011

a. Hon'ble Tribunal may be pleased to :

b. Pending the hearing and disposal of the Company Petition

i. Suspend the Board of Directors of 1st Respondent and appoint an Administrator/Receiver to manage the affairs of the 1st Respondent

ii. Restrain the persons connected with the 6th Respondent from exercising any voting rights on their shares held in the 1st Respondent

iii. Freeze the shareholding of the persons connected with the 6th Respondent from exercising any voting rights on their shares held in the 1st Respondent

iv. Restrain the 2nd to 6th Respondents from withdrawing any of the securities given to HDFC Bank Ltd in respect of the loans granted to 1st Respondent

v. Restrain the 2nd to 5th Respondents and any entity connected with the 6th Respondent from in any manner seeking to enforce the amounts claimed to have been granted as loans to the 1st Respondent

vi. Restrain the Respondents from dealing with any property of the 1st Respondent company in any manner

c. For costs



d. For such other and further reliefs as the nature and circumstances of the case may require.

6. The Applicant has paid the applicable fee electronically and the proof is annexed herewith

Applicant

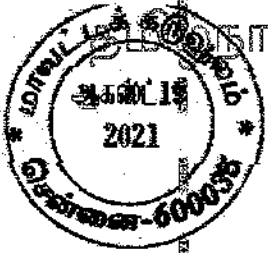
G. Rajathi  
MS 2345/2012

Advocate

Dated this the 20th Day  
of October 2021 at Chennai

20/10/21  
G. RAJENDRAN, M.A., B.L.,  
Advocate & Commissioner of Oaths  
Notary Public, GOVT OF INDIA,  
No. 48/58, East Jones Road,  
Saidapet, Chennai - 500 015.





தமிழ்நாடு TAMIL NADU 16.10.21  
KAMAL BABBAR

97AB 611968  
A. ROUFBASHA, B.A.,  
STAMP VENDOR LIC No: 8/B3/97  
NEW No: 17, OLD No: 9,  
P.P.V. KOIL STREET, MYLAPORE,  
CHENNAI-600 004. Ph: 24982427

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI

IN THE MATTER OF SECTION 213 AND SECTION 241 AND  
SECTION 244 OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF ARUNA HOTELS LIMITED

Company Petition No. of 2021

Mr. Kamal Babbar

... Petitioner

-Vs.-

Aruna Hotels Ltd & Ors

... Respondents



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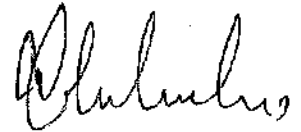


**AFFIDAVIT**

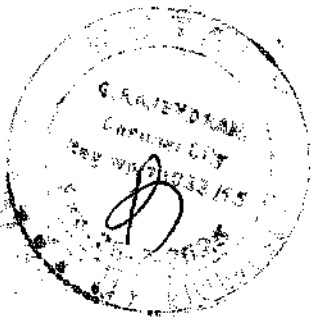
I, Kamal Babbar , Indian inhabitant, S/o. Ram Prakash Babbar with my residence at 66/1, Kasturi Avenue, MRC Nagar , Raja Annamalaipuram, Chennai 600028 do solemnly affirm and state as follows:

1. I am a shareholder of the 1st Respondent and am the petitioner in the above matter and am competent to make this Affidavit.
2. The statements made in paragraphs 1 to 4 in the Petition herein now shown to me are true to my own knowledge and I believe the same to be true and para 5 of the application is the prayer for reliefs .

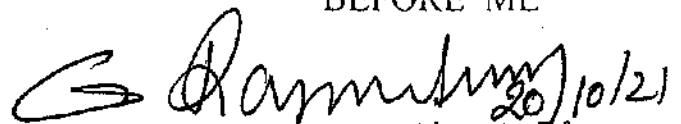
Solemnly affirmed at Chennai  
on this the 20<sup>th</sup> day of  
October 2021 and signed his  
name in my presence:



**DEPONENT**



BEFORE ME



**G. RAJENDRAN, M.A., B.L.,**  
Advocate & Commissioner of Oaths  
Notary Public, GOVT OF INDIA,  
No. 48/56, East Jones Road,  
Saidapet, Chennai - 600 015.

**THE COMPANIES ACT, 2013  
(COMPANY LIMITED BY SHARES)  
ARTICLES OF ASSOCIATION  
OF  
ARUNA HOTELS LIMITED**

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) "The Company" when used with reference to this Company shall mean ARUNA HOTELS LIMITED (AHL)	<b>Company</b>
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>

Sr. No	Particulars	
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary Meeting      General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary      and      Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>

Sr. No	Particulars	
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
2.	<b>PUBLIC COMPANY</b>	
	The Company is a public company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly: - i. is not a private company; ii. has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital as may be prescribed	<b>Meaning of Public Company</b>
	<b>CAPITAL</b>	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non-Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>

Sr. No	Particulars	
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	<b>Reduction of capital</b>
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any 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 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 a Special Resolution.</p>	<b>Debentures</b>
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>

Sr. No	Particulars	
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division And Cancellation</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
	<b>MODIFICATION OF CLASS RIGHTS</b>	
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	Subject to the provisions of Section 62 of the Act and these Articles,	<b>Shares at the disposal of the</b>

**Amended vide special resolution in AGM dated September 21, 2020.**

Sr. No	Particulars	
	the shares in the capital of the company for the time being shall be under the control of the Directors 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Directors.</b>
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or 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 in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc.to be a debt payable immediately.</b>
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
26.	Shares may be registered in the name of any limited company or	<b>Registration of Shares.</b>

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	other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
28.	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography,</p>	<b>Share Certificates.</b>



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	but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	<b>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
	<b>UNDERWRITING AND BROKERAGE</b>	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company	<b>Commission</b>

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	may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
	<b>CALLS</b>	
35.	<p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	<b>Directors may make calls</b>
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>

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41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares.</b>
43.	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 thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<b>Payments in Anticipation of calls may carry interest</b>
	<b>LIEN</b>	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures)	<b>Company to have Lien on shares.</b>

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	<p>registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	
46.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	<b>As to enforcing lien by sale.</b>
47.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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>	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>	<b>If call or installment not paid, notice may be given.</b>
49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine</p>	<b>Terms of notice.</b>

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	<p>from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	
50.	<p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>	<b>On default of payment, shares to be forfeited.</b>
51.	<p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p>	<b>Notice of forfeiture to a Member</b>
52.	<p>Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.</p>	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
53.	<p>Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.</p>	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	<p>The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.</p>	<b>Effect of forfeiture.</b>
55.	<p>A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.</p>	<b>Evidence of Forfeiture.</b>
56.	<p>The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.</p>	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	<p>Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued</p>	<b>Cancellation of share certificate</b>

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	in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of 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 the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.  (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.  The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, 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 the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided	<b>Transfer not to be registered except on production of instrument of transfer.</b>

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	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 of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—  (a) any transfer of shares on which the company has a lien.  That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders..</b>
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
69.	Where an application of transfer 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 weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument	<b>Notice to transferee.</b>

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	of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	
71.	<p>(a) 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 person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	<b>Titles of Shares of deceased Member</b>
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>



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	his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
	<b>NOMINATION</b>	
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p>	<b>Nomination</b>

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	<p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
	<b>DEMATERIALIZATION OF SHARES</b>	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>

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	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) 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 delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
86.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	<b>Deposit of share warrants</b>
87.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	
89.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p>	<b>Conversion of shares into stock or reconversion.</b>

Sr. No	Particulars	
	b) re-convert any stock into fully paid-up shares of any denomination.	
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, 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.	<b>Transfer of stock.</b>
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit  or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company 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 specified purpose.	<b>Power to borrow.</b>
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be	<b>Securing payment or repayment of Moneys borrowed.</b>

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	made assignable, free from equities between the Company and the person to whom the same may be issued 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 any person or Company as the case may be.	
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
	<b>MEETINGS OF MEMBERS</b>	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen	<b>Chairman of General Meeting</b>

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	minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
104.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) 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>c) 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>d) Save as aforesaid, and as provided in section 103 of 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.</p>	<b>Chairman with consent may adjourn meeting.</b>
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution	<b>Number of votes each member entitled.</b>

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	placed before the meeting which directly affect the rights attached to his preference shares.	
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.	<b>Vote of member of unsound mind and of minor</b>
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
114.	<p>a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>

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	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 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 satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
120.	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.	<b>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
125.	The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a	<b>First Directors and Number of</b>



Sr. No	Particulars	
	<p>majority of them. The first directors of the company are:</p> <p>a. Sri. C.S. Loganathan b. Sri. P. Maruthai Pillai c. Sri. J.H. Tarapore d. Kiran Bahadur P. Sharfuddin</p> <p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution.</p>	<b>Directors.</b>
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	<b>Nominee Directors.</b>
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>

Sr. No	Particulars	
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, 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, who 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 by him.	<b>Directors power to fill casual vacancies.</b>
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.  (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.  b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
136.	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.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done	<b>Directors may appoint committee.</b>

**Amended vide special resolution in AGM dated September 21, 2020.**

Sr. No	Particulars	
	by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles,	<b>Certain powers of the Board</b>

Sr. No	Particulars	
	but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>

Sr. No	Particulars	
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or	<b>Bonus etc. to employees.</b>

**Amended vide special resolution in AGM dated September 21, 2020.**

Sr. No	Particulars	
	compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	<b>Transfer to Reserve Funds.</b>
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	<b>To appoint and remove officers and other employees.</b>
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may	<b>To appoint Attorneys.</b>

Sr. No	Particulars	
	from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.  (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the	

Sr. No	Particulars	
	provisions of Sections 40 of the Act.	
(30)	To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
(31)	To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.	
(32)	To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.	
(33)	From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.	
(34)	To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.	
(35)	To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.	
(36)	To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.	
(37)	Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions	



Sr. No	Particulars	
	<p>vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/ Wholetime Directors.</b>
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Wholetime Director.</b>
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>

Sr. No	Particulars	
	<p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
148.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief 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 or 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>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>
	<b>THE SEAL</b>	
149.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
150.	<p>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 authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>	<b>Deeds how executed.</b>

Sr. No	Particulars	
	<b>Dividend and Reserves</b>	
151.	<p>(1) 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>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) 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>	<b>Division of profits.</b>
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
153.	<p>a) 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 applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing 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, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
157.	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 dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>

Sr. No	Particulars	
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
162.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid 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>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	<b>Dividends how remitted.</b>
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p>	<b>Capitalization.</b>

Sr. No	Particulars	
	<p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</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 to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates.</b>
167.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>

Sr. No	Particulars	
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given.</b>
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) 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, 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.</p> <p>(ii) 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.</p> <p>(iii) 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.</p>	
<b>INDEMNITY</b>		
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges,	<b>Directors' and others right to indemnity.</b>

Sr. No	Particulars	
	<p>losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	
174.	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>	<p><b>Not responsible for acts of others</b></p>
	<p><b>SECRECY</b></p>	
175.	<p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>	<p><b>Secrecy</b></p>
	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p>	<p><b>Access to property information etc.</b></p>

S#	Name, Address and Description	No. of equity shares taken by each subscriber	Name, Address and description of witness
1	C.S. Loganathan Son of C. ShanmugaMudaliar 7, Vasu Street, Madras - 10	500	D.T.Rayner Son of Mr. D.J. Devadoss Head Clerk, Century Flour Mills Ltd., Madras - 1
2	P. Maruthai Pillai Son of Perumal Pillai 26, Sterling Road, Nungambakkam, Madras - 31	500	
3	J.H. Tarapore Son of H.A. Tarapore No.11, Balfour Road, Madras- 10	500	
4	P. Sharfuddin Son of T.A. PitchaiRowther 24, Nungambakkam High Road, Madras -6	500	
5	K.E. Arunachalam Son of EkambaraMudaliar 6, Vasu Street, Madras - 10	500	
6	P. Govindasami Son of Perumal Pillai 221, GovindappaNaick Street Madras - 1	500	
7	M. Subramaniam Son of Mooka Pillai 221, GovindappaNaick Street, Madras 1	50	
8	M. Muthu Son of Maruthai Pillai 221, GovindappaNaick Street, Madras - 1	50	

Dated at Madras this 24<sup>th</sup> day of August, 1960

//Certified true copy//

For ARUNA HOTELS LIMITED

*K. Lakshmi*  
Company Secretary



MEMORANDUM OF ASSOCIATION  
OF  
ARUNA HOTELS LIMITED

- I. The name of the Company is ARUNA HOTELS LIMITED.
- II. The Registered Office of the Company will be situated in the State of Madras. (Tamil Nadu)
- III. The objects for which the Company is established are:
  1. To carry on in the Union of India and elsewhere the business of sugar boilers, manufacturers and refiners and dealers in sugar of all varieties and kinds and its by-products, distilleries and spirit merchants in all their respective branches and any other business that may be capable of being conveniently combined with the aforesaid objects.
  2. To purchase, manufacture, produce, boil, refine, prepare, import, export, sell and generally to deal in sugar and sugar candy, khandasari sugar, jaggery, sugar beet, sugarcanes, molasses, syrups, malada, alcohol, spirits and all sugar products such as confectionery, glucose, sugar candy, canned fruits, golden syrup, aerated water and/or by-products such as bagasse, boards, paper pulp, paper products, methyl alcohol, acetone, carbon dioxide, hydrogen, potash, cane-wax, fertilizers and food products generally and all products or by-products thereof and in connection therewith to acquire, construct and operate sugar or other refineries, buildings, mills, factories, distilleries and other works.
  3. To buy, sell, exchange or otherwise deal with sugarcane, sugar beet, jaggery, sugar, sugar candy, khandasari sugar, molasses, syrups, alcohol, spirits and all other by-products resulting in the manufacture of sugar and other food products.
  4. To plant, cultivate, produce and raise, or purchase sugarcane, maize, sorghum sugar beets and all food crops and to transact all such other work or business in connection therewith.
  5. To acquire, carry on and transact the trade and business of planters, general merchants, exporters and importers of and dealers in sugar, wine, spirit, mixtures essences,

FOR ARUNA HOTELS LIMITED  
  
Managing Director

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pharmaceutical and other chemical preparations, chemical fertilisers and any produce of manufacture which can be conveniently carried on in conjunction with any matters aforesaid or which may directly or indirectly enhance the value of or render profitable any of the Company's properties and rights.

6. To establish farms and cultivate the lands and the properties of the Company and develop resources of the same by trading, rearing, planting, pasturing or farming and, for the purpose aforesaid, to purchase from time to time such machinery and livestock and to sell or exchange the said machinery or livestock or and when considered necessary.
7. To plant and maintain tops of plumyrah, date, sago, coconuts and other farms and generally carry on all agricultural and horticultural operations necessary or useful for the industries of the company.
8. To carry on the business of manufacturers of and dealers in chemical products, dry salters, oil and colourman, importers exporters and manufacturers and dealers in heavy chemicals, alkalis, acids, drugs, tannins, essence, pharmaceutical, photographic, sizing, medicinal, industrial and other preparations and articles of any nature and kind whatsoever, mineral and other waters, cements, oils, paints, pigments, varnishes, compounds, drugs, dye-stuffs, organic or mineral intermediates, paint and colour grinders, makers of and dealers in electrical, chemical, photographic, surgical and scientific apparatus and materials.
9. To carry on the trade or business of canning, preserving, refining, preparing and dealing in dairy farm and gardens of vegetable products of all kinds and in particular fruits, vegetables, cream, butter and cheese.
10. To carry on the trade or business of canning, preserving, refining, and preparing and dealing in fish and fish products, poultry, meat, etc.
10. A. To carry on all or any of the business of hotels, restaurants, cafes, taverns, refreshment rooms, lodging and/or boarding houses, motels, travelers inns, tourist bungalows, guest houses, conference and trade centres, dressing rooms and laundries, clubs, bars and beer houses, wine, beer and spirit merchants, licensed victuallers, purveyors and caterers for public amusement.
10. B. To carry all or any of the business of manufacturers, producers, dealers, traders, importers, exporters, agents, representatives, consultants in raw, semi-finished or finished hides and skins, horns, hide fleshings, imitation leather, industrial leather, synthetic leather and all kinds of leather and any products made thereof, including garments, cloth, goods, shoes, shoe uppers, foot-wears, parts of foot-wears, straps and wastes and allied products such as of plastics, rexine, nylon, rayon, PVC, all cloth foam, foam leather, foam rubber, linoleum, canvas, canvas shoes, tarpaulin, articles composed of any one or more of the above mentioned items, water proof articles and materials, leather chemicals, tannery materials and equipment, leather machinery and accessories.
10. C. To carry on all or any of the business of real estates, construction engineers, contractors, architects, planners, builders, dealers and promoters of building, including multi-storied buildings, sites, colonies, quarters, flats, tenements, chawls and other real estate schemes including acquiring, constructing, improving, maintaining, developing, selling, buying, leasing, renting out, taking on rent or lease, or otherwise dealing in vacant sites, houses, flats, buildings, estates, hill-resorts, colonies, residential/commercial and industrial premises and other properties etc., and to deal in construction materials.

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10. D. To carry on all or any of the business of producers, manufacturers, wholesalers, retailers, distributors, dealers, exporters, importers, sellers, buyers, and traders in processed foods, extruded foods, packed foods, instant foods, canned foods, other foods and food products, wafers, breads, biscuits, cakes, pastry, processed fruits and fruit products, soft drinks, beverages, concentrates, soda water, mineral water, medicated / herbal drinks, health drinks, alcoholic drinks including breweries, wines, liquors, etc.,
10. E. To commence and carry on all or any of the businesses of flour millers, bakers, biscuit manufacturers, rice millers and oil millers, including the business of manufacturing, refining, polishing, grinding, paunding, crushing, importing, exporting, buying, selling or otherwise dealing in wheat, paddy, rice, husk, corn, soyabean, rice bran and other cereals, vegetables, allseeds, crops, pulses, grains, etc. and any products and bye-products thereof.
10. F. To commence and carry on all or any of the businesses of producing, manufacturing, purchasing, refining, smelting, preparing, imparting, exporting, selling, buying, manufacturing, casting, forging, fabricating, quarrying and otherwise dealing in all kinds of iron and steel, including galvanised iron, springs iron, cast iron, carbon steel, stainless steel, special steel, etc. metal scrap, iron ores, minerals, billets, corrugated sheets, wirenets, barbed wires, rolled steel, steel rods, and any products and bye-products made in any combination of the foregoing, including the business of foundrymen, steel/rolled steel makers, converters, smelters, miners, retailers of ferrous and non-ferrous products, metallurgists, furnace & kiln owners, etc.
10. G. To commence and carry on all or any of the businesses of planting, agriculture, farming, fisheries, cold-storage, poultry, dairy development and producers of coffee, tea, cardamom, spices, commercial crops, rubber etc. and owners of estates, plantations, forests, hills woods, trees, plants, groves buses, herbariums, nurseries, etc.
10. H. To commence and carry on all or any of the businesses of buying, selling, owning, operating, hiring, leasing, taking on lease/ hire, maintaining, repairing, servicing, overhauling, exporting, importing, and otherwise dealing in all kinds of transport vehicles, whether motorised or otherwise powered, including vans, lorries, trucks, tractors & trailers, automobiles, locomotives, coaches, ships, boats, cruises, trawlers, yachts, steamers, including the business of fleet owners, travel and cargo agents, carriers, operators of all modes of transport- surface-borne, water-borne, air borne & underground-ship-operators, charterers, stevedores, stewards, clearing & forwarding agents, route licenses etc.
10. I. To commence and carry on the businesses of financiers in all its branches and in particular, the business of financing industrial enterprises and acting as industrial consultants in all its branches and to subsidise, finance or assist in subsidising or financing the sale, purchase, and maintenance of any goods, articles, or commodities of all and every kind or description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable properties including lands and buildings, plant and machinery, equipment, ships, aircraft, automobiles, computers both hardware and software, computer programmes, and all consumer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever - including resale thereof, and perform financing services including financing of projects, financing for exports and for imports, acceptance credit, invoice discounting, factoring invoices, debt collection, making of bank draft and long term loans, hire-purchase financing, and all kinds of financing operations.
10. J. To carry on the business of general electric power supply company in all the branches and to construct, lay down, establish, fix and carry out all necessary power stations,

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cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity and in light cities, towns, streets, docks, markets, theatres, buildings and places, both public and private, including the business of electrical engineers, electricians, engineers, contractors, manufacturers, suppliers of and dealers in electrical and other appliances, cables, wire lines, dry-cells, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purpose of light, heat, motive power and for all other purpose for which electrical energy can be employed and to manufacture and deal in all apparatuses and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.

11. To manufacture and sell toilet requisites, greenroom requisites, cosmetics, soaps, perfumes, fumigates and other chemical and pharmaceutical articles.
12. To manufacture or produce or cause to produce building materials, such as limestone, timber, tiles, bricks and all other accessories of building construction which the Company may think fit and utilise such materials in its own construction or dispose them off on such terms as the Company may think fit.
13. To carry on the business of manufacturing, purchase, sale and deal in sugar machinery and other items of machinery.
14. To acquire all machineries, plants, stocks-in-trade, trade marks and other movable and immovable properties of any description.
15. To acquire by concession, grant, purchase, barter, lease, licence or otherwise lands, buildings and/or machinery, farms, water rights and other works, privileges, rights, and hereditaments either solely or jointly with others.
16. To erect upon the lands belonging to the Company and upon any other lands or property which may be taken on lease or licence by the Company, factories, buildings, houses and erections as may be required for carrying out the object of the Company and in particular equip their said buildings and/or factories with machinery for the production of sugar and other products and for distilling and doing alcoholic liquors of all kinds and to work, exercise, develop and turn them into account.
17. To construct, improve, maintain, develop, work, manage, carry out or control any road - ways, tramways, railways, branches of sidings, bridges, reservoirs, water courses, water-works, wharfs, warehouse, electric power, heat and light supply works, work-shops, stores, markets, places of amusements, pleasure gardens, parks, gardens, reading rooms and other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute, subsidise, or otherwise assist or take part in the construction, improvement and maintenance, working, management, carrying out or control thereof.
18. To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of or turn into account or otherwise deal with all or any part of the property and rights of the Company.
19. To pay for any lands and immovable or movable estates and/or properties or assets of any kind acquired by the Company or for any services rendered or to be rendered to the Company and generally to pay or discharge any consideration to be paid or given by the Company in money or in shares whether fully paid up or partly paid up or debentures or debenture stock or obligations of the Company or partly in one way and partly in another or otherwise, in however with power to issue any shares either as fully paid up or partly paid up for such purposes.

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20. To enter into any contracts, agreements with any Governments or Authorities, Municipal, Revenue, Local or otherwise which may seem conducive to the Company's objects or any of them and obtain from any such Government or Authorities any rights, privileges, and concessions which may appear desirable to be obtained and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
21. To apply for, purchase or otherwise acquire any patents, brevets d' invention, licences, concessions, and the like conferring any exclusive or non-exclusive or limited rights of use or any secrets or any other information or any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn into account the property, rights, or information so acquired.
22. To buy, sell, manufacture, repair, alter, improve, exchange, hire, import, export and deal in all works, plant, machinery, tools, utensils, appliances, apparatus, products, materials, articles and things capable of being used in any and every such business, as the Company may be engaged in or that may be required by any of the customers or persons dealing with the or commonly dealt in by persons engaged in similar lines or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with and render marketable and deal in all products, residual and bye-products incidental to or obtained in any of the business carried on by the Company.
23. To start and carry on either in connection with any of the trade or business aforesaid or independently thereof any trade or business, whether manufacture or otherwise, which may seem to be capable of being conveniently carried on in connection with the above subjects or calculated directly or indirectly to enhance or render more profitable any part of the Company's undertakings or properties or rights or to further the objects of the Company.
24. To purchase, take on lease, or otherwise acquire in the Union of India, or elsewhere, any real or personal property, estates, plantations and other lands of freehold, leasehold or other tenures for the purpose of the Company.
25. To enter into partnership or any agreement for sharing profits, union of interest, reciprocal concession, amalgamation or co-operation with any person or persons, corporation or company, carrying on or about to carry on, or engage in any business or transaction which this Company is authorized to carry on or to engage in any business or transaction capable of being conducted so, as to benefit this Company directly or indirectly and to take or otherwise acquire and hold shares, stocks or securities and to subscribe or otherwise assist any such company and to sell, hold, re-issue, with or without, guarantee or otherwise deal with such shares or securities and to form, constitute or promote any other company or companies for the purpose of acquiring all or any of property, rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
26. To invest and deal with the moneys of the Company not immediately required in any scheduled banks or in trustee securities or in such other manner as is beneficial to the Company.
27. To draw, accept, endorse, negotiate, promissory notes, bills of exchange, hundies or other negotiable instruments, drafts, charter parties, bills of lading, warrants, etc.

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28. To amalgamate with or dispose of or exchange any of the business or undertakings, properties, or rights of the companies in consideration of shares, debentures or other securities and to enter into any agreement or arrangement with other companies or firms or individuals for joint working in business or for sharing of profits in any other company, firm or persons if such acts are advantageous to this Company.
29. To borrow or raise money for the performance or discharge of any liabilities of the Company; to create, execute, grant or issue any mortgages, debentures, stocks, bonds or other obligations of the Company either at par, premium or discount funded or based upon all or any of the property and rights of the Company present or future, including its uncalled capital and upon such terms as the Company shall think fit and to purchase, redeem or pay off all or any of such securities, obligations and liabilities.
30. To sell, dispose of, transfer, exchange, lease, mortgage or otherwise deal with all business, undertakings, properties or rights of the Company or any part thereof for any consideration which the Company may deem fit to accept.
31. To aid pecuniarily or otherwise any association, body or movement having for its object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry and trade.
32. To promote and assist a spirit of competition among cultivators, labourers and other employees of the Company and to maintain and encourage researches in sugar-cane, sugar molasses and other commodities in which the Company may be interested by granting stipends, bonuses, subsidies, scholarships, passage-money, rewards, prizes, to the best producers of sugar-cane and other crops and to persons actually engaged in research, or evincing zeal for such research for the purposes of carrying on advanced studies in this country or for the purposes of proceeding to foreign countries with a view to carrying on research work or specializing in processes of manufacture or studying methods of agriculture or for any other purpose tending to further the interests of the Company.
33. To make pecuniary grants by way of donations, subscriptions, allowances, gratuity, guarantee or otherwise to or for the benefit of persons who are or have been employed by the Company and widows, orphans and dependants of any such persons.
34. To subscribe, contribute or guarantee money for any national, charitable, benevolent political, public, general or useful object or funds or for any exhibition.
35. To undertake and execute any trusts in undertaking whereof may seem desirable, either gratuitously or otherwise.
36. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business or the dependants or relations of such persons and to grant pensions and allowances and to make payments towards insurances.
37. To take up the management of any company situated in the Union of India.
38. To procure the Company to be registered, legalised, demitted or recognized in any country or place and to procure its incorporation in a like character or as a society anonyme or otherwise in any country or place and to carry on its business or any portion of its business or objects in any country or place.

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39. To pay all or any cost, charges and expenses whatsoever, preliminary, incidental or relating to the promotion, formation, registration or establishment of this or any other company or to the raising subscription, issue, settlement or quotation in any stock exchange of any portion of the original or future share, loan or other capital of this or any other company and to remunerate by commission, discount or otherwise any person or company for services rendered in placing or assisting to place any of such capital, debenture, stock or securities or obtaining or assisting to obtain a settlement or quotation of the same in any stock exchange or any services preliminary, incidental, or relating to or in connection with the promotion, formation, registration or establishment of this or any other company and to charge any payment of remuneration aforesaid to capital or revenue account.
40. To lay out, advance, invest and deal with the Company's money with or to such persons or companies and in or upon such investment of securities in such manner as may be deemed fit by the Board of Directors of the Company.
41. To distribute any property of the company in specie of any kind among the members.
42. To commence and carry on business in any part of the world, as agents, selling agents, buying agents, indenting agents, commission agents, distributors, dealers, stockist, general merchants, traders, importers, exporters, and generally to function as international trading house and marketing agents of any goods, products, commodities, services and things of any kind or description.
43. To do all such other things as may be necessary, incidental, conducive or convenient to the attainment of the above object or any of them.
44. It is hereby further declared that in the foregoing clauses the word company except when this Company is referred to, shall be deemed to include any partnership or any other body of persons whether incorporated or not.
45. It is hereby further declared that in the none of the sub clauses of clause nor the objects therein nor the powers hereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in other sub clauses of this clause that the company shall have the full powers to exercise all or any other powers conferred by any part of this clause in any part of the world, notwithstanding that the business, undertaking property or acts proposed to be transacted, acquired, dealt with or perform, do not fall between the objects of the first sub clause of this clause.
- IV. The liability of the Members is limited.
- V. The Authorized Share Capital of the Company is Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) divided into 6,70,00,000 ( Six crores and Seventy Lacs) Equity Shares of face value of Rs. 10/- (Rupees Ten) each and 8,00,000 preference shares of Rs.100/- each constituting Redeemable preference shares capital of the Company." \*\*
- VI. The Share Capital of the Company (whether original, increased, reduced) may be sub-divided, consolidated or divided into such classes of shares as may be allowed under the law for the time being relating to companies with such privileges or rights as may be attached and to be held upon such terms as may be prescribed by the Article of Association.

*/Certified True copy/*  
**For ARUNA HOTELS LIMITED**

*[Signature]*

**Managing Director**

\*\* Authorized Share Capital increased and existing clause V deleted and substituted vide Resolution passed at Annual General Meeting held on 28<sup>th</sup> September 2017.

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We, the several persons whose names, addresses and descriptions are subscribed hereto 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 of our respective names:

No.	Name, Address & Description	No. of equity shares taken by cash subscriber	Name, Address and Description of witness
1.	C.S. Loganathan S/o. C. Shanmuga Mudaliar 7, Vasu Street,	500	
2.	P. Maruthai Pillai S/o. Perumal Pillai 26, Sterling Road, Nungambakkem, Chennai - 34.	500	
3.	J.H. Tarapore S/o. H.A. Tarapara No.11, Balfour Road, Chennai - 10.	500	
4.	P. Sharfuddin S/o. T.A. Pithi Rowther 24, Nungambakkam High Road, Chennai - 34.	580	
5.	K.E. Arunachalam S/o. Ekambara Mudaliar. 6, Vasu Street, Chennai - 10.	500	
6.	P. Govindasami S/o. Perumal Pillai 221, Govindappa Naick Street, Chennai - 1.	500	
7.	M. Subramaniam S/o. Meaka Pillai 221, Govindappa Naick Street, Chennai - 1.	50	
8.	M. Muthu S/o. Marimuthu Pillai 221, Govindappa Naick Street, Chennai - 1.	50	

D.T. Rayner  
S/o. Mr. D.J. Dorados  
Head Clerk, Century Flour Mills Ltd.,  
Chennai - 1.

Dated at Madras this 24th Day of August 1960

For ARUNA HOTELS LIMITED

*W. J. J. J.*

Managing Director



**ARUNA-RE-R** **SENSEX**  
 1.03 -0.17 (-14.17%) **61,733.42** 17.37 (0.03%)



Dashboard Orders **Portfolio** Alerts Funds Screeners Backoffice



Search Symbol or Instruments

ARUNA-RE R BSE	▼ 1.03
Aruna Hotels Ltd.	-0.17 (-14.17%)
ARUNAHTEL XT BSE	▲ 16.25
Aruna Hotels Ltd.	0.75 (4.84%)

Symbol	Qty	Prev. Close	LTP	MTM	%Change
ARUNAHTEL BSE	(T1: 10634) 1106875	15.50	16.25	8,30,156.25	4.84
LT-EQ NSE	30	1,846.05	1,841.05	-150.00	-0.27
NBCC-EQ NSE	5730	47.30	46.90	-2,292.00	-0.85
RCOM-EQ NSE	30000	3.05	3.05	0.00	0.00
TATAMOTORS-EQ NSE	1000	481.90	487.55	5,650.00	1.17
YESBANK-EQ NSE	11750	13.60	13.55	-587.50	-0.37

1 2 3 4 5 **1,82,16,173.00** **1,90,48,949.75** **8,32,776.75**  
 Previous Close Current Value Total MTM

(ii) The statement of the shareholding pattern of our Company as on June 30, 2021 is as follows:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	29	47,46,430	47,46,430	52.74	47,46,430	52.74	46,24,005
(B) Public	24,000	42,53,570	42,53,570	47.26	42,53,570	47.26	14,32,515
<b>Grand Total</b>	<b>24,029</b>	<b>90,00,000</b>	<b>90,00,000</b>	<b>100.00</b>	<b>90,00,000</b>	<b>100.00</b>	<b>60,56,520</b>

(iii) Statement showing holding securities of persons belonging to the category "Promoters and Promoter Group" as at June 30, 2021:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
<b>A1) Indian</b>							
a. Individuals/Hindu undivided family	22	18,10,182	18,10,182	20.11	18,10,182	20.11	16,87,757
Jayanthi Natarajan	01	12,200	12,200	0.14	12,200	0.14	12,150
Sivaram M	01	6,105	6,105	0.07	6,105	0.07	6,105
Kamal Babbar	01	12,16,500	12,16,500	13.52	12,16,500	13.52	12,16,500
S Balasubramanian	01	1,03,296	1,03,296	1.15	1,03,296	1.15	1,03,296
Anita Kumaran	01	1,18,296	1,18,296	1.31	1,18,296	1.31	1,18,296
Arunn Pillai M	01	11,844	11,844	0.13	11,844	0.13	-
Rukmani S	01	25,624	25,624	0.28	25,624	0.28	25,624
Kaavya Sharath Jagannathan	01	1,18,236	1,18,236	1.31	1,18,236	1.31	1,18,236
V Chithan	01	68,350	68,350	0.76	68,350	0.76	68,350
Chandra Mohan P	01	3,200	3,200	0.04	3,200	0.04	-
Vijayalakshmi Chandramohan	01	7,770	7,770	0.09	7,770	0.09	-
R Chandramohan	01	19,200	19,200	0.21	19,200	0.21	19,200
Maruthai Pillai P	01	30,390	30,390	0.34	30,390	0.34	-
Augustin D	01	19,200	19,200	0.21	19,200	0.21	-
Geetha Periasamy	01	17,180	17,180	0.19	17,180	0.19	-
Chandrakant	01	11,683	11,683	0.13	11,683	0.13	-
Jayanthi S	01	6,514	6,514	0.07	6,514	0.07	-
Senthilnathan M	01	5,530	5,530	0.06	5,530	0.06	-
Sivabagyam M	01	3,700	3,700	0.04	3,700	0.04	-
Karthik Perumal Sivaram	01	2,662	2,662	0.03	2,662	0.03	-

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
Ganesan M	01	1,900	1,900	0.02	1,900	0.02	-
Ravichandran C L	01	802	802	0.01	802	0.01	-
b. Body corporates*	07	29,36,248	29,36,248	32.62	29,36,248	32.62	29,36,248
Subasri Realty Private Limited	01	16,85,539	16,85,539	18.73	16,85,539	18.73	16,85,539
Gay Travels Private Limited	01	5,91,506	5,91,506	6.57	5,91,506	6.57	5,91,506
Yessir Holdings and Investments Private Limited	01	3,72,412	3,72,412	4.14	3,72,412	4.14	3,72,412
Sovereign Media Marketing Private Limited	01	1,95,718	1,95,718	2.17	1,95,718	2.17	1,95,718
Rani Printers Private Limited	01	61,093	61,093	0.68	61,093	0.68	61,093
Sri Devi Agencies Private Limited	01	29,880	29,880	0.33	29,880	0.33	29,880
Malar Publications Private Limited	01	100	100	0.00	100	0.00	100
<b>Sub- total of A1</b>	<b>29</b>	<b>47,46,430</b>	<b>47,46,430</b>	<b>52.74</b>	<b>47,46,430</b>	<b>52.74</b>	<b>46,24,005</b>
<b>A2) Foreign</b>							
<b>Sub-total of A2</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
<b>A= A1+ A2</b>	<b>29</b>	<b>47,46,430</b>	<b>47,46,430</b>	<b>52.74</b>	<b>47,46,430</b>	<b>52.74</b>	<b>46,24,005</b>

(iv) Statement showing holding of securities of persons belonging to the "Public" category as on June 30, 2021:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
<b>B1) Institutions</b>	<b>21</b>	<b>1,18,276</b>	<b>1,18,276</b>	<b>1.31</b>	<b>1,18,276</b>	<b>1.31</b>	<b>20,037</b>
Mutual Funds/	13	66,741	66,741	0.74	66,741	0.74	252
Financial Institutions/ Banks	04	406	406	0.00	406	0.00	156
Insurance Companies	04	51,129	51,129	0.57	51,129	0.57	19,629
<b>Sub Total B1</b>	<b>21</b>	<b>1,18,276</b>	<b>1,18,276</b>	<b>1.31</b>	<b>1,18,276</b>	<b>1.31</b>	<b>20,037</b>
<b>B2) Central Government/ State Government(s)/ President of India</b>	-	-	-	-	-	-	-

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
<b>B3) Non-Institutions</b>	<b>23,979</b>	<b>41,35,294</b>	<b>41,35,294</b>	<b>45.95</b>	<b>41,35,294</b>	<b>45.95</b>	<b>14,12,478</b>
Individual share capital upto Rs. 2 Lacs	22,058	34,08,606	34,08,606	37.87	34,08,606	37.87	10,07,484
Individual share capital in excess of Rs. 2 Lacs	06	1,94,155	1,94,155	2.16	1,94,155	2.16	1,94,155
Any Other	1,915	5,32,533	5,32,533	5.92	5,32,533	5.92	2,10,839
Bodies Corporate	148	1,22,443	1,22,443	1.36	1,22,443	1.36	17,185
Trusts	01	100	100	0.00	100	0.00	100
Non-Resident Indian (NRI)	1,726	2,65,125	2,65,125	2.95	2,65,125	2.95	48,689
HUF	38	33,815	33,815	0.38	33,815	0.38	33,815
Overseas Corporate Bodies	02	1,11,050	1,11,050	1.23	1,11,050	1.23	1,11,050
<b>Sub-total B3</b>	<b>23,979</b>	<b>41,35,294</b>	<b>41,35,294</b>	<b>45.95</b>	<b>41,35,294</b>	<b>45.95</b>	<b>14,12,478</b>
<b>B= B1+B2+B3</b>	<b>24,000</b>	<b>42,53,570</b>	<b>42,53,570</b>	<b>47.26</b>	<b>42,53,570</b>	<b>47.26</b>	<b>14,32,515</b>

(v) Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchanges:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Kamal Babbar	12,16,500	13.5167
2.	Anita Kumaran	1,18,296	1.3144
3.	Kaavya Sharath Jagannathan	1,18,236	1.3137
4.	S Balasubramanian	1,03,296	1.1477
5.	Subasri Realty Private Limited	16,85,539	18.7282
6.	Gay Travels Private Limited	5,91,506	6.5723
7.	Yessir Holdings and Investments Pvt Ltd	3,72,412	4.1379
8.	Sovereign Media Marketing Private Limited	1,95,718	2.1746
9.	Euro American Holdings Ltd	96,050	1.0672
	<b>Total</b>	<b>44,97,553</b>	<b>49.9727</b>

(vi) Details of shares locked-in, pledged, encumbrance by promoters and promoter group:

As on date of this Letter of Offer, none of the Equity Shares held by our Promoter or the members of our Promoter Group are locked-in, pledged or otherwise encumbered.



## ARUNA HOTELS LIMITED

Aruna Hotels Limited (“Company” or “Issuer”) was originally incorporated as ‘Aruna Sugars Limited’ on September 09, 1960 as a public limited company under the provision of Companies Act, 1956 with the Registrar of Companies, Madras (“RoC”). The name of our Company was changed to ‘Aruna Sugars & Enterprises Limited’ and the Registrar of Companies, Tamil Nadu issued a fresh certificate of incorporation dated July 03, 1986. Thereafter, pursuant to a special resolution of our Shareholders passed in the annual general meeting dated September 28, 2000 the name of our Company was changed to ‘Aruna Sunrise Hotels Limited’ and a fresh certificate of incorporation dated October 25, 2000 was issued to our Company by the Registrar of Companies, Chennai at Tamil Nadu. Subsequently, pursuant to the special resolution of our Shareholders passed in the annual general meeting dated September 30, 2002, the name of our Company was changed to ‘Aruna Hotels Limited’ and a fresh certificate of incorporation dated January 14, 2003 was issued to our Company by the Assistant Registrar of Companies, Chennai at Tamil Nadu. The registered office of our Company was originally located at Dhun Building, 175/1 Mount Road, Madras – 600 002, Tamil Nadu, India, thereafter pursuant to a resolution passed by our Board of Directors on March 15, 1972, it was changed to 5th floor, Mecco House, 11A/1, Mount Road, Madras – 600 002, Tamil Nadu, India. Pursuant to a resolution passed by our Board of Directors dated April 30, 1976, the registered office of our Company was changed to Aruna Centre, 26, Sterling Road, Nungambakkam, Madras 600 034, Tamil Nadu, India. Subsequently, pursuant to a resolution passed by our Board of Directors dated August 03, 1978 the registered office of our Company was changed to Aruna Centre, 145, Sterling Road, Nungambakkam Madras - 600 034, Tamil Nadu, India.

**Registered Office:** Aruna Centre, 145, Sterling Road, Nungambakkam, Chennai – 600 034, Tamil Nadu, India, **Tel:** +91 44 2530 3404;

**Contact Person:** Lakshmi Kumar, Company Secretary and Compliance Officer; **E-mail:** [cs@ah Chennai.com](mailto:cs@ah Chennai.com);

**Website:** [www.arunahotels.com](http://www.arunahotels.com); **Corporate Identification Number:** L15421TN1960PLC004255

### OUR PROMOTER: S. BALASUBRAMANIAN ADITYAN

FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF ARUNA HOTELS LIMITED (“OUR COMPANY” OR “THE ISSUER”) ONLY

WE HEREBY CONFIRM THAT NEITHER OUR PROMOTER NOR OUR DIRECTORS IS A WILFUL DEFAULTER AS ON DATE OF THIS LETTER OF OFFER

ISSUE OF UP TO 2,49,00,000 EQUITY SHARES WITH A FACE VALUE OF ₹ 10/- EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10/- PER EQUITY SHARE (THE “ISSUE PRICE”) FOR AN AMOUNT AGGREGATING UP TO ₹ 2,490 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 83 (EIGHTY THREE) RIGHTS EQUITY SHARE(S) FOR EVERY 30 (THIRTY) FULLY PAID UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, JULY 23, 2021 (THE “ISSUE”). THE ISSUE PRICE IS 01 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 166 OF THIS LETTER OF OFFER.

### GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (SEBI), nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. Specific attention of the Investors is invited to the statements in the section titled “Risk Factors” beginning on page 21 of this Letter of Offer.

### ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and this Issue which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The existing Equity Shares of our Company are listed only on BSE Limited (“BSE”). Our Company has received ‘in-principle’ approval from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue *vide* its letter dated October 27, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

### LEAD MANAGER TO THE ISSUE



#### SAFFRON CAPITAL ADVISORS PRIVATE LIMITED

605, Center Point, 6<sup>th</sup> floor,  
Andheri Kurla Road, J. B. Nagar,  
Andheri (East), Mumbai - 400 059,  
Maharashtra, India.

**Telephone:** +91 22 4082 0914/0915

**Facsimile:** +91 22 4082 0999

**E-mail:** [rights.issue@saffronadvisor.com](mailto:rights.issue@saffronadvisor.com)

**Website:** [www.saffronadvisor.com](http://www.saffronadvisor.com)

**Investor grievance:** [investorgrievance@saffronadvisor.com](mailto:investorgrievance@saffronadvisor.com)

**Contact Person:** Amit Wagle / Gaurav Khandelwal

**SEBI Registration Number:** INM 000011211

**Validity of Registration:** Permanent

### REGISTRAR TO THE ISSUE



#### CAMEO

#### CAMEO CORPORATE SERVICES LIMITED

Subramanian Building,  
No. 01, Club House Road,  
Chennai- 600 002,  
Tamil Nadu, India.

**Telephone:** +91044 4002 0700/ 0710/ 2846 0390

**Facsimile:** N.A.

**Email:** [cameo@cameoindia.com](mailto:cameo@cameoindia.com) / [priya@cameoindia.com](mailto:priya@cameoindia.com)

**Website:** [www.cameoindia.com](http://www.cameoindia.com)

**Investor grievance e-mail:** [investor@cameoindia.com](mailto:investor@cameoindia.com)

**Contact Person:** Sreepriya K.

**SEBI Registration No.:** INR000003753

**Validity of Registration:** Permanent

### ISSUE PROGRAMME

ISSUE OPENS ON

WEDNESDAY, SEPTEMBER 29, 2021

LAST DATE FOR ON MARKET RENUMCINATION

FRIDAY, OCTOBER 8, 2021

ISSUE CLOSES ON

WEDNESDAY, OCTOBER 13, 2021

// Certified true copy //  
K. Lakshmi

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## OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Part repayment or prepayment of unsecured loans availed by our Company from the Promoter Group; and
2. General corporate purposes.

(collectively, referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

### Details of objects of the Issue

The details of objects of the Issue are set forth in the following table:

Particulars	Amount
Part repayment or prepayment of unsecured loans brought in by the Promoter and Promoter Group	2,050
General corporate purposes	400
Issue related expenses	40
<b>Gross proceeds from the Issue</b>	<b>2,490</b>

### Requirement of Funds

The details of the Net Proceeds are set forth in the following table:

Particulars	Amount
Gross Proceeds from the Issue	2,490
Less: Issue related expenses	40
<b>Net Proceeds from the Issue</b>	<b>2,450</b>

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### Utilization of Net Proceeds

Our Company intends to utilize the Net Proceeds for the following objects:

Sr. No.	Particulars	Estimated Amount to be utilized
1.	Part repayment or prepayment of unsecured loans brought in by the Promoter and Promoter Group	2,050
2.	General corporate purposes	400
<b>TOTAL</b>		<b>2,450</b>

### Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2021-22.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding

requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

### Details of the objects of the Issue

The details in relation to objects of the Issue are set forth herein below.

#### 1. Repayment/pre-payment, in full or part, of certain identified unsecured loans availed by our Company from members of the Promoter Group

Our Company proposes to utilize an estimated amount of ₹ 2,050 lakhs from the Net Proceeds of the Issue towards repayment/prepayment, in full or in part, of certain identified unsecured loans availed by our Company from members of the Promoter Group.

Our Company, in order to renovate its Hotel premises and to meet expenses incurred in the ordinary course of business, was in need of finance. On account of difficulty in raising financial support from banks/financial institutions, our Company had raised finance by way of unsecured loans taken from the members of the Promoter Group. The following table provides details of the relevant terms of the unsecured loans that have been availed by our Company from the members of the Promoter Group, out of which we may repay/prepay, in full or in part, any or all of its respective loans/facilities, without any obligation to pay/repay any particular lender in priority to the other:

(₹ in lakhs)					
Sr. No.	Name of the Lender	Amount Sanctioned (Rs.)	Principal Amount availed and outstanding as on March 31, 2021	Repayment Terms	Purpose of the Loan*
1.	Subasri Realty Private Limited ("SRPL")	730.00	351.00	The Company is liable to pay interest @12% p.a. till the date of settlement of the loan amount.	For renovation of Hotel, paying out the liabilities and for any other expenses and to establish modern facilities in the Hotel building and to develop business.
2.	Gay Travels Private Limited ("GTPL")	2,119.56	1,660.72	The Company is liable to pay interest @12% p.a. till the date of settlement of the loan amount.	For renovation of Hotel, paying out the liabilities and for any other expenses and to establish modern facilities in the Hotel building and to develop business.
3.	Malar Publications Private Limited ("MPPL")	1,147.00	491.89	The Company is liable to pay interest @12% p.a. till the date of settlement of the loan amount.	For renovation of Hotel, paying out the liabilities and for any other expenses and to establish modern facilities in the Hotel building and to develop business.
<b>Total</b>		<b>3996.56</b>	<b>2503.61</b>		

\*Certified by M/s Bala & Co., Chartered Accountants, vide their certificate dated July 16, 2021. Further, M/s. Bala & Co., Chartered Accountants, our Statutory Auditor have certified that these borrowing have been utilized for the purposes for which they were availed, as provided in the relevant loan agreements.

We believe that part or full repayment/prepayment of our unsecured loans shall result in an increase in the Net Worth of our Company. This would lead to strengthening of the balance sheet of our Company.



A total amount of ₹ 3,996.56 lakhs has been sanctioned as unsecured loans from our Promoter Group Companies mentioned in the table above of which an amount of ₹ 2503.61 lakhs remains outstanding as of March 31, 2021. Our Company intends to partly or fully repay or pre-pay ₹2,050 lakhs to these Promoter Group Companies through this Issue, as per the details mentioned in the above table, and the said amount is proposed to be adjusted against the application money to be received by our Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from the members of Promoter Group, to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by the members of Promoter Group (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

Our Promoter and our Promoter Group members have undertaken to: (a) subscribe, jointly and severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group; and (b) subscribe to, either individually or jointly, with the Promoter or member of the Promoter Group, for Additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of Additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempted in terms of Regulation 10(4)(b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 10.14/-.

#### **Interest of Promoter and Directors to the objects of the Issue**

SRPL, GTPL, RPPL and MPPL have *vide* their letters dated September 14, 2020, confirmed that an amount of ₹ 2,050 lakhs, which has been identified as the part of the unsecured loans which have to be repaid to our Promoter Group Companies through this Issue, shall be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from SRPL, GTPL and RPPL and MPPL our Promoter Group Companies, to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by our above-mentioned Promoter Group Companies for the unsubscribed portion, (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

## **2. General Corporate Purposes**

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes is not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

## **3. Issue expenses**

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses have been certified by M/s Bala & Co., Chartered Accountants, the Statutory Auditor of our Company *vide* their certificate dated July 16, 2021. The estimated Issue expenses are as follows:

Particulars	Amount (₹ in lakhs)	As a percentage of total expenses	As a percentage of Issue size#
Fees of the Lead Managers, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	32	80.00	1.29
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	7	17.50	0.28
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	1	2.50	0.04
<b>Total estimated Issue expenses*^</b>	<b>40</b>	<b>100</b>	<b>1.61</b>

\* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

^Excluding taxes

#Assuming full subscription.

### Interim use of funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

### Appraisal and Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

### Monitoring of utilization of funds

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

### Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment/prepayment of certain unsecured loans availed by our Company from the Promoter Group members and payments made in the ordinary course of business, there are no material existing or anticipated transaction.

## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com) from the date of this Letter of Offer until the Issue Closing Date.

### **1. Material Contracts for the Issue**

- (i) Issue Agreement dated September 14, 2020 entered into between our Company and the Lead Manager.
- (ii) Registrar Agreement dated September 14, 2020 entered into amongst our Company and the Registrar to the Issue.
- (iii) Escrow Agreement dated June 17, 2021 amongst our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.

### **2. Material Documents**

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Certificate of incorporation dated September 09, 1960.
- (iii) Fresh certificate of incorporation dated July 03, 1986 pursuant to change of name of our Company to 'Aruna Sugars & Enterprises Limited'.
- (iv) Fresh certificate of incorporation dated October 25, 2000 pursuant to change of name of our Company to 'Aruna Sunrise Hotels Limited'.
- (v) Fresh certificate of incorporation dated January 14, 2003 pursuant to change of name of our Company to 'Aruna Hotels Limited'.
- (vi) Resolution of the Board of Directors dated August 05, 2020 in relation to the Issue.
- (vii) Resolution of the Rights Issue Committee dated September 14, 2020 approving and adopting the Draft Letter of Offer.
- (viii) Resolution of the Board of Directors dated July 16, 2021 and September 17, 2021 approving and adopting this Letter of Offer and fixing of Record Date.
- (ix) Resolution of our Board dated July 13, 2021, finalizing the terms of the Issue including Issue Price and the Rights Entitlement Ratio.
- (x) Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager, Bankers to the Issue, Legal Advisor, the Registrar to the Issue for inclusion of their names in the Letter of Offer in their respective capacities.
- (xi) The examination reports dated July 16, 2021 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Letter of Offer.
- (xii) Statement of Tax Benefits dated July 16, 2021 from the Statutory Auditor included in this Letter of Offer.
- (xiii) Tripartite Agreement dated April 19, 2017 between our Company, NSDL and the Registrar to the Issue.
- (xiv) Tripartite Agreement dated April 18, 2017 between our Company, CSDL and the Registrar to the Issue.

- (xv) Due Diligence Certificate dated July 16, 2021 addressed to SEBI from the Lead Manager.
- (xvi) In principle listing approvals dated October 27, 2020 issued by BSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Board, pursuant to its resolution dated August 05, 2020, authorised the Issue under Section 62(1) (c) of the Companies Act, 2013.

Our Board has, at its meeting held on July 13, 2021, determined the Issue Price as ₹ 10 per Rights Equity Share in consultation with the Lead Manager, and the Rights Entitlement as 83 (eighty three) Rights Equity Share(s) for every 30 (thirty) Equity Share(s) held on the Record Date, i.e. Friday, July 23, 2021.

Our Company has received 'in-principle' approval for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, *vide* letter dated October 27, 2020 issued by BSE for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoter are associated with the securities market in any manner. Further, there is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### **Prohibition by RBI**

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### **Compliance with Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

### **Eligibility for the Issue**

Our Company is a listed company, incorporated under the erstwhile Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

### **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

**DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS LETTER OF OFFER TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS LETTER OF OFFER. THE LEAD MANAGER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (“SEBI ICDR REGULATIONS”). THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 17, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS, WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS LETTER OF OFFER PERTAINING TO THE ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
  - a) THIS LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - b) ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - c) THE MATERIAL DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, TO THE EXTENT APPLICABLE, SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE.
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’

CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER – NOT APPLICABLE.

6. WE CERTIFY THAT REGULATION 15 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE LETTER OF OFFER – NOT APPLICABLE.
7. WE UNDERTAKE THAT SUB-REGULATION (3) OF REGULATION 14 AND CLAUSE I AND (D) OF SUB-REGULATION (9) OF REGULATION 25 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE.
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE CREDITED/TRANSFERRED IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40(3) OF THE COMPANIES ACT, 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 90 OF THE SEBI ICDR REGULATIONS, AS AMENDED.
9. WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE "MAIN OBJECTS" IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST 10 YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION-. - COMPLIED TO THE EXTENT APPLICABLE.
10. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:
  - a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY. AS ON THE DATE OF THIS LETTER OF OFFER, OUR COMPANY HAS NOT ISSUED ANY SR EQUITY SHARES AND THERE ARE NO OUTSTANDING SR EQUITY SHARES; AND
  - b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
11. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS, AS AMENDED WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE.

12. **WE CONFIRM THAT THE ISSUER IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS – NOT APPLICABLE.**
13. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER’S EXPERIENCE, ETC.- COMPLIED WITH.**
14. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.- COMPLIED WITH.**

**THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS LETTER OF OFFER.**

#### **Disclaimer from our Company, our Directors and the LM**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in the advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information, including our Company’s website [www.arunahotels.com/](http://www.arunahotels.com/) or the respective websites of our Promoter Group or an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

#### **Disclaimer in respect of Jurisdiction**

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Chennai, India only.

#### **Disclaimer Clause of BSE**



BSE Limited (“**the Exchange**”) has given *vide* its letter dated October 27, 2020, permission to our Company to use the Exchange’s name in this Letter of Offer as the Stock Exchange on which our Company’s securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- ii. Warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- iii. Take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

### **Designated Stock Exchange**

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

### **Listing**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

### **Selling Restrictions**

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any

provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

#### **NO OFFER IN THE UNITED STATES**

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such CAF.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN,

PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

### **Consents**

Consents in writing of: our Directors, the Lead Manager, legal advisor, the Registrar to the Issue and the Bankers to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Our Company has received written consent dated July 16, 2021 from our Statutory Auditor, namely, M/s. Bala & Co., Chartered Accountants for inclusion of their report, dated July 16, 2021 on the Restated Financial Information in this Letter of Offer and to include their name in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated July 16, 2021 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer.

### **Expert Opinion**

Our Company has received written consent dated July 16, 2021 from our Statutory Auditor, namely, M/s. Bala & Co., Chartered Accountants to include their name as required in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to its examination report, dated July 16, 2021 on the Restated Financial Information and the Statement of Tax Benefits dated July 16, 2021 and such consent has not been withdrawn as of the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by M/s. Bala & Co., Chartered Accountants, our Company has not obtained any expert opinions.

### **Performance vis-à-vis objects – Public/Rights Issue of our Company**

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer.

### **Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates**

Our Company does not have any subsidiaries or associate companies as on the date of this Letter of Offer.

### **Stock Market Data of the Equity Shares**

Our Equity Shares are listed on BSE. Our Equity Shares are infrequently traded on BSE. For details in connection with the stock market data of the BSE, please refer to the chapter titled "*Market Price Information*" on page 149 of this Letter of Offer.

### **Filing**

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with BSE Limited and not with SEBI. However, this Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. MCS Share Transfer Agent Limited is our Registrar and Share Transfer Agent and all investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer. We have appointed Cameo Corporate Services Limited as the Registrar to the Issue and all investor grievances which shall be received by us with respect to this Issue shall be handled by the said Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

### **Investor Grievances arising out of this Issue**

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process or the optional mechanism R-WAP process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process) or amount debited (in case of the R-WAP process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process) and copy of the e-acknowledgement (in case of the R-WAP process). For details on the ASBA process and R-WAP, see “*Terms of the Issue*” beginning at page 166 of this Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

#### **Registrar to the Issue**

#### **Cameo Corporate Services Limited**

Subramanian Building,  
No. 01, Club House Road,  
Chennai- 600 002,  
Tamil Nadu, India.

**Telephone:** +91044 4002 0700/ 0710/ 2846 0390

**Facsimile:** N.A.

**E-mail:** [cameo@cameoindia.com](mailto:cameo@cameoindia.com)/ priya@cameoindia.com

**Website:** [www.cameoindia.com](http://www.cameoindia.com)

**Investor Grievance e-mail:** investor@cameoindia.com

**Contact Person:** Sreepriya K.

**SEBI Registration No.:** INR000003753

**CIN:** U67120TN1998PLC041613

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Lakshmi Kumar is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

Aruna Centre, 145, Sterling Road,  
Nungambakkam, Chennai – 600 034,  
Tamil Nadu, India.

**Telephone:** +91 44 2530 3404

**Website:** [www.arunahotels.com](http://www.arunahotels.com)

**E-mail:** cs@ahlchennai.com

BEFORE THE HON'BLE COMPANY LAW BOARD  
SOUTHERN REGIONAL BENCH AT CHENNAI

C. P. NO. Of 2014

In the matter of the Companies Act, 1956:  
And  
In the matter of:  
Section 235, 237 (6), 397, 398, 402 and 403  
and other relevant provisions of the said Act:

AND

IN THE MATTER OF:  
M/s. ARUNA HOTELS LIMITED

A Company incorporated under  
the provisions of the Companies Act, 1956 having its registered office at  
No. 145, Sterling Road,  
Nungambakkam, Chennai 600034.

- 1) M/s Subasri Realty Private Ltd  
86, Periyar E.V.R High Road,  
Chennai 600007
- 2) M/s. Gay Travels (P) Ltd,  
New No.99/16, Old No.61,  
Uthamar Gandhi Salai,  
Chennai 600034.
- 3) M/s. Sovereign Media Marketing Pvt Ltd,  
86, Periyar E.V.R High Road,  
Chennai 600007.
- 4) M/s. Rani Printers (P) Ltd,  
86, Periyar E.V.R High Road,  
Chennai 600007

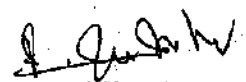
Petitioners 1 to 4 represented by  
Mr. B. Rabu Manohar, authorised by  
Power of Attorney dated 11/03/14  
executed by the Board of Directors  
of the Petitioner companies

... Petitioners

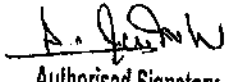
Versus

1. M/s Aruna Hotels Limited,  
A Company incorporated under the provisions  
of the Companies Act, 1956, having its  
Registered office at No. 145, Sterling Road,  
Nungambakkam, Chennai-600034.

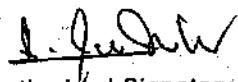
For SUBASRI REALTY PRIVATE LIMITED

  
Authorised Signatory.

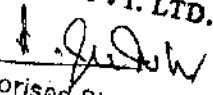
For SOVEREIGN MEDIA MARKETING PVT. LTD.

  
Authorised Signatory

For Gay Travels Pvt Ltd

  
Authorised Signatory

For RANI PRINTERS PVT. LTD.

  
Authorised Signatory

2. Mr. Sivaraman,  
Chairman and Managing Director of  
M/s Aruna Hotel Limited  
Residing at No. 4-A, II Main Road  
Thiruvalluvar Nagar, Tiruvanmiyur  
Chennai 600041.

3. Mr. Karthik P. Sivaram  
S/o Mr. Sivaraman  
Executive Director of M/s Aruna Hotel Limited  
Residing at New no. 12, Old No.10,  
14<sup>th</sup> Avenue, Harrington Road,  
Chennai 600031.

4. Mr. C.L. Ravichandran,  
No.19/6, Vasu Street,  
Chennai – 600 010

5. Mr. S. Kalyanam  
2nd floor,  
20/09, Sadasivam Stret,  
Chennai – 600 014

6. Mr. Kamal Babbar,  
S/o late Mr. Ram Prakash Babbar,  
Residing at No.33, Kasthuri Avenue,  
M.R.C. Nagar, Chennai 600028.

... Respondents

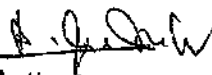
**PETITION FILED U/S 397, 398, 402, 235 AND 237(b) OF  
THE COMPANIES ACT 1956.**

**1. PARTICULARS OF THE COMPANY:**

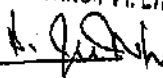
**(a) Name of the Company:**

Aruna Hotels Limited (hereinafter referred to as "The Company") is a Public listed Company which was initially incorporated under the name of "ARUNA SUGARS LIMITED" under the Companies Act, 1956 on 09.09.1960. The name of the Company was thereafter changed to "ARUNA SUGARS AND ENTERPRISES LIMITED" with effect from 03.07.1980. With effect from 25.10.2000, the name of the Company was once again changed to "ARUNA SUNRISE HOTELS LIMITED". With effect from 14.01.2003, the name of the Company was finally changed to "ARUNA HOTELS LIMITED" which is its present name.

For RANI PRINTERS PVT. LTD.

  
Authorised Signatory

For SOVEREIGN MEDIA MARKETING PVT. LTD.

  
Authorised Signatory

For SUBASRI REALTY PRIVATE LIMITED

  
Authorised Signatory

For Gay Travels Pvt Ltd

  
Authorised Signatory

**(b) Registered office of the Company**

The Registered office of the Company as per the records of the Ministry of Corporate Affairs is No.145, Sterling Road, Nungambakkam, Chennai-600034 from where the Company operates as present.

**II. PARTICULARS OF THE PETITIONERS:**

- i) The 1<sup>st</sup> Petitioner is M/s Subasri Realty Private Ltd, a Private Limited Company having its Registered office at 86, Periyar E.V.R High Road, Chennai 600007.
- ii) The 2<sup>nd</sup> Petitioner is M/s Gay Travels (P) Ltd, a Private Limited Company having its Registered office at New No.99/16, old No.61, Uthamar Gandhi Salai, Chennai – 600 034.
- iii) The 3<sup>rd</sup> Petitioner is Sovereign Media Marketing Pvt Ltd, a Private Limited Company having its Registered office at 86, Periyar E.V.R High Road, Chennai – 600 007.
- iv) The 4<sup>th</sup> Petitioner is Rani Printers (P) Ltd, a Private Limited Company having its Registered office at 86, Periyar E.V.R High Road, Chennai – 600 007.

The Petitioners 1 to 4 have individually executed power of attorney's all dated 11/03/14 in favour of Mr.B.Rabu Manohar authorising him to file this petition on behalf of the Petitioners.

The Address for services of all Notices and other processes on the Petitioners is that of their Counsel, M/s. Gupta & Ravi, Advocates, 'Sreyas Shreenivasam' II floor, No.163, Luz Church Road, Mylapore, Chennai 600004.

**III. PARTICULARS OF THE RESPONDENTS:**

1. The particulars of the 1<sup>st</sup> respondent Company are as stated in Para I (a) above.
2. The 2<sup>nd</sup> respondent is Mr. M.Sivaram, S/o. Late Dr. P. Maruthai Pillai, aged about 60 years, residing at No. 4-A, II Main Road, Thiruvalluvar Nagar, Tiruvanmiyur Chennai 600041 Mr. M.Sivaram is the Chairman and the Managing Director of the 1<sup>st</sup> respondent Company.

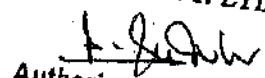
For SOVEREIGN MEDIA MARKETING PVT. LTD.

  
Authorised Signatory

For SUBASRI REALTY PRIVATE LIMITED

  
Authorised Signatory

For RANI PRINTERS PVT. LTD.

  
Authorised Signatory

For Gay Travels Pvt Ltd

  
Authorised Signatory

3. The 3<sup>rd</sup> respondent is Mr. Karthik P. Sivaram, S/o Mr. M.Sivaram, aged about 35 years, residing at New no.12, Old No.10, 14<sup>th</sup> Avenue, Harrington Road, Chennai 600031. The 3<sup>rd</sup> respondent is the son of the 2<sup>nd</sup> respondent. The 3<sup>rd</sup> respondent is the Executive Director of the Company.
4. The 4<sup>th</sup> respondent is Mr.C.L..Ravichandran, residing at No.19/6, Vasu Street, Chennai – 600 010
5. The 5<sup>th</sup> respondent is Mr.S.Kalyanam is residing at 2nd floor, 20/09, Sadasivam Street, Chennai – 600 014.
6. The 6<sup>th</sup> respondent is Mr. Kamal Babbar, son of Late Mr. Ram Prakash Babbar, aged 60 years and residing at No.33, Kasthuri Avenue, M.R.C. Nagar, Chennai 600028. The 6<sup>th</sup> respondent was appointed as the Joint Managing Director of the 1<sup>st</sup> respondent company on 29/01/10 and was holding the position till he retired in July 2013. He holds 12,00,000 equity shares of Rs.10/- each amounting to 9.9348% of the issued share capital of the 1<sup>st</sup> respondent company.

#### IV. JURISDICTION OF THE BENCH:

The Petitioner submits that the subject matter of the Petition is within the jurisdiction of this Hon'ble Bench as the registered office of the first Respondent Company is situated within the State of Tamil Nadu and therefore this Hon'ble Bench has jurisdiction to decide the subject matter of this Company Petition.

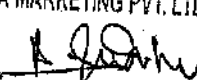
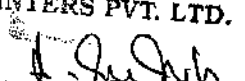

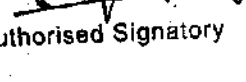
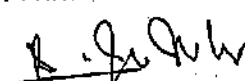
#### V. LIMITATION:

The Petitioner submits that the provisions of the limitation act are not applicable to this Company Petition. In any event all illegal and mala fide acts complained of continue till date and hence this Petition is within time.

#### VI. FACTS OF THE CASE

The Petitioner above named most respectfully submits as follows.

1. The 1<sup>st</sup> respondent company had been involved in diverse business activities including sugar mills and it owns a business class hotel at

For SOVEREIGN MEDIA MARKETING PVT. LTD.	For SUBASRI REALTY PRIVATE LIMITED
 For RANI PRINTERS PVT. LTD.  Authorized Signatory	 For Gay Travels Pvt Ltd  Authorized Signatory
	 Authorized Signatory



No.144/145 Sterling Road, Chennai 600034. The objects, share capital and the composition of Board of Directors of the 1st respondent company are as follows: -

a) **Objects of the Company**

*As Incorporated:*

The Objects of the Company were *inter alia*:

- (i) to carry on the business of sugar boilers, manufacture of sugar, sugar boilers, manufacturers and refiners and dealers in sugar of all varieties and kinds and its by-products, distillers and spirit merchants.
- (ii) to carry on all or any of the business of hotels, restaurants, cafes, taverns, refreshment rooms, lodging and/or boarding houses, motels, travelers, inns, tourist bungalows, guest houses, conference and trade centres, dressing rooms and laundries, clubs, bars and beer houses, wine, beer and spirit merchants, licenses victuallers, purveyors and caterers for public amusement.

and such other objects enumerated in the object clause of the Memorandum of Association of the Company.

*Now:*

The Company is left with no other business now and presently is engaged in running a hotel under the banner of "Fortune Park Aruna Hotels" which is a business class hotel located at a prime and vantage location at 145, Sterling Road, Nungambakkam, Chennai 600034.

A copy of the Memorandum and Articles of Association and the Certificate of Incorporation are enclosed as "Annexure-A" to this petition.

b) **Share Capital of the Company as existing:**

As per the audited Balance Sheet of the Company which is marked as Annexure-Z as at 31.03.2011 its share capital is as under

**SHARE CAPITAL:**

Authorised:

2,40,00,000 Equity Shares of Rs. 10/- each

24,00,00,000

For SOVEREIGN MEDIA MARKETING PVT. LTD.

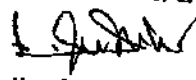
For SUBASRI REALTY PRIVATE LIMITED

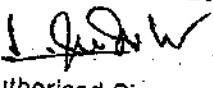
  
Authorised Signatory

  
Authorised Signatory

For RANI PRINTERS PVT. LTD.

For Gay Travels Pvt Ltd

  
Authorised Signatory

  
Authorised Signatory

8,00,000 Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	8,00,00,000
<b>Total Authorised Capital</b>	<b>32,00,00,000</b>
Issued, Subscribed and Paid Up: 90,00,000 Equity Shares including 6,90,000 shares of Rs. 10/- each allotted by capitalization of reserves and share premium	9,00,00,000
Less: Calls-in-arrears	2,13,000
<b>TOTAL (A)</b>	<b>8,97,87,000</b>
60,000 14% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	60,00,000
50,000 17.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	50,00,000
2,00,000 16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	2,00,00,000
<b>TOTAL (B)</b>	<b>3,10,00,000</b>
<b>GRAND TOTAL (A) + (B)</b>	<b>12,07,87,000</b>

Of the above said details, 2,00,000, 16.5% Redeemable Cumulative Taxable preference shares of Rs. 100 each had been redeemed even as early as 2005 and the same amount had been shifted to the creditors column of the balance sheet. However, the Board of Directors have since not reflected the same in the balance sheet of the company over the years. The same is also an act of mismanagement, which is complained of in the above petition. A copy of the Annual Report for the year 2010-11 is enclosed as **Annexure-B**.

2. The 1<sup>st</sup> Petitioner holds 8,40,000 Equity shares of Rs. 10 each in the 1<sup>st</sup> Respondent Company. The share certificates issued in favour of the petitioner and the statement of holdings issued by Stock Holding Corporation of India Ltd as of 8<sup>th</sup> march 2014 are filed as the proof for shareholding of the 1<sup>st</sup> Petitioner and marked as **Annexure-C**.

For SUBASRI REALTY PRIVATE LIMITED

For SOVEREIGN MEDIA MARKETING PVT. LTD.

Authorised Signatory

Authorised Signatory

For Gay Travels Pvt Ltd

Authorised Signatory

For RANI PRINTERS PVT. LTD.

Authorised Signatory

The 2nd Petitioner holds 2,04,348 Equity shares of Rs.10 each in the 1<sup>st</sup> Respondent Company. The share certificates issued in favour of the 2nd petitioner and marked as **Annexure-D**.

The 3<sup>rd</sup> Petitioner holds 1,95,718 Equity shares of Rs.10 each in the 1<sup>st</sup> Respondent Company. The statement of holdings issued by Stock Holding Corporation of India Ltd as of 8<sup>th</sup> march 2014 is filed as the proof for shareholding of the 3<sup>rd</sup> Petitioner and marked as **Annexure-E**.

The 4<sup>th</sup> Petitioner holds 16,000 Equity shares of Rs.10 each in the 1<sup>st</sup> Respondent Company. The share certificates issued in favour of the 4<sup>th</sup> Petitioner are filed as the proof for shareholding of the 4<sup>th</sup> Petitioner and marked as **Annexure-F**.

3. The Shareholding of the Petitioners in the 1<sup>st</sup> Respondent Company is as follows.

(a)	1st Petitioner	8,40,000	Shares
(b)	2nd Petitioner	2,04,348	Shares
(c)	3rd Petitioner	1,95,718	Shares
(d)	4th Petitioner	16,000	Shares

<b>Total Shares</b>	12,56,066	Shares
---------------------	-----------	--------

All the 4 Petitioners collectively holds more than 10% of the actual issued and paid-up capital of the company and are entitled to maintain the above petition.

4. **Composition of Board of Directors:**

The following persons presently constitute the Board of Directors of the Company:-

- i) Mr. M.Sivaram (2<sup>nd</sup> Respondent)- Vice-Chairman and M.D;
- ii) Mr. Karthik.P.Sivaram (3<sup>rd</sup> Respondent)- Executive Director;
- iii) Mr. S.Kalyanam (4<sup>th</sup> Respondent) and For SUBASRI REALTY PRIVATE LIMITED

For SOVEREIGN MEDIA MARKETING PVT. LTD.

For RANI PRINTERS PVT. LTD.

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Authorised Signatory

For Gay Travels Pvt Ltd

Authorised Signatory

Authorised Signatory

iv) Mr. C.L.Ravichandran (5<sup>th</sup> Respondent)

5. The 1<sup>st</sup> respondent company had over a period of time hived-off its interest in leather business and had been involved only with running of the business class hotel in the above address. The hotel was functioning well to its potential, as long as the same was managed by late Dr.P.Maruthai Pillai, father of the 2<sup>nd</sup> respondent. Late Dr.P.Maruthai Pillai was a reputed businessman and was respected very well in the society.

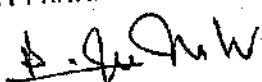
6. After the demise of Dr.P.Maruthai Pillai, the 3<sup>rd</sup> respondent who is the son of the 2<sup>nd</sup> respondent was co-opted into the Board of Directors. The other directors of the company then, were also more or less the friends and relatives of the 2<sup>nd</sup> respondent. Ever since the 2<sup>nd</sup> respondent started managing the affairs of the hotel, the hotel had started facing steady decline. The 2<sup>nd</sup> respondent could never manage the hotel independently and had always been dependent on third party management agencies such as 'Quality Group of Hotels' and 'Tulip'. However, due to improper application of funds and various other internal factors, though the hotel was situated at a prime locality, the business of the hotel had been steadily falling.

7. The affairs of the business had touched its nadir in 2006-07 when the entire hotel was shut down. The company was not in a position to even pay the electricity dues and the electricity connection was disconnected owing to the huge outstanding to Electricity Board. The company had also huge statutory dues which were not paid over the years and was also facing severe crisis due to the outstanding amounts it owed to the banks and other creditors. The 2<sup>nd</sup> respondent had also borrowed heavily from various third parties and had been facing severe financial crisis. The 2<sup>nd</sup> respondent had absolutely no means to infuse funds into the company for its revival.

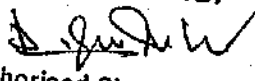
For SOVEREIGN MEDIA MARKETING PVT. LTD.

  
Authorized Signatory

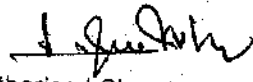
For SUBASRI REALTY PRIVATE LIMITED

  
Authorized Signatory

For RANI PRINTERS PVT. LTD.

  
Authorized Signatory

For Gay Travels Pvt Ltd

  
Authorized Signatory

8. It was at that point of time the 6<sup>th</sup> respondent was brought into the Board of Directors of the 1<sup>st</sup> respondent company in the year 2010 and was appointed as its Joint Managing Director. The 6<sup>th</sup> respondent also brought in funds for revival of the 1<sup>st</sup> respondent company and also to enable the 1<sup>st</sup> respondent company to avail a sum of Rs.16.50 Cores from Punjab National Bank. The 6<sup>th</sup> respondent has also given his personal guarantee for the said loan.

9. The affairs of the 1<sup>st</sup> respondent company started deteriorating from the year 2012 and it started committing default with almost all the statutory authorities. The 6<sup>th</sup> respondent who was appointed as the Joint Managing Director of the 1<sup>st</sup> respondent company used his contacts with ITC Hotels for lending its Fortune Brand to run the hotel. One of the important conditions made by ITC was that all the rooms and restaurants in the hotel had to be refurbished and all the statutory dues and liabilities are cleared. Though ITC had in principle agreed to partner with the company for running the hotel, the same was not made public and ITC had given time to the 1<sup>st</sup> respondent company to complete its other issues such as refurbishment and payment of statutory dues. ITC had in fact appointed a General Manager for overseeing the management of the hotel but had subsequently withdrawn the same in November 2011 on account of the failure by respondents 2 & 3 in bringing in further funds to complete the refurbishment.

10. M/s. Punjab National Bank have been the banker for the company and the company had been availing most of its loan from the said bank only. The Punjab National Bank had agreed to provide additional funds to the company vide its letter dated 08/08/11 on the company agreeing to provide an undertaking with regard to certain issues mentioned therein. One of the major conditions laid down by the bank was to ensure that there is no change in the management of the company. The copy of letter dated 08/08/11 was marked as

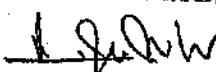
For SUBASRI REALTY PRIVATE LIMITED

For SOVEREIGN MEDIA MARKETING PVT. LTD.

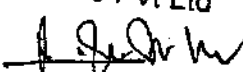
  
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Authorised Signatory

For RANI PRINTERS PVT. LTD.

  
Authorised Signatory

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**Annexure-N.** These conditions were once again repeated by M/s. Indian Overseas Bank when they had come forward to grant a term to the extent of Rs.3.00 Crores. The respondents for reasons best known to them were not keen on providing such an undertaking and this resulted in the bank's failure to come to the aid of 1<sup>st</sup> respondent company. In fact, Punjab National Bank had declared the account of the company as an NPA due to the outstanding not being cleared to its satisfaction. It is submitted that had the respondents agreed for a undertaking as sought for either by PNB or by IOB, the company would not have faced the issue of NPA.

11. The 1<sup>st</sup> respondent company had filed its Annual Returns till 31/03/2011 without any default. In the year 2012 the Petitioners were expecting the notice of Annual General Meeting along with Annual Report of the company. To their shock and surprise the Petitioners did not receive any notice about convening of Annual General Meeting nor the Annual Report of the company for the financial year ended 31<sup>st</sup> March 2012. At that stage the Petitioners came to know that the 6<sup>th</sup> respondent had moved the Hon'ble Company Law Board, Southern Regional Bench at Chennai and had filed C.P.86 of 2012 complaining oppression and mismanagement against respondents 1 to 3. The Petitioners later on came to know that the said petition was dismissed by the Hon'ble Company Law Board on the ground that the 6<sup>th</sup> respondent does not hold 10% of the paid up share capital of the company and hence does not fulfill the criterion for eligibility under Sec.399 of the Companies Act, 1956. It appears that the Company Appeal filed by the 6<sup>th</sup> respondent was also dismissed by the Hon'ble High Court of Madras on the very same ground.

12. The Petitioners who have been shareholders of the 1<sup>st</sup> respondent company for a very long period time were not aware of the proceedings initiated by the 6<sup>th</sup> respondent against the 1<sup>st</sup> respondent company. The Petitioners also

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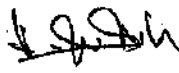
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came to know that subsequently in July 2013 the 6<sup>th</sup> respondent also ceased to be a Director of the company. At that stage the Petitioners started getting rumours about the various acts of mismanagement committed by respondents 2 and 3 and only when they enquired with the 6<sup>th</sup> respondent about the non-holding of Annual General Meeting and non-filing of Balance Sheet for the year ended 31<sup>st</sup> March 2012 they received startling information about the various acts of misfeasance and mismanagement committed by respondents 2 and 3 who were in-charge of the affairs of the 1<sup>st</sup> respondent company. The 6<sup>th</sup> respondent gave a copy of the Auditors Report dated 20/07/13 signed by the statutory Auditors of the 1<sup>st</sup> respondent company for the financial year ended 31<sup>st</sup> March 2012. The copy of Auditors Report dated 20/07/13 was marked as **Annexure-Y**. From the said Report the Petitioners were totally shocked to find that the 1<sup>st</sup> respondent company has committed default in remitting all the statutory dues which are detailed below: -

- (a) TDS on interest other than interest on securities.
- (b) TDS on salaries
- (c) TDS on Professional services
- (d) TDS on contractors bills
- (e) TDS on rent
- (f) TDS on advertisement
- (g) TDS on commission
- (h) Fringe Benefit Tax
- (i) Gratuity
- (j) Luxury Tax
- (k) Sales Tax
- (l) ESI
- (m) PF
- (n) Service Tax
- (o) Profession Tax
- (p) Property Tax and
- (q) Water Tax

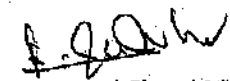
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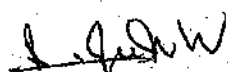
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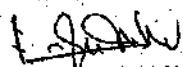
13. The Petitioners were also shocked to find that the company had suffered huge loss of nearly Rs.1.80 Crores for the year ended 31<sup>st</sup> March 2012 and quite inexplicably though the revenue from operations had increased during the period from 01/04/11 to 31/03/12 by nearly 80%, there was huge increase in the expenses resulting in the company suffering huge loss during the said financial year. The Petitioners only after enquiring with the 6<sup>th</sup> respondent came to know about the serious nature of the allegations made by the 6<sup>th</sup> respondent against respondents 1 to 3 in the manner in which the affairs of the company were being held.

14. The 1<sup>st</sup> respondent had, in fact, not only defaulted in holding the Annual General Meeting during 2012, they also failed to hold Annual General Meeting for the year 2013 and quite surprisingly the audited balance sheet of the company though signed by the statutory Auditors for the period ended 31<sup>st</sup> March 2012, has not been filed with the Registrar of Companies and the fate of the balance sheet for the period ended 31<sup>st</sup> March 2013 is not known.

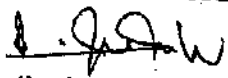
15. The Petitioners also came to know that the 1<sup>st</sup> respondent had defaulted in the loan availed from Punjab National Bank and the said Bank had initiated proceedings under the Securitisation Act, 2002.

16. When the Petitioners were contemplating initiating action against respondents 1 to 3 to protect their rights as shareholders, the 6<sup>th</sup> respondent along with another shareholder claiming to hold 10.03% of the total paid up capital of the company issued notice under Sec.100(4) of the Companies Act, 2013 corresponding to the earlier Sec.169(6) of the Companies Act, 1956 for convening Extraordinary General Meeting of the 1<sup>st</sup> respondent company on 09/11/13 at Hotel Savera at No.146, Radhakrishnan Salai, Mylapore, Chennai 600004. The copy of notice under Sec.100 (4) issued by the 6<sup>th</sup> respondent was marked as "Annexure-AA". The notice was for the purpose of removal of respondents 2 to 5 as Directors of the 1<sup>st</sup> respondent company and proposed

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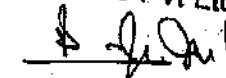
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appointment of Mr. B. Rabu Manohar, Mr. R. Ganapathi and Mr. S. Srinivasan as Directors of the company.

17. At that stage, the 3<sup>rd</sup> respondent claiming to represent the 1<sup>st</sup> respondent company filed C.S.751 of 2013 before the Hon'ble High Court of Madras for a declaration that the notice dated 13/08/13 issued by the 6<sup>th</sup> respondent to convene the EGM of the members of the 1<sup>st</sup> respondent company under Sec.169 of the Companies Act, 1956 to transact business by ordinary resolution as included in the said notice as illegal and contrary to the provisions of Sec.169 and 204 of the Companies Act, 1956 and Sec.100 of Companies Act, 2013; is non-est in law; for a permanent injunction restraining the 6<sup>th</sup> respondent from in any manner by themselves or by or through any other person convening any meeting of the 1<sup>st</sup> respondent company including the EGM as proposed in the notice dated 3/4-10-2013 pursuant to the request dated 13/08/13 to be held on 09/11/13 or on any other date and for a permanent injunction restraining the 6<sup>th</sup> respondent from in any manner interfering with the conduct of business with the plaintiff company. The copy of plaint filed in C.S. No.751 of 2013 was marked as "Annexure-BB". Along with the Suit O.A.870 of 2013 was also filed for an interim injunction restraining the 6<sup>th</sup> respondent and the other shareholders from by themselves or by or through any other person convening any meeting of the 1<sup>st</sup> respondent company including the EGM as proposed in the notice dated 3/4-10-2013 pursuant to the request dated 13/08/13 to be held on 09/11/13 pending disposal of the Suit. The copy of plaint filed in O.A. No.870 of 2013 was marked as "Annexure-CC" The Hon'ble High Court by order dated 08/11/13 directed the 6<sup>th</sup> respondent and the other shareholders not to implement the resolution of the meeting dated 09/11/13 until further orders of the Court. The Hon'ble High Court had only stayed the implementation of the resolution. The copy of order dated 08/11/13 was marked as "Annexure-DD"

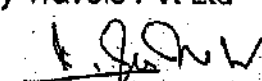
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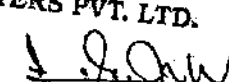
  
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18. The Petitioners went to the venue of the meeting on 09/11/13 and came to know that because of the threat made by respondents 2 and 3 the hotel authorities canceled permission to hold the meeting. Since the 6<sup>th</sup> respondent had come to know about the refusal of permission by the management of Hotel Savera, he had changed the venue to YMCA Building at NSC Bose Road, Chennai 600001. The shareholders who came to attend the meeting at Hotel Savera were provided transport to the changed venue at YMA Building and the meeting of the shareholders was held on 09/11/13 as scheduled. In the said meeting, which was attended by the representatives of the Petitioner company, all the resolutions were carried out unanimously. The Petitioners understand that 28,59,169 votes were cast in favour of all the resolutions. Considering the fact that the paid up capital of the 1<sup>st</sup> respondent was Rs.9 Cr. Comprising of 90 Lakhs equity shares of Rs.10/- each, shareholders representing 33% of equity capital have voted in favour of all the resolutions at the EGM.

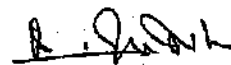
19. It may be relevant to note that respondents 2 to 5 for whose removal resolutions were passed at the EGM holds only 10.7% of the total paid up capital of the company. In view of the interim order granted by the Hon'ble High Court of Madras, the resolutions which were carried through in the EGM have not been implemented. The Petitioners also came to know that the proceedings before the Hon'ble High Court were getting postponed from time to time at the request of respondents 2 to 5.

20. In the meanwhile, the Petitioners came to know that Punjab National Bank had invoked Sec.13(4) of the SARFAESI Act, 2002 and have taken symbolic possession of the property of the Hotel premises at Sterling Road, Nungambakkam. The 1<sup>st</sup> respondent has also committed default in remittance of service tax with the result that the 3<sup>rd</sup> respondent was arrested and detained. This was widely published in all the major newspapers in Chennai. The Petitioners also came to know that the Corporation of Madras has issued notice

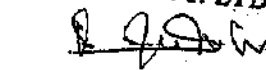
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under the Chennai City Municipal Corporation Act for initiating proceedings for recovery of arrears of property tax due and payable by the 1<sup>st</sup> respondent.

21. At that stage, the Petitioners reliably understand that respondents 1 to 5 have negotiated with a property developer for selling the only valuable asset of the 1<sup>st</sup> respondent company and have received advance and utilizing the same it appears that they have made part payment of the dues payable to Punjab National Bank.


22. The 1<sup>st</sup> respondent has let out a portion of its premises to four entities to run restaurants who pay huge amount of rent. Considering the fact that respondents 1 to 5 have illegally entered in to an agreement for sale of the property, the 1<sup>st</sup> respondent has issued notice to all the four tenants who are running the restaurants calling upon them to vacate the premises by 30<sup>th</sup> June 2014. They have also stopped booking rooms for any guests for the past two months and almost all the employees have been sent out and their dues are yet to be settled. The 1<sup>st</sup> respondent has also closed its coffee shop and Bar both of which were generating substantial revenue till date.

23. In addition to the above, the Petitioners also came to know about major acts of siphoning and mismanagement committed by the respondents. These acts are per se illegal and have oppressed the rights of the Petitioner as a shareholder of the 1<sup>st</sup> respondent company:

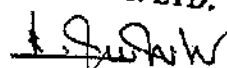
- i) PNB had invested in 2,00,000, 16.5 redeemable taxable preference shares of Rs.10 each. These shares had been redeemed by the 1<sup>st</sup> respondent company as early as in 2002. The same has been confirmed by the 2<sup>nd</sup> respondent in his letter dated 08/07/2005 to PNB. Despite having redeemed these shares, the respondents had continued to show these shares in the balance sheet of the company since 2004-05 under the head "Source of funds" in the balance sheet. The petitioners

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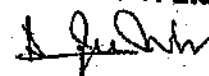
  
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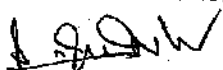
  
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understand that the 1<sup>st</sup> Respondent company had been adopting this means to avoid declaring huge losses. Such an act is per-se illegal.

- ii) The petitioners also come to know recently about the respondents managing the accounts of the company under 2 heads, one was called "Hotel account" and the other was called "Corporate account". Very strangely, the income received from the hotel was taken under the head Corporate Accounts and monies were siphoned off from this account as elaborated. The petitioners came to know that the Company had, at a time when it had various divisions, operated the accounts under two heads-one of it being corporate account. Even after the closure of all the other divisions, the respondents had continued to operate the Corporate account and the same had been used as a front to transfer monies to their personal companies and also to siphon monies for their personal use.
- iii) The petitioners also came to know that the 2<sup>nd</sup> and 3<sup>rd</sup> respondent were taking away cash collections from the Hotel apart from the salary which is liable to be paid by them in the capacity as Managing Director & Executive Director. The 2<sup>nd</sup> Respondent was entitled to receive a consolidated sum of Rs. 26.83 lakhs, which comprised of remuneration, perquisites and contributions to the provident fund. In particular, the remuneration was to be a sum of Rs. 15.60 lakhs which was for a period of 12 months, from 1<sup>st</sup> April, 2010 to 31<sup>st</sup> March, 2011. However, the Petitioner has come across the ledger reflecting payments made by the Company to the 2<sup>nd</sup> Respondent. In the said ledger, which runs from 1<sup>st</sup> August, 2010 to 31<sup>st</sup> March, 2011, the remuneration alone has been to the tune of Rs. 34.66 lakhs which drawn by the 2<sup>nd</sup> Respondent. The Petitioner was shocked to come across such figures. When the Petitioner closely scrutinized the same, the Petitioner was startled to come across a sum of Rs. 11.78 lakhs which was paid to an entity called Yessar Holdings. The Petitioner submits

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that the said Yessar Holdings is a private limited Company promoted by one Mr.Subramanian, who is the secretary of the 2<sup>nd</sup> Respondent for the past several years. It is submitted that the said Yessar Holdings and Investments Private Limited appears to be a front for the 2<sup>nd</sup> Respondent to illegally route monies of the Company for the purpose of siphoning it out from the Company.

iv) The petitioner also learnt about several amounts mentioned in the Balance Sheet, which the Respondents called 'book entries'. One of the instances of the 'book entry' is outstanding from a Company called Intercontinental Leathers which is a defunct company and shown in control of the brother of 2<sup>nd</sup> Respondent. The respondents have over the years included several amounts in the balance sheets just to reduce the loss figures of the Company.

v) The Petitioner also got to know that a garnishee order has been passed by the Income Tax Department in Oct 2011 by which the rental dues of a restaurant during the last several years, which has been given on lease to another entity in the same premises of the hotel, has been totally given the go by and the rentals are being paid to the brother of the 2<sup>nd</sup> Respondent and uncle of the 3<sup>rd</sup> Respondent through another Company of which the former is a Director along with the 2<sup>nd</sup> Respondent. However, the second respondent feigns ignorance of the order. This shows the mischievous attitude of the 2<sup>nd</sup> Respondent in siphoning off the funds through his brother.

vi) The Petitioner has found to his horror that the 2<sup>nd</sup> and 3<sup>rd</sup> Respondent are drawing money for themselves from the cash collections of the hotel on almost on a daily basis and calls it as part of their remuneration without even bothering whether there is enough cash to meet the daily expenses of the hotel. The Petitioner realized that the moneys that are being taken

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from the Company's kitty, if added, on to their remuneration will go much beyond what has been approved by the members of the Company in the General Meeting which is a violation of the Companies Act, 1956. Also it is strange that the cash received are not deposited with the bank in full on a daily basis.

- vii) Apart from the above grave acts of oppression and mismanagement, the respondents have been involved in causing severe loss to the property of the Company. The premises at No. 144, Sterling Road, Nungambakkam Chennai -600 034, where the hotel is situated comprises of two large buildings with compound and car park on little more than an acre in the heart of Chennai city, was originally owned by a Company called Soundarajan & Co., Private Limited. The entire property except two floors on one of the buildings was sold to 1<sup>st</sup> respondent company more than a decade ago. While borrowing moneys from the Company's bankers, as part of the terms, the documents of title to this property has been mortgaged to Punjab National Bank. The petitioners learnt that Soundarajan & co., Private Limited from whom the parent documents of title of the Company have been mortgaged in favour of Kothari International Trading Limited and the documents were deposited by the said Soundarajan & Co., through its Director Mr. Arun Pillai, who is the brother of the 2<sup>nd</sup> Respondent. The 2<sup>nd</sup> Respondent, himself being another Director in this company, feigns ignorance of such an act. It is further shocking to know that this misdeed was not only concealed from the present banker Punjab National Bank with whom the title deed of the property has been lodged pursuant to a mortgage. It is a clear criminal act and mismanagement on the part of the 2<sup>nd</sup> Respondent which has the potential involve the Company in litigation. A copy of newspaper cutting

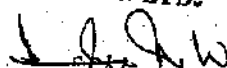
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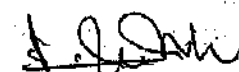
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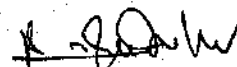
- published by the Kothari International Trading Limited is filed as an Annexure to the Petition.
- viii) The Petitioners also understands that the 2<sup>nd</sup> Respondent had entered into an agreement with M.G.M group, a business conglomerate in Chennai about a couple of years back by which he has virtually sold out the company for Rs.35 Crores taking an advance of Rs. 1.25 Crores, out of which only Rs.25 lakhs have found the way into the Company's coffers and the balance Rs.1 Crore has been routed by him to another company owned by him. This is the grave criminal act since he has misused his powers given in the Articles of Association and till date he has not taken the Shareholders into confidence.
- ix) The Company's Shares were listed on the Bombay Stock Exchange ('BSE'), the Ahmadabad Stock exchange and the Madras Stock Exchange and the trading of shares of the Company have been suspended by these exchanges since 2006 in view of the defaults of the Company in not paying the prescribed listing fee for several years showing clearly that the Respondents having been running the Company as if it is the family property of the 2<sup>nd</sup> and 3<sup>rd</sup> Respondents.
- x) As can be seen from the above table in paragraph 1(d), the Company is widely held with around 49% of the capital of the Company being held by around 24,000 public shareholders including, the United Trust of India, mutual funds, banks, financial institutions, insurance Companies, foreign institutional investors, private corporate bodies, Non resident Indians etc. Further, the bank loans of the Company are around 19 crores. By reason of the above, a vast amount of public interest is closely involved in the affairs of the Company.
- xi) The Pettitioners further submit that though the resolution for removal of respondents 2 to 5 from the Board of Directors of the 1st respondent

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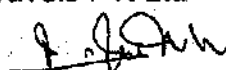


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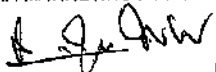
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company was duly passed in the EGM held on 09/11/13, the same has been kept in abeyance only because of the interim order granted by the Hon'ble High Court of Madras. However, taking advantage of the interim order granted by the Hon'ble High Court of Madras, respondents 2 to 5 have illegally entered into an agreement with a property developer for sale of the hotel premises, which is the only valuable asset of the 1st respondent company. It is reliably learnt that in pursuance of the aforesaid illegal agreement, which is not binding on the 1st respondent company, respondents 2 to 5 have received huge sums of money as advance. The aforesaid conduct of the respondents 2 to 5 in selling away the only asset of the 1st respondent company, that too after the resolution for their removal from the post of directorship was passed in the EGM, is completely illegal and oppressive to the interests of the Petitioners. It may be relevant to note, for the past 20 years the 1st respondent company has not declared any dividend and if the respondents 2 to 5 are permitted to sell the only asset of the 1st respondent company, it will completely wipe out the substratum of the 1st respondent company putting the interests of thousands of shareholders including the Petitioners into jeopardy.

24. The Petitioners submit that the act of oppression meted out against the Petitioners has seriously impaired the rights of the petitioners as shareholders of the company. The Petitioners are being oppressed and the affairs of the 1<sup>st</sup> respondent company are being mismanaged. The acts of respondents 2 to 5 infringe upon the legal rights of the Petitioners as shareholders of the company and constitute clear oppression of their rights. All these acts constitute mismanagement of the company under Sec.397 and 398 of the Companies Act, 1956. In view thereto it is amply clear that the respondents are violating, misusing their fiduciary duty and by adopting means which lack probity and fair play they are causing serious prejudice to the interests of the Petitioners in

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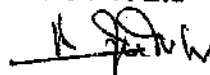
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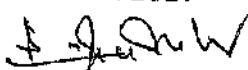
  
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contravention of the provisions of the Memorandum and Articles of Association of the company and the relevant provisions of the Companies Act, 1956.

25. The 1<sup>st</sup> respondent company, is liable to be wound up on the ground that it is just and equitable to do so but such winding up will cause serious prejudice to the Petitioners in view of the fact that the Petitioners have invested substantial amount in the 1<sup>st</sup> respondent company and large amount of shares are held by the Public and financial institutions. It is submitted, unless orders as prayed herein are granted, the Petitioners will suffer irreparable loss, injury and damages. The Petitioners have no other efficacious alternate remedy in respect of the relief prayed in the present petition.

**VII. MATTERS NOT PREVIOUSLY FILED OR PENDING WITH ANY OTHER COURT**

The Petitioner declare that the petitioners have not filed any application, writ petition or suit relating to the matters in respect of which this petition has been made before any court of Law or any other Authority or any Bench of this Hon'ble Board and nor is any such application, Writ Petition or Suit filed by the Petitioners pending before any of them.

**VIII. RELIEFS:**

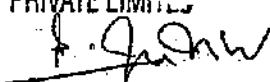
In such circumstances, the Petitioners humbly pray for the following relief:-

- i) Declare that the acts of the respondents 2 to 5 are prejudicial to the interests of the company and oppressive against the Petitioners.
- ii) Declare that the instances narrated constitute oppression of the Petitioners and mismanagement of the affairs of the company.
- iii) Direct constitution of new Board of Directors after removing respondents 2 to 5 from the capacity as Directors of the 1st respondent company.

For SOVEREIGN MEDIA MARKETING PVT. LTD.

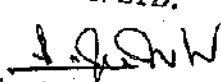
For SUBASRI REALTY PRIVATE LIMITED

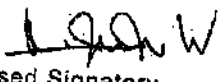
  
Authorised Signatory

  
Authorised Signatory

For RANI PRINTERS PVT. LTD.

For Gay Travels Pvt Ltd

  
Authorised Signatory

  
Authorised Signatory

- iv) Direct respondents 2 to 5 to return the monies illegally siphoned out of the 1<sup>st</sup> respondent company
- v) Order and enquire into the various acts of mismanagement under Sec.406 of the Companies Act, 1956 read with Schedule-11 and punish respondents 2 to 5 with suitable sentence imprisonment and fine
- vi) to appoint an independent Chartered Accountant to audit the books of accounts of the 1<sup>st</sup> respondent company with particular reference to the amounts that have been siphoned by the 2<sup>nd</sup> and 3<sup>rd</sup> respondents by using different accounts and submit a report thereof before this Hon'ble Board for consequential direction.
- vii) to surcharge respondents 2 and 3 for acts of misfeasance and other siphoning of amounts from the company and direct them to bring back such moneys into the books of the company, which may be quantified by the independent chartered accountant to be appointed by this Hon'ble Board.
- viii) Award costs of the present petition
- ix) for such or other reliefs as this Hon'ble Board may deem fit in the facts and circumstances of this case.

**IX. INTERIM RELIEF:**

- i) to restrain the respondents from creating any further charge or encumbrance over all the immovable and movable assets of the company
- ii) To restrain the Respondents 1 to 5 from alienating or encumbering or creating any 3<sup>rd</sup> party interest in the immovable property owned by the 1<sup>st</sup> respondent Company at No. 145, Sterling Road, Nungambakkam, Chennai 600034.
- iii) To grant an order of interim injunction restraining the 2nd to 5th respondent from altering the shareholding pattern and/or changing the

For SOVEREIGN MEDIA MARKETING PVT. LTD.

For SUBASRI REALTY PRIVATE LIMITED

Authorised Signatory

Authorised Signatory

For RANI PRINTERS PVT. LTD.

For Gay Travels Pvt Ltd

Authorised Signatory

Authorised Signatory

present equity capital of the 1st respondent pending disposal of the company petition.

- iv) Grant an order of interim injunction restraining the respondents from convening any Board or General meetings without the leave of this Bench.
- v) Appoint a commissioner to authenticate and take copies of the minutes of the Board of Directors and General Body, authenticate and take copies of the entries in the register of members and all other statutory records of the Company.
- vi) Pass such other interim orders as this Hon'ble Tribunal may deem fit in the circumstances of the case in the interest of justice and equity.

X. **PARTICULARS OF PAYMENT OF FEES:**

(1)	Name of the Issuing Bank / Branch	Indian Bank, Alwarpet Branch
(2)	Demand Draft No. / Date	697013 / 12/03/14
(3)	Amount	Rs.5,000/-
(4)	Payable at	Chennai
(5)	Drawn in favour of	Pay and Accounts Officer Ministry of Corporate Affairs Chennai

Dated at Chennai on this the 12th day of March 2014

For SUBASRI REALTY PRIVATE LIMITED

Authorised Signatory

**PETITIONERS**

**COUNSEL FOR PETITIONERS**

**ADDRESS FOR SERVICE:**

M/S GUPTA & RAVI

Advocates,

"Sreyas Shreenivasam", II Floor,

No.163, Luz Church Road,

Mylapore, Chennai – 600 004

For Gay Travels Pvt Ltd

Authorised Signatory

For SOVEREIGN MEDIA MARKETING PVT. LTD.

Authorised Signatory

For RANI PRINTERS PVT. LTD.

Authorised Signatory



தமிழ்நாடு தமில்நாடு TAMILNADU

9159  
12 MAR 2014

B. Rabu Manohar  
Chennai

AD 898943  
M. VOAGANATHAN  
STAMP VENDOR  
L.No. 13812/83/93  
TRIPPLICANE, CHENNAI

BEFORE THE HON'BLE COMPANY LAW BOARD  
SOUTHERN REGIONAL BENCH AT CHENNAI

IN THE MATTER OF COMPANIES ACT, 1956

AND

IN THE MATTER OF M/s. ARUNA HOTELS LIMITED

A Company incorporated under  
the provisions of the Companies Act, 1956 having its registered office at  
No. 145, Sterling Road,  
Nungambakkam, Chennai 600034.

1) M/s Subasri Realty Private Ltd  
86, Periyar E.V.R High Road,  
Chennai 600007  
& 3 others  
Petitioners 1 to 4 represented by  
Mr. B. Rabu Manohar, authorised by  
Power of Attorney dated 11/03/14  
executed by the Board of Directors  
of the Petitioner companies

For SUBASRI REALTY PRIVATE LIMITED

*[Signature]*  
Authorised Signatory

For Gay Travels Pvt Ltd

*[Signature]*  
Authorised Signatory

...Petitioners  
For SOVEREIGN MEDIA MARKETING PVT. LTD.

*[Signature]*  
Authorised Signatory

For RANI PRINTERS PVT. LTD.

*[Signature]*  
Authorised Signatory

25

-2-

Versus

1. M/s Aruna Hotels Limited,  
A Company incorporated under the provisions  
of the Companies Act, 1956, having its  
Registered office at No. 145, Sterling Road,  
Nungambakkam, Chennai-600034.  
& 5 others

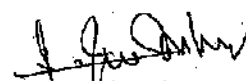
... Respondents

**AFFIDAVIT**

I, B.Rabu Mahohar, S/o Late V.I.Baldwin, aged 51 years, residing at J-74B, Plot No.1964, Anna Nagar, Chennai – 600 040, do hereby solemnly affirm and sincerely state as follows: -

1. I am the Power of Attorney of all the four Petitioner Companies. I know the facts of the case and I am able to depose to the matters pertaining thereto.

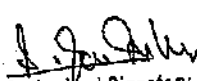
2. The statements made in Para-1 to 25 are true to the best of my knowledge, information and belief.

  
Authorised Signatory

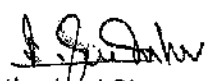
3. Annexure A to are true copies of originals.  
For SOVEREIGN MEDIA MARKETING PVT. LTD.

For Gay Travels Pvt Ltd

For RANI PRINTERS PVT. LTD.

  
Authorised Signatory

  
Authorised Signatory

  
Authorised Signatory

Solemnly affirmed at Chennai on  
this the 12<sup>th</sup> day of March 2014  
and signed his name in my presence.

Before me,

Advocate, Chennai

भारतीय गैर न्यायिक

बीस रुपये

रु.20

Rs.20

TWENTY  
RUPEES

INDIA

INDIA NON JUDICIAL

தமிழ்நாடு தமில்நாடு TAMIL NADU

Aruna Hotels

S. Mallinathan  
10AB 290830

S. MALLINATHAN

STAMP VENDOR

L.No. 14661-B1/86

Plot. 1706, 35th Street, I-Block,  
ANNA NAGAR WEST, MADRAS-600 040.

BEFORE THE HON'BLE COMPANY LAW BOARD  
SOUTHERN REGIONAL BENCH AT CHENNAI

C.P. No. 15 of 2014

In the matter of the Companies Act, 1956

And

In the matter of

Sections 235, 237(6), 397, 398, 402 and 403  
and other relevant provisions of the said Act

AND

IN THE MATTER OF

M/s. ARUNA HOTELS LIMITED

A company incorporated under the provisions of the  
Companies Act, 1956 having its registered office at

No. 145, Sterling Road, Nungambakkam, Chennai 600 034

1. M/s. Subasri Realty Private ltd.

6, Periyar E.V.R. High Road,  
Chennai 600 007

*A. J. Subasri*

*S. Mallinathan*

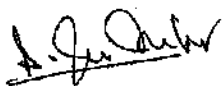
2. M/s. Gay Travels (P) ltd.  
New No. 99/16, Old No. 61,  
Uthamar Gandhi Salai Chennai 600 007
3. M/s. Sovereign Media Marketing Pvt. Ltd.  
86, Periyar E.V.R. High Road,  
Chennai 600 007
4. M/s. Rani Printers (P) ltd.  
86, Periyar E.V.R. High Road,  
Chennai 600 007

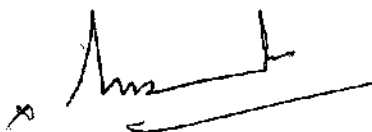
Petitioners 1 to 4 are represented by  
Mr. B. Rabu Manohar, authorised by  
Power of Attorney dated 11.03.2014  
Executed by the Board of Directors  
of the Petitioner Companies

...Petitioners

vs.

1. M/s. Aruna Hotels Limited  
A company incorporated under the provisions  
of the Companies Act, 1956,  
having its registered office at  
No. 145, Sterling Road,  
Nungambakkam, Chennai 600 034
2. Sivaraman  
Chairman and Managing Director of  
M/s. Aruna Hotels Limited, residing at  
No. 4-A, II Main Road,  
Thiruvalluvar Nagar, Thiruvanmiyur,  
Chennai 600 041
3. Karthik P. Sivaraman  
S/o Sivaraman  
Executive Director of M/s. Aruna Hotels Limited  
and residing at  
New No. 12, Old No. 10, 14<sup>th</sup> Avenue,  
Harrington Road, Chennai 600 034
4. C.L. Ravichandran  
No. 19/6, Vasu Street,





Chennai 600 010

5. S. Kalyanam  
2nd Floor, 20/9,  
Sadasivam Street,  
Chennai 600 014

6. Kamal Babbar  
No. 33, Kasthuri Avenue,  
M.R.C. Nagar, Chennai 600 028

...Respondents

**Memorandum of Compromise**

This Memorandum of Compromise entered into at Chennai on this 12<sup>th</sup> day of February 2015 between

i) M/s Subasri Realty Private Ltd, 86, Periyar E.V.R High Road, Chennai - 600 007,

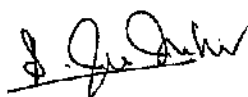
ii) Gay Travels (P) Ltd, New No.99/16, Old No.61, Uthamar Gandhi Salai, Chennai - 600 034.

iii) Sovereign Media Marketing Pvt Ltd, 86, Periyar E.V.R High Road, Chennai - 600 007,

iv) Rani Printers (P) Ltd, 86, Periyar E.V.R High Road, Chennai - 600 007(hereinafter referred to as the "**Purchasers**", which expression shall include its successors and permitted assigns) of the **FIRST PART**;

and

(i) M.Sivaram, son of late Dr.P.Marudhai pillai, residing at No. 5/65 Blue Beach Road, Neelangairai, Chennai - 600 041,







(ii) Kartick P.Sivaram, son. of Mr.M.Sivaram, residing at New no. 12, Old No.10, 14<sup>th</sup> Avenue, Harrington Road, Chennai 600031. (hereinafter referred to as "**Selling Shareholders**", which expression shall include their heirs, executors, administrators, successors and permitted assigns) **of the Second Part** and

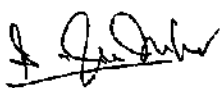
Witnesseth as follows.

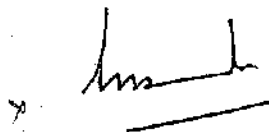
WHEREAS the parties hereto are the shareholders of Messrs Aruna Hotels Limited, a public listed company, incorporated under the Companies Act, 1956 ( hereinafter called "**The Company**")

WHEREAS the Issued, Subscribed and Paid-up Share Capital of the Company is Rs.9 Crores comprising of 90,00,000/- Equity Shares of Rs.10/- each, out of which the Purchasers collectively hold 13,56,066 Equity Shares of Rs.10/- each; and

WHEREAS the Selling share holders are the Chairman & Managing Director and Executive Director respectively of the company and they along with their family members collectively hold 7,42,951 Equity Shares of Rs.10/- each, the details of which are more fully described in Annexure 1 hereunder :

WHEREAS the Purchasers filed C.P.No.16/2014 against the Selling share holders complaining acts of oppression and mismanagement in the affairs of the company and the said Company Petition is pending before the Hon'ble Company Law Board; and





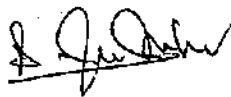
WHEREAS one Mr.Kamal Babbar, a Shareholder issued notices for convening Extraordinary General Meeting of the company on 9.11.2013 for the purpose of removal of the Selling share holders and other Directors from the Board of Directors of the company and for the appointment of three other Directors in their place; and

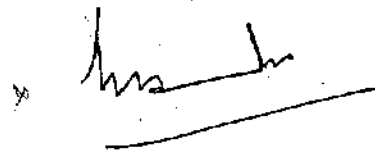
WHEREAS the Selling share holders filed C.S.No. <sup>751</sup> ~~51~~/2013 before the Hon'ble High Court, Madras, challenging the notices issued by Mr.Kamal Babbar for convening the Extraordinary General Meeting of the members of the company and in O.A.No.870/2013, the Hon'ble High Court, by order dated 08.11.2013, directed Mr.Kamal Babbar and other shareholders not to implement the resolution of the meeting dated 09.11.2013 until further orders; and

Whereas pursuant to the aforesaid order the EGM called for by Mr.Kamal Babbar was held in which the resolutions seeking removal of the Parties of the 2<sup>nd</sup> part and other Directors and for the induction of new Directors in their place was passed but has not been implemented in view of the interim orders of the High Court,


WHEREAS the said suit is still pending adjudication before the Hon'ble High Court, Madras; and

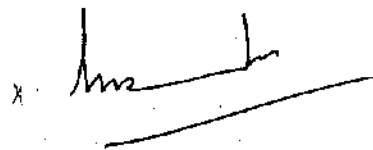
WHEREAS during the pendency of the aforesaid proceedings, the parties hereto held mutual discussions for amicable settlement of the dispute and have arrived at a compromise, the terms of which are as follows :



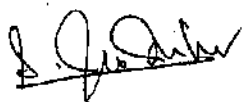


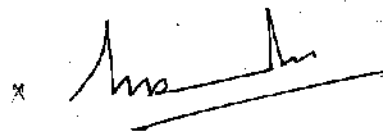
- 1) The Selling share holders and other shareholders representing their group, whose names along with the details of their shareholding in the company are found in Annexure 1 shall sell their shares in favour of the Purchasers or their nominees for a sale consideration of Rs.300/- per Equity Share of Rs.10/- each.
- 2) The Selling share holders have obtained Letters of Consent and Share Transfer Forms SH4 duly signed by other shareholders belonging to their group for sale of their shares held by them in the company in favour of the Purchasers or their nominees for aforesaid price.
- 3) The Selling share holders have pledged all the shares mentioned in Annexure I with Punjab National Bank, Mount Road Branch and has availed various financial assistances from the said bank for the Company.
- 4) The Selling share holders hereby confirms that as per the Bank a aggregate sum of Rs. 11,28,00,000 is outstanding to Punjab National Bank as on 31.1.2015 for the Term Loan availed by the company.
- 5) The Selling Shareholders shall convene a meeting of Board of Directors of the company and pass the following resolutions:
  - (i) Resolutions of the Board:



x 

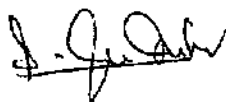
- (a) Approving the sale and purchase of the Sale Shares from the Selling Shareholders to the Purchaser in the manner contemplated under this Agreement and the endorsement of the name of the Purchasers as the owner of the Sale Shares on the share certificates in respect thereof;
- (b) Approving the resignation of all Existing Directors and revocation of all the powers granted to the Existing Directors and complying with statutory provisions for effecting the same.
- (c) Approving the change in the authorized signatories of all the bank accounts maintained by the Company in favour of the in coming directors,
- (d) Authorizing the Purchasers to settle the entire loan due and payable by the company to Punjab National bank and receive the share certificates pledged by the Selling share holders along with the original title deeds of the immovable property owned by the company.
- (e) handing over all the statutory records under various applicable laws and regulations, minutes book,





Registers, books of accounts of the company to the incoming Board of Directors.

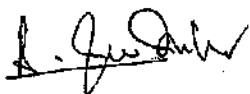
- 6) Out of the Shares listed in Annexure 1 the first of the Selling Shareholder M.Sivaram has on the day of execution of this Compromise executed Delivery Instruction Slip (DIS) through Depository Participant for transfer of 33,000 Equity Shares pledged by him with Punjab National Bank which is held in demat form in favour of the Purchasers or their nominees. As and when the said 33,000 Shares are transferred in favour of the Purchasers a sum of Rs.99,00,000/ (Rs.Ninety Nine Lakhs Only) shall be paid by the Purchasers by Cheque.No.000415 dated 12.2.2015 drawn on HDFC Bank, Anna salai Branch .
- 7) Simultaneously, the Selling share holders shall execute Delivery Instruction Slip (DIS) through Depository Participant for the shares in demat form for transfer of 5,03,393 number of Equity Shares pledged by them with Punjab National Bank which is held in demat form in favour of the Purchasers or their nominees and letter of consent for transfer of shares and deposit the same before the Hon'ble Company Law Board
- 8) The Selling share holders have obtained share transfer forms and letter of consent for transfer of 2,06,558 equity shares duly signed by the other shareholders belonging to their group which are held

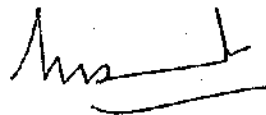


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in physical form and deposit the same before the Hon'ble Company Law Board.

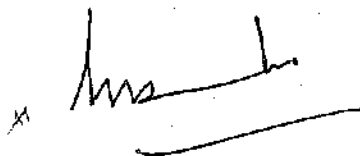
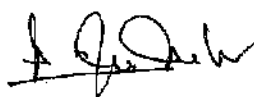
- 9) The Purchasers shall settle/ take over the dues payable to Punjab National Bank and redeem the shares pledged by the selling share holders as per the agreement that may be entered in to with Punjab National bank.
- 10) The Selling share holders shall authorize in writing the Purchasers to redeem the shares pledged by the Selling Share holders and to receive the share certificates which are in physical form directly from the Bank.
- 11) The Purchasers shall conduct due diligence of the records including financial, Secretarial and legal of the Company and complete the same within 3 months from the date of this Compromise to verify the liabilities of the Company. Any Clarifications or Information required for conducting due diligence shall be provided by Mr.kartik P. Sivaram representing the Second party and for the said purpose the Purchasers shall provide access to Mr.Karthik Shivaram/ Mr.Shivaram to the records required for the said purpose.
- 12) All statutory Liabilities including dues payable to Workmen will be the responsibility of the Purchasers.
- 13) The liabilities determined by due diligence conducted by the Purchasers as liabilities of the Company shall be accepted by the





parties hereto. The Purchasers shall not be liable in any manner whatsoever for any of the liability which are not ascertained as liabilities of the Company during the process of due diligence.

- 14) Within One week of the finalization of the audit of the books ( due diligence) of the Company the Purchasers shall notify in writing the liabilities which they do not accept as that of the Company.
- 15) The Purchasers shall after deducting the liabilities notified as per Cl.14 supra from the sale consideration payable to the selling Shareholders and pay the balance amount to the sellers by way of D.D in favour of each individual share holders upon which the Delivery Instruction Slip (DIS) through Depository Participant for the shares in demat form and the Share transfer forms for shares in physical form lying with the CLB shall be handed over to the Purchasers. The deduction of liabilities shall be made initially from and out of the sale consideration payable to Mr.M.Sivaram and if required proportionately from the amounts payable to the other share holders belonging to the Selling share holders.
- 16) The Selling share holders and other Directors shall pass a resolution for handing over all the statutory records, minutes book, books of accounts of the company to the Directors already appointed in the Extraordinary General Meeting held on 9.11.2013.



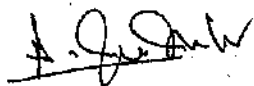
- 17) The Selling share holders and other Directors, as a matter of abundant caution, shall submit letters of resignation resigning from the Board of Directors of the company and DIR 11 & 12 shall be filed with the ROC, Chennai.
- 18) It is hereby agreed between the parties that immediately upon execution of this Memorandum of Compromise, the management and control of the company, the possession of all the movable and immovable properties of the company at Nos.143 to 145 Sterling Road, Nungambakkam, Chennai 600 034 shall be handed over to the Board of Directors elected in the Extraordinary General Meeting held on 9.11.2013.
- 19) The Selling Share holders have borrowed money from M/s Mr. Babu of Kumaran Silks and it is represented by the Selling share holders that the said party has created a Deed of Lease and placing reliance on the said Deed of Lease the said party has filed a suit in the City Civil Court, Chennai. Pursuant to the said suit the said party has locked the Banquet Hall of the Hotel. The selling share Holders shall negotiate and arrive at a settlement with the said creditor within one week of execution of this Memorandum of Compromise failing which the Purchaser will make payment of the entire amount Claimed by the said Party. The said amount paid by the Purchaser will be deducted from the sale consideration payable to the selling Share holders.



20) **INDEMNITIES****Indemnification by the Selling Shareholders**

Each of the Selling Shareholders (collectively, the "**Indemnifying Persons**") agree to jointly and severally indemnify and hold harmless the Purchaser, its Affiliates, their respective directors, officers, representatives, employees and agents, and the Company and its Subsidiary (at the discretion of the Purchaser) (collectively, the "**Indemnified Persons**") from and against any and all Losses, whether suffered or incurred by any of the Indemnified Persons (regardless of whether or not such Losses relate to any Third Party claim) and which arise out of, or result from or are connected with:

- i. Any misrepresentation in, inaccuracy in or breach by the Company or any Selling Shareholder, of any representation, warranty, covenant, agreement, obligation or undertaking of the Company or any Selling Shareholder contained in this Agreement.
- ii. Any violation of applicable Law by any of the Company, the Subsidiary and/or the Selling Shareholders (including failure to obtain adequate Governmental Approvals and acceptance of public deposits) or the terms of any Governmental Approval, or breach of any Contract;
- iii. Any liability or obligation of the Company and the Selling Shareholders (whether disclosed or not disclosed to the Purchaser by the Company or the Selling Shareholders) not specifically assumed by the Purchaser;
- iv. Any claims, liabilities or obligations of the Company, the Selling Shareholders arising out of any loans (secured or unsecured) availed or any Financial Indebtedness incurred, by the Company, the Subsidiary or the Selling Shareholders (whether disclosed or not disclosed by the Company, the Subsidiary or the Selling Shareholders to the Purchaser) except for the amounts set forth in Annexure II
- v. Any claim by a Person or Governmental Authority, that relates to or arises in connection with the transactions contemplated by this Agreement including any investigations by any Governmental Authority;





- vi. Any obligation or liability of the Company, whether arising as a result of any Tax litigation or dispute or arising as a result of any liability or claim(s) for Taxes arising as a result of a failure by the Selling Shareholders to remit and deposit any Taxes in connection with the sale of the Sale Shares or otherwise;

#### Indemnification Procedures

- (i) In the event that the Purchaser has a Claim for indemnity under Clause 20, the Purchaser shall be entitled to exercise its rights under this Clause.
- (ii) Any Claim for indemnity pursuant to this Agreement shall be made by the Indemnified Persons by notice in writing to any Indemnifying Person with a copy of the same to the Company.
- (iii) In the event that any Indemnified Person becomes aware of any matter that it believes is covered under Clause 20 and such matter involves:
- (a) Any Claim made against the Indemnified Persons by any Person; or
- (b) The commencement of any Legal Proceedings against the Indemnified Person,

the Indemnified Persons shall promptly notify, in writing (the "**Indemnity Notice**"), any of the Indemnifying Persons (with a copy of the same to the Company) of such Claim setting out the amount due through the date of such notice to the Indemnified Person under this Clause 20. The indemnity shall be made by any Indemnifying Person to the Indemnified Persons or at the instance of the Purchaser, to the Company, within 30 (thirty) days of the Indemnified Persons or the Company being required to make any payments or incurring any loss or liability in relation to any Claims.

- (iv) In the case of any Claim or proceeding made against any Indemnifying Person which is covered by the indemnity set forth in Clause 20, then Purchaser, or at the discretion of the Purchaser, the Company, shall have the right to control the defence, negotiation or settlement of such Claim or proceeding. The Indemnifying Persons shall promptly assist the Purchaser or the Company in relation to such defense

A. J. [Signature]

x [Signature]

and shall not undertake any actions that are contrary to the defense adopted by the Purchaser or the Company provided however, the Purchaser shall have the right to require the Selling Shareholders, at the discretion of the Purchaser, to actively control the defence.

- (v) The obligation of the Indemnifying Persons to indemnify the Indemnified Persons pursuant to this Clause 20 and 21 shall arise immediately upon the commencement of any such Claim irrespective of any defence or right of appeal available to it. The failure of the Indemnified Persons to notify the Indemnifying Persons and/or the Company of a Claim shall not relieve the Indemnifying Persons of any indemnification responsibility under this Clause 20 unless such failure materially prejudices the ability of the Indemnifying Persons to defend such Claim.
- (vi) The Indemnified Persons shall ensure that all commercially reasonable steps are taken and all commercially reasonable assistance is given to avoid or mitigate any Losses, which in the absence of mitigation might give rise to a liability in respect of any Claim for indemnity under this Clause 20

#### Nature of Indemnification

- i. The indemnification rights of the Indemnified Persons under this Agreement are without prejudice, independent of and in addition to, such other rights and remedies as the Indemnified Persons may have at Law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.
- ii. Notwithstanding any investigation conducted before or after the date of this agreement, and notwithstanding any actual or implied knowledge or notice of any facts or circumstances which the Indemnified Persons may have as a result of such investigation, the Indemnified Persons shall be entitled to rely upon each Indemnifying Party's representations, warranties, covenants and/or agreements set forth in this Agreement. The Indemnified Persons may bring a claim for indemnification under this Clause notwithstanding the fact that the Indemnified Persons had knowledge of the breach or inaccuracy giving rise

J. J. J. J.

M. L.

to such claim prior to the Date of this Compromise. Furthermore, any knowledge of the Indemnified Persons or the conduct of any investigation in relation to the Company/Subsidiary thereof (actual, constructive or imputed) shall not in any manner affect or limit the right to indemnification, payment of claims or other remedies with respect to the accuracy, or inaccuracy of or compliance or non-compliance with, any representation, warranty, covenant, obligation or arrangement set forth herein.

21) 25. It is hereby agreed that the Purchasers and its nominees are liable to buy only the shares listed in Annexure I at the agreed price.

22) 26. It is hereby agreed between the parties that consequent to this settlement, the Selling share holders and their group, whose names are mentioned in Annexure 1, shall not interfere with the management of the company by its Board of Directors.

23) 27. The parties hereby agree that C.S.No. <sup>751</sup> ~~51~~ of 2013 pending on the file of the Hon'ble High Court, Madras, will be withdrawn as settled out of court.

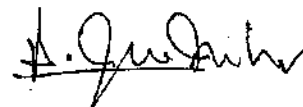
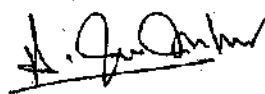
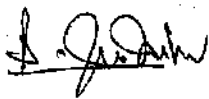
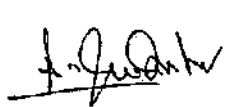
24) 28. The Parties agree that this Memorandum of Compromise shall be filed in C.P.No. 16 of 2014 before the Company Law Board, Southern Regional Bench, Chennai to record the Compromise and dispose off C.P.No. 16 of 2014 in terms thereof.

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

In witness whereof the parties hereto have executed this Memorandum of  
Compromise on this 12<sup>th</sup> day of February 2015 at Chennai.



**Purchasers**

x



**Selling share holders**

## ANNEXURE 1

S. No	Name of Shareholder	No. of Demat Pledge forms	No. of Blank Share Transfer forms	Folio No.	Cert. No.	No. of shares
1.	M. Sivaram	1	1	756	216602	95185
			1	23665	216603	257
			1	38211	216604	4903
			1	38597	216611	231371
				-do-	216612	135736
				-do-	216614	7427
				-do-	216615	46656
	Sub-total	1	4			521535
2.	Swarna	1	1	2950	216609	2069
			1	37908	216610	12789
	Sub-total	1	2			14858
3.	Karthik P. Sivaram	1	1	1609	216606	76231
4.	Raghavan Sivaram	1	1	2117	216608	68558
5.	Sathya Sivaram	0	1	2118	216605	61769
	Grand Total	4	9			742951

*[Handwritten Signature]*

*[Handwritten Signature]*

**COMPANY LAW BOARD  
CHENNAI BENCH**

**ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI  
BENCH, COMPANY LAW BOARD CHENNAI HELD ON 02/03/2015 AT  
10.30AM**

---

**PRESENT : SHRI KANTHI NARAHARI , MEMBER – JUDICIAL**

---

**APPLICATION NUMBER :**

**PETITION NUMBER : CP 15/2014**

**NAME OF THE PETITIONER(S) : Subasri Realty Pvt Ltd & 3 Others**

**NAME OF THE RESPONDENT(S): M/s. Aruna Hotels Ltd & 5 Othes**

**UNDER SECTION : 397/398**

---

**ORDER**

1. The parties have filed a Memo of Compromise dated 12.02.2015 duly signed by them before the Bench. The counsel appeared for both the parties submitted that the parties have arrived at a Compromise and requested the Bench to record the Memo of Compromise and dispose of the CP in terms of thereof. The learned counsel for the respondent handed over a DIS Slip issued by Punjab National Bank requesting the Bench to keep the same under the custody of Bench Officer until the terms of the Memo of Compromise is complied with.
2. On perusal of Memo of Compromise it is recorded at paragraph 7 that the selling Shareholders shall execute Delivery Instruction Slip (DIS) through Depository Participant for the shares in Demat form for transfer of 5,03,393 number of equity shares pledged by them with Punjab National Bank which is held in Demat form in favour of the purchaser or their Nominees and letter of consent for transfer of shares and deposit the same before this Bench.
3. In accordance with the said clause the selling shareholders have deposited a slip bearing No.2118102 issued by Punjab National Bank to an extent of 4,88,535 equity shares out of 5,03,393 with the Bench Officer of this Bench and the same shall be in the custody of the Bench Officer until the compliance of the terms as stipulated in Memo of Compromise Dated 12.02.2015. Further the learned Counsel stated that the selling Shareholders will deposit a DIS for remaining 14858 shares with the Bench Officer of this Bench On 03.03.2015 and requested the bench to keep the same under the custody of the Bench Officer. In view of the request and in terms of the above clause the Bench Officer of this Bench shall keep the same under his custody until the compliance of the terms as stated in the Memo of Compromise.



4. The Memo of Compromise Dated 12.02.2015 is taken on record and will form part and parcel of this order. Accordingly the CP No.15/2014 is disposed of in terms of Memo of Compromise. For reporting Compliance the matter is posted on 02.06.2015 at 2.30 PM.

-Sd/-

**(KANTHI NARAHARI)**

**Company Law Board,**

**Chennai Bench.**

**Dated the 02/03/2015**

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VWAP	<b>14.09</b>

**52 Wk High** **20.00****52 Wk Low** **2.42****Upper Price Band** **14.70(5%)**

Lower Price Band

2W Avg Qty` (Lakh)

0.17

TTQ (Lakh)

0.25

Turnover (Lakh)

3.58

Mcap Full (Cr.)

45.77

Mcap FF (Cr.)

21.51

Face Value

10.00

EPS (TTM) ⓘ

-11.79

CEPS (TTM)

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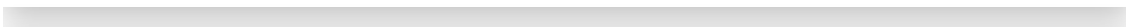
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[52 Wk High](#) 20.00

[52 Wk Low](#) 2.42

Upper Price Band 14.70(5%)

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High	14.60
Low	13.35
VWAP	14.09

52 Wk High 20.00

52 Wk Low 2.42

Upper Price Band 14.70(5%)

13.30(5%)<sup>167</sup>

Lower Price Band

2W Avg Qty` (Lakh)

0.17

TTQ (Lakh)

0.25

Turnover (Lakh)

3.58

Mcap Full (Cr.)

45.77

Mcap FF (Cr.)

21.51

Face Value

10.00

EPS (TTM) ⓘ

-11.79

CEPS (TTM)

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Previous Close	<b>14.00</b>
Open	<b>14.55</b>
High	<b>14.60</b>
Low	<b>13.35</b>
VWAP	<b>14.09</b>

**52 Wk High** **20.00****52 Wk Low** **2.42****Upper Price Band** **14.70(5%)**

13.30(5%)<sup>171</sup>

Lower Price Band

2W Avg Qty` (Lakh)

0.17

TTQ (Lakh)

0.25

Turnover (Lakh)

3.58

Mcap Full (Cr.)

45.77

Mcap FF (Cr.)

21.51

Face Value

10.00

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Low	<b>13.35</b>
VWAP	<b>14.09</b>

**52 Wk High** **20.00****52 Wk Low** **2.42****Upper Price Band** **14.70(5%)**

13.30(5%)<sup>175</sup>

Lower Price Band

2W Avg Qty` (Lakh)

0.17

TTQ (Lakh)

0.25

Turnover (Lakh)

3.58

Mcap Full (Cr.)

45.77

Mcap FF (Cr.)

21.51

Face Value

10.00

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Low	<b>13.35</b>
VWAP	<b>14.09</b>

**52 Wk High** **20.00****52 Wk Low** **2.42****Upper Price Band** **14.70(5%)**

13.30(5%)<sup>179</sup>

Lower Price Band

2W Avg Qty` (Lakh)

0.17

TTQ (Lakh)

0.25

Turnover (Lakh)

3.58

Mcap Full (Cr.)

45.77

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Company : [Aruna Hotels Ltd](#)

Corp Information

500016 | [Standalone Financial Results, Limited Review Report for September 30, 2016](#)

Result



Exchange Disseminated Time 27-10-2016 08:06:41

Peer Group

Charting

500016 | [Shareholding for the Period Ended September 30, 2016](#)

Company Update

Exchange Disseminated Time 21-10-2016 15:37:12

Notices

500016 | [Board Meeting Intimation for Results](#)

Board Meeting



Exchange Disseminated Time 18-10-2016 12:20:58

500016 | [Statement of Investor Complaint under Reg. 13\(3\) of SEBI \(LODR\) Regulations, 2015 for Quarter ended September 30, 2016](#)

Company Update



Exchange Disseminated Time 09-10-2016 16:35:07

500016 | [Outcome of AGM](#)

AGM/EGM












Exchange Disseminated Time 30-09-2016 10:36:02

500016 | [Fixes Book Closure for AGM](#)

AGM/EGM

Exchange Disseminated Time 06-09-2016 19:24:48

500016   <a href="#">Standalone Statement on Impact of Audit Qualifications for the period ended March 31, 2015</a>	Company Update	
Exchange Disseminated Time 01-09-2016 18:25:48		
500016   <a href="#">Standalone Financial Results, Limited Review Report for June 30, 2016</a>	Result	
Exchange Disseminated Time 10-08-2016 20:02:25		
500016   <a href="#">Board Meeting Intimation for Results</a>	Board Meeting	
Exchange Disseminated Time 27-07-2016 19:39:43		
500016   <a href="#">Statement of Investor Complaint under Reg. 13(3) of SEBI (LODR) Regulations, 2015 for Quarter ended June 30, 2016</a>	Company Update	
Exchange Disseminated Time 05-07-2016 13:12:53		
500016   <a href="#">Standalone Financial Results, Limited Review Report for September 30, 2015</a>	Result	
Exchange Disseminated Time 04-07-2016 19:44:16		
500016   <a href="#">Standalone Financial Results, Limited Review Report for December 31, 2015</a>	Result	
Exchange Disseminated Time 04-07-2016 19:41:59		
500016   <a href="#">Standalone Financial Results, Limited Review Report for June 30, 2015</a>	Result	
Exchange Disseminated Time 04-07-2016 19:39:42		
500016   <a href="#">Shareholding Pattern For September 30, 2015</a>	Company Update	
Exchange Disseminated Time 03-07-2016 09:56:38		
500016   <a href="#">Shareholding Pattern For June 30, 2015</a>	Company Update	
Exchange Disseminated Time 03-07-2016 09:56:18		
500016   <a href="#">Shareholding Pattern For March 31, 2015</a>	Company Update	

Exchange Disseminated Time 03-07-2016 09:55:27

500016 | [Shareholding Pattern For December 31, 2014](#) **Company Update** 

Exchange Disseminated Time 03-07-2016 09:49:43

500016 | [Shareholding Pattern For September 30, 2014](#) **Company Update** 

Exchange Disseminated Time 03-07-2016 09:49:23

500016 | [Shareholding Pattern For June 30, 2014](#) **Company Update** 

Exchange Disseminated Time 03-07-2016 09:49:07

500016 | [Shareholding Pattern For March 31, 2014](#) **Company Update** 

Exchange Disseminated Time 03-07-2016 09:48:42

500016 | [Shareholding for the Period Ended December 31, 2015](#) **Company Update**

Exchange Disseminated Time 30-06-2016 17:20:17

500016 | [Shareholding for the Period Ended March 31, 2016](#) **Company Update**

Exchange Disseminated Time 29-06-2016 17:32:08

500016 | [Statement of Investor Complaint under Reg. 13\(3\) of SEBI \(LODR\) Regulations, 2015 for Quarter ended March 31, 2016](#) **Company Update** 



Exchange Disseminated Time 27-06-2016 10:35:11

500016 | [Updates on Financial Results for March 31, 2016](#) **Result** 

Exchange Disseminated Time 24-06-2016 11:23:53

500016 | [Statement of Investor Complaint under Reg. 13\(3\) of SEBI \(LODR\) Regulations, 2015 for Quarter ended December 31, 2015](#) **Company Update** 

Exchange Disseminated Time 10-06-2016 11:08:53

- 500016 | [Standalone Financial Results, Auditors Report for March 31, 2016](#) **Result** **
- Exchange Disseminated Time **31-05-2016 15:48:52**
- 
- 500016 | [Board Meeting Intimation for Results](#) **Board Meeting****
- Exchange Disseminated Time **24-05-2016 08:38:08**
- 
- 500016 | [Outcome of AGM](#) **AGM/EGM** **
- Exchange Disseminated Time **09-03-2016 17:57:38**

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42



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Security Name

Year

No Records Found

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(11H)





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Security Name

Year

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(11H)



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Security Name

Year

No Records Found

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Security Name

Year

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Security Name

Year

No Records Found

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Security Name

ARUNA HOTELS LTD

Year

2017 ▼

Submit

ARUNA HOTELS LTD.(500016)

Name of the Stock Exchange(s) where the shares are Listed	Particulars of the Shareholder(s) #	Holding of No. of Shares	Shares		Voting Rights		
			% w.r.t. total share capital/voting capital	% of total diluted share/voting capital of Target Company *	Holding of Voting Rights (other than by shares)	% w.r.t. total share capital/voting capital	% of total diluted share/voting capital of Target Company *
BSE	Chithan V	10050	0.11	0.11			
BSE	Chandra Mohan P Sri Devi	19200	0.21	0.21			
BSE	Agencies Pvt Ltd	29880	0.33	0.33			
BSE	Rani Printers Pvt Ltd	61093	0.68	0.68			
BSE	Sovereign Media Marketing Private Limited	195718	2.17	2.17			
BSE	Gay Travels Private Limited	591506	6.57	6.57			
BSE	Subasri Realty Private Limited	1464123	16.27	16.27			
	<b>Total</b>	<b>2371570</b>	<b>26.34</b>	<b>26.34</b>			

( # ) a. Name of person(s) together with Persons Acting in Concert (PAC) whose total holding (including that in the form of shares, warrants, convertible securities and any other instrument that would entitle the holder to receive shares in the Target Company) is more than 25% of the voting rights of the Target Company. or

b. Name(s) of promoter(s), member of the promoter group and PAC with him.

(\*) Diluted share/voting capital means the total number of shares in the Target Company assuming full conversion of the outstanding convertible securities/warrants into equity shares of the Target Company.

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# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

**PART-I**

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2015

Particulars	Quarter Ended			Year Ended	
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
	3 months ended 31/03/2015	3 months ended 31/12/2014	3 months ended 30/09/2014	3/31/2015	3/31/2014
(Refer Notes Below)	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1. Income from operation</b>					
(a) Net Sales/Income from Operations (Net of excise duty)	2.75	-	-	2.75	784.66
(b) Other Operating Income	1,345.68	24.70	25.45	1,428.40	142.06
<b>Total income from Operations (net)</b>	<b>1,348.43</b>	<b>24.70</b>	<b>25.45</b>	<b>1,431.15</b>	<b>926.72</b>
<b>2. Expenses</b>					
(a) Cost of Materials consumed	0.22	-	-	0.57	186.02
(b) Employee benefits expense	89.78	28.31	32.20	447.84	373.01
(c) Depreciation and amortisation expense	55.39	55.39	55.39	221.58	186.43
(d) Other expenses	17.91	14.51	9.79	92.05	1,628.04
<b>Total Expenses</b>	<b>163.30</b>	<b>98.21</b>	<b>97.39</b>	<b>762.04</b>	<b>2,373.50</b>
<b>3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,185.13</b>	<b>(73.51)</b>	<b>(71.93)</b>	<b>669.10</b>	<b>(1,446.78)</b>
4. Other Income	-	-	-	-	-
<b>5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>1,185.13</b>	<b>(73.51)</b>	<b>(71.93)</b>	<b>669.10</b>	<b>(1,446.78)</b>
6. Finance Costs	565.43	48.20	15.32	671.29	1,917.62
<b>7. Profit / (Loss) from ordinary activities before exceptional items (5 - 6)</b>	<b>619.70</b>	<b>(121.71)</b>	<b>(87.25)</b>	<b>(2.19)</b>	<b>(3,364.40)</b>
8. Exceptional Items	-	-	-	-	-
<b>9. Profit / (Loss) from ordinary activities before tax (7 + 8)</b>	<b>619.70</b>	<b>(121.71)</b>	<b>(87.25)</b>	<b>(2.19)</b>	<b>(3,364.40)</b>
10. Tax expense	-	-	-	-	-
<b>11. Net Profit / (Loss) from ordinary activities after tax (9 - 10)</b>	<b>619.70</b>	<b>(121.71)</b>	<b>(87.25)</b>	<b>(2.19)</b>	<b>(3,364.40)</b>
12. Extraordinary items (net of tax expense)	-	-	-	-	-
<b>13. Net Profit / (Loss) for the period (11 - 12)</b>	<b>619.70</b>	<b>(121.71)</b>	<b>(87.25)</b>	<b>(2.19)</b>	<b>(3,364.40)</b>
14. Paid-up equity share capital (Face Value Rs 10/-)	897.87	897.87	897.87	897.87	897.87
	-	-	-	(3,125.92)	(3,123.73)
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					
16. Earnings Per Share (EPS)					
(a) Basic EPS before and after Extraordinary items for the period	6.90	(1.36)	(0.97)	(0.024)	(37.47)
(b) Diluted EPS before and after Extraordinary items for the period	6.90	(1.36)	(0.97)	(0.024)	(37.47)

No. 144.145, Sterling Road, Nungambakkam, Chennai- 600 034.  
Ph: 044-3988 4422, Fax: 044-3041 4999. Email: arunahotelmpl@gmail.com.



# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

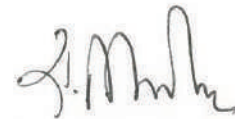
## PART-II

## INFORMATION FOR THE QUARTER ENDED MARCH 31, 2015

Sl.No	Particulars	3 months ended (31/03/2015)	Preceding 3 months ended (31/12/2014)	Correspondi ng three months ended (31/03/2014)	3 months ended (31/03/2015)	Year to date figures for the previous year ended (31/03/2014)
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	Public shareholding					
	- Number of shares	5,714,726	45,54,399	45,54,399	57,14,726	45,54,399
	- Percentage of shareholding	63.50%	50.60%	50.60%	63.50%	50.60%
2	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered					
	- Number of shares	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter)	N.A	N.A	N.A	N.A	N.A
	- Percentage of shares (as a % of the total share capital of the company)	N.A	N.A	N.A	N.A	N.A
	b) Non - encumbered					
	- Number of shares	3,285,274	44,45,601	44,45,601	32,85,274	44,45,601
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	36.50%	49.40%	49.40%	36.50%	49.40%

## INVESTORS COMPLIANT QUARTER ENDED 31/03/2015

	Particulars	3 months ended (31/03/2015)
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	1
	Received during the quarter	NIL
	Disposed of during the quarter	1
	Remaining unresolved at the end of the quarter	NIL



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# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

## STATEMENT OF ASSETS AND LIABILITIES AS PER CLAUSE 41 OF THE LISTING AGREEMENT

Particulars	As at	As at
	31 March, 2015	31 March, 2014
	Rs. in Lakhs	Rs. in Lakhs
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	1,207.87	1,207.87
Reserves and surplus	5,583.56	5,585.75
	6,791.43	6,793.62
Share application money pending allotment	3,201.64	2,168.77
<b>Non-current liabilities</b>		
Long-term borrowings	516.03	1,954.84
Deferred tax liabilities (net)		
Long-term provisions	25.40	37.09
	541.43	1,991.93
<b>Current liabilities</b>		
Short-term borrowings	328.44	348.67
Trade payables	41.49	40.58
Other current liabilities	1,988.65	1,733.57
Short-term provisions	233.88	120.96
	2,592.46	2,243.78
	<b>13,126.96</b>	<b>13,198.10</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Fixed assets</b>		
Tangible assets	11,701.91	11,907.75
Intangible assets	-	2.00
Capital work-in-progress	82.44	82.44
<b>Non-current investments</b>		
Deferred Tax Asset(Net)	774.28	774.28
Long-term loans and advances	260.20	264.81
	12,820.78	13,033.23
<b>Current assets</b>		
Inventories	28.63	28.84
Trade receivables	123.70	45.64
Cash and bank balance	73.71	20.90
Short-term loans and advances	17.01	17.01
Other current assets	63.13	52.48
	306.18	164.87
	<b>13,126.96</b>	<b>13,198.10</b>

### NOTES:

- The above results were reviewed and approved by the Board of Directors at its meeting held on November 7, 2015 and is to be adopted in the ensuing Annual General Meeting.
- The Previous year's figure have been re-grouped and or rearranged wherever considered necessary.
- The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- The management identifies and monitors "Hotels" as the only Business Segment.
- In the view of carry forward losses and MAT adjustments, no tax liability has been provided for.
- The company has closed down active operations from April 2014.
- Share application money was received from promoters of the company towards re-payment of bank loans. No shares have been allotted due to the requirement that prior approval from the Stock exchange where the shares are listed is needed. However the company's securities trading have been suspended at BSE. Steps are being taken for revocation of suspension of trading by the Company. The Company will apply for the permission to allot the shares with BSE once the revocation has been lifted.

Date: November 7, 2015  
Place: Chennai

By Order of the Board of Directors  
For Aruna Hotels Limited

  
Muralidharan  
DIRECTOR

No. 144.145, Sterling Road, Nungambakkam, Chennai- 600 034.  
Ph: 044-3988 4422, Fax: 044-3041 4999. Email: arunahotelmpl@gmail.com.



## Shareholding Pattern

## ARUNA HOTELS LTD

Scrip Code : 500016

Quarter ending : March 2015

## Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group

Sl.No.	Name of the Shareholder	Details of Shares held		Encumbered shares (*)		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital	
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held		As a % total number of convertible securities of the same class
1	Kamal Babbar	12,00,000	13.33	0	0.00	0.00	0	0.00	0	0.00	13.33
2	Sivaram M	5,21,535	5.79	0	0.00	0.00	0	0.00	0	0.00	5.79
3	Subasri Realty Pvt Ltd	4,90,000	5.44	0	0.00	0.00	0	0.00	0	0.00	5.44
4	Subasri Realty Pvt Ltd	4,00,000	4.44	0	0.00	0.00	0	0.00	0	0.00	4.44
5	Yessir Holdings And Investments Pvt Ltd	3,72,412	4.14	0	0.00	0.00	0	0.00	0	0.00	4.14
6	Balasubramania Sivanthi Adityan	2,40,112	2.67	0	0.00	0.00	0	0.00	0	0.00	2.67
7	Gay Travels Pvt Ltd	2,05,558	2.28	0	0.00	0.00	0	0.00	0	0.00	2.28
8	Sovereign Media Marketing Pvt Ltd	1,95,718	2.17	0	0.00	0.00	0	0.00	0	0.00	2.17
9	Karthik Perumal	76,231	0.85	0	0.00	0.00	0	0.00	0	0.00	0.85
10	Adityan B S	69,776	0.78	0	0.00	0.00	0	0.00	0	0.00	0.78
11	Raghavan Sivaram	68,558	0.76	0	0.00	0.00	0	0.00	0	0.00	0.76
12	Sathya Sivaram	61,769	0.69	0	0.00	0.00	0	0.00	0	0.00	0.69
13	Gay Travels Pvt Ltd	52,948	0.59	0	0.00	0.00	0	0.00	0	0.00	0.59
14	Subbiah T N	31,300	0.35	0	0.00	0.00	0	0.00	0	0.00	0.35
15	Maruthai Pillai P	30,390	0.34	0	0.00	0.00	0	0.00	0	0.00	0.34

16	Sri Devi Agencies Pvt Ltd	29,880	0.33	0	0.00	0.00	0	0.00	0	0.00	0.33
17	Rukmani Sivaram	25,624	0.28	0	0.00	0.00	0	0.00	0	0.00	0.28
18	Augustin D	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
19	Chandramohan R	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
20	Geetha Periasamy	17,180	0.19	0	0.00	0.00	0	0.00	0	0.00	0.19
21	Kamal Babbar	16,500	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
22	Rani Printers Pvt Ltd	16,000	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
23	Anita Kumaran	15,000	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
24	Mala Jayaram	14,940	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
25	S Swarna	14,858	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
26	Arun Pillai M	11,844	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
27	Chandrakant	11,683	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
28	Subbiah T N	11,000	0.12	0	0.00	0.00	0	0.00	0	0.00	0.12
29	Chithan V	10,050	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
30	Sivakami Subbiah	10,000	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
31	Jayanthi Natarajan	8,000	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
32	Vijayalakshmi Chandramohan	7,770	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
33	Jayanthi S	6,514	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
34	Yamini Subbia H	6,000	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
35	Senthilanthan M	5,530	0.06	0	0.00	0.00	0	0.00	0	0.00	0.06
36	Sivaram M	4,828	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
37	Jayanthi Natarajan	4,200	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
38	Sivabagyam M	3,700	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
39	Chandra Mohan P	3,200	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
40	Karthik Perumal Sivaram	2,662	0.03	0	0.00	0.00	0	0.00	0	0.00	0.03
41	Ganesan M	1,700	0.02	0	0.00	0.00	0	0.00	0	0.00	0.02
42	Sivaraam M	1,277	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
43	Ravichandran C L	802	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
44	Ganesan M	200	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
	<b>Total</b>	<b>43,15,649</b>	<b>47.95</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47.95</b>

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.



# ARUNA HOTELS LIMITED

**52<sup>nd</sup>**

**Annual Report  
2013-2014**

**ARUNA HOTELS LIMITED****ARUNA HOTELS LIMITED****(CIN-L15421TN1960PLC004255)****Corporate Information**

<b>CHAIRMAN &amp; MANAGING DIRECTOR</b>	<b>M. SIVARAM</b>
<b>WHOLE-TIME DIRECTOR</b>	<b>KATHICK P SIVARAM</b>
<b>DIRECTOR</b>	<b>S.KALYANAM C.L.RAVICHANDRAN DR.MUTHIAN SENTHIL NATHAN MR.SANKARANARAYANAN SUBRAMANIAN MR.NATESA PILLAI SUBRAMANIAN MR.VENKATESA IYER VISWANATHAN DR.RAGHAVAN SIVARAM MR.KASIRAJAN RANGASWAMY MR.SHAMEER AHAMED</b>
<b>BANKERS</b>	<b>PUNJAB NATIONAL BANK</b>
<b>AUDITORS</b>	<b>U.C. Bhandari &amp; Co Bangalore</b>
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	<b>M/s. MCS Share Transfer Agents Ltd 21/22, GR Floor, Kashiram Jamnadas blds P.D'Mello Road. Ghadiyal Godi, Masjid (East), Mumbai -400009 Ph:022-40206021, 23726255, 67439092</b>
<b>HOTEL DIVISION</b>	<b>HOTEL THE ARUNA 144, Sterling Road, Chennai-600 034.</b>
<b>REGISTERED OFFICE</b>	<b>'Aruna Centre', 145 Sterling Road, Nungambakkam, Chennai-600 034</b>

**ARUNA HOTELS LIMITED****ARUNA HOTELS LIMITED****(CIN-L15421TN1960PLC004255)****Corporate Information**

MANAGING DIRECTOR	V.ANBALAGAN (Appointed on 10.10.2015)
DIRECTOR	R.MURALIDHARAN K.RAJAKUMAR RABU MANOHAR (upto 22.09.2015) V.SUNDARESAN (Appointed on 10.10.2015) FREEDA GNANASELVAM
BANKERS	HDFC Bank Ltd.,
AUDITORS	U.C. Bhandari & Co Bangalore
REGISTRAR & SHARE TRANSFER AGENTS	M/s. MCS Share Transfer Agents Ltd 21/22, GR Floor, Kashiram Jamnadas blds P.D'Mello Road, Ghadiyal Godi, Masjid (East), Mumbai -400009 Ph:022-40206021, 23726255, 67439092
REGISTERED OFFICE	145 Sterling Road, Nungambakkam, Chennai-600 034

## ARUNA HOTELS LIMITED

## Directors' report to the Shareholders

### 1. Operations / State of the Company's Affairs

The New Management is taking all steps to revive the operations of the Company. The New Management has been successful in getting additional funds as Share Capital which is very much required to settle the old and long pending dues of the Company. As such, the New Management is in the process of working out an elaborate Business Plan to restart the operations at the earliest and to ensure that the operations remain profitable. The New Management requests the support and patronage of all the shareholders in this regard to accomplish this mission

The hotel operation has been closed and hence there will not be any generation of revenue during the year under review.

<b>Income:</b>		
Income from sale	2.75	784.66
Other Income	1428.40	142.06
Total Income	1431.15	926.72
<b>Expenditure:</b>		
Less: Employee Cost & other expenses	540.46	2187.07
Profit before Depreciation, Interest and Taxation	890.69	-1260.35
Less: Depreciation	221.58	186.43
Interest	671.29	1917.63
<b>Profit for the year before Exceptional Item and Tax</b>	-2.19	-3364.41
Less: Exceptional Item (pre-tax)	0	0
<b>Profit for the year before Tax</b>	-2.19	-3364.41
Details	2015	2014
Less: Provision for Tax – Current Tax	NIL	NIL
– Deferred tax (net)	NIL	NIL
Net Profit for the year after tax	-2.19	-3364.41

### 3. Dividend

Considering the financial results of the Company for the year ended review, the Board of Directors could not consider payment of any dividend to the shareholders.

**ARUNA HOTELS LIMITED****4. Transfer to Reserves**

The Company does not propose to be transferred out of the current profits to the General Reserve.

**5. Fixed Deposits**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**6. Listing**

Your Company's equity shares are currently listed on BSE Limited, Mumbai. The Company also paid listing fees to BSE Limited for the financial year 2015-2016.

However trading of your company shares has been suspended and we have already taken necessary steps to revoke the suspension of our security listed at BSE Limited.

**7. Share Capital**

The paid up equity share capital as on March 31, 2015 was Rs. 9,00,00,000. During the year under review, your Company did not issue shares with differential voting rights / sweat equity.

**8. Significant or Material Orders Passed By regulators/Courts**

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

**9. Material Changes and Commitment Affecting Financial Position of the Company**

There are no material changes and commitments, affecting financial position of the Company which have occurred between the end of the financial year of the Company i.e. March 31, 2015, and the date of the Directors' Report

**10. Corporate social responsibility**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of Rs.500 crores or more or turnover of Rs.1000 crores or more or net profit of Rs.5 crore or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years. Accordingly the provisions of CSR activities under Companies Act 2013 do not apply to your company



**ARUNA HOTELS LIMITED****11. Corporate Governance**

The report on Corporate Governance is attached in this report

**12. Subsidiary**

Company has no subsidiary as on date of this Balance Sheet.

**13. Consolidation of Accounts**

In accordance with the Notification issued by the Ministry of Corporate Affairs, Government of India, to amend the Companies (Accounts) Rules, 2014, Vide notification dated 14th October 2014, No. G.S.R. 723(E), in rule 6, after the existing proviso, of the Companies (Accounts) Rules, 2014. As such Consolidation of Accounts is not applicable for the current financial year.

**Disclosure under Companies Act, 2013****14. Related Party Transaction**

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. In view of this, disclosure in form AOC-2 has not been provided as the same is not applicable to the Company

During the year, the Company has not entered into any contract/arrangement with related parties which could be considered materially significant related party transactions.

The details of the transaction with Related Party are provided in the accompanying financial statements

**15. Extracts of Annual Return**

The details forming Part of the Extracts of Annual Return is annexed.

**16. Composition of Board**

There are two independent directors including one women director and one executive director and two non executive directors.

**17. Board Meetings**

During the year, Four Board Meetings were convened and held.

## ARUNA HOTELS LIMITED

### 18. Composition of Audit Committee

The Board has not constituted a Audit Committee after new management has inducted as the Boad of the company, However the same has been Constituted as on date.

### 19. Disclosure of Information as required under section 134 (3) (m) of the Companies Act, 2013 (ACT) read with the companies (Accounts) Rules, 2014

#### (i) CONSERVATION OF ENERGY

The Company values the significance of conservation of energy and hence continuous efforts are made for judicious use of energy at all levels of operations by utilising energy efficient systems and processes. Towards achievement of this objective, steps have been initiated including use of energy efficient LED lights and energy management systems at our kitchen/offices. Further, certain initiatives are being implemented for optimisation of electricity and LPG usage.

Some of the actions planned for next year include replacement of energy intensive pumps with high efficiency systems, replacement of energy intensive fans with energy efficient fans. Operational measures include close monitoring and control of energy consumption and frequent energy audits by the hotel Engineering Department.

Your Company remains focused on giving importance towards conservation of energy, which results is savings in consumption of electricity, a significant component of the energy cost, in an ongoing process.

#### (ii) Technical Absorption

The Company continues to absorb and upgrade modern technologies and advanced hotel management techniques in various guest contact areas, which includes wireless internet connectivity in all the Guest House.

#### (iii) Foreign Exchange Earnings and outgo

As required under Section 131(3) (m) of the Companies Act, 2013, read with rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo is hereunder.

Particulars	March 31, 2015 (Rs.)	March 31, 2014 (Rs.)
Used	Nil	Nil
Earned	Nil	Nil

**ARUNA HOTELS LIMITED****20. Insurance**

All insurable interests of the Company including, buildings, furniture and fixtures and other insurable interest are adequately insured.

**21. Auditors****(i). Statutory Auditors**

The statutory Auditors, M/s U.C. Bhandri & Co. have expressed their unwillingness to be re-appointed as the auditors of the Company. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s Bala & Co, Chartered Accountants, as the statutory auditors.

The Board has considered the qualifications and experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Special Resolution appointing M/s. Bala & Co, Chartered Accountants, as statutory auditors in place of the retiring Auditor M/s U.C. Bhandri & Co. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received

**(ii). Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. M. Damodaran, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith.

With respect to the observation made in the secretarial audit report is self explanatory not necessary to give separate reply its Directors Report.

Apart from the above observation, there are no qualifications, reservations or adverse remarks made by Mr. M. Damodaran, Company, Practising Company Secretary, Secretarial Auditors of the Company in their secretarial audit report

## ARUNA HOTELS LIMITED

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an internal Control System, commensurate with size, scale and complexity of its operations. The scope and authority of the internal Audit function is well defined in the organization. To maintain its objectivity and independence, .

The Finance and Accounts Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

### 22. Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, The Board of Directors of the company hereby state and confirm that:

- a) In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true & fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March 2015 and of the Profit and loss of the Company for that period;
- c) The Directors have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safe guarding the assets of the Company and for preventing & detecting fraud and other irregularities;
- d) The Directors had prepared the Annual Accounts on a going concern basis; and
- e) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### 23. Directors

#### Appointment of Additional Directors:

During the year the Company has appointed Five Directors on board as Additional Directors. They are Mr. Muralidharan Ramasamy, Rajakumar Kumaravelayatha Nadar, Vaithyalingam Anbalagan, Sundaresan Vairakan and Freeda Gnanaselvam Kanagiah. Accordingly, all the aforementioned persons were appointed as an Additional Directors with effect from 01.10.2015, 10.10.2015 and 27.11.2015 respectively to hold office till the conclusion of ensuring Annual General Meeting.

**ARUNA HOTELS LIMITED****Appointment of Managing Director**

Subject to the approval of the members in the ensuing AGM, the Board of Directors appointed Mr Vaithyalingam Anbalagan as a Managing Director of the Company with effect from 10.10.2015 for a period of three years

**Appointment of Independent Directors:**

During the year the Company has appointed Mr.SundaresanVairakan and Freeda gnanaselvam kanagiah as Independent Directors as per Section 149(4) of Companies Act, 2013 for a period of Five Consecutive years with effect from 53<sup>rd</sup> Annual General Meeting.

**Resignation of Directors:**

During the year Sivaram Raghavan , CL Ravichandran, Subramanian Kalyanam ,Karthik P Sivaram, Maruthai Pillai Sivaram, Sankaranarayanan Subramanian, Shameer Ahamed , Natesa Pillai Subramanian , Venkatesalyer Viswanaathan , Kasirajan Rengaswamy and Muthiah Senthilnathan have resigned from the Board on 02.03.2015 and Kamal Kumar Babbar and Baldwin Manohar Rabu have resigned from the Board on 30.09.2015 and 22.09.2015 respectively. The Board places on record its sincere appreciation for the valuable services rendered by them.

**Independent Directors Declaration:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## ARUNA HOTELS LIMITED

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company shall establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

### BOARD EVALUATION

Pursuant to the Provisions of the Companies Act, 2013, the Board has carried out an Annual Performance Evaluation of its own performance and that of its Directors individually.

### Human Resources

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. It considers people as its biggest assets. your Company consistently develops inspiring, strong and credible leadership.

### Particulars of Employees

Information required to be furnished under the provision of the Companies Act 2013 read with the rule made there under, is not applicable since none of the employee are receiving remuneration as mentioned in the said rules and Act.

### Acknowledgement

Your Directors take this opportunity to thank the Company's customers, shareholders, suppliers, bankers, financial institutions and the Central and State Governments for the irunstinted support. The Directors would also like to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

Place: Chennai

For and on Behalf of Board of Directors

Date: 30/11/2015

**Vaithyalingam Anbalagan      Muralidharan R**

-sd-

-sd-

Managing Director

Director

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# Ministry of Corporate Affairs

User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 00442560

Date: 19/10/2021 02:23:30 PM

Name : MARUTHAI PILLAI SIVARAM

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Managing Director	01/04/1970	01/04/1970	02/03/2015	Active	-
U65991TN1964PTC005259	AMBATTUR ENTERPRISES PRIVATE LIMITED	Director	31/05/2006	31/05/2006	31/08/2012	Active	-
U67190KA2006PLC040857	FOREXVEDA INDIA LIMITED	Director	27/02/2014	27/02/2014	-	Strike Off	-

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**Ministry of Corporate Affairs**

User ID : BJSRINI123

**View Director / Designated Partner Details**

DIN/DPIN : 01002518

Date: 19/10/2021 02:07:17 PM

Name : SIVARAM PERUMAL KARTHIK

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Additional Director	01/10/2015	31/10/2001	02/10/2015	Active	-
U15494TN2008PTC069281	SHOBA KARTICK PROCUREMENT PRIVATE LIMITED	Director	13/09/2008	13/09/2008	-	Under Process of Striking Off	-
U24116TN2002PLC048525	KPS AGRI COMPANY LIMITED	Director	28/02/2002	28/02/2002	-	Active	-
U28932TN2005PTC057547	KALAIYAR KOIL MILK PROCESSING PRIVATE LIMITED	Director	29/09/2005	29/09/2005	-	Active	-
U51102TN1942PTC000040	AARNAD COMMERCIAL CO PRIVATE LIMITED	Director	30/06/2007	30/06/2007	16/11/2017	Active	-
U51420TN2006PTC060537	KPS MINERAL COMPANY PRIVATE LIMITED	Director	13/07/2006	13/07/2006	-	Under Process of Striking Off	-
U65991TN1992PTC022049	M.S.SECURITIES PRIVATE LIMITED	Director	30/06/2007	30/06/2007	20/10/2017	Active	-
U70101TN2007PTC062036	MARUTHA REALTY PRIVATE LIMITED	Director	12/01/2007	12/01/2007	-	Strike Off	-
U72200TN2016PTC110013	KARMIT SOFTWARE PRIVATE LIMITED	Director	23/04/2016	23/04/2016	-	Active	-
U92490TN2003PTC050977	KAISER LUXURY HOTELS PRIVATE LIMITED	Director	05/06/2003	05/06/2003	-	Strike Off	-



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User ID : BJSRINI123

**View Director / Designated Partner Details**

DIN/DPIN : 00128413

Date: 19/10/2021 02:28:57 PM

Name : SUBHRAMANIYA KALYANAM

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	09/09/2015	30/04/2009	01/10/2015	Active	-
L51909TN1985PLC011683	POLYSPIN EXPORTS LIMITED	Director	06/07/2001	06/07/2001	24/01/2008	Active	-
L72300TN1993PLC024748	DHANUS TECHNOLOGIES LIMITED	Director	24/12/2008	29/11/2007	-	Under Liquidation	-
U17111TN1995PTC029985	ENERGYSPIN PRIVATE LIMITED	Wholetime Director	16/11/2007	07/03/1997	-	Active	-
U65922TN1985PLC011768	SOUTHERN HOUSING CORPORATION LIMITED	Director	27/12/2005	27/12/2005	-	Active	-

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User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 02620922

Date: 19/10/2021 02:23:54 PM

Name : CATAVOOR LOGANADHAMUDALIAR RAVICHANDRAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	09/09/2015	30/04/2009	01/10/2015	Active	-
U51109WB1961PTC025203	E W STEVENS & CO PVT LTD	Director	09/06/1976	09/06/1976	-	Active	-

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User ID : BJSRINI123

**View Director / Designated Partner Details**

DIN/DPIN : 01737975

Date: 19/10/2021 02:25:48 PM

Name : MUTHIAH SENTHILNATHAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Additional Director	14/11/2013	14/11/2013	02/03/2015	Active	-
U24231TZ2013PTC019809	ESSENTIA HEALTHCARE SOLUTIONS PRIVATE LIMITED	Director	30/09/2014	19/11/2013	14/12/2015	Strike Off	-
U70109TN2007PTC063217	SNAP PROPERTY DEVELOPMENT PRIVATE LIMITED	Director	20/04/2007	20/04/2007	02/09/2009	Strike Off	-
U70109TN2007PTC063219	SNJ PROPERTY MANAGEMENT PRIVATE LIMITED	Director	30/09/2013	21/04/2007	-	Active	-
U72400TN2004PTC054195	SNAP SCRIBE INDIA PRIVATE LIMITED	Director	21/04/2007	21/04/2007	02/09/2009	Strike Off	-
U74900TN2013PTC091837	SENJAY ENTERPRISES PRIVATE LIMITED	Director	25/06/2013	25/06/2013	-	Strike Off	-

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## Ministry of Corporate Affairs

User ID : BJSRINI123

### View Director / Designated Partner Details

DIN/DPIN : 02397099

Date: 19/10/2021 02:25:31 PM

Name : SANKARANARAYANAN SUBRAMANIAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Additional Director	14/11/2013	14/11/2013	02/03/2015	Active	-
U65900MH2014PTC260301	BOMBAY FINANCE INDIA PRIVATE LIMITED	Director	22/12/2014	22/12/2014	-	Active	-
U72200KA2010PTC054323	KENSHO INFORMATION TECHNOLOGY SOLUTIONSPRIVATE LIMITED	Director	08/06/2012	08/06/2012	11/02/2013	Strike Off	-
U74120MH2012PTC233672	STRYDE MORTGAGE EXPERTS PRIVATE LIMITED	Additional Director	26/12/2014	26/12/2014	05/02/2016	Active	-
U74120MH2015PTC267754	BOMBAY FINE ART PRIVATE LIMITED	Director	25/08/2015	25/08/2015	-	Strike Off	-
U74999TN2013PTC090123	EDUCATORS GUILD PRIVATE LIMITED	Director	25/09/2015	25/09/2015	25/10/2019	Active	-

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User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 05313175

Date: 19/10/2021 02:24:08 PM

Name : NATESA PILLAI SUBRAMANIAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Additional Director	14/11/2013	14/11/2013	02/03/2015	Active	-
U65991TN1992PTC022049	M.S.SECURITIES PRIVATE LIMITED	Director	26/02/1999	26/02/1999	-	Active	-

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User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 06600541

Date: 19/10/2021 02:24:52 PM

Name : VENKATESAIYER VISWANAATHAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	09/09/2015	14/11/2013	01/10/2015	Active	-
U45200TN2013PTC092512	ROYAL SERENITY REALTORS PRIVATE LIMITED	Director	13/08/2013	13/08/2013	-	Strike Off	-

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## View Director / Designated Partner Details

DIN/DPIN : 06653603

Date: 19/10/2021 02:25:16 PM

Name : SIVARAM RAGHAVAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Additional Director	14/11/2013	14/11/2013	02/03/2015	Active	-
U51102TN1942PTC000040	AARNAD COMMERCIAL CO PRIVATE LIMITED	Director	01/01/2006	01/01/2006	-	Active	-

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## View Director / Designated Partner Details

DIN/DPIN : 06759486

Date: 19/10/2021 02:26:05 PM

Name : KASIRAJAN RANGASWAMY

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	09/09/2015	14/11/2013	01/10/2015	Active	-



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## View Director / Designated Partner Details

DIN/DPIN : 06759494

Date: 19/10/2021 02:24:33 PM

Name : SHAMEER AHAMED

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	09/09/2015	14/11/2013	01/10/2015	Active	-

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**Ministry of Corporate Affairs**

User ID : BJSRINI123

**View Director / Designated Partner Details**

DIN/DPIN : 00059007

Date: 19/10/2021 02:31:23 PM

Name : VAITHYALINGAM ANBALAGAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Managing Director	30/12/2015	10/10/2015	23/08/2019	Active	-
U21011TN1961PLC004531	SUN PAPER MILL LIMITED	Director	01/04/2017	28/12/1978	28/07/2018	Active	-
U45201TN2004PTC054407	SUBASRI REALTY PRIVATE LIMITED	Director	07/10/2004	07/10/2004	06/08/2014	Active	-
U63090TN2005PTC058266	ANIMATED TRAVELS PRIVATE LIMITED	Director	09/12/2005	09/12/2005	25/05/2017	Active	-

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User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 07092976

Date: 19/10/2021 02:31:38 PM

Name : RAMASAMY MURALIDHARAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	30/12/2015	02/03/2015	-	Active	-

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# Ministry of Corporate Affairs

User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 05187894

Date: 19/10/2021 02:31:52 PM

Name : KUMARAVELAYATHA NADAR RAJAKUMAR

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	30/12/2015	02/03/2015	-	Active	-
U65921TN2012PTC084410	SIVELS HOLDINGS PRIVATE LIMITED	Director	10/02/2012	10/02/2012	-	Active	-

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# Ministry of Corporate Affairs

User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 07328033

Date: 19/10/2021 02:32:04 PM

Name : VAIRAKAN SUNDARESAN

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	30/12/2015	10/10/2015	10/02/2017	Active	-
U22121TN1979PTC007728	MALAR PUBLICATIONS PRIVATE LIMITED	Managing Director	14/02/2017	14/02/2017	-	Active	-

[Print](#)

# Ministry of Corporate Affairs

User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 07350172

Date: 19/10/2021 02:32:30 PM

Name : FREEDA GNANASELVAM KANAGIAH

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Director	30/12/2015	27/11/2015	-	Active	-

[Print](#)

# Ministry of Corporate Affairs

User ID : BJSRINI123

## View Director / Designated Partner Details

DIN/DPIN : 07103502

Date: 19/10/2021 02:32:43 PM

Name : RABU MANOHAR

CIN/LLPIN	Name of the Company/ LLP	Current designation of the Director/ Designated Partner	Date of appointment at current designation	Original date of appointment	Date of cessation	Company/ LLP Status	Defaulting status
L15421TN1960PLC004255	ARUNA HOTELS LIMITED	Additional Director	01/10/2015	02/03/2015	10/10/2015	Active	-
U80901TN2019NPL130941	E-JANASEVA WELFARE FOUNDATION	Director	06/08/2019	06/08/2019	-	Active	-



## Shareholding Pattern

## ARUNA HOTELS LTD

Scrip Code : 500016

Quarter ending : December 2014

## Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group

Sl.No.	Name of the Shareholder	Details of Shares held		Encumbered shares (*)		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital	
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class		
1	Kamal Babbar	12,00,000	13.33	0	0.00	0.00	0	0.00	0	0.00	13.33
2	Sivaram M	5,21,535	5.79	0	0.00	0.00	0	0.00	0	0.00	5.79
3	Subasri Realty Pvt Ltd	4,90,000	5.44	0	0.00	0.00	0	0.00	0	0.00	5.44
4	Subasri Realty Pvt Ltd	4,00,000	4.44	0	0.00	0.00	0	0.00	0	0.00	4.44
5	Yessir Holdings And Investments Pvt Ltd	3,72,412	4.14	0	0.00	0.00	0	0.00	0	0.00	4.14
6	Balasubramania Sivanthi Adityan	2,40,112	2.67	0	0.00	0.00	0	0.00	0	0.00	2.67
7	Gay Travels Pvt Ltd	2,05,558	2.28	0	0.00	0.00	0	0.00	0	0.00	2.28
8	Sovereign Media Marketing Pvt Ltd	1,95,718	2.17	0	0.00	0.00	0	0.00	0	0.00	2.17
9	Karthik Perumal	76,231	0.85	0	0.00	0.00	0	0.00	0	0.00	0.85
10	Adityan B S	69,776	0.78	0	0.00	0.00	0	0.00	0	0.00	0.78
11	Raghavan Sivaram	68,558	0.76	0	0.00	0.00	0	0.00	0	0.00	0.76
12	Sathya Sivaram	61,769	0.69	0	0.00	0.00	0	0.00	0	0.00	0.69
13	Gay Travels Pvt Ltd	52,948	0.59	0	0.00	0.00	0	0.00	0	0.00	0.59
14	Subbiah T N	31,300	0.35	0	0.00	0.00	0	0.00	0	0.00	0.35
15	Maruthai Pillai P	30,390	0.34	0	0.00	0.00	0	0.00	0	0.00	0.34



16	Sri Devi Agencies Pvt Ltd	29,880	0.33	0	0.00	0.00	0	0.00	0	0.00	0.33
17	Rukmani Sivaram	25,624	0.28	0	0.00	0.00	0	0.00	0	0.00	0.28
18	Augustin D	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
19	Chandramohan R	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
20	Geetha Periasamy	17,180	0.19	0	0.00	0.00	0	0.00	0	0.00	0.19
21	Kamal Babbar	16,500	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
22	Rani Printers Pvt Ltd	16,000	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
23	Anita Kumaran	15,000	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
24	Mala Jayaram	14,940	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
25	S Swarna	14,858	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
26	Arun Pillai M	11,844	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
27	Chandrakant	11,683	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
28	Subbiah T N	11,000	0.12	0	0.00	0.00	0	0.00	0	0.00	0.12
29	Chithan V	10,050	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
30	Sivakami Subbiah	10,000	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
31	Jayanthi Natarajan	8,000	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
32	Vijayalakshmi Chandramohan	7,770	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
33	Jayanthi S	6,514	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
34	Yamini Subbia H	6,000	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
35	Senthilanthan M	5,530	0.06	0	0.00	0.00	0	0.00	0	0.00	0.06
36	Sivaram M	4,828	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
37	Jayanthi Natarajan	4,200	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
38	Sivabagyam M	3,700	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
39	Chandra Mohan P	3,200	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
40	Karthik Perumal Sivaram	2,662	0.03	0	0.00	0.00	0	0.00	0	0.00	0.03
41	Ganesan M	1,700	0.02	0	0.00	0.00	0	0.00	0	0.00	0.02
42	Sivaraam M	1,277	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
43	Ravichandran C L	802	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
44	Ganesan M	200	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
	<b>Total</b>	<b>43,15,649</b>	<b>47.95</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47.95</b>

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.



## Shareholding Pattern

## ARUNA HOTELS LTD

Scrip Code : 500016

Quarter ending : March 2015

## Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group

Sl.No.	Name of the Shareholder	Details of Shares held		Encumbered shares (*)		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital	
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class		
1	Kamal Babbar	12,00,000	13.33	0	0.00	0.00	0	0.00	0	0.00	13.33
2	Sivaram M	5,21,535	5.79	0	0.00	0.00	0	0.00	0	0.00	5.79
3	Subasri Realty Pvt Ltd	4,90,000	5.44	0	0.00	0.00	0	0.00	0	0.00	5.44
4	Subasri Realty Pvt Ltd	4,00,000	4.44	0	0.00	0.00	0	0.00	0	0.00	4.44
5	Yessir Holdings And Investments Pvt Ltd	3,72,412	4.14	0	0.00	0.00	0	0.00	0	0.00	4.14
6	Balasubramania Sivanthi Adityan	2,40,112	2.67	0	0.00	0.00	0	0.00	0	0.00	2.67
7	Gay Travels Pvt Ltd	2,05,558	2.28	0	0.00	0.00	0	0.00	0	0.00	2.28
8	Sovereign Media Marketing Pvt Ltd	1,95,718	2.17	0	0.00	0.00	0	0.00	0	0.00	2.17
9	Karthik Perumal	76,231	0.85	0	0.00	0.00	0	0.00	0	0.00	0.85
10	Adityan B S	69,776	0.78	0	0.00	0.00	0	0.00	0	0.00	0.78
11	Raghavan Sivaram	68,558	0.76	0	0.00	0.00	0	0.00	0	0.00	0.76
12	Sathya Sivaram	61,769	0.69	0	0.00	0.00	0	0.00	0	0.00	0.69
13	Gay Travels Pvt Ltd	52,948	0.59	0	0.00	0.00	0	0.00	0	0.00	0.59
14	Subbiah T N	31,300	0.35	0	0.00	0.00	0	0.00	0	0.00	0.35
15	Maruthai Pillai P	30,390	0.34	0	0.00	0.00	0	0.00	0	0.00	0.34

16	Sri Devi Agencies Pvt Ltd	29,880	0.33	0	0.00	0.00	0	0.00	0	0.00	0.33
17	Rukmani Sivaram	25,624	0.28	0	0.00	0.00	0	0.00	0	0.00	0.28
18	Augustin D	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
19	Chandramohan R	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
20	Geetha Periasamy	17,180	0.19	0	0.00	0.00	0	0.00	0	0.00	0.19
21	Kamal Babbar	16,500	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
22	Rani Printers Pvt Ltd	16,000	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
23	Anita Kumaran	15,000	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
24	Mala Jayaram	14,940	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
25	S Swarna	14,858	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
26	Arun Pillai M	11,844	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
27	Chandrakant	11,683	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
28	Subbiah T N	11,000	0.12	0	0.00	0.00	0	0.00	0	0.00	0.12
29	Chithan V	10,050	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
30	Sivakami Subbiah	10,000	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
31	Jayanthi Natarajan	8,000	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
32	Vijayalakshmi Chandramohan	7,770	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
33	Jayanthi S	6,514	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
34	Yamini Subbia H	6,000	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
35	Senthilanthan M	5,530	0.06	0	0.00	0.00	0	0.00	0	0.00	0.06
36	Sivaram M	4,828	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
37	Jayanthi Natarajan	4,200	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
38	Sivabagyam M	3,700	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
39	Chandra Mohan P	3,200	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
40	Karthik Perumal Sivaram	2,662	0.03	0	0.00	0.00	0	0.00	0	0.00	0.03
41	Ganesan M	1,700	0.02	0	0.00	0.00	0	0.00	0	0.00	0.02
42	Sivaraam M	1,277	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
43	Ravichandran C L	802	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
44	Ganesan M	200	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
	<b>Total</b>	<b>43,15,649</b>	<b>47.95</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47.95</b>

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.



## Shareholding Pattern

## ARUNA HOTELS LTD.

Scrip Code : 500016

Quarter Ending : December 2015

## Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of equity shares held in dematerialized form
<b>A1) Indian</b>				0.00	
<b>Individuals/Hindu undivided Family</b>	31	20,31,598	20,31,598	22.57	31,358
KAMAL BABBAR	1	12,16,500	12,16,500	13.52	16,500
BALASUBRAMANIA SIVANTHI ADITYAN	1	2,40,112	2,40,112	2.67	
KARTHIK PERUMAL	1	78,893	78,893	0.88	
ADITYAN B S	1	69,776	69,776	0.78	
RAGHAVAN SIVARAM	1	68,558	68,558	0.76	
SATHYA SIVARAM	1	61,769	61,769	0.69	
SUBBIAH T N	1	31,300	31,300	0.35	
MARUTHAI PILLAI P	1	30,390	30,390	0.34	
RUKMANI SIVARAM	1	25,624	25,624	0.28	
AUGUSTIN D	1	19,200	19,200	0.21	
CHANDRAMOHAN R	1	19,200	19,200	0.21	
GEETHA PERIASAMY	1	17,180	17,180	0.19	
ANITA KUMARAN	1	15,000	15,000	0.17	
MALA JAYARAM	1	14,940	14,940	0.17	
S SWARNA	1	14,858	14,858	0.17	14,858
ARUN PILLAI M	1	11,844	11,844	0.13	
CHANDRAKANT	1	11,683	11,683	0.13	
SUBBIAH T N	1	11,000	11,000	0.12	
CHITHAN V	1	10,050	10,050	0.11	
SIVAKAMI SUBBIAH	1	10,000	10,000	0.11	

JAYANTHI NATARAJAN	1	12,200	12,200	0.14	
VIJAYALAKSHMI CHANDRAMOHAN	1	7,770	7,770	0.09	
JAYANTHI S	1	6,514	6,514	0.07	
YAMINI SUBBIAH	1	6,000	6,000	0.07	
SENTHILNATHAN M	1	5,530	5,530	0.06	
SIVARAM M	1	6,105	6,105	0.07	
SIVABAGYAM M	1	3,700	3,700	0.04	
CHANDRA MOHAN P	1	3,200	3,200	0.04	
GANESAN M	1	1,700	1,700	0.02	
RAVICHANDRAN C L	1	802	802	0.01	
GANESAN M	1	200	200	0.00	
<b>Any Other (specify)</b>	6	27,14,732	27,14,732	30.16	20,63,294
SUBASRI REALTY PRIVATE LIMITED	1	14,64,123	14,64,123	16.27	10,64,123
GAY TRAVELS PRIVATE LIMITED	1	5,91,506	5,91,506	6.57	3,85,948
YESSIR HOLDINGS AND INVESTMENTS PVT LTD	1	3,72,412	3,72,412	4.14	3,72,412
SOVEREIGN MEDIA MARKETING PRIVATE LIMITED	1	1,95,718	1,95,718	2.17	1,95,718
RANI PRINTERS PRIVATE LIMITED	1	61,093	61,093	0.68	45,093
SRI DEVI AGENCIES PVT LTD	1	29,880	29,880	0.33	
<b>Sub Total A1</b>	37	47,46,330	47,46,330	52.74	20,94,652
<b>A2) Foreign</b>				0.00	
<b>A=A1+A2</b>	37	47,46,330	47,46,330	52.74	20,94,652

## ARUNA HOTELS LIMITED

## B) SHAREHOLDING OF PROMOTER-

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	KAMAL KUMAR BABBAR	1216500	13.52	-	1216500	13.52	-	-
2.	KARTHIK PERUMAL	78893	0.88	-	78893	0.88	-	-
3.	ADITYAN. B .S	309888	3.44	-	309888	3.44	-	-
4.	RAGHAVAN SIVARAM	68558	0.76	-	68558	0.76	-	-
5.	SATHYA SIVARAM	61769	0.69	-	61769	0.69	-	-
6.	SUBBIAH T N	42300	0.47	-	42300	0.47	-	-
7.	MARUTHAI PILLAI P	30390	0.34	-	30390	0.34	-	-
8.	RUKMANI SIVARAM	25624	0.28	-	25624	0.28	-	-
9.	AUGUSTIN D	19200	0.21	-	19200	0.21	-	-
10.	CHANDRAMOHAN R	19200	0.21	-	19200	0.21	-	-
11.	GEETHA PERIASAMY	17180	0.19	-	17180	0.19	-	-
12.	ANITA KUMARAN	15000	0.17	-	15000	0.16	-	-
13.	MALA JAYARAM	14940	0.17	-	14940	0.17	-	-
14.	S SWARNA	14858	0.17	-	14858	0.17	-	-
15.	ARUN PILLAI M	11844	0.13	-	11844	0.13	-	-
16.	CHANDRAKANT	11683	0.13	-	11683	0.13	-	-
17.	CHITHAN V	10050	0.11	-	10050	0.11	-	-
18.	SIVAKAMI SUBBIAH	10000	0.11	-	10000	0.11	-	-
19.	JAYANTHI NATARAJAN	12200	0.14	-	12200	0.14	-	-
20.	VIJAYALAKSHMI CHANDRAMOHAN	7770	0.09	-	7770	0.09	-	-
21.	JAYANTHI S	6514	0.07	-	6514	0.07	-	-
22.	YAMINI SUBBIAH	6000	0.07	-	6000	0.07	-	-
23.	SENTHILNATHAN M	5530	0.06	-	5530	0.06	-	-
24.	SIVARAM M	6105	0.07	-	6105	0.07	-	-
25.	SIVABAGYAM M	3700	0.04	-	3700	0.0411	-	-
26.	CHANDRAMOHAN P	3200	0.04	-	3200	0.04	-	-
27.	RAVICHANDRAN C L	802	0.01	-	802	0.01	-	-
28.	GANESAN M	1900	0.02	-	1900	0.02	-	-
29.	SUBASRI REALITY PRIVATE LIMITED	1464123	16.27	-	1464123	16.27	-	-
30.	YESSIR HOLDING & INVESTMENT PRIVATE LIMITED	372412	4.14	-	372412	4.14	-	-
31.	GAY TRAVELS PRIVATE LIMITED	591506	6.57	-	591506	6.57	-	-
32.	SOVERIEGN MEDIA MARKETING PRIVATE LIMITED	195718	2.17	-	195718	2.17	-	-
33.	SRI DEVI AGENCIES PRIVATE LIMITED	29880	0.33	-	29880	0.33	-	-
34.	RANI PRINTERS PRIVATE LIMITED	61093	0.68	-	61093	0.68	-	-
	<b>Total</b>	<b>4746330</b>	<b>52.74</b>	<b>-</b>	<b>4746330</b>	<b>52.74</b>		

## ARUNA HOTELS LIMITED

## B) SHAREHOLDING OF PROMOTER-

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	KAMAL KUMAR BABBAR	1216500	13.52	-	1216500	13.52	-	-
2.	KARTHIK PERUMAL	78893	0.88	-	2662	0.03	-	(0.85)
3.	S .BALASUBRAMANIAN	-	-	-	103296	1.15	-	1.15
4.	KAAVYASARTATHJAGANNATHAN	-	-	-	118236	1.31	-	1.31
5.	MARUTHAI PILLAI P	30390	0.34	-	30390	0.34	-	-
6.	RUKMANI SIVARAM	25624	0.28	-	25624	0.28	-	-
7.	AUGUSTIND	19200	0.21	-	19200	0.21	-	-
8.	CHANDRAMOHAN R	19200	0.21	-	19200	0.21	-	-
9.	GEETHA PERIASAMY	17180	0.19	-	17180	0.19	-	-
10.	ANITA KUMARAN	15000	0.17	-	118296	1.31	-	1.14
11.	ARUN PILLAI M	11844	0.13	-	11844	0.13	-	-
12.	CHANDRAKANT	11683	0.13	-	11683	0.13	-	-
13.	CHITHAN V	10050	0.11	-	68350	0.76	-	0.65
14.	JAYANTHI NATARAJAN	12200	0.14	-	12200	0.14	-	-
15.	VIJAYALAKSHMI CHANDRAMOHAN	7770	0.09	-	7770	0.09	-	-
16.	JAYANTHI S	6514	0.07	-	6514	0.07	-	-
17.	SENTHILNATHAN M	5530	0.06	-	5530	0.06	-	-
18.	SIVARAM M	6105	0.07	-	6105	0.07	-	-
19.	SIVABAGYAM M	3700	0.04	-	3700	0.04	-	-
20.	CHANDRAMOHAN P	3200	0.04	-	3200	0.04	-	-
21.	RAVICHANDRAN C L	802	0.01	-	802	0.01	-	-
22.	GANESAN M	1900	0.02	-	1900	0.02	-	-
23.	SUBASRI REALITY PRIVATE LIMITED	1464123	16.27	-	1685539	18.73	-	2.46
24.	YESSIR HOLDING & INVESTMENT PRIVATE LIMITED	372412	4.14	-	372412	4.14	-	-
25.	GAY TRAVELS PRIVATE LIMITED	591506	6.57	-	591506	6.57	-	-
26.	SOVERIEGN MEDIA MARKETING PRIVATE LIMITED	195718	2.17	-	195718	2.17	-	-
27.	SRI DEVI AGENCIES PRIVATE LIMITED	29880	0.33	-	29880	0.33	-	-
28.	RANI PRINTERS PRIVATE LIMITED	61093	0.68	-	61093	0.68	-	-
	<b>Total</b>	<b>4746330</b>	<b>52.74</b>	<b>-</b>	<b>4746330</b>	<b>52.74</b>		

## C) CHANGE IN PROMOTERS' SHAREHOLDING (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	01.04.2018		4746330	52.74	4746330	52.74
	Changes during the year		No change				
	At the end of the year	31.03.2019		4746330	52.74	4746330	52.74

**ARUNA HOTELS LIMITED****ARUNA HOTELS LIMITED****(CIN-L15421TN1960PLC004255)****Corporate Information**

MANAGING DIRECTOR	V.ANBALAGAN (Appointed on 10.10.2015)
DIRECTOR	R.MURALIDHARAN K.RAJAKUMAR RABU MANOHAR (upto 22.09.2015) V.SUNDARESAN (Appointed on 10.10.2015) FREEDA GNANASELVAM
BANKERS	HDFC Bank Ltd.,
AUDITORS	U.C. Bhandari & Co Bangalore
REGISTRAR & SHARE TRANSFER AGENTS	M/s. MCS Share Transfer Agents Ltd 21/22, GR Floor, Kashiram Jamnadas blds P.D'Mello Road, Ghadiyal Godi, Masjid (East), Mumbai -400009 Ph:022-40206021, 23726255, 67439092
REGISTERED OFFICE	145 Sterling Road, Nungambakkam, Chennai-600 034



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**ARUNA HOTELS LIMITED**

(CIN- L15421TN1960PLC004255)  
REGD. OFF: 145, STERLING ROAD, CHENNAI-600-034

**NOTICE TO SHAREHOLDERS**

Dear Shareholder(s)

Notice is hereby given that the 53rd Annual General Meeting of the Shareholders of Aruna Hotels Limited will be held on Wednesday the 30th December, 2015 at Youth Hostel, 2nd Avenue, Indira Nagar, Chennai-600020 at 9.00 A.M., to transact the following business:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, Profit and Loss Account for the year ended 31st March 2015 and together with the Reports of the Board of Directors and the Auditors thereon.

**SPECIAL BUSINESS:**

2.) **To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:**

To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of fifth consecutive Annual General Meeting and to fix their remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Bala & Co, Chartered Accountants, be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors M/s. U.C. Bhandri & Co., Chartered Accountants, who shall hold office from the conclusion of this 53rd Annual General Meeting for term of consecutive five years till conclusion of the 58th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the Remuneration of the Auditors”.

3) **To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Clause 49 of the Listing Agreement, Freeda Gnanaselvam kanagiah(DIN 07350172), who was appointed as an additional Director (Independent Women Director) of the Company by the Board of Directors with effect from November 27, 2015 and, who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as an Independent Women Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2019-20 and to receive remuneration by way of fees, reimbursement of expenses for participation in the meetings of the Board and/or committees.”

**ARUNA HOTELS LIMITED**

**4). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT Mr. Muralidharan Ramasamy who was appointed on 1<sup>st</sup> October 2015 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**5). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT Mr. Rajakumar Kumaruvelayathadar who was appointed on 1<sup>st</sup> October 2015 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**6). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT Mr. Vaithyalingam Anbalagan who was appointed on 10 October 2015 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**7). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Clause 49 of the Listing Agreement, SUNDARESAN VAIRAKAN (DIN 07328033), who was appointed as an additional Director (Independent Director) of the Company by the Board of Directors with effect from October 10, 2015 and, who holds office upto the date of this Annual General meeting in terms of Section 161 of the Act, and in respect of whom the company has received a notice in writing from a member of the Company under section 160(1) of the Companies Act 2013, Proposing her candidature for the office of the company, not liable to hereby appointed as Independent director of the company, not liable to retire by rotation to hold office for 5 (five) consecutive years for terms upto the Annual General meeting for the financial year 2019-20 and to receive remuneration by fees, reimbursement of expenses for participation in the meeting of the board and other committees.

**8). To Consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT in Pursuant to the provisions of Section 196, 197, 203 and read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013("the Act"), the Consent of the shareholders be and is hereby accorded for the appointment of Mr. Vaithyalingam Anbalagan (holding DIN00059007) as a Managing Director of the Company for a period of Three years with effect from 10 October, 2015 upon the terms and conditions including remuneration, perquisites and amenities shall be as below:

## ARUNA HOTELS LIMITED

### Terms of Appointment:

Basic Salary: Rs. 25,000/- (Rupees Twenty Five Thousand only) per month

Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company Policy.

Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.

“RESOLVED FURTHER THAT in the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, benefits and perquisites payable or extended to Mr. Vaithyalingam Anbalagan shall be in accordance with the provisions of Section II of Part II of Schedule V to the Act, as may be in force from time to time.”

“RESOLVED FURTHER THAT in the event of any Statutory modification or amendments or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule V to the Companies Act, 2013 the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites etc., within such prescribed time and to do all acts, deeds, matters and things, as it may, at its absolute discretion consider necessary, expedient or desirable to give effect to the above resolution or otherwise considered by it to be in best interest of the company.”

### 9) To consider and if thought fit to pass, with or without modification(s) the following resolution as a Special Resolution:

RESOLVED THAT in supersession of the resolution passed by the Company with respect to mortgaging and/or charging by the Board of Directors, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”), or any statutory modification or re-enactment thereof, to the Board of Directors to mortgage and/or charge (by way of first, second or other subservient charge as may be agreed to between the Company and the lenders and/or Debenture Trustees), all the immovable and movable properties, present and future, pertaining to any one or more of the Company’s Units whose properties are agreed to be mortgaged and/or charged in certain events, to or in favour of any Financial Institutions, Banks and other lending Institutions or Funds, Trustees for Debentures, to secure their respective Rupee and Foreign Currency Loans or other Financial Assistance lent, granted and advances or agreed to be lent, granted and advanced to the Company or the Debentures, Bonds or other financial instruments issued and allotted or as may be issued by the Company and subscribed to or agreed to be subscribed to by such Institutions/Banks/Funds, or any other persons, of such amount or amounts not exceeding Rs. 100 Crores in the aggregate on account of principal, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Trustees, costs, charges and other moneys payable by the Company to the respective Financial Institutions, Banks and other lending institutions and Debenture holders and/or Trustees under the Loan/ Subscription Agreement(s) entered into/to be entered into by the Company in respect of the said term loans, debentures or other financial instruments or assistance.

RESOLVED FURTHER that the Board of Directors of the Company including a Committee thereof, be and is hereby authorized to finalize with the Financial Institutions, Banks and other lending Institutions or Debenture Trustees, the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds and things in connection therewith and incidental thereto.

**ARUNA HOTELS LIMITED**

**10) To consider and if through fit to pass, with or without modification(s) the following resolution as a Special Resolution:**

RESOLVED THAT in supersession of the earlier resolution passed by the Company with respect to the borrowing powers of the Board of Directors, consent of the Company be and is hereby accorded pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 (hereinafter referred to as the "Act"), or any statutory modification or re-enactment thereof, to the Board of Directors, borrowing moneys (apart from temporary loans from time to time obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, as the Board may, from time to time deem necessary, provided that the sum or sums so borrowed and remaining outstanding at any one time shall not exceed in the aggregate Rs. 100 Crores (Rupees One Hundred crores only).

**11) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 94, other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register and Index of Members Register and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company viz. MCS Share Transfer Agent Ltd. 21/22, Kashiram Jamnadas Building, Ground Floor, Near Ghadiyal Godi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009 or any other its office or place within the Chennai city, instead of the Registered Office of the Company.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.

**12) Issue of Equity Shares to Promoters of the Company on preferential basis:**

RESOLVED THAT pursuant to the provisions of Section 62 (1) (C) of the Companies Act, 2013 read with Rule 13 of the Companies (Share Capital & Debentures) Rules, 2014 and other applicable provisions, if any, of the enactment thereof and in accordance with the provisions of the Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed and any other rules/regulations/guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India ("SEBI") including Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("SEBI (ICDR) Regulations"), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and all such other approvals, the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot 29,48,156 fully paid equity shares of Rs.10/- each ("Equity Shares") at a price of Rs.72 (Rupees Seventy Two ) to Promoters and Non promoters from time to time and in one or more tranches on preferential basis, on such terms and conditions and in such manner, as the Board may, in its absolute discretion, think fit. The details of allottees are given below

**ARUNA HOTELS LIMITED**

<b>Proposed allottees</b>	<b>Category</b>	<b>No of shares</b>
Subasri Realty Private Limited	<b>Promoter</b>	1134271
Gay Travels Private Limited	<b>Promoter</b>	565277
Rani Printers Private Limited	<b>Promoter</b>	575000
Balasubramanian Adityan	<b>promoter</b>	111111
India Cabs Private Limited	<b>Non promoter</b>	201388
Sivels Holdings Private Limited	<b>Non promoter</b>	277777
Sivanthi Farms Private Limited	<b>Non promoter</b>	83332
<b>Total</b>		<b>2948156</b>

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the terms of the issue, entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the preferential issue), in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and utilisation of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the Board shall be final, binding and conclusive in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolution to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person as the Board at its discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc as may be necessary to give effect to the aforesaid resolution

By Order of the Board,  
For **Aruna Hotels Limited**  
Managing Director

Registered office: 145,  
Sterling Road,  
Chennai-600-034  
(CIN- L15421TN1960PLC004255)

Date: 30/11/2015

**Notes**

- The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business under item No.2 to 11 of the Notice, is annexed hereto.
- A Member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company.**  
A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed in the last page of this Annual Report. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.

**ARUNA HOTELS LIMITED**

3. During the period beginning 24 hours before the time fixed of the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of the notice in writing is given to the Company.
4. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for year 2014-15 are being sent to all the Members whose E-mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to Members for whom the E-Mail IDs are not available and who have requested for physical copies.
6. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the member at the AGM.
7. The Register of Members and Share Transfer Book will remain closed from 28.12.2015 to 30.12.2015 (both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31 March 2015.
8. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, MCS Share Transfer Agent Ltd. 21/22, Kashiram Jamnadas Building, Ground Floor, Near Ghadiyal Godi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009.  
Email : [mcsdemat@yahoo.com](mailto:mcsdemat@yahoo.com)/[uday\\_mcs@yahoo.in](mailto:uday_mcs@yahoo.in), Tel : 022-23726256/23726252
9. The Securities and Exchange Board of India (SEBI) had mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding in physical form shall submit their PAN details to the Company.
10. All documents referred to in the Notice will be available for inspection at the Company Registered Office during normal business hours on working days up to the date of AGM.

**ARUNA HOTELS LIMITED**

**A brief profile of directors, who are proposed to be re-appointed/appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below:**

**Muralidharan Ramasamy**

Mr. Muralidharan is having over decade rich experience particularly in finance and accounts and he is a MBA (Finance) Graduate and Inter C.A. In recognition of his contribution in media and construction industry and based on the recommendation by the Board of Directors at their meeting held on 1.10.2015 has appointed as Director.

**V. Anbalagan**

Mr.V Anbalagan, Managing Director of Aruna Hotels Ltd is a veteran with more than 40 years' experience in Running and administration of large businesses in the capacity as CEO includes India Cabs Pvt Ltd, Gay Travels Pvt Ltd and Sun Paper Mills Ltd. He is a BSC and MBA Graduate. He also served the Tamilnadu Government as a Gazetted Officer and held honorary positions as Secretary of Travel Agents Association of India, Southern Region for 6 years and as Treasurer of SKAL Club of India affiliated to International SKAL, a club for Travel Professionals & Hoteliers for 4 years. Due to his rich experience in the field of Travel and Hotels, he can steer the Aruna Hotels business to new heights.

**K Rajakumar**

Mr.K. Rajakumar, the Director of Aruna Hotels Ltd, is a technocrat with valuable experience in construction and property development. He has been actively involved in Promoting projects, which includes IT parks, educational institutions, and indoor stadiums and sports excellences. He has also promoted various commercial and residential projects as the head and Chief Executive Officer of Subasri Realty Pvt Ltd, Mr.K Rajakumar is instrumental in constantly upgrading the construction techniques as a CEO of Subasri to meet the ever-changing needs of the construction industry. Mr.K Rajakumar has hands on experience and possesses in-depth knowledge. He is holding post graduation degree.

**V. Sundaresan**

Mr. Sundaresan is having over four decades of rich experience particularly in media and educational institution. He is a science graduates and he is having good exposure in finance area. Based on the recommendation by the Board of Directors at their meeting held on 10.10.2015 has appointed as Independent Director.

**Freeda Gnanaselvam Kanagiah**

Mrs. Freeda appointed as a Independent Women Director of the Company and she is rich experience in industry more than a decade.



## ARUNA HOTELS LIMITED

### VOTING THROUGH ELECTRONIC MEANS

Under Rule 18 of Companies (Management and Administration) Rules, 2014 Members holding shares in electronic mode who have not got their E-Mail addresses updated with the Depository Participants are requested to update their E-Mail address and any changes therein. Members holding shares in physical mode are requested to update their E-Mail address, quoting their Folio Number, to our Registrar and Share Transfer Agent, viz., MCS Share Transfer Agent Ltd. 21/22, KashiramJamnadas Building, Ground Floor, Near GhadiyalGodi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009. Email : [mcsdemat@yahoo.com/uday\\_mcs@yahoo.in](mailto:mcsdemat@yahoo.com/uday_mcs@yahoo.in). Tel : 022-23726256/23726252

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Seventeenth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

#### I. The instructions for e-voting are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Select "ARUNA HOTELS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on Login).
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given in points (vi) and (vii).
- (vi) Fill up the following details in the appropriate boxes:

<b>For Members holding shares both in Demat Form and physical form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio

## ARUNA HOTELS LIMITED

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

#Please enter any one of the details in order to login. In case the details are not recorded with the depository and company please enter the Member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
  - (viii) Members holding shares in physical form will reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.
  - (ix) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
  - (x) Click on the EVSN for Aruna Hotels Limited.
  - (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
  - (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
  - (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account (s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

## ARUNA HOTELS LIMITED

- IV. The e-voting period commences on 27<sup>th</sup> December 2015 (9:00 am) and ends on 29<sup>th</sup> December 2015 (5:00 pm). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 23<sup>rd</sup> December 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 23<sup>rd</sup> December 2015.
- VI. Mr. M. Damodaran, Practicing Company Secretary (CP No: 5087), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period not exceeding two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared after remote E voting and physical ballot after the AGM of the Company and the resolutions will be deemed to be passed on the date of AGM of the Company subject to the receipt of requisite number of votes in favour of the resolution. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CSDL and communicated to the Stock Exchanges.

### **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

#### **Item No: 2**

The statutory Auditors, M/s U.C. Bhandri & Co. have expressed their unwillingness to be re-appointed as the auditors of the Company. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s Bala & Co, Chartered Accountants, as the statutory auditors.

The Board has considered the qualifications and experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Special Resolution appointing M/s. Bala & Co, Chartered Accountants, as statutory auditors in place of the retiring Auditor M/s U.C. Bhandri & Co. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

#### **ITEM NO: 3**

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, had appointed Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) as Additional Director (Independent Women Director) of the Company with effect from 27-11-2015. In terms of the provisions of Section 161 (1) of the Act, Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) would hold office up to the date of the ensuing Annual General Meeting.

**ARUNA HOTELS LIMITED**

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) for the office of Director of the Company.

Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and as per Section 152 she shall not be included in the total number of directors for retirement by rotation.

The Company has received declaration from Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) possesses appropriate skills, experience and knowledge;

As per the Board, Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) fulfills the conditions for her appointment as Independent Women Director as specified in the Act and the Listing Agreement. Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) is independent of the management.

Brief resume of Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172), nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange, is provided as a part of the Notice of the Annual General Meeting.

Keeping in view her expertise and knowledge, it will be in the interest of the Company that Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) is appointed as Independent Women Director.

Copy of the draft letter of appointment of Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) as Independent Director setting out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice, except to the extent of their respective shareholding. The appointee Director may please be treated as interest in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**ARUNA HOTELS LIMITED****ITEM NO: 4**

Mr. Muralidharan Ramasamy was appointed as an Additional Director of the Company with effect from 1<sup>st</sup> October 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Muralidharan Ramasamy holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Muralidharan Ramasamy for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.4 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Muralidharan Ramasamy is interested or concerned in this resolution.

**ITEM NO: 5**

Mr. Rajakumar Kumaruvelayatha nadar was appointed as an Additional Director of the Company with effect from 1<sup>st</sup> October 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Rajakumar Kumaruvelayatha nadar holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Rajakumar Kumaruvelayatha nadar for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No.5 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Rajakumar Kumaruvelayatha nadar is interested or concerned in this resolution.

**ITEM NO: 6**

Mr. Vaithyalingam Anbalagan was appointed as an Additional Director of the Company with effect from 10<sup>th</sup> October 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Vaithyalingam Anbalagan holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Vaithyalingam Anbalagan for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.6 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Vaithyalingam Anbalagan is interested or concerned in this resolution.

**ARUNA HOTELS LIMITED****ITEM NO: 7**

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, had appointed Shri SUNDARESAN VAIRAKAN (DIN 07328033) as Additional Director (Independent Director) of the Company with effect from 10-10-2015. In terms of the provisions of Section 161 (1) of the Act, Shri SUNDARESAN VAIRAKAN (DIN 07328033) would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri SUNDARESAN VAIRAKAN (DIN 07328033) for the office of Director of the Company.

Shri SUNDARESAN VAIRAKAN (DIN 07328033) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and as per Section 152 he shall not be included in the total number of directors for retirement by rotation.

The Company has received declaration from Shri SUNDARESAN VAIRAKAN (DIN 07328033) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri SUNDARESAN VAIRAKAN (DIN 07328033) possesses appropriate skills, experience and knowledge;

As per the Board, Shri SUNDARESAN VAIRAKAN (DIN 07328033) fulfills the conditions for his appointment as Independent Director as specified in the Act and the Listing Agreement. Shri SUNDARESAN VAIRAKAN (DIN 07328033) is independent of the management.

Brief resume of Shri SUNDARESAN VAIRAKAN (DIN 07328033), nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange, is provided as a part of the Notice of the Annual General Meeting.

Keeping in view his expertise and knowledge, it will be in the interest of the Company that Shri SUNDARESAN VAIRAKAN (DIN 07328033) is appointed as Independent Director.

Copy of the draft letter of appointment of Shri SUNDARESAN VAIRAKAN (DIN 07328033) as Independent Director setting out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

## ARUNA HOTELS LIMITED

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice, except to the extent of their respective shareholding. The appointee Director may please be treated as interest in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

### ITEM NO: 8

The Board of directors has appointed Mr.Vaithyalingam Anbalagan as a Managing Director of the Company for a period of Three years from 10.10.2015. The term of office of such appointment will be expired on 9.10.2018. Further, Mr.Vaithyalingam Anbalagan is having over four decades of rich experience particularly in hospitality and travel industry. In recognition of her contribution in the Company and based on the recommendation by the Board of directors at their Meeting held on 10.10.2015 has appointed Mr. Vaithyalingam Anbalagan as a Managing Director of the Company subject to approval of members at the ensuing Annual General Meeting for a further period of Three years with effect from 10.10.2015 to 9.10.2018

#### The terms and remuneration details as follows:

Basic Salary: Rs.25,000/-(Rupees Twenty Five Thousand only) per month

Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company Policy.

Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.

#### Other Directorships:

S.No	Name of the Company	Current Designation
1.	SUN PAPER MILL LIMITED	Whole-time director
2.	ANIMATED TRAVELS PRIVATE LIMITED	Director

As per the requirements of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/re-appointment of the Managing Director/Whole Time Directors and increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. Therefore your Directors recommend the Resolution set out at Item no. 8 is to be passed as Special Resolution.

None of the Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board of Directors recommends the resolution for approval of the Members.

**ARUNA HOTELS LIMITED****ITEM NO. 9**

In pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the 'Act'), since notified, the Board can exercise such power to create mortgage and/or charge on the immovable and movable properties of the Company, only with the approval of Members of the Company by way of Special Resolution. Keeping in view the company's business requirements and growth plans, it is considered to increase the said borrowing limit upto Rs. 100 crores.

The resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors, Key Managerial Personnel of the Company, and/ or their relatives may be deemed to be concerned or interested in the proposed resolution.

**ITEM NO.10**

The Board of Directors of the Company envisages requirements of funds in future. As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board can borrow money subject to the condition that the money to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose unless the Shareholders have authorized the Board to borrow the monies upto some higher limits.

Hence, it is proposed to empower and authorize the Board of Directors of the Company to borrow money from any Bank(s), Financial Institutions (FIs,) Bodies Corporate or Business Associates or other any person or entity etc., in excess of paid up capital and free reserves of the Company by a sum not exceeding Rs. 100 crores for the purposes of business activities of the Company.

The resolution as set out at item no. 10 of the notice is placed for your approval on the aforesaid limits of borrowing by the Board.

As per Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, approval of the members is sought by way of Special resolution.

Hence, the Board of Directors recommends passing of the enabling resolution mentioned at item No. 10 in the notice.

None of the Directors or KMPs or their relatives is concerned or interested either financially or otherwise, in the resolution otherwise, in the resolution.



## ARUNA HOTELS LIMITED

### ITEM NO.11

Certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the office of the Registrar and Transfer Agent ("RTA"), MCS Share Transfer Agent Ltd. 21/22, Kashiram Jamnadas Building, Ground Floor, Near Ghadiyal Godi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009 or any other its office or place within the Chennai city, instead of the Registered Office of the Company or any other its office or place within the Chennai city.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Chennai, Tamilnadu, as required under the said Section 94 (1) of the Companies Act, 2013.

The Directors recommend the said resolution proposed vide Item No. 9 to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the said resolution.

### ITEM NO.12

Your Board at its meeting held on November 30, 2015 subject to approval by the Company in General Meeting and requisite statutory approvals, has proposed to offer for subscription by way of preferential allotment upto 2948156 Equity Shares of Rs.10/- each to promoters and non promoters which has given above in the resolution at a price of Rs. 72.00 (Rupees Seventy Two only) per Equity Share (including a premium of Rs 62.00 per Equity Share) being a price determined as per Regulation 76(A) of Chapter VII of the Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009 and read with Section 62 of the Companies Act 2013, as the trading in company's shares are suspended by BSE.

Section 62 of the Companies Act, 2013, provides, inter alia, that such further shares may be offered to any persons whether or not such persons are existing holders of equity shares of the Company as on the date of offer by way of a Special Resolution passed to that effect by the Company in General Meeting.

The Equity Shares of the Company to be allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of the issue. The consummation of the proposed subscription of equity Shares by proposed allottees is subject to approval from any governmental / or regulatory authorities etc., if required and /

or as applicable.

The Board believes that the preferential offer to Promoters and non promoters will be in the best interest of the Company and its Members.

## ARUNA HOTELS LIMITED

The Listing Agreements executed by the Company with the Bombay Stock Exchange provide that the Company shall issue or offer in the first instance all Securities to the existing equity shareholders of the Company unless the Shareholders decide otherwise.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013, Regulation 74(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments

there of, and in terms of the provisions of the Listing Agreements, and such other approvals as may be necessary, to issue and allot securities as stated in the Special Resolution.

**As required under Rule 13 (2) (d) of the (Share Capital and Debentures) Rules ,2014 of Companies Act 2013 and regulation 73(1) & (2) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the other required details are furnished as under.**

### **Objects of the preferential issue:**

Due to industrial slow down in India, inadequate capacity utilization, the Company has recently incurred substantial operating losses. Subsequent to the end of the last financial year, the operation of the business has been closed due to lack of working capital requirements. Consequent to the changes of the Board of Directors and the Company believes that New Board is in the process of working out an elaborate Business Plan to restart the operations at the earliest and has been taking certain structural measures to strengthen its operating performance, in order to shore-up its working capital, the promoters of the Company has agreed to infuse funds into Company around Rs 21,22,67,232 (Rupees Twenty One Crores Twenty Two Lakhs Sixty Seven Thousand and Two Hundred Thirty Two ) by way of subscription to the capital of the Company as under:

### **Number of shares to be allotted and price thereof:**

It is proposed that 2948156 Equity Shares would be allotted in one or more tranches at the price of Rs.72/- each per equity share. (Including premium of Rs. 62 per share)

### **Basis of the Price for shares to be allotted**

Shares of the Company since suspended from trading on BSE, the valuation of the shares of the Company is determined as per valuation prepared by a registered valuer.

### **Relevant Date**

The “**Relevant Date**” in accordance with the provisions of Regulation 71(a) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the preferential offer means the date as thirty days prior to the date on which this Extra Ordinary General Meeting of the Company is held, to consider, the proposed preferential offer under Section 62 of the Act. Accordingly the “**Relevant Date**” for this preferential offer is November 30, 2015.

## ARUNA HOTELS LIMITED

### Intention of the Promoters / Directors / Key management persons to subscribe to the offer

In order to shore-up its working capital, the promoters of the Company has agreed to infuse funds into Company

None of the Directors / Key management persons of the Company intend to subscribe to this preferential issue authorised by the resolution. None of the Directors and KeyManagerial Personnel of the Company or their respective relatives is concerned or interested in the passing of this Resolution.

### Shareholding Pattern before and after the issue

PARTICULARS	PRE OFFER SHAREHOLDING	%	PREFERENTIAL OFFER	POST OFFER SHAREHOLDING	%
<b>I. PROMOTERS AND PROMOTERS GROUP</b>					
Subasri Realty Pvt Ltd	1464123	16.27	1134287	2598394	21.75
Gay Travels Pvt Ltd	590296	6.56	565277	1155573	9.67
Rani Printers Pvt Ltd	61093	0.68	575000	636096	5.32
R Chandramohan	19200	0.21	0	19200	0.16
D Augustin	19200	0.21	0	19200	0.16
Sri B.S.Adityan	309888	3.44	0	309888	2.59
Sri Balasubramanian Adityan	0	0.00	111111	111111	0.93
Mrs. Mala Jayaram	14940	0.17	0	14940	0.13
Mrs.Anitha Kumaran	15000	0.17	0	15000	0.13
Sri Devi Agencies	29880	0.33	0	29880	0.25
Rukmini Sivaram	25624	0.29	0	25624	0.21
Sathya	61769	0.69	0	61769	0.52
Kartick P Sivaram	78893	0.89	0	78893	0.66
Dr. Raghavan Sivaram	68558	0.78	0	68558	0.57
S Swarna	14858	0.18	0	14858	0.12
Dr. P Maruthai Pillai	30390	0.35	0	30390	0.25
M Sivabagyam	3700	0.04	0	3700	0.03
M Arunn Pillai	11844	0.14	0	11844	0.10
Vijayalakshmi Chandramaohan	7770	0.09	0	7770	0.07
Geetha Periyasami	17180	0.19	0	17180	0.14
Jayanthi Senthilnathan	6514	0.07	0	6514	0.05
P Chandramohan	3200	0.03	0	3200	0.03
Dr. M Senthilnathan	6247	0.07	0	6247	0.05
M Ganesan	1900	0.02	0	1900	0.02
Dr. T N Subbiah	42300	0.47	0	42300	0.35
Sivakami Subbiah	10000	0.01	0	10000	0.08
Yamini Subbiah	6000	0.07	0	6000	0.05
Jayanthi Natrajan	12200	0.14	0	12200	0.10
C L Ravichandran	802	0.01	0	802	0.01
Chandrakanth Badani	12493	0.14	0	12493	0.10

**ARUNA HOTELS LIMITED**

PARTICULARS	PRE OFFER SHAREHOLDING	%	PREFERENTIAL OFFER	POST OFFER SHAREHOLDING	%
Yessir Holdings & Investments Pvt Ltd.	372412	4.15	0	372412	3.12
Kamal Kumar Babbar	1216500	13.52	0	1216500	10.18
<b>SUB TOTAL</b>	<b>4534774</b>	<b>50.38</b>	<b>2385659</b>	<b>6920433</b>	<b>57.92</b>
<b>II. NON PROMOTERS</b>					
A. MUTUAL FUNDS	94489	1.05	0	94489	0.79
B. BANKS	2328	0.03	0	2328	0.02
C. INSURANCE COMPANIES	136557	1.52	0	136557	1.14
D. CORPORATE BODIES	287775	3.20	562497	850272	7.12
E. NRI	270400	3.00	0	270400	2.26
F. FIIS	2100	0.02	0	2100	0.02
G PUBLIC INCLUDING CLEARING MEMBERS	3671577	40.80	0	3671577	30.73
<b>SUB TOTAL</b>	<b>4465226</b>	<b>49.62</b>	<b>562497</b>	<b>5027723</b>	<b>42.08</b>
<b>GRAND TOTAL</b>	<b>9000000</b>	<b>100</b>	<b>2948156</b>	<b>11948156</b>	<b>100</b>

The above table shows the expected shareholding pattern of the Company upon consummation of the allotment, and assume that holdings of all other shareholders shall remain the same post-issue as they were on the date of which the pre-issue shareholding pattern was prepared.

**Proposed time within which the allotment shall be completed**

The allotment of the Equity Shares are proposed to be completed within 15 days of the date of passing of the above resolutions at the general meeting, provided where the allotment is pending on account of pendency of any regulatory authority or Central Government approval(s), the allotment shall be completed within 15 days from the date of receipt of such approval(s).

**Auditor's Certificate**

A Certificate from M/s Bala & co, Chartered Accountants, certifying that the issue of Shares by way of the proposed preferential allotment is being made in accordance with the requirement of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall be placed before the shareholders at the Extraordinary General Meeting.

**Lock—in**

The Shares to be allotted on preferential basis to the investors shall be subject to the Lock-in periods as applicable in accordance with Regulation 78(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

e) The identity of the proposed allottees and the percentage of Post preferential issue capital that may held by them and change in control, if any of the issuer consequent to the preferential allotment:

**ARUNA HOTELS LIMITED**

Name of the promoter	Existing No. of Equity shares	Proposed No. of Equity shares
Subasri Realty Private Limited	1464123	1134271
Gay Travels Private Limited	590296	565277
Rani Printers Private Limited	61093	575000
Balasubramanian Adityan	0	111111

Name of the Non promoter	Existing No. of Equity shares	Proposed No. of Equity shares
India Cabs Private Limited	NIL	201388
Sivels Holdings Private Limited	NIL	277777
Sivanthi Farms Private Limited	NIL	83332

**\* Subject to necessary approvals****Undertaking**

There will not be any change of control due to issue of such equity shares by company to proposed allottee and company has not issued or allotted any securities on preferential basis during the financial 2014-2015 except this offer.

Since the equity shares of the Company has been listed on the recognized stock exchanges for a period of more than 6 months prior to the relevant date, the Company is not required to re-compute the price of equity shares and therefore the Company is not required to submit the undertaking specified under Regulations 73(1)(f) and (g) of the ICDR Regulations.

The Company is taking necessary steps to obtain the requisite approval/s from the regulatory authorities, as may be applicable, for the proposed issue.

There has not been any other preferential allotment of shares made during the year .

None of the director of the Company, is deemed to be interested in the passing of this Resolution as set out in the accompanying Notice pursuant to Section 110 of the Companies Act, 2013.

The Board believes that the issue of equity and preference shares to the promoters of the Company to facilitate infusion of capital into the Company is in the interest of the Company and, therefore, recommends the resolution for your approval.

By Order of the Board,  
For **Aruna Hotels Limited**

Managing Director

Registered office: 145,  
Sterling Road,  
Chennai-600-034  
CIN- L15421TN1960PLC004255

Date: 30/11/2015

## ARUNA HOTELS LIMITED

**Notes forming part of the financial statements**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	No of shares	Rs. In Lakhs	No of shares	Rs. In Lakhs
<b>Note 2.01 Share capital</b>				
<b>Authorised</b>				
Equity shares of Rs.10 each with voting rights	24,000,000	2,400.00	24,000,000	2,400.00
Cumulative Redeemable Preference Shares of Rs. 100 each	800,000	800.00	800,000	800.00
		3,200		3,200
<b>Issued, Subscribed and fully paid up</b>				
Equity shares of Rs.10 each, fully paid up with voting rights, including 6,90,000 shares of Rs.10/- each allotted as Bonus Share	9,000,000	900.00	9,000,000	900.00
Above Shares includes 6,90,000 shares of Rs.10/- each allotted as Bonus shares issued for consideration other than cash				
Less: - Calls in arrears		2.13		2.13
<b>Total Paid up Equity Shares</b>		897.87		897.87
14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each	60,000	60.00	60,000	60.00
17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs. 100/- each	50,000	50.00	50,000	50.00
16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	200,000	200.00	200,000	200.00
<b>Total Paid up Preference Share</b>		310.00		310.00
<b>Total Paid up Share Capital</b>		<b>1,207.87</b>		<b>1,207.87</b>

**Note:** Preference shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional shares and not created preference share redemption reserve due to inadequate profits

The 17.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of ten years from the date of issue. Earliest redemption month is July 2003.

The 16.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of 15 months from the date of issue. Earliest redemption month is March 1997.

(d) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus Issue	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2015				
- Number of shares	9,000,000			9,000,000
- Amount (Rs.)	897.87			897.87
Year ended 31 March, 2014				
- Number of shares	9,000,000			9,000,000
- Amount (Rs.)	897.87			897.87

**ARUNA HOTELS LIMITED**

(e) There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.

(f) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:  
Nil

(g) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No of shares held	% holding	No of shares held	% holding
Equity shares with voting rights				
Mr. P. Sivaram	523,012	5.81	523,012	5.81
Mr. Kamal Babbar	1,200,000	13.33	1,200,000	13.33
Subasri Realty P.Ltd	13,20,681	14.67	8,40,000	9.33
	<b>9,000,000</b>		<b>9,000,000</b>	

(h) As at 31 March, 2015 Nil shares (as at 31 March, 2014 Nil shares) were reserved for issuance towards outstanding employee stock options granted / available for grant, towards outstanding share warrants and towards convertible securities.

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date as at 31 March 2015 is Nil (as at 31 March 2014 is Nil)

(j) Calls unpaid as at 31 March 2015 is Rs.2,13,000 (as at 31 March 2014 is Rs.2,13,000)

(k) Forfeited shares as at 31 March 2015 is Nil (as at 31 March 2014 is Nil)

**ARUNA HOTELS LIMITED****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2016****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L15421TN1960PLC004255
2.	Registration Date	09/09/1960
3.	Name of the Company	ARUNA HOTELS LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES / INDIAN NON GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	ARUNA CENTRE, 145,STERLING ROAD, NUNGAMBAKKAM, CHENNAI, Tamil Nadu-600034
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. MCS Share Transfer Agents Ltd, 002, ground floor, Kashi-ram Jamnadas Building 5, P.Demello Road, Masjid East, Mumbai-400009 Ph: 022-40206022/23/24 Fax: 022-40206021

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Hotels and Motels, inns, resorts providing short term lodging facilities; includes accommodation in house boats	55101	--

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	%OF SHARES HELD	APPLICABLE SECTION
1	NIL	NIL	NIL	NIL	NIL



**ARUNA HOTELS LIMITED**

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ <b>HUF</b>	552893	2000240	2553133	28.3681	1231358	800240	2031598	22.5733	<b>(5.7948)</b>
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1111078	651438	1762516	19.5835	2063294	651438	2714732	30.1637	10.5802
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	1663971	2651678	4315649	47.9516	3294652	1451678	4746330	52.737	4.7854
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	66739	66739	0.7415	-	66739	66739	0.7415	-
b) Banks / FI	1756	250	2006	0.0223	1756	250	2006	0.0223	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	94049	38140	132189	1.4688	94049	38140	132189	1.4688	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	95805	105129	200934	2.2326	95805	105129	200934	2.2326	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	451925	123578	575503	6.3945	21659	123578	145237	1.6137	(4.7808)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	901963	2819211	3721174	41.3464	902098	2819211	3721309	41.3479	0.0015
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	56920	18770	75690	0.8410	56370	18770	75140	0.8349	(0.0061)
Overseas Corporate Bodies	111050	-	111050	1.2339	111050	-	111050	1.2339	-
Foreign Nationals	-	-	-	-	-	-	-	-	-

## ARUNA HOTELS LIMITED

Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1521858	2961559	4483417	49.8158	1091177	2961559	4052736	45.6493	(6.3991)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1617663	3066688	4684351	52.04	1186982	3066688	4253670	47.263	(4.78)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3281634	5718366	9000000	100	4481634	4518366	9000000	100	-

**B) Shareholding of Promoter -**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	KAMAL KUMAR BABBAR	1216500	13.5167	-	1216500	13.5167	-	-
2.	SIVARAM.M	521535	5.7948	-	-	-	-	(5.7948)
3.	BALASUBRAMANI AN SIVANTHI ADITYAN	240112	2.667	-	240112	2.6679	-	-
4.	KARTHIK PERUMAL	76231	0.847	-	76231	0.847	-	-
5.	ADITYAN. B .S.	69776	0.7753	-	69776	0.7753	-	-
6.	RAGHAVAN SIVARAM	68558	0.7618	-	68558	0.7618	-	-
7.	SATHYA SIVARAM	61769	0.6863	-	61769	0.6863	-	-
8.	SUBBIAH T N	31300	0.3478	-	31300	0.3478	-	-
9.	MARUTHAI PILLAI P	30390	0.3377	-	30390	0.3377	-	-
10.	RUKMANI SIVARAM	25624	0.2847	-	25624	0.2847	-	-
11.	AUGUSTIN D	19200	0.2133	-	19200	0.2133	-	-
12.	CHANDRAMOHAN R	19200	0.2133	-	19200	0.2133	-	-
13.	GEETHA PERIASAMY	17180	0.1909	-	17180	0.1909	-	-
14.	ANITA KUMARAN	15000	0.1667	-	15000	0.1667	-	-
15.	MALA JAYARAM	14940	0.166	-	14940	0.166	-	-
16.	S SWARNA	14858	0.1651	-	14858	0.1651	-	-
17.	ARUN PILLAI M	11844	0.1316	-	11844	0.1316	-	-
18.	CHANDRAKANT	11683	0.1298	-	11683	0.1298	-	-
19.	SUBBABIAH T N	11000	0.122	-	11000	0.1222	-	-

## ARUNA HOTELS LIMITED

20.	CHITHAN V	10050	0.1117	-	10050	0.1117	-	-
21.	SIVAKAMI SUBBIAH	10000	0.1111	-	10000	0.1111	-	-
22.	JAYANTHI NATARAJAN	8000	0.0889	-	8000	0.0889	-	-
23.	VIJAYALAKSHMI CHANDRAMOHAN	7770	0.0863	-	7770	0.0863	-	-
24.	JAYANTHI S	6514	0.0724	-	6514	0.0724	-	-
25.	YAMINI SUBBIAH	6000	0.0667	-	6000	0.0667	-	-
26.	SENTHILNATHAN M	5530	0.0614	-	5530	0.0614	-	-
27.	SIVARAM M	4828	0.536	-	4828	0.0536	-	-
28.	JAYANTHI NATARAJAN	4200	0.0467	-	4200	0.0467	-	-
29.	SIVABAGYAM M	3700	0.0411	-	3700	0.0411	-	-
30.	CHANDRAMOHAN P	3200	0.0356	-	3200	0.0356	-	-
31.	KARTHIK PERUMAL SIVARAM	2662	0.0296	-	2662	0.0296	-	-
32.	GANESAN M	1700	0.0189	-	1700	0.0189	-	-
33.	SIVARAM.M	1277	0.0142	-	1277	0.0142	-	-
34.	RAVICHANDRAN C L	802	0.0089	-	802	0.0089	-	-
35.	GANESAN M	200	0.0022	-	200	0.0022	-	-
36.	SUBASRI REALITY PRIVATE LIMITED	490000	5.4444	-	1064123	11.8236	-	6.3792
37.	SUBASRI REALITY PRIVATE LIMITED	400000	4.4444	-	400000	4.444	-	-
38.	YESSIR HOLDING & INVESTMENT PRIVATE LIMITED	372412	4.1379	-	372412	4.1379	-	-
39.	GAY TRAVELS PRIVATE LIMITED	205558	2.284	-	205558	2.284	-	-
40.	SOVERIEGN MEDIA MARKETING PRIVATE LIMITED	195718	2.1746	-	195718	2.1746	-	-
41.	SRI DEVI AGENCIES PRIVATE LIMITED	29880	0.332	-	29880	0.332	-	-
42.	RANI PRINTERS PRIVATE LIMITED	16000	0.1778	-	16000	0.1778	-	-
43.	GAY TRAVELS PRIVATE LIMITED	52948	0.583	-	385948	4.2883	-	3.7053
44.	RANI PRINTERS PRIVATE LIMITED	-	-	-	45093	0.501	-	0.501



## Shareholding Pattern

## ARUNA HOTELS LTD

Scrip Code : 500016

Quarter ending : March 2014

## Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group

Sl.No.	Name of the Shareholder	Details of Shares held		Encumbered shares (*)		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
1	Kamal Babbar	12,00,000	13.33	0	0.00	0	0.00	0	0.00	0.00
2	Sivaram M	5,21,535	5.79	0	0.00	0	0.00	0	0.00	0.00
3	Subasri Realty Pvt Ltd	4,40,000	4.89	0	0.00	0	0.00	0	0.00	0.00
4	Subasri Realty Pvt Ltd	4,00,000	4.44	0	0.00	0	0.00	0	0.00	0.00
5	Yessir Holdings And Investments Pvt Ltd	3,72,412	4.14	0	0.00	0	0.00	0	0.00	0.00
6	Balasubramania Sivanthi Adityan	2,40,112	2.67	0	0.00	0	0.00	0	0.00	0.00
7	Gay Travels Pvt Ltd	2,05,558	2.28	0	0.00	0	0.00	0	0.00	0.00
8	Sovereign Media Marketing Pvt Ltd	1,95,718	2.17	0	0.00	0	0.00	0	0.00	0.00
9	Karthik Perumal	76,231	0.85	0	0.00	0	0.00	0	0.00	0.00
10	Adityan B S	69,776	0.78	0	0.00	0	0.00	0	0.00	0.00
11	Raghavan Sivaram	68,558	0.76	0	0.00	0	0.00	0	0.00	0.00
12	Sathya Sivaram	61,769	0.69	0	0.00	0	0.00	0	0.00	0.00
13	Subbiah T N	31,300	0.35	0	0.00	0	0.00	0	0.00	0.00
14	Maruthai Pillai P	30,390	0.34	0	0.00	0	0.00	0	0.00	0.00
15	Sri Devi Agencies Pvt	29,880	0.33	0	0.00	0	0.00	0	0.00	0.00

	Ltd										
16	Rukmani Sivaram	25,624	0.28	0	0.00	0.00	0	0.00	0	0.00	0.00
17	Augustin D	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.00
18	Chandramohan R	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.00
19	Geetha Periasamy	17,180	0.19	0	0.00	0.00	0	0.00	0	0.00	0.00
20	Kamal Babbar	16,500	0.18	0	0.00	0.00	0	0.00	0	0.00	0.00
21	Rani Printers Pvt Ltd	16,000	0.18	0	0.00	0.00	0	0.00	0	0.00	0.00
22	Anita Kumaran	15,000	0.17	0	0.00	0.00	0	0.00	0	0.00	0.00
23	Mala Jayaram	14,940	0.17	0	0.00	0.00	0	0.00	0	0.00	0.00
24	S Swarna	14,858	0.17	0	0.00	0.00	0	0.00	0	0.00	0.00
25	Arun Pillai M	11,844	0.13	0	0.00	0.00	0	0.00	0	0.00	0.00
26	Chandrakant	11,683	0.13	0	0.00	0.00	0	0.00	0	0.00	0.00
27	Subbiah T N	11,000	0.12	0	0.00	0.00	0	0.00	0	0.00	0.00
28	Chithan V	10,050	0.11	0	0.00	0.00	0	0.00	0	0.00	0.00
29	Sivakami Subbiah	10,000	0.11	0	0.00	0.00	0	0.00	0	0.00	0.00
30	Jayanthi Natarajan	8,000	0.09	0	0.00	0.00	0	0.00	0	0.00	0.00
31	Vijayalakshmi Chandramohan	7,770	0.09	0	0.00	0.00	0	0.00	0	0.00	0.00
32	Jayanthi S	6,514	0.07	0	0.00	0.00	0	0.00	0	0.00	0.00
33	Yamini Subbia H	6,000	0.07	0	0.00	0.00	0	0.00	0	0.00	0.00
34	Senthilanthan M	5,530	0.06	0	0.00	0.00	0	0.00	0	0.00	0.00
35	Sivaram M	4,828	0.05	0	0.00	0.00	0	0.00	0	0.00	0.00
36	Jayanthi Natarajan	4,200	0.05	0	0.00	0.00	0	0.00	0	0.00	0.00
37	Sivabagyam M	3,700	0.04	0	0.00	0.00	0	0.00	0	0.00	0.00
38	Chandra Mohan P	3,200	0.04	0	0.00	0.00	0	0.00	0	0.00	0.00
39	Karthik Perumal Sivaram	2,662	0.03	0	0.00	0.00	0	0.00	0	0.00	0.00
40	Ganesan M	1,700	0.02	0	0.00	0.00	0	0.00	0	0.00	0.00
41	Sivaraam M	1,277	0.01	0	0.00	0.00	0	0.00	0	0.00	0.00
42	Ravichandran C L	802	0.01	0	0.00	0.00	0	0.00	0	0.00	0.00
43	Ganesan M	200	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
	<b>Total</b>	<b>42,12,701</b>	<b>46.81</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.



## Shareholding Pattern

## ARUNA HOTELS LTD

Scrip Code : 500016

Quarter ending : March 2015

## Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group

Sl.No.	Name of the Shareholder	Details of Shares held		Encumbered shares (*)		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
1	Kamal Babbar	12,00,000	13.33	0	0.00	0	0.00	0	0.00	13.33
2	Sivaram M	5,21,535	5.79	0	0.00	0	0.00	0	0.00	5.79
3	Subasri Realty Pvt Ltd	4,90,000	5.44	0	0.00	0	0.00	0	0.00	5.44
4	Subasri Realty Pvt Ltd	4,00,000	4.44	0	0.00	0	0.00	0	0.00	4.44
5	Yessir Holdings And Investments Pvt Ltd	3,72,412	4.14	0	0.00	0	0.00	0	0.00	4.14
6	Balasubramania Sivanthi Adityan	2,40,112	2.67	0	0.00	0	0.00	0	0.00	2.67
7	Gay Travels Pvt Ltd	2,05,558	2.28	0	0.00	0	0.00	0	0.00	2.28
8	Sovereign Media Marketing Pvt Ltd	1,95,718	2.17	0	0.00	0	0.00	0	0.00	2.17
9	Karthik Perumal	76,231	0.85	0	0.00	0	0.00	0	0.00	0.85
10	Adityan B S	69,776	0.78	0	0.00	0	0.00	0	0.00	0.78
11	Raghavan Sivaram	68,558	0.76	0	0.00	0	0.00	0	0.00	0.76
12	Sathya Sivaram	61,769	0.69	0	0.00	0	0.00	0	0.00	0.69
13	Gay Travels Pvt Ltd	52,948	0.59	0	0.00	0	0.00	0	0.00	0.59
14	Subbiah T N	31,300	0.35	0	0.00	0	0.00	0	0.00	0.35
15	Maruthai Pillai P	30,390	0.34	0	0.00	0	0.00	0	0.00	0.34

16	Sri Devi Agencies Pvt Ltd	29,880	0.33	0	0.00	0.00	0	0.00	0	0.00	0.33
17	Rukmani Sivaram	25,624	0.28	0	0.00	0.00	0	0.00	0	0.00	0.28
18	Augustin D	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
19	Chandramohan R	19,200	0.21	0	0.00	0.00	0	0.00	0	0.00	0.21
20	Geetha Periasamy	17,180	0.19	0	0.00	0.00	0	0.00	0	0.00	0.19
21	Kamal Babbar	16,500	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
22	Rani Printers Pvt Ltd	16,000	0.18	0	0.00	0.00	0	0.00	0	0.00	0.18
23	Anita Kumaran	15,000	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
24	Mala Jayaram	14,940	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
25	S Swarna	14,858	0.17	0	0.00	0.00	0	0.00	0	0.00	0.17
26	Arun Pillai M	11,844	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
27	Chandrakant	11,683	0.13	0	0.00	0.00	0	0.00	0	0.00	0.13
28	Subbiah T N	11,000	0.12	0	0.00	0.00	0	0.00	0	0.00	0.12
29	Chithan V	10,050	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
30	Sivakami Subbiah	10,000	0.11	0	0.00	0.00	0	0.00	0	0.00	0.11
31	Jayanthi Natarajan	8,000	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
32	Vijayalakshmi Chandramohan	7,770	0.09	0	0.00	0.00	0	0.00	0	0.00	0.09
33	Jayanthi S	6,514	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
34	Yamini Subbia H	6,000	0.07	0	0.00	0.00	0	0.00	0	0.00	0.07
35	Senthilanthan M	5,530	0.06	0	0.00	0.00	0	0.00	0	0.00	0.06
36	Sivaram M	4,828	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
37	Jayanthi Natarajan	4,200	0.05	0	0.00	0.00	0	0.00	0	0.00	0.05
38	Sivabagyam M	3,700	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
39	Chandra Mohan P	3,200	0.04	0	0.00	0.00	0	0.00	0	0.00	0.04
40	Karthik Perumal Sivaram	2,662	0.03	0	0.00	0.00	0	0.00	0	0.00	0.03
41	Ganesan M	1,700	0.02	0	0.00	0.00	0	0.00	0	0.00	0.02
42	Sivaraam M	1,277	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
43	Ravichandran C L	802	0.01	0	0.00	0.00	0	0.00	0	0.00	0.01
44	Ganesan M	200	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
	<b>Total</b>	<b>43,15,649</b>	<b>47.95</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47.95</b>

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.



## Shareholding Pattern

## ARUNA HOTELS LTD.

Scrip Code : 500016

Quarter Ending : March 2016

## Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of equity shares held in dematerialized form
<b>A1) Indian</b>				0.00	
<b>Individuals/Hindu undivided Family</b>	34	20,31,598	20,31,598	22.57	12,31,358
KAMAL BABBAR	1	12,16,500	12,16,500	13.52	12,16,500
BALASUBRAMANIA SIVANTHI ADITYAN	1	2,40,112	2,40,112	2.67	
KARTHIK PERUMAL	1	76,231	76,231	0.85	
ADITYAN B S	1	69,776	69,776	0.78	
RAGHAVAN SIVARAM	1	68,558	68,558	0.76	
SATHYA SIVARAM	1	61,769	61,769	0.69	
SUBBIAH T N	1	31,300	31,300	0.35	
MARUTHAI PILLAI P	1	30,390	30,390	0.34	
RUKMANI SIVARAM	1	25,624	25,624	0.28	
AUGUSTIN D	1	19,200	19,200	0.21	
CHANDRAMOHAN R	1	19,200	19,200	0.21	
GEETHA PERIASAMY	1	17,180	17,180	0.19	
ANITA KUMARAN	1	15,000	15,000	0.17	
MALA JAYARAM	1	14,940	14,940	0.17	
S SWARNA	1	14,858	14,858	0.17	14,858
ARUN PILLAI M	1	11,844	11,844	0.13	
CHANDRAKANT	1	11,683	11,683	0.13	
SUBBIAH T N	1	11,000	11,000	0.12	
CHITHAN V	1	10,050	10,050	0.11	
SIVAKAMI SUBBIAH	1	10,000	10,000	0.11	



JAYANTHI NATARAJAN	1	8,000	8,000	0.09	
VIJAYALAKSHMI CHANDRAMOHAN	1	7,770	7,770	0.09	
JAYANTHI S	1	6,514	6,514	0.07	
YAMINI SUBBIAH	1	6,000	6,000	0.07	
SENTHILNATHAN M	1	5,530	5,530	0.06	
SIVARAM M	1	4,828	4,828	0.05	
JAYANTHI NATARAJAN	1	4,200	4,200	0.05	
SIVABAGYAM M	1	3,700	3,700	0.04	
CHANDRA MOHAN P	1	3,200	3,200	0.04	
KARTHIK PERUMAL SIVARAM	1	2,662	2,662	0.03	
GANESAN M	1	1,700	1,700	0.02	
SIVARAAM M	1	1,277	1,277	0.01	
RAVICHANDRAN C L	1	802	802	0.01	
GANESAN M	1	200	200	0.00	
<b>Any Other (specify)</b>	9	27,14,732	27,14,732	30.16	20,63,294
SUBASRI REALTY PRIVATE LIMITED	1	10,64,123	10,64,123	11.82	10,64,123
SUBASRI REALTY PRIVATE LIMITED	1	4,00,000	4,00,000	4.44	
GAY TRAVELS PRIVATE LIMITED	1	3,85,948	3,85,948	4.29	3,85,948
YESSIR HOLDINGS AND INVESTMENTS PVT LTD	1	3,72,412	3,72,412	4.14	3,72,412
GAY TRAVELS PRIVATE LIMITED	1	2,05,558	2,05,558	2.28	
SOVEREIGN MEDIA MARKETING PRIVATE LIMITED	1	1,95,718	1,95,718	2.17	1,95,718
RANI PRINTERS PRIVATE LIMITED	1	45,093	45,093	0.50	45,093
SRI DEVI AGENCIES PVT LTD	1	29,880	29,880	0.33	
RANI PRINTERS PVT LTD	1	16,000	16,000	0.18	
<b>Sub Total A1</b>	43	47,46,330	47,46,330	52.74	32,94,652
<b>A2) Foreign</b>				0.00	
<b>A=A1+A2</b>	43	47,46,330	47,46,330	52.74	32,94,652

**ARUNA HOTELS LIMITED****NOTICE TO MEMBERS**

NOTICE is hereby given that the Fifty First Annual General Meeting of the Members of Aruna Hotels Limited will be held on Wednesday, 9<sup>th</sup> of September 2015 at 9.00 a.m. at Youth Hostel 2<sup>nd</sup> Avenue, Indira Nagar, Chennai-20 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31st March, 2013 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.L. Ravichandran who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kalyanam who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s. U.C. Bhandari & Co, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that Mr. A Periasamy (DIN 06427187), who was appointed by the Board of Directors as an Additional Director under the provisions of Section 260 of the Companies Act, 1956 with effect from 9<sup>th</sup> November, 2012 and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

For and on Behalf of Board of Directors

Chairman

Place: Chennai

Date: 14<sup>th</sup> February 2015

## ARUNA HOTELS LIMITED

**NOTES:**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

Proxy form, in order to be effective, must be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time of the Meeting. Proxies submitted on behalf of the companies, societies etc must be accompanied by an appropriate resolution, as applicable.

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business as set out above, is annexed hereto.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 8<sup>th</sup> September 2015 to 9<sup>th</sup> September 2015 both days inclusive, for the purpose of Annual General Meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
4. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular etc from the Company in electronic mode.
5. Members are requested to:
  - (a) Notify any change in their address to the Registrar and Share Transfer Agent, M/s. MCS SHARE TRANSFER AGENTS LIMITED, MUMBAI in case of Members holding shares in physical form and update such details with their respective Depository Participants, in case of Members holding shares in electronic form.
  - (b) Bring their attendance slips along with the copies of the Annual Report to the Meeting.
6. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
7. Members who hold Shares in physical form can nominate a person in respect of Shares held by them singly or jointly pursuant to the provisions of Section 72 of the Companies Act, 2013. Members who hold Shares in a single name are advised, in their own interests, to avail of the nomination facility by completing and submitting. Form No.2B, in duplicate, to the Company's Registrar and Share Transfer Agent, Blank forms will be supplied by on request. Members holding Shares in the dematerialised form may contact their Depository Participant for recording the nomination in respect of their Shares.

**ARUNA HOTELS LIMITED****EXPLANATORY STATEMENT UNDER SECTION  
173 OF THE COMPANIES ACT 1956**

Item No. 5

Mr. A. Periasamy is an Additional Director of the Company with effect from 9<sup>th</sup> November, 2012 and who holds office upto the date of this Annual General Meeting. Mr. A. Periasamy retires by rotation at the ensuing Annual General Meeting and becomes eligible and offering himself for appointment is proposed to be appointed as an Director of the Company.

Except Mr. A. Periasamy being the appointee, none of the Directors and Key Managerial Personnel of Company and their relatives is concerned or interested in the Resolution.

For and on Behalf of Board of Directors

Chairman

Place: Chennai

Date: 14<sup>th</sup> February 2015

## ARUNA HOTELS LIMITED

ARUNA HOTELS LIMITED		
Cash Flow Statement for the year ended 31/03/2013		
Particulars	Amt (Rs.in Lakhs)	
Cash flows from Operating Activities	-	-
Net Loss before tax and extraordinary items	-	-453.56
Adjustments for non-cash and non-operating transactions	-	-
Finance Costs	296.35	-
Depreciation and Amortisation	149.41	-
<b>Funds from operations</b>	-	<b>445.76</b>
Increase in Inventories	-3.06	-
Increase in Trade Receivables	-83.55	-
Increase in other Current Assets	-394.47	-
Decrease in Trade Payables	-24.18	-
Increase in Long-term Provisions	35.76	-
Increase in Short-term Provisions	47.43	-
Decrease in Short-term borrowings	60.70	-
Decrease in Short-term loans and advances	58.47	-
Decrease in Other Current Liabilities	-358.70	-
		-661.6
Cash flows from Operating Activities before tax	-	-669.4
Less: Tax Paid	-	-
<b>Cash lost from Operating Activities</b>		<b>-669.4</b>
<b>Cash flows from Investing Activities</b>		
Purchase of Fixed Assets	-18.26	-
Capital Work in Progress	-5.41	-
<b>Cash list from Investing Activities</b>		<b>-23.67</b>
<b>Cash flows from Financing Activities</b>		
Finance Costs	-296.35	-
Term Loans from Banks	443.19	-
Loans from Related Parties	-479.95	-
Loans from others	1474.06	-
Other Long-term borrowings	-5.56	-
Long term loans and advances	315.78	-
Share Application money refunded	-773.32	-
<b>Cash generated from Financing Activities</b>		<b>677.85</b>
Net Cash and Cash Equivalents generated during the year	-	-15.22
Add: Opening balance of Cash and Cash Equivalents	-	18.57
<b>Closing balance of cash and cash Equivalents</b>		<b>3.35</b>

Cash and Cash Equivalents	31/03/2012	31/03/2013
Cash and Bank Balance	18.57	3.34
	<b>18.57</b>	<b>3.34</b>

For U.C Bhandari & Co  
Chartered Accountants

Pankaj N Mehta  
(Partner)  
M. No: 233165  
FRN No: 000440S

Place : Chennai  
Date : 14-02-2015

For and on behalf of Board of Directors

M. Sivaram  
Managing Director

Karthick P. Sivaram  
Executive Director

**ARUNA HOTELS LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2013**

Particulars	Note No.	As at 31 March, 2013 Rs. In Lakhs	As at 31 March, 2012 Rs. In Lakhs
<b>I. EQUITY AND LIABILITIES</b>			
<b>i) Shareholder's funds</b>			
a) Share capital	2.01	1,207.87	1,207.87
b) Reserves and Surplus	2.02	240.67	694.23
Share application money pending allotment	2.03	-	773.32
<b>ii) Non-current liabilities</b>			
a) Long-term borrowing	2.04	3,121.86	1,690.11
b) Deferred tax liabilities (net)	-	-	-
c) Long-term provisions	2.05	54.55	18.79
<b>iii) Current liabilities</b>			
a) Short-term borrowing	2.06	216.96	156.26
b) Trade Payables	2.07	22.73	46.91
d) Other current liabilities	2.08	616.79	975.48
e) Short-term provisions	2.09	114.14	66.71
		<b>5,595.57</b>	<b>5,629.69</b>
<b>II. ASSETS</b>			
<b>i) Non-current assets</b>			
<b>a) Fixed assets</b>			
i) Tangible assets	2.10	-	-
ii) Intangible assets	-	3,374.25	3,501.39
iii) Capital work-in-progress	-	6.00	10.00
<b>b) Non-Current investments</b>	-	82.44	77.03
<b>c) Deferred Tax Asset (Net)</b>	2.11	1.95	1.95
<b>d) Long-term loans and advances</b>	2.12	774.28	774.28
	2.13	349.57	665.35
<b>ii) Current assets</b>			
a) Inventories	2.14	103.76	100.70
b) Trade receivables	2.15	458.26	374.71
c) Cash and bank balance	2.16	3.34	18.57
d) Short-term loans and advances	2.17	17.76	76.23
e) Other current assets	2.18	423.95	28.48
<b>TOTAL</b>		<b>5,595.57</b>	<b>5,629.69</b>

Significant accounting Policies

The notes referred to above form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

**For U.C Bhandari & Co**  
**Chartered Accountants**

**Pankaj N Mehta**  
**(Partner)**  
M. No: 233165  
FRN No: 000440S

Place : Chennai

Date : 14-02-2015

**For and on behalf of Board of Directors**

**M. Sivaram**  
**Managing Director**

**Karthick P. Sivaram**  
**Executive Director**

## ARUNA HOTELS LIMITED

PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013

PARTICULARS	Note No.	Amount Rs.In Lakhs	
		For the year ended 31 March, 2013	For the year ended 31 March, 2012
<b>III. INCOME</b>			
Revenue from operation	2.19	971.97	686.10
Less: Excise duty			
Other income	2.20	436.11	156.90
		<b>1,408.08</b>	<b>843.01</b>
<b>IV. EXPENSES</b>			
Cost of materials consumed	2.21	200.22	141.16
Changes in inventories of finished goods and stock-in-trade	2.22	-10.58	-17.04
Manufacturing expenses	2.23	-	-
Employee benefits expenses	2.24	412.40	193.41
Finance costs	2.25	296.35	256.97
Depreciation and amortisation expense		149.41	186.63
Other expenses	2.26	813.83	262.54
		<b>1,861.64</b>	<b>1,023.68</b>
<b>V. Profit/ (Loss) before exceptional and extraordinary items and tax</b>		-453.56	-180.68
<b>VI. Exceptional Items</b>			
<b>VII. Profit/Loss before extraordinary items and tax</b>		-453.56	-180.68
<b>VIII. Extraordinary Items</b>			
<b>IX. Profit/Loss before Tax</b>		-453.56	-180.68
<b>Tax expense:</b>			
1) Current tax expense			
2) Deferred tax			
<b>X. Profit/ (Loss) for the period from Continuing Operations</b>		-453.56	-180.68
<b>XI. Profit/ (Loss) form Discontinuing Operations</b>		-	-
Tax expenses of Discontinuing Operations		-	-
<b>XII. Profit/ (Loss) for Discontinuing Operations after tax</b>		-	-
<b>XIII. Profit/ (Loss) for the period</b>		-453.56	-180.68
Basic Earnings per Equity share			
Diluted Earnings per Equity share			

**Significant accounting Policies**

I

The notes referred to above form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

**For U.C Bhandari & Co**  
Chartered Accountants

**For and on behalf of Board of Directors**

**Pankaj N Mehta**  
(Partner)  
M. No: 233165  
FRN No: 000440S

**M. Sivaram**  
Managing Director

**Karthick P. Sivaram**  
Executive Director

Place : Chennai  
Date : 14-02-2015

## ARUNA HOTELS LIMITED

## Notes to Financial Statements

## Note 1 Accounting Policies

**i. Basis of Accounting**

The financial statement of the company have been prepared in accordance with Generally Accepted Accounting Principle in India ( Indian GAAP). The company has prepared these financial statement to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards), Rules 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention

**ii. Presentation and Disclosure of Financial Statements**

During the year ended 31 March 2013, the revised schedule IV notified under the company act 1956 has become applicable to the company for preparation and presentation of the financial statements. The adoption of the revised schedule VI does not impact recognition and measurement principle followed for preparation of financial statement. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable for the current year.

**iii. Revenue Recognition**

Revenues and expenses are recognized on the accrual basis with the exception insurance claims, interest on calls in arrears and interest on overdue receivables which are accounted on cash basis sales are net of taxes and duties, trade discounts and rebates.

**iv. Fixed Assets**

Fixed Assets are stated at cost (Net of Cenvat, wherever applicable) less depreciation. Cost includes freight, duties and taxes and other expenses related to acquisitions and installation. Depreciation on Fixed Assets has been provide on the Straight Line Method and at rates and in the manner specified in Schedule XIV to the companies Act, 1956. Intangible Asset constitutes Brand Name acquired for valuable consideration. It is being amortized over aperiod of 10 years.

**v. Borrowing Cost**

Borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are Capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**vi. Current Assets**

Raw materials and stores and spares have been valued at weighted average price. Cost includes Taxes and duties, freight and other direct expenses

**vii. Investments**

Investments are stated at cost



## ARUNA HOTELS LIMITED

**viii. Taxation**

There is no need to make provision for income tax, since the company has incurred a Loss during the current financial year. In our opinion the deferred (Asset) appearing in the Balance sheet is adequate. As such no further provision has been made towards deferred tax.

**ix. Employee Benefits**

Short term Employee benefits, in respect of leave salary and reimbursement of medical expenses, the liability has been fully provided on undiscounted basis, in accordance with the schemes in force. The contribution to Provident Fund (defined contribution plan), as per the provisions of the Employee's Provident Fund and Miscellaneous Provision Act, 1952, is recognised as expenses and remitted to the Provident Fund Commissioner.

Expenses and income of this year include amounts below Rs.1000/- in relation to earlier year, which are accounted on cash basis.

**x. Foreign Exchange Transaction**

Transactions in foreign exchange are accounts at the exchange rates prevailing at the time of Realization/payment of bills.

**xi. Provisions, Contingent Liabilities and Contingent Assets**

Provision are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are disclosed when the company has possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

**xii. Earnings per share**

Particular	Year Ended 31.03.2013	Year Ended 31.03.2012
Profit after Taxation (Rs.in Lakhs)	-453.56	-195.61
Weighted number of equity shares outstanding	89.99	89.99
Basic Earnings per share	-5.04	-2.17
Diluted Earning per share	-5.04	-2.17

**xiii.** Confirmation of balance has not been received from creditors and debtors.

**xiv.** In the absence of adequate profits the remuneration paid to Managing director in within the limits Prescribed as minimum remuneration in schedule XIII of the companies Act.

**xv.** There has been adequate amount of write off of various loans given which are irrecoverable now & that constitutes to Rs.353.76 Lakhs included in office & miscellaneous Expenses.

## ARUNA HOTELS LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	As at 31 March, 2013 Rs. In Lakhs	As at 31 March, 2012 Rs. In Lakhs
<b>1. SHARE HOLDERS FUND</b>		
<b>2. NOTE 2.01</b>		
<b>3. AUTHORISED CAPITAL</b>		
2,40,00,000 Equity shares of Rs.10 each with voting rights	2,400.00	2,400.00
8,00,000 Cumulative Redeemable Preference Shares of Rs.100 each	80.00	80.00
	2,480.00	2,480.00
<b>Issued, Subscribed and fully paid up</b>		
90,00,000 Equity shares of Rs.10 each, fully paid up with voting rights, (including 6,90,000 shares of Rs.10/- each allotted as Bonus Share Above Shares includes 6,90,000 shares of Rs.10/- each allotted as Bonus shares issued for consideration other than cash	900.00	900.00
Less: Calls in arrears	2.13	2.13
<b>Total Paid up Equity Shares</b>	<b>897.87</b>	<b>897.87</b>
60,000 14% Redeemable Cumulative Taxable Preference Share of Rs.100/- each	60.00	60.00
50,000 17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs.100/- each	50.00	50.00
2,00,000 16.5% Redeemable Cumulative Taxable Preference Shares of Rs.100/- each	200.00	200.00
<b>Total Paid up Preference Share</b>	<b>310.00</b>	<b>310.00</b>
<b>Total Paid up Share Capital</b>	<b>1,207.87</b>	<b>1,207.87</b>

(d) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus Issue	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2013				
- Number of Shares	90,00,000			90,00,000
- Amount (Rs.)	897.87	-	-	897.87
Year ended 31 March, 2012				
- Number of Shares	90,00,000			90,00,000
- Amount (Rs.)	897.87	-	-	897.87

(e) There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.

## ARUNA HOTELS LIMITED

PARTICULARS	Amount Rs.In Lakshs	
	As at 31 March, 2013	As at 31 March, 2012
<b>Note 2.02 Reserves and surplus</b>		
<b>Capital Reserve</b>		
Opening Balance		
Add: Securities premium received on shares issued during the year	0.72	0.72
Closing Balance	0.72	0.72
<b>Capital Redemption Reserve</b>		
Opening Balance	4.00	4.00
Add: Securities premium received on shares issued during the year		
Closing Balance	4.00	4.00
<b>Securities Premium Reserve</b>		
Opening Balance	1,652.16	1,652.16
Add: Securities premium received on shares issued during the year		
Closing Balance	1,652.16	1,652.16
<b>Preference Share Redemption Reserve</b>		
Opening Balance	30.25	30.25
Add: Securities premium received on shares issued during the year		
Closing Balance	30.25	30.25
<b>Surplus/ (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	-992.90	-812.22
Profit for the year	-453.56	-180.68
Closing balance	-1,446.46	-992.90
	240.67	694.23
<b>Note 2.03 Share application money pending allotment</b>		
a. Share application money received pending allotment	-	773.32
b. Number of shares proposed to be issued	-	-
c. Amount of premium at which these proposed shares allotment	-	-
d. The shares are proposed to be allotted in financial year end	-	-
<b>Note 2.04 Long-term borrowings</b>		
Term loans from banks-Secured	1,428.76	985.57
Loans from Related Parties- Unsecured	7.93	487.88
Loans from others- Unsecured	1,499.06	25.00
Liability under Hire Purchase Scheme	-	4.10
Security Deposits	186.10	187.56
	3,121.86	1,690.11
<b>Note 2.05 Long-term provisions</b>		
Provision for Employee Benefits	54.55	18.79
	54.55	18.79
a. Provision for gratuity & Leave Encashment is arrived based on actuarial valuation and entire liability is considered as long.		
<b>Note 2.06 Short-term borrowings</b>		
Short Term Borrowings from others (Unsecured)	93.36	156.26
Short Term Borrowings (Secured)	123.61	-
	216.96	156.26

## ARUNA HOTELS LIMITED

PARTICULARS	Amount Rs.In Lakhs	
	As at 31 March, 2013	As at 31 March, 2012
<b>Note 2.07 Trade payables</b>		
Dues to Micro and small creditors		
Other Suppliers	22.73	46.91
	22.73	46.91
<b>Note 2.08 Other current liabilities</b>		
Statutory Liabilities	487.01	352.27
Current Maturities of Long Term Loans	-	435.00
Other Payables (Consist Mainly of Wages, Salaries, Audit Fees and Other expenses)	129.78	188.22
	616.79	975.49
<b>Note 2.09 Short-term Provisions</b>		
Provision for Employee Benefits	114.14	66.71
	114.14	66.71
<b>Note 2.11 Non Current Investments</b>		
Non-Trade Investments		
Equity Instruments- Fully Paid up	-	-
Unquoted	-	-
1510 Equity Shares of Aruna Foods Ltd of Rs.10/- Each fully paid up	0.15	0.15
7 year National Savings Certificates	1.80	1.80
	1.95	1.95
Note:7 Year National Savings Certificate 1995 has been lodged with the Sales Tax Authorities- Kerala as Sales Tax Deposit.		
<b>Note 2.12 Deferred Tax Asset</b>		
Deferred tax liability	-	-
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
Gross deferred tax liability	-	-
Deferred tax asset	774.28	774.28
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
<b>Gross deferred tax asset</b>	774.28	774.28
<b>Net deferred tax liability</b>	(774.28)	(774.28)
<b>Note 2.13 Long Term Loans and Advances</b>		
Capital Advances - Unsecured - Considered Good	229.33	257.94
Security Deposits - Unsecured - Considered Good	78.56	334.39
Other Loans and Advances: Advances to employees and others	36.36	67.71
Deferred Revenue Expenses	5.31	5.31
	349.57	665.35
<b>Note:2.14 Inventories</b> (At lower of cost and net realisable value)		
Raw materials	36.95	44.47
Stores, Spares, chemicals and others	66.81	56.23
Finished goods	-	-
Stock-in-trade	-	-
	103.76	100.70

## ARUNA HOTELS LIMITED

PARTICULARS	Amount Rs.In Lakshs	
	As at 31 March, 2013	As at 31 March, 2012
<b>Note:2.15 Trade receivables</b> (Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months	458.26	374.71
Less: Provision for doubtful trade receivables	0.00	0.00
	458.26	374.71
Other Trade receivables	-	-
	458.26	374.71
<b>Note 2.16 Cash and bank balance</b>		
<b>a. Cash and Cash equivalents</b>		
<b>Balance with banks:</b>		
in Current accounts	-6.32	10.05
in fixed deposit accounts	-	-
-original maturity less than 3 months	-	-
cash on hand	1.37	0.22
	-4.95	10.27
<b>b.Other bank balances</b>		
-In deposit Account	8.29	8.29
-original maturity exceeding 3 months and less than 12 months		
	8.29	8.29
	3.34	18.57
<b>Note 2.17 Short-term loans and advances</b>		
Unsecured, considered good	17.76	22.23
(Advance to Landlord, Suppliers, Tax Advance and Security Deposit)		
-Tax payments pending adjustments(net)	-	54.00
Advances to suppliers	-	-
Prepaid expenses	-	-
<b>Balances with governemnt authorities</b>		
CENVAT credit receivable	-	-
VAT credit receivable	-	-
TDS receivable	-	-
Service Tax credit receivable	-	-
	17.76	76.23
<b>Note 2.18 Other current assets</b>		
Prepaid Expenses	104.84	29.48
Other Current Assets	319.10	-
	423.95	29.48
<b>Note 2.19 Revenue from operations</b>		
Sale of products	-	686.10
Sale of services	-	-
Sale of Scrap	971.97	-
Add:Excise Duty	-	-
	971.97	686.10

## ARUNA HOTELS LIMITED

PARTICULARS	Amount Rs. In Lakshs	
	As at 31 March, 2013	As at 31 March, 2012
<b>Note 2.20 Other income</b>		
Rental Income	0.00	147.20
Other Non Operating Income	436.11	9.70
Net gain/ (loss) on foreign currency transactions	436.11	156.90
<b>Note 2.21 Cost of materials consumed</b>		
Opening stock	44.47	61.51
Add: Purchases	192.70	124.12
Less: Closing Stock	237.17	185.63
Cost of Material consumed	36.95	44.47
	200.22	141.16
<b>Note:2.22 Changes in inventories of finished goods and stock-in-trade</b>		
<b>Inventories at the end of the Year:</b>		
Raw Materials	-	-
Store, Spares, Chemicals and others	-	-
<b>Inventories at the beginning of the Year:</b>		
Raw Materials		
Store, Spares, Chemicals and others	0.00	0.00
Net (increase)/ decrease	0.00	0.00
<b>Note 2.23 Manufacturing expenses</b>		
<b>Note 2.24 Employee benefits expenses</b>		
Salaries, Wages, and Bonus (excluding Directions)	306.27	129.69
Salaries and Perquisites to Directors	91.77	47.38
Contributions to provident and other funds	14.35	16.34
	412.40	193.41
<b>Note:2.25 Finance costs</b>		
Interest on term loan	136.07	217.10
Interest on Others	158.25	37.15
Bank Charges (including bank charges on BG and LC)	2.03	2.73
	296.35	256.97
<b>Note 2.26 Other expenses</b>		
Power and Fuel Expenses		
- Electricity Charges	110.04	82.59
- Diesel Charges	36.25	7.46
- Kitchen Fuel	15.49	8.32
Repairs and Maintenance		
- Building	6.39	1.60

## ARUNA HOTELS LIMITED

- Others	39.43	20.15
Rent	-	33.00
Rates and Taxes	12.34	13.60
Insurance	5.62	3.25
Selling and Distribution Expenses	7.10	24.14
Directors Sitting Fees	1.93	0.39
Directors Travelling Expenses	-	3.24
Office and Miscellaneous expenses	565.48	57.21
Freight and Transport, Hire Charges	11.34	5.85
<b>Payments to the Auditors</b>		
-As Auditor	2.40	1.34
-Tax Audit and Certification Fees	-	0.37
-Management Services	-	-
	<b>813.83</b>	<b>262.54</b>

## ARUNA HOTELS LIMITED

Note 2.10 Fixed assets - Tangible, Intangible and Capital work - in - progress

	Gross Block				Accumulated depreciation				Amount Rs.in New Block		
	As at 1 April, 2012	Additions	Deleted	As at 31 Mar, 2013	As at 1 April, 2012	Depreciation for the year	Eliminated on disposal of assets	As at 31 Mar, 2013	As at 31 Mar, 2013	As at 31 March 2012	
<b>Tangible assets</b>											
Land	772.52	-	-	772.52	-	-	-	-	772.52	772.52	
Building	2,287.62	-	-	2,287.62	702.95	-	-	702.95	1,584.67	1,584.67	
Plant & Machinery	1,786.92	3.55	-	1,790.47	746.16	94.50	-	840.66	949.82	1,040.76	
Office Equipments	123.06	3.79	-	126.85	63.96	6.56	-	70.52	56.33	59.11	
Furniture and Fittings	420.60	10.89	-	431.49	388.61	40.04	-	428.64	2.85	32.00	
Vehicles	44.97	-	-	44.97	32.63	4.27	-	36.90	8.07	12.34	
Computers	-	1.91	-	1.91	-	0.04	-	-	-	-	
	<b>5,435.69</b>	<b>20.14</b>	-	<b>5,455.83</b>	<b>1,934.30</b>	<b>145.41</b>		<b>2,079.67</b>	<b>3,374.25</b>	<b>3,501.39</b>	
Previous Year	5,358.88	76.81	-	5,435.69	1,751.67	187.63		1,934.30	3,501.39	3,607.21	
Intangible assets Trade Mark	38.00			38.00	28.00	4.00		32.00	6.00	10.00	
Capital work - in - progress	77.03	5.41		82.44	-				82.44	77.03	
	<b>5,550.72</b>	<b>25.55</b>	-	<b>5,576.27</b>	<b>1,962.30</b>	<b>149.41</b>		<b>2,111.67</b>	<b>3,462.69</b>	<b>3,588.42</b>	

\* Information regarding assets under lease (take or given), where applicable may also be given as a separate note for each class of asset. Asset disposals through demergers and amounts written off on reduction of capital should be disclosed separately for each of assets. Also give details such as gross book value of revalued assets, method adopted to computer revalued amounts, nature of indices used, year of appraisal, involvement of external valuer as long as the concerned assets are held by the company.



## ARUNA HOTELS LIMITED

**Stock Market Data:**

The monthly high and low share prices and number of equity shares of the company traded at The BSE Limited, from April 1, 2019 to March 31, 2020 are given below:

(Prices in Rupees)

*The BSE Limited (2019-2020) – Historical High-Low & Stock Prices*

Months	High	Low	Total number of equity shares traded
April-2019	8.10	7.32	3,283
May-2019	7.50	6.65	3,831
June-2019	7.35	5.61	6,860
July-2019	5.64	5.09	1,854
August-2019	6.65	4.75	2,833
September-2019	6.98	5.89	3,581
October-2019	7.00	5.45	4,301
November-2019	8.49	6.01	12,320
December-2019	7.71	5.70	4,108
January-2020	9.85	7.22	7,127
February-2020	9.50	7.60	1,874
March-2020	7.96	5.30	2,511

*Distribution of Equity Shareholding as on 31st March 2020:*

No. of shares	No. of Shareholders	Folio	% of Shares	% of Holdings
Upto 500	28,21,714	23,429	31.3524	96.4514
501-1000	4,74,609	662	5.2734	2.7253
1001-2000	1,15,224	81	1.2803	0.3335
2001-3000	74,323	31	0.8258	0.1276
3001-4000	52,344	15	0.5816	0.0618
4001-5000	64,811	14	0.7201	0.0576
5001-10000	1,21,562	18	1.3507	0.0741
10001 – 50000	5,97,977	29	6.6442	0.1194
50001-100000	2,75,933	4	3.0659	0.0165
And above 100000	44,01,503	8	48.9056	0.0329
<b>Total</b>	<b>90,00,000</b>	<b>24,291</b>	<b>100.00</b>	<b>100.00</b>

*Shareholders holding more than 1% of the Equity Share Capital:*

SN	Name	Shares	% of shares held
1	Subasri Realty Private Limited	1685539	18.7282
2	Kamal Babbar	1216500	13.5167
3	Gay Travels Private Limited	591506	6.5723
4	Yessir Holdings and Investments Private Limited	372412	4.1379
5	Sovereign Media Marketing Private Limited	195718	2.1746
6	Anita Kumaran	118296	1.3144
7	Kaavya Sharath Jagannathan	118236	1.3137
8	S Balasubramanian	103296	1.1477
9	Euro American Holdings Limited	96050	1.0672

## ARUNA HOTELS LIMITED

## BALANCE SHEET AS AT MARCH 31 2020

(Rs in Lakhs)

Particulars	Note No.	As at Mar 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
Non-current Assets			
(a) Property, plant and equipment	1	10,024.21	10,198.00
(b) Capital work-in-progress	1	2,847.39	1,193.96
(c) Financial assets			
(i) Security Deposits	2	14.15	14.15
(d) Other Non Current Assets	2	360.69	360.69
<b>Total Non-current Assets</b>		<b>13,246.44</b>	<b>11,766.80</b>
Current Assets			
(a) Financial assets			
(i) Cash and cash equivalents	4	34.32	231.15
(b) Other current assets	5	343.78	153.93
<b>Total Current Assets</b>		<b>378.11</b>	<b>385.08</b>
<b>Total Assets</b>		<b>13,624.54</b>	<b>12,151.88</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
(a) Share capital	6	1,210.00	1,210.00
(b) Other equity	7	503.53	1,386.29
<b>Total Equity</b>		<b>1,713.53</b>	<b>2,596.29</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	8	9,228.85	7,753.85
(b) Deferred tax liabilities	3	1,120.99	978.82
<b>Total Non-current Liabilities</b>		<b>10,349.84</b>	<b>8,732.67</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	9	68.11	31.38
(ii) Other current financial liabilities	9	1,391.09	423.55
(b) Other current liabilities	10	101.98	367.99
<b>Total Current Liabilities</b>		<b>1,561.18</b>	<b>822.92</b>
<b>Total Liabilities</b>		<b>11,911.02</b>	<b>9,555.59</b>
<b>Total Equity and Liabilities</b>		<b>13,624.54</b>	<b>12,151.88</b>

The accompanying notes form an integral part of the financial statement

As per our report of even date attached

**For Bala & Co**

Chartered Accountants

Firm Registration No.: 000318S

Sriram Visvanathan

Partner

M.No: 216203

Place: Chennai

Date: 30.06.2020

MS David  
Managing Director  
DIN : 08539011

R.Muralidharn

Director

DIN : 07092976

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

Nagaraj P.  
Chief Financial Officer

K.Lakshmi  
Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs except EPS)

Particulars	Note No.	For the year ended	
		March 31,2020	March 31,2019
<b>INCOME</b>			
Revenue from operations	11	-	-
Other Income			
Rental Income	11	5.79	7.71
Creditors/Liability Written Back	11	1.27	63.05
Other Income	11	3.44	11.84
<b>Total Income</b>		<b>10.49</b>	<b>82.60</b>
<b>EXPENSES</b>			
Employee benefits expense	12	37.23	26.25
Depreciation	13	79.60	80.11
Other expenses	14	137.01	361.53
Finance costs	15	403.06	444.29
<b>Total expenses</b>		<b>656.89</b>	<b>912.18</b>
<b>Profit before tax</b>		<b>(646.40)</b>	<b>(829.58)</b>
Tax Expense:			
(1) Current tax			
(2) Deferred tax (asset)/liability	3	142.17	984.88
<b>Total tax</b>		<b>142.17</b>	<b>984.88</b>
<b>Profit for the year</b>		<b>(788.57)</b>	<b>(1,814.46)</b>
Other Comprehensive Income for the year, net of tax			-
<b>Total Comprehensive Income for the year ( Comprising Profit and Other Comprehensive Income for the year)</b>		<b>(788.57)</b>	<b>(1,814.46)</b>
Earnings per equity share			
(1) Basic		(8.76)	(20.16)
(2) Diluted		(8.76)	(20.16)

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

As per our report of even date attached

**For Bala & Co**

Chartered Accountants

Firm Registration No.: 000318S

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

Sriram Visvanathan  
Partner  
M.No: 216203

MS David  
Managing Director  
DIN : 08539011

Nagaraj P.  
Chief Financial Officer

Place: Chennai  
Date: 30.06.2020

R.Muralidharn  
Director  
DIN : 07092976

K.Lakshmi  
Company Secretary

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended on	
	March 31, 2020	March 31, 2019
Profit before taxation	(646.40)	(829.58)
<b>Adjustments for:</b>		
Depreciation	79.60	80.11
Interest accrued yet to be paid		
Interest received		(9.05)
Interest expense	402.89	444.02
<b>Operating cash flow before changes in working capital</b>	<b>(163.91)</b>	<b>(314.51)</b>
Adjustments for changes in:		
Other current assets	(189.85)	(120.23)
Other current liabilities	(266.01)	258.98
Trade payables	36.73	15.61
<b>Cash generated from operations</b>	<b>(583.04)</b>	<b>(160.15)</b>
Income taxes paid	-	-
<b>Net cash from operating activities-A</b>	<b>(583.04)</b>	<b>(160.15)</b>
<b>Cash flows from investing activities</b>		
Change in Capital work in progress	(1,653.43)	(805.05)
Proceeds from sale of assets	-	-
Interest received	-	9.05
<b>Net cash used in investing activities-B</b>	<b>(1,653.43)</b>	<b>(796.01)</b>
<b>Cash flows from financing activities</b>		
Increase/(Decrease) in other current financial liability	967.54	423.55
Proceeds/(Repayment) from long term borrowings	1,475.00	6,310.80
Decrease/(Increase) in non-current assets	-	(360.69)
Interest accrued yet to be paid		
Interest paid	(402.89)	(444.02)
<b>Net cash used in financing activities-C</b>	<b>2,039.64</b>	<b>5,929.65</b>
<b>Net increase in cash and cash equivalents - (A+B+C)</b>	<b>(196.82)</b>	<b>4,973.49</b>
Cash and cash equivalents at the beginning of year	231.15	(4,742.34)
Cash and cash equivalents at the end of year	34.32	231.15
Cash and cash equivalents consists of:		
Cash in hand	0.31	0.22
Balances with banks		
in current deposits	21.08	218.85
in fixed deposits	12.94	12.07
	<b>34.32</b>	<b>231.15</b>

The accompanying notes form an integral part of the financial statement  
As per our report of even date attached

**For Bala & Co**

Chartered Accountants

Firm Registration No.: 000318S

Sriram Visvanathan  
Partner

M.No: 216203

Place: Chennai  
Date: 30.06.2020MS David  
Managing Director  
DIN : 08539011R.Muralidharn  
Director  
DIN : 07092976For and on behalf of the Board of Directors  
of Aruna Hotels LimitedNagaraj P.  
Chief Financial OfficerK.Lakshmi  
Company Secretary

## Summary statement of changes in equity

## a. Equity share Capital

Particulars	Note No.	“Equity Shares of Rs 10/- each (Nos.)”	“Amount (in Rs.)”	14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each (Nos.)	“Amount (in Rs.)”	17.5% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each (Nos.)	“Amount (in Rs.)”	16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each (Nos.)	“Amount (in Rs.)”
<b>Balance as at March 31, 2018</b>		9,000,000	90,000,000	60,000	6,000,000	50,000	5,000,000	200,000	20,000,000
Changes in equity for the year ended on March 31, 2019		-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>		9,000,000	90,000,000	60,000	6,000,000	50,000	5,000,000	200,000	20,000,000
Changes in equity for the period ended on June 30, 2019		-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2020</b>		9,000,000	90,000,000	60,000	6,000,000	50,000	5,000,000	200,000	20,000,000

(Rs in Lakhs)

Particulars	Reserves and surplus				Retained Earnings	Other Comprehensive Income	Total
	Capital Redemption Reserve	Securities Premium Reserve	Preference share Redemption Reserve	Revaluation Reserve			
<b>Balance as at March 31, 2018</b>	4.00	1,652.16	30.25	(6,818.36)		8,426.89	3,294.94
Proceed/(Repayment) during the year	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	(1,814.46)	-	-	(1,814.46)
Accumulated Depreciation	-	-	-	-	-	-	-
IT refund for previous year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Depreciation on revaluation reserve	-	-	-	-	-	(94.20)	(94.20)
<b>Total Comprehensive Income for the year</b>	-	-	-	(1,814.46)	(94.20)	(94.20)	(1,908.65)
<b>Balance as at March 31, 2019</b>	4.00	1,652.16	30.25	(8,632.82)		8,332.70	1,386.29
Proceed/(Repayment) during the year	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-
IT refund for previous year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Depreciation on revaluation reserve	-	-	-	-	-	(94.20)	(94.20)
<b>Total Comprehensive Income for the period</b>	-	-	-	-	-	(94.20)	(94.20)
<b>Balance as at March 31, 2020</b>	4.00	1,652.16	30.25	(8,632.82)		8,238.50	1,292.09

The accompanying notes form an integral part of the financial statement

As per our report of even date attached

**For Bala & Co**

Chartered Accountants

Firm Registration No.: 000318S

Sriram Visvanathan  
Partner

M.No: 216203

Place: Chennai  
Date: 30.06.2020

MS David  
Managing Director  
DIN : 08539011

R.Muralidharan  
Director  
DIN : 07092976

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

Nagaraj P.  
Chief Financial Officer

K. Lakshmi  
Company Secretary

## Notes to the Financial Statement as at March 31, 2020

### 1. Property, Plant and Equipment

(Rs in lakhs)

Asset Category	Freehold Land	Building	Vehicles	Computers/Laptops	Total	Capital work in progress
Gross Block						
At March 31,2018	8,348.00	3,460.80	24.16	2.73	11,835.69	388.91
Additions	-	-	-	-	-	805.05
Disposals	-	-	-	-	-	-
Reserve	-	-	-	-	-	-
At March 31,2019	8,348.00	3,460.80	24.16	2.73	11,835.69	1,193.96
Additions						331.15
Disposals						
Reserve						
At Mar 31,2020	8,348.00	3,460.80	24.16	2.73	11,835.69	2,847.39
Accumulated Depreciation						
At March 31,2018	-	1,447.18	13.53	2.64	2,782.78	-
Additions	-	76.79	3.22	0.10	80.11	-
Disposals	-	-	-	-	-	-
Reserve	-	94.20	-	-	94.20	-
At March 31,2019	-	1,618.20	16.76	2.73	2,957.08	-
Additions	-	76.78	2.81	-	79.60	-
Disposals	-	-	-	-	-	-
Reserve	-	94.20	-	-	94.20	-
At March 31,2020	-	1,789.18	19.57	2.73	173.79	-
Net Block						
At March 31,2018	8,348.00	2,013.62	10.62	0.10	9,052.91	388.91
At March 31,2019	8,348.00	1,842.60	7.40	-	8,878.61	1,193.96
At March 31,2020	8,348.00	1,671.62	4.59	-	10,024.21	2,847.39

**2. Financial Assets-Non Current****(Rs in Lakhs)**

Particulars	“As at March 31, 2020”	“As at March 31, 2019”
Security Deposit		
MES Deposit	14.14	14.14
BSNL Deposit	0.01	0.01
<b>Total</b>	<b>14.15</b>	<b>14.15</b>
Other Non-Current Assets		
Yessir Holdings and Investments Private Limited*	360.69	360.69
	360.69	360.69

\*A petition was filed for a matter of Arbitration Award dated 28.04.2014 by M/s Southern Agrifurane Industries Private Limited (Petitioner) against M/s Yessir Holdings and Investments Private Limited (1<sup>st</sup> Respondent), M/s Aruna Hotels Limited (2<sup>nd</sup> Respondent) and Hon'ble Mr Justice K.P. Sivasubramanian (3<sup>rd</sup> Respondent) in the High Court of Madras (O.P No. 387 of 2014). The Petitioner and 2nd Respondent have agreed to a memorandum of compromise as on 23rd January 2019. As per the memorandum of compromise, M/s Aruna Hotels Limited will pay Rs 4,44,76,575/- in eight equal installment of Rs 55,59,572/- to M/s Southern Agrifurane Industries Limited (Installment payment commenced from 21.01.2019 till 21.08.2019). Out of the total amount paid, Rs 3,60,69,041/- is paid by M/s Aruna Hotels Limited on behalf of M/s Yessir Holdings Investments Private Limited, which will be later recovered from M/s Yessir Holdings and Investments Private Limited together with interest in accordance with law.

**3. Deferred tax asset/Deferred tax liability****(Rs in Lakhs)**

Particulars	As at March 31, 2020	“As at March 31, 2019”
Opening Balance	(978.82)	6.06
Deferred tax asset/ (liability)		
Difference in WDV as per Companies Act and Income Tax Act	(142.17)	(149.73)
Difference in WDV as per Companies Act and Income Tax Act (For FY 2015-16 to FY 2017-18)(As calculated under restated financials as per SEBI Guidelines for the Rights Issue)	-	(835.15)
Deferred tax asset/(liability) charged through profit & loss account	(142.17)	(984.88)
Closing Balance of deferred tax asset/(liability)	(1,120.99)	(978.82)

**4. Financial Assets-Current****(Rs in Lakhs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents		
Cash on hand	0.31	0.22
Balance with banks		
-in current accounts	21.08	218.85
-in fixed deposits*	12.94	12.07
<b>Total</b>	<b>34.32</b>	<b>231.15</b>

\*Deposits in PNB A/c amounting to Rs 12.94 Lakhs are Lien Marked against Court Case



## 5. Other Current Assets

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
TDS Receivable	2.39	2.47
GST Input Credit	17.76	137.88
Other Current Assets*	323.64	13.58
<b>Total</b>	<b>343.78</b>	<b>153.93</b>

\*Other Current Assets consists of rent receivable and advances given to suppliers

## 6. Equity Share Capital

(Rs in lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Nos.	Amount	Nos.	Amount
<b>Authorised</b>				
Equity Share of Rs.10/- each	67,000,000	6,700.00	67,000,000	6,700.00
Cumulative Redeemable Preference Shares of Rs.100/- each	800,000	800.00	800,000	800.00
<b>Total</b>	<b>67,800,000</b>	<b>7,500.00</b>	<b>67,800,000</b>	<b>7,500.00</b>
Issued, subscribed & fully paid up				
Equity shares of Rs. 10 each, fully paid up with voting rights, including 6,90,000 shares of Rs. 10/- each allotted as Bonus Share	9,000,000	900.00	9,000,000	900.00
Less: Calls in arrears				
<b>Total paid up equity shares</b>	<b>9,000,000</b>	<b>900.00</b>	<b>9,000,000</b>	<b>900.00</b>
<b>14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each</b>	60,000	60.00	60,000	60.00
17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs. 100/- each	50,000	50.00	50,000	50.00
16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	200,000	200.00	200,000	200.00
Total paid up preference shares	310,000	310.00	310,000	310.00
Total paid up share capital		1,210.00		1,210.00
The Movement of equity shares is as below:				
Shares outstanding at the beginning of the year	9,000,000	900.00	9,000,000	900.00
Shares issued during the period	-	-	-	-
Shares outstanding at the end of the period	9,000,000	900.00	9,000,000	900.00

Notes:

- i. Preference shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional shares and not created preference share redemption reserve due to inadequate profits
- ii. The 17.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of ten years from the date of issue. Earliest redemption month is July 2003.

- iii. The 16.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of 15 months from the date of issue. Earliest redemption month is March 1997.
- iv. There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.
- v. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

#### Details of equity shareholders holding more than 5% shares in the company

Name of the equity shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of the shares held	% of the holding	No. of the shares held	% of the holding
Kamal Babbar	1,216,500	13.5%	1,216,500	13.5%
Subasri Reality Private Limited	1,685,539	18.7%	1,685,539	18.7%
Gay Travels Private Limited	591,506	6.6%	591,506	6.6%

For the year immediately preceding the balance sheet date:

- i. Nil shares were reserved for issuance towards outstanding employee stock options granted / available for grant, towards outstanding share warrants and towards convertible securities.
- ii. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the year immediately preceding the Balance Sheet date is Nil.
- iii. Forfeited share is Nil.

#### 7. Other Equity

(Rs in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Capital Redemption Reserve</b>		
Opening Balance	4.00	4.00
Add: Transfer during the year	-	-
Closing Balance	4.00	4.00
<b>Securities Premium Reserve</b>		
Opening Balance	1,652.16	1,652.16
Add: Transfer during the year	-	-
Closing Balance	1,652.16	1,652.16
<b>Preference Share Redemption Reserve</b>		
Opening Balance	30.25	30.25
Add: Transfer during the year	-	-
Closing Balance	30.25	30.25
<b>Revaluation Reserve</b>		
Opening Balance	8,332.70	8,426.89
Less: Depreciation on Revaluation Reserve	(94.20)	(94.20)
Closing Balance	8,238.50	8,332.70
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	(8,632.82)	(6,818.36)
Profit / (Loss) for the year	(788.57)	(1,814.46)
Closing balance	(9,421.39)	(8,632.82)
<b>Total Other Equity</b>	<b>503.53</b>	<b>1,386.29</b>

**8. Financial liabilities-Non-current**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Borrowings</b>		
Term Loan from Banks-Secured * (Net of Loan Processing Fee of Rs 2065000/-)	2,604.35	2,729.35
Loans from related parties-Unsecured#	6,624.50	5,024.50
<b>Total</b>	<b>9,228.85</b>	<b>7,753.85</b>

**9. Financial liabilities-Current**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Sundry Creditors	68.11	31.38
Term Loan -Current#	583.33	250.00
Interest accrued yet to be paid^	807.75	173.55
<b>Total</b>	<b>1,459.20</b>	<b>454.93</b>

# It consists of amount of term loan to be repayable by March'2021.

^ Details of interest accrued yet to be paid as on 31 March 2020:

**10. Other current liabilities**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Liabilities	1.26	8.28
Other Payables	100.72	359.71
<b>Total</b>	<b>101.98</b>	<b>367.99</b>

**11. Income**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Sale of services	-	-
Rental Income	5.79	7.71
Creditors/Liability Written Back	1.27	63.05
Other Income	3.44	11.84
<b>Total Income</b>	<b>10.49</b>	<b>82.60</b>

**12. Employee benefit expenses**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Salaries, Wages, and Bonus (excluding Directors) and remuneration to KMPs	36.70	25.74
Exgratia	0.53	0.51
<b>Total</b>	<b>37.23</b>	<b>26.25</b>

## 13. Depreciation &amp; amortization expense

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation on property, plant and equipment	79.60	80.11
<b>Total</b>	<b>79.60</b>	<b>80.11</b>

## 14. Other expenses

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Power and Fuel Expenses		
- Electricity charges	50.79	59.72
Repairs and Maintenance		
- Building	-	-
- Others	2.83	0.43
Annual Maintenance Charges	0.23	1.36
Reversal of liabilities earlier written off	10.00	187.09
Insurance	1.21	1.46
Interest & Penalties	6.77	-
Meeting expenses		0.04
Advertisement expenses	2.73	2.75
Postage	0.68	17.36
Printing & Stationery	0.24	2.36
Annual Connectivity charges	0.82	1.38
Share E voting charges	0.64	0.64
AGM Expenses	6.65	1.10
Office and Miscellaneous expenses	1.08	1.69
Consulting Charges		0.25
Security Expenses	7.02	7.21
Freight, conveyance and travelling expenses	1.04	9.27
Fee and taxes	21.16	27.32
Professional charges	20.64	37.59
Payment to auditors (Statutory Audit Fees)*	2.5	2.50
<b>Total</b>	<b>137.01</b>	<b>361.53</b>

\*Excluding GST for FY 2019-20

## 15. Finance costs

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest on term loan	-	203.07
Bank charges	0.17	0.28
Interest paid to others	402.89	240.94
<b>Total</b>	<b>403.06</b>	<b>444.29</b>

## 16. Related party disclosures

S.No	Nature of Relationship	31-Mar-2020	31-Mar-2019
A	Other related parties		
1	Joint Venture		-
2	Company with common directors		-
3	Key Managerial Personnel	R.Muralidharan, Director	R.Muralidharan, Director
		Rajakumar Kumara Velayathanadar Director	Rajakumar Kumara Velayathanadar Director
		MS David, (Appoint on 29.09.2019) V.Anbalagan (Resigned on 23.09.2019) Managing Directors	Anbalagan V, Managing Director
		Freeda Gnanaselvam Kanagiah, Independent Women Director	Freeda Gnanaselvam Kanagiah, Independent Women Director
		N.Suyumbu, Independent Director	N Suyambu, Independent Directors
		Nagaraj P, CFO	Nagaraj P, CFO
		Ajay Shukla, (resigned with effect from 19.2.2020) Company secretary	Ajay Shukla, Company secretary
4	Promoter group of the company	Gay Travels Private Limited	Gay Travels Private Limited
		Rani Printers Private Limited	Rani Printers Private Limited
		Subasri Realty Private Limited	Subasri Realty Private Limited
5	Company with common shareholder/ promoter	Sivanthi Farms Private Limited	Sivanthi Farms Private Limited
		India Cabs Private Limited	India Cabs Private Limited
		Sams Sea Food Private Limited	Sams Sea Food Private Limited
		The Indian Newspaper Society	The Indian Newspaper Society
		Educational Trustee Co Private Limited	Educational Trustee Co Private Limited

		The India Cements Limited	The India Cements Limited
		Metronation Chennai Television Private Limited	Metronation Chennai Television Private Limited
		Rani Syndicate Private Limited	Rani Syndicate Private Limited
		Daily Thanthi Private Limited	Daily Thanthi Private Limited
		Subasri Realty Private Limited	Subasri Realty Private Limited
		Rukmani Publications Private Limited	Rukmani Publications Private Limited
		Gay Travels Private Limited	Gay Travels Private Limited
		Malar Publications Private Limited	Malar Publications Private Limited

### B. Related Party transactions and balances-summary

Transaction during the year ended	Nature of the Relationship	As at March 31,2020	As at March 31, 2019
Remuneration to Key Managerial Personnel	Key Managerial Personnel	10.35	10.31
Remuneration Payable	Key Managerial Personnel	0.86	0.79
Trade Payables	Shareholder of the company	6.05	7.41
Borrowings	Key Managerial Personnel		
Borrowings	Shareholder of the company		-
Borrowings	Shareholder of the company	3,401.17	2,446.17
Borrowings	Shareholder of the company	500.00	500.00
Borrowings	Company with common shareholder/promoter	1,147.34	797.34
Borrowings	Shareholder of the company	1,486.00	1,281.00
Interest accrued yet to be paid	Shareholder of the company	114.23	55.13
Interest accrued yet to be paid	Company with common shareholder/promoter	210.75	104.73
Total		6,876.75	5,202.88

### C. Significant related party transactions and balances

Transaction during the year ended	Nature of Relationship	As at March 31, 2020	As at March 31, 2019
Remuneration to Key Managerial Personnel			
CFO	Key Managerial Personnel	3.66	3.65
Company Secretary	Key Managerial Personnel	6.69	6.66
Remuneration Payable			
CFO	Key Managerial Personnel	0.30	0.28
Company Secretary	Key Managerial Personnel	0.56	0.51
Trade Payables			
GAY TRAVELS PRIVATE LIMITED	Shareholder of the company	6.05	7.41
Borrowings			
GAY TRAVELS PRIVATE LIMITED	Shareholder of the company	3,401.17	2,446.17
RANI PRINTERS PRIVATE LIMITED	Shareholder of the company	500.00	500.00

MALAR PUBLICATIONS PRIVATE LIMITED	Company with common shareholder/promoter	1,147.34	797.34
SUBASRI REALTY PRIVATE LIMITED	Shareholder of the company	1,486.00	1,281.00
<b>Interest accrued yet to be paid</b>			
GAY TRAVELS PRIVATE LIMITED	Shareholder of the company	114.23	55.13
MALAR PUBLICATIONS PRIVATE LIMITED	Company with common shareholder/promoter	210.75	104.73
<b>Total</b>		<b>6,876.75</b>	<b>5,202.88</b>

### 17. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. As on 31<sup>st</sup> March 2020, there were following contingent liabilities of the company.

#### Taxation-Direct Tax:

In FY 2015-16 & FY 2016-17, following notices and demand were issued to the company:

Income Tax notice received for AY 2012-13 & AY 2013-14. Outstanding dues being Rs 2,73,32,590/- for AY 2012-13 and Rs 2,38,31,782/- for AY 2013-14 against which appeal has been filed to the ITAT Chennai and outcome is pending. Since the losses available for set off are more than the income proposed to be added by the Department, even if the company loses the appeal there would be no tax liability.

There are TDS defaults for Aruna Hotels Limited. There is a short payment and short deduction of Rs.4,08,109.49/-. Also for the above, there are interest of Rs.51,149.50/- under section 201 of the Income Tax Act, 1961 and interest under section 220(2) of the said Act amounting to Rs.240/-. Along with the above there is also a late filing fees under section 234E of Rs.39,000/-. The reason for the above demands are yet to be crystallized and hence showing the above amount as contingent liability.

#### Civil

A labour dispute (ID No. 261 of 2007) is pending against the Company before the Labour Court, Chennai which has been filed by one Mr. N. Babu under the Industrial Disputes Act, 1947, who was working as a house keeper from 1998 to May 2004 in the Hotel. In the said labour dispute, Mr. Babu has prayed inter alia that he be reinstated in the Hotel with previous salary, work continuity and all other allowances as may be applicable to the Hotel. The matter is currently pending before the Labour Court, Chennai.

A Company Petition (CP/597/(IB)/CB/2017) was filed under section 9 of the I&B Code by one Mr. N. Subramanian against the Company before the NCLT, Chennai Bench for claiming an arrears of salary dues since the year 1998 till his retirement in 2013. As per the demand notice dated June 29, 2017 issued under section 8(1) of the I&B Code, an amount of Rs. 1,87,75,631/- has been claimed by Mr. Subramanian from the Company. By an order dated November 17, 2017, the NCLT had admitted the petition and ordered inter alia the commencement of corporate insolvency resolution process of the Company and appointed Mr. Venkatramanrao Nagarajan as the Insolvency Resolution Professional. Being aggrieved by the said order passed by NCLT, Subasri Realty Private Limited had, as shareholder of the Company, filed an appeal (Company Appeal (AT) Insolvency No. 290 of 2017) before the NCLAT, New Delhi. By an order dated July 16, 2018, NCLAT has set aside the NCLT's order dated November 17, 2017 on the ground

that there is an existence of dispute about arrears of salary. The said Mr. Subramanian has filed a civil appeal (C.A. No. 000187 of 2019) under section 62 of I&B Code before the Hon'ble Supreme Court of India challenging the final judgment and order passed by the NCLAT in CA (AT) (Insolvency) No. 290 of 2017 dated July 16, 2018. The matter is currently pending before the Hon'ble Supreme Court of India.

#### 18. Preference Shares Disclosures and Dividend Provisions:

“The company had issued preference share in earlier years and were not redeemed in the year in which it has to been redeemed, because the Company had no profits, nor could it make any fresh issue of shares. The financial statement of the company still shows preference shares as part of equity.”

#### For Bala & Co

Chartered Accountants

Firm Registration No.: 000318S

Sriram Visvanathan

Partner

M.No: 216203

Place: Chennai

Date: 30.06.2020

MS David

Managing Director

DIN : 08539011

R.Muralidharn

Director

DIN : 07092976

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

Nagaraj P.

Chief Financial Officer

K.Lakshmi

Company Secretary



**ARUNA HOTELS LIMITED****DIRECTORS REPORT**

Your Directors have pleasure in presenting their Fifty Second Annual Report, together with the Audited Accounts of the Company for the financial year 2013-14 consisting of 12 months from 01-04-2013 to 31-03-2014.

**FINANCIAL RESULTS**

During this financial year, your Company made a turnover of Rs. 926.72 lakhs including other income. There have been arrears of interest on certain loans availed by the Company, arrears of salary & wages, arrears of remuneration to the directors and statutory dues, etc., which could not be provided in the past due to the financial condition of the Company. Your board of directors decided to make provisions for such overdue arrears, ahead of the implementation of the new business plans. After making provision for such overdue arrears and other expenses, and after providing for depreciation, there was a net loss of Rs.3364.41 lakhs.

	<b>2013/14</b>	<b>2012/13</b>
Gross Sales	784.66	971.97
Other Income	142.06	436.11
Total Income	926.72	1408.08
Less:		
- Cost of materials consumed	186.02	189.64
- Employee Benefit Expenses	373.01	412.4
- Financial Charges	1917.63	296.34
- Depreciation & Amortisation Expenses	186.43	149.41
- Other Expenses	1628.04	813.83
- Total Expenditure	4291.13	1861.63
Loss before exceptional & extraordinary items & tax	-3364.41	-453.55
Exceptional items	0	0
Profit before extraordinary items	-3364.41	-453.55
Less: Provision for tax	0	0
Net Profit / Loss (-)	-3364.41	-453.55

**DIVIDEND**

Considering the financial results of the Company for the year under review, the Board of Directors could not consider payment of any dividend to the shareholders.

## **ARUNA HOTELS LIMITED**

### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

Subsequent to the end of the financial year under review, the hotel has been closed for demolition and putting up of commercial / residential blocks. Hence there will not be any generation of revenue during this year.

It has also been decided to revalue the block assets of the Company during the current financial year 2014-15, since the historical value does not reflect the intrinsic value of these assets. It has also been decided provide for balance of arrears of remuneration due to the Executive Directors (Managing Director and Executive Director) and some of the senior executives who have put in long service, statutory dues, etc., which could not be provided fully in the past.

### **REVIEW OF OPERATIONS**

#### **HOTEL DIVISION**

During the year under review, the Hotel was operational with 79 rooms. The gross sales shown above consisted mainly of room revenue and Food & Beverage revenue. The Other Income consisted of rent received from the floors in the annexe building leased out to restaurants. The performance of the Hotel has not been satisfactory.

#### **BLEAK PROSPECTS OF HOTEL BUSINESS**

The availability of hotel rooms within Chennai city is much more than the current demand, which is affecting the performance of almost all the hotels in the City. Many hotels have already closed down and are putting up residential/commercial apartments. Even some of the new hotel projects, where construction was in progress, have decided to demolish the construction and convert into real estate projects. The existing mismatch of demand and supply would continue for some more years and the Company would continue to be incurring losses. As the Company cannot afford to incur further losses, the Board of Directors took a decision to close down the existing hotel, demolish the building and in its place put up commercial/residential apartments.

Therefore, offers were invited from reputed builders and out of them, the offer made by M/s. Kgeyes Residency Pvt. Ltd., Chennai was found to be the most beneficial and accepted by the Management, and a preliminary agreement has been entered into with them. As per the terms agreed, in due course, we have to hand over vacant possession of the property to them to enable them to proceed with the various formalities for demolishing the existing hotel and annexe buildings and constructing new commercial / residential building(s) on the same site.

Accordingly, the hotel business was closed effective from 1<sup>st</sup> April 2014.

The Company will not totally exit from hotel business. As per the studies undertaken, there is a scope for putting up a hotel near the Airport and therefore, out of the surplus anticipated from the above proposed property redevelopment, the Company would consider putting up a hotel with lesser number of rooms in a new location.

## **ARUNA HOTELS LIMITED**

Meanwhile, some of the shareholders have approached the Company Law Board and obtained an interim Order, which prevents alienation, encumbrance and creation of third party interest on the property, due to which the property redevelopment proposal has come to a standstill.

The Management is exploring the possibilities of removing the deadlock.

### **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE INDEPENDENT AUDITORS.**

Replies to the observations made by the Auditors are given in the Addendum to this Report.

### **LISTING OF COMPANY'S SECURITIES**

Your Company's equity shares are currently listed on Bombay Stock Exchange Limited (BSE), Mumbai. The company had taken an in-principle decision to delist the equity shares from Ahmedabad Stock Exchange and Madras Stock Exchange.

### **DEMATERIALIZATION OF SHARES**

Your Company's shares have been made available for dematerialization through the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

### **FIXED DEPOSITS**

The Company has not been accepting any fixed deposit.

### **BOARD OF DIRECTORS**

**Additional Directors** - During the year company co-opted seven Directors on the board as Additional Directors. They are Dr. Muthiah Senthil Nathan, Mr. Sankaranarayanan Subramanian, Mr. Natesa Pillai Subramanian, Mr. Venkatesa Iyer Viswanathan, Dr. Raghavan Sivaram, Mr. Kasirajan Rangaswamy and Mr. Shameer Ahamed.

Accordingly, all the aforementioned persons were appointed as a Additional Directors with effect from November 14, 2013 to hold office till the conclusion of ensuing Annual General Meeting. They do not seek reappointment.

**Cessation of director** – Mr. Kamal Kumar Babbar ceased to be Director of the Company with effect from 30.09.2013.

**Resignation of Director** – A. Periasamy Pillay resigned from the Board of the Company with effect from 14.05.2013.

**Re-appointment of directors retiring by rotation** – Mr. S.Kalyanam and Mr. C.L. Ravichandran Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

## **ARUNA HOTELS LIMITED**

The Board expresses its appreciation for the services rendered and for the matured advice provided by the outgoing directors during their association with the Company.

### **AUDITORS**

At the Annual General Meeting, the members have to appoint Auditors for the period from conclusion of the 52<sup>nd</sup> AGM till the conclusion of the 53<sup>rd</sup> AGM.

M/s. Anil Kumar Bhandari & Associates, Chartered Accountants, Bangalore, the retiring Auditors, are eligible for reappointment and they have confirmed that their reappointment, if made, will be within the limits prescribed under the provisions of Companies Act 2013.

### **SUBSIDIARIES**

The Company does not have any subsidiaries and hence Consolidation of Accounts does not arise.

### **CORPORATE GOVERNANCE**

A detailed report on Corporate Governance has been included separately in the Annual Report. A report on Management Discussion and Analysis is attached to the Directors' Report and forms part of this Annual Report.

A report on Corporate Governance including Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the listing agreement is furnished with the Annual Report.

### **BOARD COMMITTEES:**

The Company has three Board Committees, viz. Audit Committee, Share Transfer/Investors' Grievances Committee and Remuneration Committee to assist the Board of Directors in effective discharge of its responsibilities.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm:

That in preparation of the annual Accounts, the applicable accounting standards have been followed along with proper explanation.

That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31<sup>st</sup> March 2014 and of the loss of the Company for that year.

That the Directors had taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31<sup>st</sup> March 2014 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for prevention of fraud and other irregularities.

That the Directors have prepared the Annual Accounts on an ongoing basis.

**ARUNA HOTELS LIMITED****CODE OF CONDUCT**

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on Companies website. Board Members and Senior Management personnel have affirmed Compliance with the Code for the financial year 2013-14. A separate declaration to this effect is made out in the Corporate Governance Report.

**PERSONNEL**

Information required to be furnished under the provisions of Companies Act 2013 read with the rules made there-under, is not applicable since none of the employees are receiving remuneration specified.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

As the Company is not engaged in any of the industrial activity mentioned in the Schedule to Companies (Disclosure of particulars in the report of Board of Directors) 1988, Section 217(1)(e) of the Companies Act, 1956 read along with Companies (Disclosure of particulars in the report of Board of Directors) 1988, the requirement of furnishing particulars regarding conservation of energy, technology absorption and adoption provided under Section 217(1)(e) of the Companies Act, 1956 is not applicable and hence same has not been provided.

There are no material foreign exchange earnings or outgo during this period.

**ACKNOWLEDGEMENT**

Your Directors wish to take the opportunity to thank the Central & State Governments and Punjab National Bank for the help and support extended by them.

Thanks are also due to our patrons for their continued patronage and the vendors for their co-operation.

Your Directors also wish to thank the Members for the continued confidence they repose in the Management and the Employees for their sincere services and co-operation.

**By Order of the Board  
For Aruna Hotel Ltd**

Date : 25/02/2015  
Place : Chennai

**M. Sivaram  
Chairman**

## ARUNA HOTELS LIMITED

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2014**

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2014	31 March, 2013
		Rs. In Lakhs	Rs. In Lakhs
<b>III. INCOME</b>			
Revenue from operations	2.19	784.66	971.97
Other income	2.20	142.06	436.11
<b>Total Income</b>		<b>926.72</b>	<b>1,408.09</b>
<b>IV. EXPENSES</b>			
Cost of materials consumed	2.21	186.02	189.64
Employee benefits expenses	2.22	373.01	412.40
Finance costs	2.23	1,917.62	296.34
Depreciation and amortisation expense		186.43	149.41
Other expenses	2.24	1,628.04	813.83
		<b>4,291.12</b>	<b>1,861.63</b>
<b>V. Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>-3,364.40</b>	<b>-453.55</b>
<b>VI. Exceptional Items</b>			
<b>VII. Profit/Loss before Tax</b>		<b>-3,364.40</b>	<b>-453.55</b>
<b>VIII. Tax expense:</b>			
1. Current tax expense			
2. Deferred tax			
<b>IX. Profit / (Loss) for the period from Continuing Operations</b>		<b>-3,364.40</b>	<b>-453.55</b>
<b>X. Profit / (Loss) from Discontinuing Operations</b>			
Tax expenses of Discontinuing Operations		-	-
Profit/(Loss) from Discontinuing Operations after tax		-	-
Profit / (Loss) for the period		-3,364.40	-453.55
<b>XI. Basic Earnings per Equity share</b>		<b>-37.39</b>	<b>-5.04</b>
Diluted Earnings per Equity share			
<b>Significant accounting policies</b>	<b>I</b>		

The notes referred to above form an integral part of the financial statements  
This is the Statement of profit and loss referred to in our report of even date  
As per our Report of even date attached

**For U.C Bhandari & Co**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**  
**For Aruna Hotel Ltd**

**Pankaj N Mehta**  
**(Partner)**  
**M. No: 233165**  
**FRN No: 000440S**

**M. Sivaram**  
**Managing Director**

**Karthick P. Sivaram**  
**Executive Director**

**Place : Chennai**  
**Date : 25-02-2015**

## ARUNA HOTELS LIMITED

### Notes to Financial Statements

#### **Note 1 Significant Accounting Policies**

##### **i. Basis of Accounting**

The financial statement of the company have been prepared in accordance with Generally Accepted Accounting Principle in India ( Indian GAAP). The company has prepared these financial statement to comply in all material aspects with the accounting standards notified under the Companies ( Accounting Standards), Rules 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention

##### **ii. Presentation and Disclosure of Financial Statements**

The Company has reclassified the previous year figures in accordance with the requirements applicable for the current year.

##### **iii. Revenue Recognition**

Revenues and expenses are recognized on the accrual basis with the exception insurance claims, interest on calls in arrears and interest on overdue receivables which are accounted on cash basis sales are net of taxes and duties, trade discounts and rebates.

##### **iv. Fixed Assets**

Fixed Assets are stated at cost (Net of Cenvat, wherever applicable) less depreciation. Cost includes freight, duties and taxes and other expenses related to acquisitions and installation. Depreciation on Fixed Assets has been provided on the Straight Line Method and at rates and in the manner specified in Schedule XIV to the companies Act, 1956. Intangible Asset constitutes Brand Name acquired for valuable consideration. It is being amortized over a period of 10 years.

##### **v. Borrowing Cost**

Borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are Capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

##### **vi. Inventory**

Raw materials and stores and spares have been valued at weighted average price. Cost includes Taxes and duties, freight and other direct expenses

##### **vii. Investments**

Long Term Investments are stated at cost, and Short Term Investments are valued at cost or Net Realizable Value whichever is less.

##### **viii. Taxation**

There is no need to make provision for income tax, since the company has incurred a Loss during the current financial year. In our opinion the deferred (Asset) appearing in the Balance sheet is adequate. As such no further provision has been made towards deferred tax.

## ARUNA HOTELS LIMITED

### ix. Employee Benefits

Short term Employee benefits, in respect of leave salary and reimburse of medical expenses, the liability has been fully provided on undiscounted basis, in accordance with the schemes in force. The contribution to Provident Fund (defined contribution plan), as per the provisions of the Employee's provident Fund and Miscellaneous Provision Act, 1952, is recognized as expense and remitted to the Provident Fund Commissioner. Expense and income of this year include amounts below Rs.1000/- in relation to earlier years, which are accounted on cash basis.

### x. Foreign Exchange Transaction

Transactions in foreign exchange are accounts at the exchange rates prevailing at the time of Realization/ payment of bills.

### xi. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are disclosed when the company has possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

### xii. Earnings per share

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Profit after Taxation (Rs.in Lakhs)	(-)3364.40 lakhs	(-)453.56 Lakhs
Weighted number of equity shares outstanding	8998700	8998700
Basic Earnings per share	(-)37.39	(-)5.04
Diluted Earning per share	(-)37.39	(-)5.04

xii. Confirmation of a balances has not been received from creditors and debtors as on 31/03/2014

xiii. In the absence of adequate profits the remuneration paid to Managing Director is within the limits prescribed as minimum remuneration in Schedule XIII of the Companies Act, 1956.

xiv. The company has made a Circular Resolution in February 2012 in which the company has arrived the amount due to Mr. Kamal Babbar was Rs.1243.72 Lakhs. Which includes the interest, managerial remuneration & advances received from his group company.

There is no amount due to SSI units pending more than 30 days and above Rs. 1Lakh.

xv. The company has revalued the Land, Buildings during the year based on valuation made by the approved valuer D Parthasarathy Associates as on 22/02/2011. The company has taken the estimates and taken in to account the valuation provided by them of land and hotel building. Resultant Appreciation aggregating to Rs.8748.66Lakhs has been added to the gross block of fixed assets and credited to Revaluation reserve. There is an additional charge of depreciation of Rs.39.18Lakhs on revaluation of hotel building and an equivalent amount has withdrawn from revaluation reserve created.

xvi. The term loan from Punjab National Bank availed for refurbishing of the hotel, etc. has been secured by first charge and Mortgage on all immovable and movable properties of the company both present and future, and guaranteed by the Managing Director, Joint Managing Director and Executive Director.



**ARUNA HOTELS LIMITED**

- xvii.** The Board of directors of the company in their meeting resolved to write off the advances and debtors which are not realizable. Therefore the amount of Rs.857.63Lakhs is not recoverable treated as Bad hence written off during the year under consideration and show under other expenses.
- xviii.** The company is in the process of appointing a full time company secretary by the provision of section 383A of the companies Act 1956. In the absence of the company secretary, these financial statements have not been authenticated by a whole time company secretary under section 215 of the companies Act 1956.
- xix.** The minority shareholders have filed a petition vide C.P No.15 of 2014 & C.P No. 11 of 2014 under section 235, 237(b), 397, 398, 402, and 403 under the companies act 1956 with company Law Board Chennai. Further, the Minority share holders have filed memorandum of compromise vide C P no16 of 2014 with honorable company law board Chennai. The decision of the above said petitions are awaited. This may materially impact the affairs of the company.
- xx.** The Company and Present Management has filed vide C S No.751/2013 before the Honorable high court, Chennai, challenging the notices issued by Mr. Kamal Babbar for convening the Extraordinary General Meeting of the members of the company and in O.A.No.870/2013 the Hon'ble High court, by order dated 8.11.2013, directed Mr. Kamal Babbar and other shareholders not to implement the resolution of the meeting dated 09.11.2013 until further orders. The said suit is still pending for adjudication before the Hon'ble High Court of Chennai.

**xxi. Related party transactions:**

Managerial Remuneration – Rs.51.15 Lakhs

- M. Sivaram – Rs.33.60 Lakhs
- Karthik.P – Rs. 17.55 Lakhs

Share application money pending allotment (as on 31.03.2014) – Rs.2168.77 Lakhs

- A.Periyasamy – Rs. 240.67 Lakhs
- Geetha Maruthai pillai – Rs. 385.25 Lakhs
- Chandini Babbar – Rs. 299.12 Lakhs
- Kamal Babbar – Rs.1243.72 Lakhs

Unsecured Loans: Rs.486.52 Lakhs

- M.Sivaram – Rs.26.10 Lakhs
- Kamal Babbar – Rs.460.42 Lakhs
- Lease Advance – Rs.25 Lakhs

**Interest provided:**

During the year the management has measured the liabilities, which includes unsecured loans, advance share capital & short term borrowings. The total interest provision has been made on the above mentioned borrowings at the rates prescribed in the agreements made with parties. This includes both the interest for current year & Earlier years from when the amount is received by the company. The liability of interest for earlier years has been accounted to the tune of Rs.1282.67 Lakhs as at date of Balance sheet.

**ARUNA HOTELS LIMITED**

**xxii. Segment Reporting:**

The company has business in two segments and the revenue from both is taken on consolidated basis in the financials, the bifurcations are show on individual segment as below:

Hotel & Restaurant Business : 784.66 Lakhs

Rental Income : 142.21 Lakhs

**xxiii.** The company has provided interest on various liabilities (which includes – Unsecured Loans, liabilities arise due to supplies or commitments of managements as per the agreements & understanding entered with the lenders & investors. The company has provided interest on share application monies pending allotment due to long pendency of allotment as per the agreement, Memorandum of Understanding & Circular resolution passed between the companies & investors.

**xxiv.** The company's hotel operations are discontinues from 31.03.2014 & advance booking monies are payable.

**xxv.** The company has passed the board resolution dated 25/05/2015 that the shares will not be allotted and the amount will be refunded with agreed rate of interest to the following investors:

- A.PERIYASAMY Rs.240.67 Lakhs
- GEETHA MARUTHAI PILLAI Rs.385.25 Lakhs
- CHANDINI BABBAR Rs.299.12 Lakhs

**xxvi.** Preference shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional share and not created preference share redemption reserve due to inadequate profits.

**For U.C Bhandari & Co**  
**Chartered Accountants**

**For and on behalf of the board of Directors**

**Pankaj N Mehta**  
**(Partner)**

**M. Sivaram**  
**Managing Director**

**Karthick P. Sivaram**  
**Executive Director**

**FRN No: 000440S**

**M. No: 233165**

**Place : Chennai**

**Date : 25-02-2015**

## ARUNA HOTELS LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.3.2014**

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs. In Lakhs	Rs. In Lakhs
<b>NOTE 2.01</b>		
1. SHAREHOLDER'S FUND		
2. Authorised Capital		
24,000,000 Equity shares of Rs. 10 each with voting rights	2,400.00	2,400.00
800,000 Cumulative Redeemable Preference Shares of Rs. 100 each	80.00	80.00
	2,480.00	2,480.00
<b>Issued, Subscribed and fully paid up</b>		
9,000,000 Equity shares of Rs. 10 each fully paid up with voting rights (including 6,90,000 shares of Rs. 10/- each allotted as Bonus share Above Shares includes 6,90,000 shares of Rs. 10/- each allotted as Bonus shares issued for consideration other than each)	900.00	900.00
Less:- Calls in arrears	2.13	2.13
<b>Total Paid up Equity Shares</b>	897.87	897.87
60,000 14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each	60.00	60.00
50,000 17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs. 100/- each	50.00	50.00
200,000 16.5% Redeemable Cumulative Taxable Shares of Rs. 100/- each	200.00	200.00
<b>Total Paid up Preference Share</b>	310.00	310.00
<b>Total Paid up Share Capital</b>	1,207.87	1,207.87

**Note:** Preference Shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional shares and not created preference share redemption reserve due to inadequate profits.

The 17.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of ten years from the date of issue. Earliest redemption month is July 2003.

The 16.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of 15 months from the date of issue. Earliest redemption month is march 97.

(d) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus Issue	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2014				
-Number of shares	9,000,000	-	-	9,000,000
-Amount (Rs)	897.87	-	-	897.87
Year ended 31 March, 2013				
-Number of shares	9,000,000	-	-	9,000,000
-Amount (Rs)	897.87	-	-	897.87

**ARUNA HOTELS LIMITED**

- (e) There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.
- (f) Details of shares held by the holding company, the ultimate holding company, Their subsidiaries and associates: Nil
- (g) **Details of Shares held each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	No of shares held	% holding	No of shares Held	% holding
Equity shares with voting rights				
Mr. P.Sivaram	523,012	5.81	523,012	5.81
Mr. Kamal Babbar	1,200,000	13.33	1,200,000	13.33
M/s. Hitkari Fivest P.Ltd	618,308	6.87	618,308	6.87
	9,000,000	26.01	9,000,000	26.01

- (h) As at 31 March, 2014 Nil shares (as at March, 2013 Nil shares) were reserved for issuance towards outstanding employee Stock options granted / available for grant, towards outstanding share warrants and towards convertible securities.
- (i) Aggregate number and class of shares allotted as fully paid up pursuant to contract (s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date as at 31 March 2014, is Nil (as at 31<sup>st</sup> March 2013 is Nil)
- (j) Calls unpaid as at 31<sup>st</sup> March 2014 is Rs.2,13,000 (as at 31<sup>st</sup> March 2013 is Rs.2,13,000)
- (k) For forfeited shares as at 31<sup>st</sup> March 2014 is Nil (as at 31<sup>st</sup> March is Nil)

## ARUNA HOTELS LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31.3.2014**

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount Rs. In Lakhs	
<b>Note 2.02 Reserves and surplus</b>		
<b>Capital Reserve</b>		
Opening balance	0.72	0.72
Closing balance	0.72	0.72
<b>Capital Redemption Reserve</b>		
Opening balance	4.00	4.00
Closing balance	4.00	4.00
<b>Securities Premium Reserve</b>		
Opening balance	1,652.16	1,652.16
Closing balance	1,652.16	1,652.16
<b>Preference Share Redemption Reserve</b>		
Opening balance	30.25	30.25
Closing balance	30.25	30.25
<b>Revaluation Reserve</b>		
Revaluation Reserve on Land and Building	8,748.66	-
Less: Depreciation on Revaluation Reserve	39.18	-
Balance Revaluation Reserve carried forward to next year	8,709.48	
<b>Surplus / Deficit) in Statement of Profit and Loss</b>		
Opening balance	-1,446.45	-992.90
Profit for the year	-3,364.40	-453.55
Closing balance	-4,810.85	-1,446.45
	5,585.76	240.68
<b>Note 2.03 Share application money pending allotment</b>		
a. Share application money received pending allotment	2,168.77	
<b>Note: 2.04 Long-term borrowings</b>		
Term loans from banks - Secured	943.13	1,428.76
Loans from Related Parties - Unsecured	486.52	7.93
Loans from others - Unsecured	338.14	1,499.06
Liability under Hire Purchase Scheme	-	-
Security Deposits	187.05	186.10
	1,954.83	3,121.86
<b>Note 2.05 Long-term provisions</b>		
Provision for Employee Benefits	37.09	54.55
	37.09	54.55
a. Provision for gratuity & Leave Encashment is arrived based on actuarial valuation and entire liability is considered as long term provision.		

**ARUNA HOTELS LIMITED**

(CIN- L15421TN1960PLC004255)  
REGD. OFF: 145, STERLING ROAD, CHENNAI-600-034

**NOTICE TO SHAREHOLDERS**

Dear Shareholder(s)

Notice is hereby given that the 53rd Annual General Meeting of the Shareholders of Aruna Hotels Limited will be held on Wednesday the 30th December, 2015 at Youth Hostel, 2nd Avenue, Indira Nagar, Chennai-600020 at 9.00 A.M., to transact the following business:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, Profit and Loss Account for the year ended 31st March 2015 and together with the Reports of the Board of Directors and the Auditors thereon.

**SPECIAL BUSINESS:****2.) To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:**

To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of fifth consecutive Annual General Meeting and to fix their remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Bala & Co, Chartered Accountants, be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors M/s. U.C. Bhandri & Co., Chartered Accountants, who shall hold office from the conclusion of this 53rd Annual General Meeting for term of consecutive five years till conclusion of the 58th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the Remuneration of the Auditors”.

**3) To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Clause 49 of the Listing Agreement, Freeda Gnanaselvam kanagiah(DIN 07350172), who was appointed as an additional Director (Independent Women Director) of the Company by the Board of Directors with effect from November 27, 2015 and, who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as an Independent Women Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2019-20 and to receive remuneration by way of fees, reimbursement of expenses for participation in the meetings of the Board and/or committees.”

**ARUNA HOTELS LIMITED**

**4). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT Mr. Muralidharan Ramasamy who was appointed on 1<sup>st</sup> October 2015 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**5). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT Mr. Rajakumar Kumaruvelayathar nadar who was appointed on 1<sup>st</sup> October 2015 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**6). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT Mr. Vaithyalingam Anbalagan who was appointed on 10 October 2015 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**7). To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Clause 49 of the Listing Agreement, SUNDARESAN VAIRAKAN (DIN 07328033), who was appointed as an additional Director (Independent Director) of the Company by the Board of Directors with effect from October 10, 2015 and, who holds office upto the date of this Annual General meeting in terms of Section 161 of the Act, and in respect of whom the company has received a notice in writing from a member of the Company under section 160(1) of the Companies Act 2013, Proposing her candidature for the office of the company, not liable to hereby appointed as Independent director of the company, not liable to retire by rotation to hold office for 5 (five) consecutive years for terms upto the Annual General meeting for the financial year 2019-20 and to receive remuneration by fees, reimbursement of expenses for participation in the meeting of the board and other committees.

**8). To Consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT in Pursuant to the provisions of Section 196, 197, 203 and read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013("the Act"), the Consent of the shareholders be and is hereby accorded for the appointment of Mr. Vaithyalingam Anbalagan (holding DIN00059007) as a Managing Director of the Company for a period of Three years with effect from 10 October, 2015 upon the terms and conditions including remuneration, perquisites and amenities shall be as below:

## ARUNA HOTELS LIMITED

### Terms of Appointment:

Basic Salary: Rs. 25,000/- (Rupees Twenty Five Thousand only) per month

Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company Policy.

Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.

“RESOLVED FURTHER THAT in the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, benefits and perquisites payable or extended to Mr. Vaithyalingam Anbalagan shall be in accordance with the provisions of Section II of Part II of Schedule V to the Act, as may be in force from time to time.”

“RESOLVED FURTHER THAT in the event of any Statutory modification or amendments or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule V to the Companies Act, 2013 the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites etc., within such prescribed time and to do all acts, deeds, matters and things, as it may, at its absolute discretion consider necessary, expedient or desirable to give effect to the above resolution or otherwise considered by it to be in best interest of the company.”

### 9) To consider and if thought fit to pass, with or without modification(s) the following resolution as a Special Resolution:

RESOLVED THAT in supersession of the resolution passed by the Company with respect to mortgaging and/or charging by the Board of Directors, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”), or any statutory modification or re-enactment thereof, to the Board of Directors to mortgage and/or charge (by way of first, second or other subservient charge as may be agreed to between the Company and the lenders and/or Debenture Trustees), all the immovable and movable properties, present and future, pertaining to any one or more of the Company’s Units whose properties are agreed to be mortgaged and/or charged in certain events, to or in favour of any Financial Institutions, Banks and other lending Institutions or Funds, Trustees for Debentures, to secure their respective Rupee and Foreign Currency Loans or other Financial Assistance lent, granted and advances or agreed to be lent, granted and advanced to the Company or the Debentures, Bonds or other financial instruments issued and allotted or as may be issued by the Company and subscribed to or agreed to be subscribed to by such Institutions/Banks/Funds, or any other persons, of such amount or amounts not exceeding Rs. 100 Crores in the aggregate on account of principal, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Trustees, costs, charges and other moneys payable by the Company to the respective Financial Institutions, Banks and other lending institutions and Debenture holders and/or Trustees under the Loan/ Subscription Agreement(s) entered into/to be entered into by the Company in respect of the said term loans, debentures or other financial instruments or assistance.

RESOLVED FURTHER that the Board of Directors of the Company including a Committee thereof, be and is hereby authorized to finalize with the Financial Institutions, Banks and other lending Institutions or Debenture Trustees, the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds and things in connection therewith and incidental thereto.



**ARUNA HOTELS LIMITED**

**10) To consider and if through fit to pass, with or without modification(s) the following resolution as a Special Resolution:**

RESOLVED THAT in supersession of the earlier resolution passed by the Company with respect to the borrowing powers of the Board of Directors, consent of the Company be and is hereby accorded pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 (hereinafter referred to as the "Act"), or any statutory modification or re-enactment thereof, to the Board of Directors, borrowing moneys (apart from temporary loans from time to time obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, as the Board may, from time to time deem necessary, provided that the sum or sums so borrowed and remaining outstanding at any one time shall not exceed in the aggregate Rs. 100 Crores (Rupees One Hundred crores only).

**11) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 94, other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register and Index of Members Register and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company viz. MCS Share Transfer Agent Ltd. 21/22, Kashiram Jamnadas Building, Ground Floor, Near Ghadiyal Godi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009 or any other its office or place within the Chennai city, instead of the Registered Office of the Company.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.

**12) Issue of Equity Shares to Promoters of the Company on preferential basis:**

RESOLVED THAT pursuant to the provisions of Section 62 (1) (C) of the Companies Act, 2013 read with Rule 13 of the Companies (Share Capital & Debentures) Rules, 2014 and other applicable provisions, if any, of the enactment thereof and in accordance with the provisions of the Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed and any other rules/regulations/guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India ("SEBI") including Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("SEBI (ICDR) Regulations"), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and all such other approvals, the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot 29,48,156 fully paid equity shares of Rs.10/- each ("Equity Shares") at a price of Rs.72 (Rupees Seventy Two ) to Promoters and Non promoters from time to time and in one or more tranches on preferential basis, on such terms and conditions and in such manner, as the Board may, in its absolute discretion, think fit. The details of allottees are given below

**ARUNA HOTELS LIMITED**

<b>Proposed allottees</b>	<b>Category</b>	<b>No of shares</b>
Subasri Realty Private Limited	<b>Promoter</b>	1134271
Gay Travels Private Limited	<b>Promoter</b>	565277
Rani Printers Private Limited	<b>Promoter</b>	575000
Balasubramanian Adityan	<b>promoter</b>	111111
India Cabs Private Limited	<b>Non promoter</b>	201388
Sivels Holdings Private Limited	<b>Non promoter</b>	277777
Sivanthi Farms Private Limited	<b>Non promoter</b>	83332
<b>Total</b>		<b>2948156</b>

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the terms of the issue, entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the preferential issue), in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and utilisation of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the Board shall be final, binding and conclusive in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolution to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person as the Board at its discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc as may be necessary to give effect to the aforesaid resolution

By Order of the Board,  
For **Aruna Hotels Limited**  
Managing Director

Registered office: 145,  
Sterling Road,  
Chennai-600-034  
(CIN- L15421TN1960PLC004255)

Date: 30/11/2015

**Notes**

- The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business under item No.2 to 11 of the Notice, is annexed hereto.
- A Member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company.**  
A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed in the last page of this Annual Report. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.

**ARUNA HOTELS LIMITED**

3. During the period beginning 24 hours before the time fixed of the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of the notice in writing is given to the Company.
4. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for year 2014-15 are being sent to all the Members whose E-mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to Members for whom the E-Mail IDs are not available and who have requested for physical copies.
6. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the member at the AGM.
7. The Register of Members and Share Transfer Book will remain closed from 28.12.2015 to 30.12.2015 (both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31 March 2015.
8. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, MCS Share Transfer Agent Ltd. 21/22, Kashiram Jamnadas Building, Ground Floor, Near Ghadiyal Godi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009.  
Email : [mcsdemat@yahoo.com](mailto:mcsdemat@yahoo.com)/[uday\\_mcs@yahoo.in](mailto:uday_mcs@yahoo.in), Tel : 022-23726256/23726252
9. The Securities and Exchange Board of India (SEBI) had mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding in physical form shall submit their PAN details to the Company.
10. All documents referred to in the Notice will be available for inspection at the Company Registered Office during normal business hours on working days up to the date of AGM.

**ARUNA HOTELS LIMITED**

**A brief profile of directors, who are proposed to be re-appointed/appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below:**

**Muralidharan Ramasamy**

Mr. Muralidharan is having over decade rich experience particularly in finance and accounts and he is a MBA (Finance) Graduate and Inter C.A. In recognition of his contribution in media and construction industry and based on the recommendation by the Board of Directors at their meeting held on 1.10.2015 has appointed as Director.

**V. Anbalagan**

Mr.V Anbalagan, Managing Director of Aruna Hotels Ltd is a veteran with more than 40 years' experience in Running and administration of large businesses in the capacity as CEO includes India Cabs Pvt Ltd, Gay Travels Pvt Ltd and Sun Paper Mills Ltd. He is a BSC and MBA Graduate. He also served the Tamilnadu Government as a Gazetted Officer and held honorary positions as Secretary of Travel Agents Association of India, Southern Region for 6 years and as Treasurer of SKAL Club of India affiliated to International SKAL, a club for Travel Professionals & Hoteliers for 4 years. Due to his rich experience in the field of Travel and Hotels, he can steer the Aruna Hotels business to new heights.

**K Rajakumar**

Mr.K. Rajakumar, the Director of Aruna Hotels Ltd, is a technocrat with valuable experience in construction and property development. He has been actively involved in Promoting projects, which includes IT parks, educational institutions, and indoor stadiums and sports excellences. He has also promoted various commercial and residential projects as the head and Chief Executive Officer of Subasri Realty Pvt Ltd, Mr.K Rajakumar is instrumental in constantly upgrading the construction techniques as a CEO of Subasri to meet the ever-changing needs of the construction industry. Mr.K Rajakumar has hands on experience and possesses in-depth knowledge. He is holding post graduation degree.

**V. Sundaresan**

Mr. Sundaresan is having over four decades of rich experience particularly in media and educational institution. He is a science graduates and he is having good exposure in finance area. Based on the recommendation by the Board of Directors at their meeting held on 10.10.2015 has appointed as Independent Director.

**Freeda Gnanaselvam Kanagiah**

Mrs. Freeda appointed as a Independent Women Director of the Company and she is rich experience in industry more than a decade.

## ARUNA HOTELS LIMITED

### VOTING THROUGH ELECTRONIC MEANS

Under Rule 18 of Companies (Management and Administration) Rules, 2014 Members holding shares in electronic mode who have not got their E-Mail addresses updated with the Depository Participants are requested to update their E-Mail address and any changes therein. Members holding shares in physical mode are requested to update their E-Mail address, quoting their Folio Number, to our Registrar and Share Transfer Agent, viz., MCS Share Transfer Agent Ltd. 21/22, KashiramJamnadas Building, Ground Floor, Near GhadiyalGodi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009. Email : [mcsdemat@yahoo.com/uday\\_mcs@yahoo.in](mailto:mcsdemat@yahoo.com/uday_mcs@yahoo.in). Tel : 022-23726256/23726252

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Seventeenth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

#### I. The instructions for e-voting are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Select "ARUNA HOTELS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on Login).
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given in points (vi) and (vii).
- (vi) Fill up the following details in the appropriate boxes:

<b>For Members holding shares both in Demat Form and physical form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio

## ARUNA HOTELS LIMITED

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

#Please enter any one of the details in order to login. In case the details are not recorded with the depository and company please enter the Member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
  - (viii) Members holding shares in physical form will reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.
  - (ix) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
  - (x) Click on the EVSN for Aruna Hotels Limited.
  - (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
  - (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
  - (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account (s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

## ARUNA HOTELS LIMITED

- IV. The e-voting period commences on 27<sup>th</sup> December 2015 (9:00 am) and ends on 29th December 2015 (5:00 pm). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 23rd December 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd December 2015.
- VI. Mr. M. Damodaran, Practicing Company Secretary (CP No: 5087), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period not exceeding two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared after remote E voting and physical ballot after the AGM of the Company and the resolutions will be deemed to be passed on the date of AGM of the Company subject to the receipt of requisite number of votes in favour of the resolution. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CSDL and communicated to the Stock Exchanges.

### **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

#### **Item No: 2**

The statutory Auditors, M/s U.C. Bhandri & Co. have expressed their unwillingness to be re-appointed as the auditors of the Company. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s Bala & Co, Chartered Accountants, as the statutory auditors.

The Board has considered the qualifications and experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Special Resolution appointing M/s. Bala & Co, Chartered Accountants, as statutory auditors in place of the retiring Auditor M/s U.C. Bhandri & Co. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

#### **ITEM NO: 3**

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, had appointed Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) as Additional Director (Independent Women Director) of the Company with effect from 27-11-2015. In terms of the provisions of Section 161 (1) of the Act, Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) would hold office up to the date of the ensuing Annual General Meeting.

**ARUNA HOTELS LIMITED**

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) for the office of Director of the Company.

Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and as per Section 152 she shall not be included in the total number of directors for retirement by rotation.

The Company has received declaration from Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) possesses appropriate skills, experience and knowledge;

As per the Board, Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) fulfills the conditions for her appointment as Independent Women Director as specified in the Act and the Listing Agreement. Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) is independent of the management.

Brief resume of Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172), nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange, is provided as a part of the Notice of the Annual General Meeting.

Keeping in view her expertise and knowledge, it will be in the interest of the Company that Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) is appointed as Independent Women Director.

Copy of the draft letter of appointment of Mrs. FREEDA GNANASELVAM KANAGIAH (DIN 07350172) as Independent Director setting out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice, except to the extent of their respective shareholding. The appointee Director may please be treated as interest in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.



**ARUNA HOTELS LIMITED****ITEM NO: 4**

Mr. Muralidharan Ramasamy was appointed as an Additional Director of the Company with effect from 1<sup>st</sup> October 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Muralidharan Ramasamy holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Muralidharan Ramasamy for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.4 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Muralidharan Ramasamy is interested or concerned in this resolution.

**ITEM NO: 5**

Mr. Rajakumar Kumaruvelayatha nadar was appointed as an Additional Director of the Company with effect from 1<sup>st</sup> October 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Rajakumar Kumaruvelayatha nadar holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Rajakumar Kumaruvelayatha nadar for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No.5 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Rajakumar Kumaruvelayatha nadar is interested or concerned in this resolution.

**ITEM NO: 6**

Mr. Vaithyalingam Anbalagan was appointed as an Additional Director of the Company with effect from 10<sup>th</sup> October 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Vaithyalingam Anbalagan holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Vaithyalingam Anbalagan for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.6 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Vaithyalingam Anbalagan is interested or concerned in this resolution.

**ARUNA HOTELS LIMITED****ITEM NO: 7**

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, had appointed Shri SUNDARESAN VAIRAKAN (DIN 07328033) as Additional Director (Independent Director) of the Company with effect from 10-10-2015. In terms of the provisions of Section 161 (1) of the Act, Shri SUNDARESAN VAIRAKAN (DIN 07328033) would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri SUNDARESAN VAIRAKAN (DIN 07328033) for the office of Director of the Company.

Shri SUNDARESAN VAIRAKAN (DIN 07328033) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and as per Section 152 he shall not be included in the total number of directors for retirement by rotation.

The Company has received declaration from Shri SUNDARESAN VAIRAKAN (DIN 07328033) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri SUNDARESAN VAIRAKAN (DIN 07328033) possesses appropriate skills, experience and knowledge;

As per the Board, Shri SUNDARESAN VAIRAKAN (DIN 07328033) fulfills the conditions for his appointment as Independent Director as specified in the Act and the Listing Agreement. Shri SUNDARESAN VAIRAKAN (DIN 07328033) is independent of the management.

Brief resume of Shri SUNDARESAN VAIRAKAN (DIN 07328033), nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange, is provided as a part of the Notice of the Annual General Meeting.

Keeping in view his expertise and knowledge, it will be in the interest of the Company that Shri SUNDARESAN VAIRAKAN (DIN 07328033) is appointed as Independent Director.

Copy of the draft letter of appointment of Shri SUNDARESAN VAIRAKAN (DIN 07328033) as Independent Director setting out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

## ARUNA HOTELS LIMITED

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice, except to the extent of their respective shareholding. The appointee Director may please be treated as interest in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

### ITEM NO: 8

The Board of directors has appointed Mr.Vaithyalingam Anbalagan as a Managing Director of the Company for a period of Three years from 10.10.2015. The term of office of such appointment will be expired on 9.10.2018. Further, Mr.Vaithyalingam Anbalagan is having over four decades of rich experience particularly in hospitality and travel industry. In recognition of her contribution in the Company and based on the recommendation by the Board of directors at their Meeting held on 10.10.2015 has appointed Mr. Vaithyalingam Anbalagan as a Managing Director of the Company subject to approval of members at the ensuing Annual General Meeting for a further period of Three years with effect from 10.10.2015 to 9.10.2018

#### The terms and remuneration details as follows:

Basic Salary: Rs.25,000/-(Rupees Twenty Five Thousand only) per month

Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company Policy.

Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.

#### Other Directorships:

S.No	Name of the Company	Current Designation
1.	SUN PAPER MILL LIMITED	Whole-time director
2.	ANIMATED TRAVELS PRIVATE LIMITED	Director

As per the requirements of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/re-appointment of the Managing Director/Whole Time Directors and increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. Therefore your Directors recommend the Resolution set out at Item no. 8 is to be passed as Special Resolution.

None of the Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board of Directors recommends the resolution for approval of the Members.

**ARUNA HOTELS LIMITED****ITEM NO. 9**

In pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the 'Act'), since notified, the Board can exercise such power to create mortgage and/or charge on the immovable and movable properties of the Company, only with the approval of Members of the Company by way of Special Resolution. Keeping in view the company's business requirements and growth plans, it is considered to increase the said borrowing limit upto Rs. 100 crores.

The resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors, Key Managerial Personnel of the Company, and/ or their relatives may be deemed to be concerned or interested in the proposed resolution.

**ITEM NO.10**

The Board of Directors of the Company envisages requirements of funds in future. As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board can borrow money subject to the condition that the money to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose unless the Shareholders have authorized the Board to borrow the monies upto some higher limits.

Hence, it is proposed to empower and authorize the Board of Directors of the Company to borrow money from any Bank(s), Financial Institutions (FIs,) Bodies Corporate or Business Associates or other any person or entity etc., in excess of paid up capital and free reserves of the Company by a sum not exceeding Rs. 100 crores for the purposes of business activities of the Company.

The resolution as set out at item no. 10 of the notice is placed for your approval on the aforesaid limits of borrowing by the Board.

As per Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, approval of the members is sought by way of Special resolution.

Hence, the Board of Directors recommends passing of the enabling resolution mentioned at item No. 10 in the notice.

None of the Directors or KMPs or their relatives is concerned or interested either financially or otherwise, in the resolution otherwise, in the resolution.

**ARUNA HOTELS LIMITED**

**ITEM NO.11**

Certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the office of the Registrar and Transfer Agent ("RTA"), MCS Share Transfer Agent Ltd. 21/22, Kashiram Jamnadas Building, Ground Floor, Near Ghadiyal Godi, 5 P.D'Mello Road, Masjid (East), Mumbai – 400009 or any other its office or place within the Chennai city, instead of the Registered Office of the Company or any other its office or place within the Chennai city.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Chennai, Tamilnadu, as required under the said Section 94 (1) of the Companies Act, 2013.

The Directors recommend the said resolution proposed vide Item No. 9 to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the said resolution.

**ITEM NO.12**

Your Board at its meeting held on November 30, 2015 subject to approval by the Company in General Meeting and requisite statutory approvals, has proposed to offer for subscription by way of preferential allotment upto 2948156 Equity Shares of Rs.10/- each to promoters and non promoters which has given above in the resolution at a price of Rs. 72.00 (Rupees Seventy Two only) per Equity Share (including a premium of Rs 62.00 per Equity Share) being a price determined as per Regulation 76(A) of Chapter VII of the Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009 and read with Section 62 of the Companies Act 2013, as the trading in company's shares are suspended by BSE.

Section 62 of the Companies Act, 2013, provides, inter alia, that such further shares may be offered to any persons whether or not such persons are existing holders of equity shares of the Company as on the date of offer by way of a Special Resolution passed to that effect by the Company in General Meeting.

The Equity Shares of the Company to be allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of the issue. The consummation of the proposed subscription of equity Shares by proposed allottees is subject to approval from any governmental / or regulatory authorities etc., if required and /

or as applicable.

The Board believes that the preferential offer to Promoters and non promoters will be in the best interest of the Company and its Members.

## ARUNA HOTELS LIMITED

The Listing Agreements executed by the Company with the Bombay Stock Exchange provide that the Company shall issue or offer in the first instance all Securities to the existing equity shareholders of the Company unless the Shareholders decide otherwise.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013, Regulation 74(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments

there of, and in terms of the provisions of the Listing Agreements, and such other approvals as may be necessary, to issue and allot securities as stated in the Special Resolution.

**As required under Rule 13 (2) (d) of the (Share Capital and Debentures) Rules ,2014 of Companies Act 2013 and regulation 73(1) & (2) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the other required details are furnished as under.**

### **Objects of the preferential issue:**

Due to industrial slow down in India, inadequate capacity utilization, the Company has recently incurred substantial operating losses. Subsequent to the end of the last financial year, the operation of the business has been closed due to lack of working capital requirements. Consequent to the changes of the Board of Directors and the Company believes that New Board is in the process of working out an elaborate Business Plan to restart the operations at the earliest and has been taking certain structural measures to strengthen its operating performance, in order to shore-up its working capital, the promoters of the Company has agreed to infuse funds into Company around Rs 21,22,67,232 (Rupees Twenty One Crores Twenty Two Lakhs Sixty Seven Thousand and Two Hundred Thirty Two ) by way of subscription to the capital of the Company as under:

### **Number of shares to be allotted and price thereof:**

It is proposed that 2948156 Equity Shares would be allotted in one or more tranches at the price of Rs.72/- each per equity share. (Including premium of Rs. 62 per share)

### **Basis of the Price for shares to be allotted**

Shares of the Company since suspended from trading on BSE, the valuation of the shares of the Company is determined as per valuation prepared by a registered valuer.

### **Relevant Date**

The “**Relevant Date**” in accordance with the provisions of Regulation 71(a) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the preferential offer means the date as thirty days prior to the date on which this Extra Ordinary General Meeting of the Company is held, to consider, the proposed preferential offer under Section 62 of the Act. Accordingly the “**Relevant Date**” for this preferential offer is November 30, 2015.

## ARUNA HOTELS LIMITED

### Intention of the Promoters / Directors / Key management persons to subscribe to the offer

In order to shore-up its working capital, the promoters of the Company has agreed to infuse funds into Company

None of the Directors / Key management persons of the Company intend to subscribe to this preferential issue authorised by the resolution. None of the Directors and KeyManagerial Personnel of the Company or their respective relatives is concerned or interested in the passing of this Resolution.

### Shareholding Pattern before and after the issue

PARTICULARS	PRE OFFER SHAREHOLDING	%	PREFERENTIAL OFFER	POST OFFER SHAREHOLDING	%
<b>I. PROMOTERS AND PROMOTERS GROUP</b>					
Subasri Realty Pvt Ltd	1464123	16.27	1134287	2598394	21.75
Gay Travels Pvt Ltd	590296	6.56	565277	1155573	9.67
Rani Printers Pvt Ltd	61093	0.68	575000	636096	5.32
R Chandramohan	19200	0.21	0	19200	0.16
D Augustin	19200	0.21	0	19200	0.16
Sri B.S.Adityan	309888	3.44	0	309888	2.59
Sri Balasubramanian Adityan	0	0.00	111111	111111	0.93
Mrs. Mala Jayaram	14940	0.17	0	14940	0.13
Mrs.Anitha Kumaran	15000	0.17	0	15000	0.13
Sri Devi Agencies	29880	0.33	0	29880	0.25
Rukmini Sivaram	25624	0.29	0	25624	0.21
Sathya	61769	0.69	0	61769	0.52
Kartick P Sivaram	78893	0.89	0	78893	0.66
Dr. Raghavan Sivaram	68558	0.78	0	68558	0.57
S Swarna	14858	0.18	0	14858	0.12
Dr. P Maruthai Pillai	30390	0.35	0	30390	0.25
M Sivabagyam	3700	0.04	0	3700	0.03
M Arunn Pillai	11844	0.14	0	11844	0.10
Vijayalakshmi Chandramaohan	7770	0.09	0	7770	0.07
Geetha Periyasami	17180	0.19	0	17180	0.14
Jayanthi Senthilnathan	6514	0.07	0	6514	0.05
P Chandramohan	3200	0.03	0	3200	0.03
Dr. M Senthilnathan	6247	0.07	0	6247	0.05
M Ganesan	1900	0.02	0	1900	0.02
Dr. T N Subbiah	42300	0.47	0	42300	0.35
Sivakami Subbiah	10000	0.01	0	10000	0.08
Yamini Subbiah	6000	0.07	0	6000	0.05
Jayanthi Natrajan	12200	0.14	0	12200	0.10
C L Ravichandran	802	0.01	0	802	0.01
Chandrakanth Badani	12493	0.14	0	12493	0.10

**ARUNA HOTELS LIMITED**

PARTICULARS	PRE OFFER SHAREHOLDING	%	PREFERENTIAL OFFER	POST OFFER SHAREHOLDING	%
Yessir Holdings & Investments Pvt Ltd.	372412	4.15	0	372412	3.12
Kamal Kumar Babbar	1216500	13.52	0	1216500	10.18
<b>SUB TOTAL</b>	<b>4534774</b>	<b>50.38</b>	<b>2385659</b>	<b>6920433</b>	<b>57.92</b>
<b>II. NON PROMOTERS</b>					
A. MUTUAL FUNDS	94489	1.05	0	94489	0.79
B. BANKS	2328	0.03	0	2328	0.02
C. INSURANCE COMPANIES	136557	1.52	0	136557	1.14
D. CORPORATE BODIES	287775	3.20	562497	850272	7.12
E. NRI	270400	3.00	0	270400	2.26
F. FIIS	2100	0.02	0	2100	0.02
G PUBLIC INCLUDING CLEARING MEMBERS	3671577	40.80	0	3671577	30.73
<b>SUB TOTAL</b>	<b>4465226</b>	<b>49.62</b>	<b>562497</b>	<b>5027723</b>	<b>42.08</b>
<b>GRAND TOTAL</b>	<b>9000000</b>	<b>100</b>	<b>2948156</b>	<b>11948156</b>	<b>100</b>

The above table shows the expected shareholding pattern of the Company upon consummation of the allotment, and assume that holdings of all other shareholders shall remain the same post-issue as they were on the date of which the pre-issue shareholding pattern was prepared.

**Proposed time within which the allotment shall be completed**

The allotment of the Equity Shares are proposed to be completed within 15 days of the date of passing of the above resolutions at the general meeting, provided where the allotment is pending on account of pendency of any regulatory authority or Central Government approval(s), the allotment shall be completed within 15 days from the date of receipt of such approval(s).

**Auditor's Certificate**

A Certificate from M/s Bala & co, Chartered Accountants, certifying that the issue of Shares by way of the proposed preferential allotment is being made in accordance with the requirement of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall be placed before the shareholders at the Extraordinary General Meeting.

**Lock—in**

The Shares to be allotted on preferential basis to the investors shall be subject to the Lock-in periods as applicable in accordance with Regulation 78(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

e) The identity of the proposed allottees and the percentage of Post preferential issue capital that may held by them and change in control, if any of the issuer consequent to the preferential allotment:



**ARUNA HOTELS LIMITED**

Name of the promoter	Existing No. of Equity shares	Proposed No. of Equity shares
Subasri Realty Private Limited	1464123	1134271
Gay Travels Private Limited	590296	565277
Rani Printers Private Limited	61093	575000
Balasubramanian Adityan	0	111111

Name of the Non promoter	Existing No. of Equity shares	Proposed No. of Equity shares
India Cabs Private Limited	NIL	201388
Sivels Holdings Private Limited	NIL	277777
Sivanthi Farms Private Limited	NIL	83332

**\* Subject to necessary approvals****Undertaking**

There will not be any change of control due to issue of such equity shares by company to proposed allottee and company has not issued or allotted any securities on preferential basis during the financial 2014-2015 except this offer.

Since the equity shares of the Company has been listed on the recognized stock exchanges for a period of more than 6 months prior to the relevant date, the Company is not required to re-compute the price of equity shares and therefore the Company is not required to submit the undertaking specified under Regulations 73(1)(f) and (g) of the ICDR Regulations.

The Company is taking necessary steps to obtain the requisite approval/s from the regulatory authorities, as may be applicable, for the proposed issue.

There has not been any other preferential allotment of shares made during the year .

None of the director of the Company, is deemed to be interested in the passing of this Resolution as set out in the accompanying Notice pursuant to Section 110 of the Companies Act, 2013.

The Board believes that the issue of equity and preference shares to the promoters of the Company to facilitate infusion of capital into the Company is in the interest of the Company and, therefore, recommends the resolution for your approval.

By Order of the Board,  
For **Aruna Hotels Limited**

Managing Director

Registered office: 145,  
Sterling Road,  
Chennai-600-034  
CIN- L15421TN1960PLC004255

Date: 30/11/2015

## ARUNA HOTELS LIMITED

**Notes forming part of the financial statements**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	No of shares	Rs. In Lakhs	No of shares	Rs. In Lakhs
<b>Note 2.01 Share capital</b>				
<b>Authorised</b>				
Equity shares of Rs.10 each with voting rights	24,000,000	2,400.00	24,000,000	2,400.00
Cumulative Redeemable Preference Shares of Rs. 100 each	800,000	800.00	800,000	800.00
		3,200		3,200
<b>Issued, Subscribed and fully paid up</b>				
Equity shares of Rs.10 each, fully paid up with voting rights, including 6,90,000 shares of Rs.10/- each allotted as Bonus Share	9,000,000	900.00	9,000,000	900.00
Above Shares includes 6,90,000 shares of Rs.10/- each allotted as Bonus shares issued for consideration other than cash				
Less: - Calls in arrears		2.13		2.13
<b>Total Paid up Equity Shares</b>		897.87		897.87
14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each	60,000	60.00	60,000	60.00
17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs. 100/- each	50,000	50.00	50,000	50.00
16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	200,000	200.00	200,000	200.00
<b>Total Paid up Preference Share</b>		310.00		310.00
<b>Total Paid up Share Capital</b>		<b>1,207.87</b>		<b>1,207.87</b>

**Note:** Preference shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional shares and not created preference share redemption reserve due to inadequate profits

The 17.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of ten years from the date of issue. Earliest redemption month is July 2003.

The 16.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of 15 months from the date of issue. Earliest redemption month is March 1997.

(d) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus Issue	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2015				
- Number of shares	9,000,000			9,000,000
- Amount (Rs.)	897.87			897.87
Year ended 31 March, 2014				
- Number of shares	9,000,000			9,000,000
- Amount (Rs.)	897.87			897.87

**ARUNA HOTELS LIMITED**

(e) There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.

(f) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:  
Nil

(g) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No of shares held	% holding	No of shares held	% holding
Equity shares with voting rights				
Mr. P. Sivaram	523,012	5.81	523,012	5.81
Mr. Kamal Babbar	1,200,000	13.33	1,200,000	13.33
Subasri Realty P.Ltd	13,20,681	14.67	8,40,000	9.33
	<b>9,000,000</b>		<b>9,000,000</b>	

(h) As at 31 March, 2015 Nil shares (as at 31 March, 2014 Nil shares) were reserved for issuance towards outstanding employee stock options granted / available for grant, towards outstanding share warrants and towards convertible securities.

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date as at 31 March 2015 is Nil (as at 31 March 2014 is Nil)

(j) Calls unpaid as at 31 March 2015 is Rs.2,13,000 (as at 31 March 2014 is Rs.2,13,000)

(k) Forfeited shares as at 31 March 2015 is Nil (as at 31 March 2014 is Nil)

## ARUNA HOTELS LIMITED

**Notes forming part of the financial statements**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Amount Rs. In Lakhs	
<b>Note 2.02 Reserves and surplus</b>		
<b>Capital Reserve</b>		
Opening balance	0.72	0.72
Add : Securities premium received on shares issued during the year		
Closing balance	<b>0.72</b>	<b>0.72</b>
<b>Capital Redemption Reserve</b>		
Opening balance	4.00	4.00
Add : Securities premium received on shares issued during the year		
Closing balance	<b>4.00</b>	<b>4.00</b>
<b>Securities Premium Reserve</b>		
Opening balance	1,652.16	1,652.16
Add : Securities premium received on shares issued during the year		
Closing balance	<b>1,652.16</b>	<b>1,652.16</b>
<b>Preference Share Redemption Reserve</b>		
Opening balance	30.25	30.25
Add : Securities premium received on shares issued during the year		
Closing balance	<b>30.25</b>	<b>30.25</b>
<b>Revaluation Reserve</b>		
Revaluation Reserve on Land and Building	8,709.48	8,748.66
Less: Depreciation on Revaluation Reserve	-	39.18
Balance Revaluation Reserve carried forward to next year	<b>8,709.48</b>	<b>8,709.48</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	-4,810.86	-1,446.45
Profit for the year	-2.19	-3,364.41
Closing balance	<b>-4,813.05</b>	<b>-4,810.86</b>
	<b>5,583.56</b>	<b>5,585.75</b>
<b>Note 2.03 Share application money pending allotment</b>	3,201.64	2,168.77
a. Share application money received pending allotment		
b. Number of shares proposed to be issued		
c. Amount of premium at which there proposed shares allotment		
d. The shares are proposed to be allotted in financial year end		
<b>Note 2.04 Long-term borrowings</b>		
Term loans from banks - Secured	-	943.13
Loans from Related Parties - Unsecured	203.98	486.52
Loans from others - Unsecured	125.00	338.14
Liability under Hire Purchase Scheme	-	-
Security Deposits	187.05	187.05
	<b>516.03</b>	<b>1,954.84</b>

## ARUNA HOTELS LIMITED

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Amount Rs. In Lakhs	
<b>Note 2.05 Long-term provisions</b>		
Provision for Employee Benefits	25.40	37.09
	<b>25.40</b>	<b>37.09</b>
a. Provision for gratuity & Leave Encashment is arrived based on actuarial valuation and entire liability is considered as long term provision by the management. It is non-funded.		
<b>Note 2.06 Short-term borrowings</b>		
Short Term Borrowings from others( Unsecured)	328.44	284.03
Short Term Borrowings (Secured)	-	64.64
	<b>328.44</b>	<b>348.67</b>
<b>Note 2.07 Trade payables</b>		
Dues to Micro and small creditors		
Other Suppliers	41.49	40.58
	<b>41.49</b>	<b>40.58</b>
<b>Note 2.08 Other current liabilities</b>		
Statutory Liabilities	626.78	645.26
Current Maturities of Long Term Loans		
Other Payables (Consist mainly of Wages, Salaries, Audit Fees and Other Expenses)	1,361.88	1,088.31
	<b>1,988.65</b>	<b>1,733.57</b>
<b>Note 2.09 Short-term provisions</b>		
Provision for Employee Benefits	233.88	120.96
Provision for tax - Net		
	<b>233.88</b>	<b>120.96</b>
<b>Note 2.11 Non Current Investments</b>		
Non - Trade Investments		
Equity Instruments - Fully Paid up		
Unquoted		
1510 Equity Shares of Aruna Foods Ltd of Rs. 10/- each fully paid up	0.15	0.15
7 year National Savings Certificates	1.80	1.80
	<b>1.95</b>	<b>1.95</b>
<b>Note:</b> - 7 Year National Savings Certificate 1995 has been lodged with the Sales Tax Authorities - Kerala as Sales Tax Deposit		
<b>Note 2.12 Deferred Tax Asset</b>		
Deferred tax liability	-	-
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
<b>Gross deferred tax liability</b>	-	-

## ARUNA HOTELS LIMITED

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Amount Rs. In Lakhs	
Deferred tax asset	774.28	774.28
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
<b>Gross deferred tax asset</b>	<b>774.28</b>	<b>774.28</b>
<b>Net deferred tax liability</b>	<b>(774.28)</b>	<b>(774.28)</b>
<b>Note 2.13 Long Term Loans and Advances</b>		
Capital Advances - Unsecured - Considered Good	214.56	214.56
Security Deposits - Unsecured - Considered Good	42.75	42.75
Other Loans and Advances : Advances to employees and others	2.89	7.50
Deferred Revenue Expenses	0.00	0.00
	<b>260.20</b>	<b>264.81</b>
<b>Note 2.14 Inventories</b> (At lower of cost and net realisable value)		
Raw materials	(0.22)	0.00
Stores, Spares, Chemicals, and others	28.84	28.84
Finished goods		
Stock-in-trade		
	<b>28.63</b>	<b>28.84</b>
<b>Note 2.15 Trade receivables</b> (unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months	123.70	45.64
Less: Provision for doubtful trade receivables	0.00	0.00
	123.70	45.64
Other Trade receivables	-	-
	<b>123.70</b>	<b>45.64</b>
<b>Note 2.16 Cash and bank balance</b>		
<b>a. Cash and cash equivalents Balance with banks:</b>		
in current accounts	65.32	11.89
in fixed deposit accounts		
- original maturity less than 3 months		
Cash on hand	0.09	0.71
	<b>65.41</b>	<b>12.60</b>
<b>b. Other bank balances</b>		
- In Deposit Account	8.29	8.29
- original maturity exceeding 3 months and less than 12 months		
	<b>8.29</b>	<b>8.29</b>
	<b>73.71</b>	<b>20.90</b>

## ARUNA HOTELS LIMITED

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Amount Rs. In Lakhs	
<b>Note 2.17 Short-term loans and advances</b>		
Unsecured, considered good	17.01	17.01
(Advance to Landlord, Suppliers, Tax Advance and Security Deposit)		
- Tax payments pending adjustments(net)		
Advances to suppliers	-	-
Other Deposits	-	-
Prepaid expenses	-	-
<b>Balances with government authorities</b>		
CENVAT credit receivable	-	-
VAT credit receivable	-	-
TDS receivable	-	-
Service Tax credit receivable	-	-
	<b>17.01</b>	<b>17.01</b>
<b>Note 2.19 Revenue from operations</b>		
Sale of products		
Sale of services	2.75	784.66
Sale of Scrap		
Add: Excise Duty		
	<b>2.75</b>	<b>784.66</b>
<b>Note 2.20 Other income</b>		
Rental Income		0.00
Other Non Operating Income	1,428.40	142.06
Net gain/(loss) on foreign currency transactions		
	<b>1,428.40</b>	<b>142.06</b>
<b>Note 2.21 Cost of materials consumed</b>		
Opening stock		
Cost of material Consumed	0.57	186.02
	<b>0.57</b>	<b>186.02</b>
Less: Closing stock		
<b>Cost of material consumed</b>	<b>0.57</b>	<b>186.02</b>
<b>Note 2.22 Employee benefits expenses</b>		
Salaries, Wages, and Bonus (excluding Directors)	311.16	296.74
Salaries and Perquisites to Directors	52.35	51.15
Contributions to provident and other funds	84.33	25.12
	<b>447.84</b>	<b>373.01</b>
<b>Note 2.23 Finance costs</b>		
Interest on term loan	77.45	159.11
Interest on Others	591.06	1,755.89
Bank charges (including bank charges on BG and LC)	2.78	2.62
	<b>671.29</b>	<b>1,917.61</b>

## ARUNA HOTELS LIMITED

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Amount Rs. In Lakhs	
<b>Note 2.24 Other expenses</b>		
Power and Fuel Expenses		
- Electricity Charges	14.72	103.08
- Diesel Charges	0.39	55.22
- Kitchen Fuel	0.17	15.60
Repairs and Maintenance		
- Building	0.90	35.93
- Others	1.03	33.70
Rates and Taxes	19.81	133.84
Insurance	2.15	7.67
Selling and Distribution Expenses	0.37	5.77
Directors Sitting Fees	0.07	0.82
Directors Travelling Expenses	-	19.15
Office and Miscellaneous expenses	43.03	323.50
Freight and Transport, Hire Charges	2.77	32.46
Advances and Receivable Written Off	-	857.63
<b>Payments to the Auditors</b>		
- As Auditor	6.63	2.25
- Tax Audit and Certification Fees	-	1.00
- Service tax	-	0.40
	<b>92.05</b>	<b>1,628.05</b>



## ARUNA HOTELS LIMITED

**Notes forming part of the financial statements****Note 2.10 Fixed assets - Tangible, Intangible and Capital work-in-progress**

	Gross block				Accumulated depreciation				Net block			
	As at 1 April, 2014	Additions	Deleted	Revaluation	As at 31 March, 2015	As at 1 April, 2014	Depreciation for the year	Eliminated on disposal of assets	Depreciation on Revaluation	As at 31 March, 2015	As at 31 March, 2015	As at 31 March, 2014
Tangible assets												
Land	8,348.00	-	-	-	8,348.00	-	-	-	-	-	8,348.00	8,348.00
Building	3,460.80	-	-	-	3,460.80	818.54	115.59	-	-	934.13	2,526.67	2,642.26
Plant & Machinery	1,791.06	-	-	-	1,791.06	935.22	94.57	-	-	1,029.79	761.27	855.84
Office Equipments	128.64	-	-	-	128.64	77.28	6.79	-	-	84.07	44.57	51.36
Furniture and Fittings	431.56	-	-	-	-	-	-	-	-	-	-	-
Vehicles	10.41	13.75	-	-	24.16	2.19	2.23	-	-	4.43	19.73	8.22
Computers	2.45	-	-	-	2.45	0.38	0.40	-	-	0.78	1.67	2.07
	<b>14,172.92</b>	<b>13.75</b>	<b>-</b>	<b>-</b>	<b>13,755.11</b>	<b>1,833.62</b>	<b>219.58</b>	<b>-</b>	<b>-</b>	<b>2,053.20</b>	<b>11,701.91</b>	<b>11,907.75</b>
Intangible assets	38.00	-	-	-	38.00	36.00	2.00	-	-	38.00	-	2.00
Trade Mark												
Capital work-in-progress	82.44	-	-	-	82.44	-	-	-	-	-	82.44	82.44

**ARUNA HOTELS LIMITED****NOTICE TO MEMBERS**

Notice is hereby given that the Fifty Sixth Annual General Meeting of the Members of ARUNA HOTELS LIMITED, will be held Thursday, September 20<sup>th</sup>, 2018 at 09:00 AM at “Youth Hostel” 2nd Avenue, Indira Nagar, Chennai – 600 020, to transact the following business:

**ORDINARY BUSINESS:****Item No.1 Adoption of Financial Statement:**

To consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2018 together with the report of board of Directors and the Auditors thereon.

**Item No.2 Re-Appointment of Director:**

To consider appointment of Director in place of Mr. Muralidharan Ramasamy (DIN: 07092976) who retires by rotation as per Section 152 and being eligible offers, himself for re-appointment.

**SPECIAL BUSINESS****Item No:3 Raising of funds by the company through unsecured loans**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(3), 180 (1)(c) and other applicable provisions, if any of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force, the provisions of the Memorandum and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to avail unsecured loan, in one more tranches, from Promoters (“Lender”) aggregating upto Rs. 50 Crores with an option to convert the entire loan amount into equity shares of the Company on such price, terms and conditions as may be stipulated in the financing documents/agreements to be entered between the Company and the Lender

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt in regard to raising of unsecured loan and /or exercising of conversion option and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit.

By order of the Board  
For Aruna Hotels Limited

Date : 17.08.2018

Place : Chennai

Vaithyalingam Anbalagan  
Managing Director  
DIN: 00059007

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. Proxies in order to be effective should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.
2. Members/Proxies and Authorised representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorising the representative to attend and vote on their behalf at the Meeting.
3. In case of Joint Holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Company's Registrar and Share Transfer Agents for its Share Registry Work (Physical and Electronic) are **M/s. MCS Share Transfer Agents Ltd**, having their office premises at **002, ground floor, KashiramJamnadas Building 5, P.Demello Road, Masjid East Mumbai – 400009**. The Register of Members and Transfer Books of the Company will be closed from **14<sup>th</sup> September 2018 to 20<sup>th</sup> September 2018 (both days inclusive)**.
5. Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and protection Fund Authority (Accounting, Audit, transfer and Refund) Rules, 2016 as amended, dividends that are unclaimed for a period of seven years are required to be transferred to the Investors Education and Protection Fund (IEPF) administered by the central Government. As on date, there are no Unclaimed dividends.
6. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.
7. Members holding shares in physical form are requested to advise any change of address and are also to submit their specimen signatures duly attested by their Bank immediately to the Company. Members holding shares electronically in dematerialized form must advise any change of address to their respective Depository Participant.
8. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rules thereon. Members desiring to avail this facility

may send their nomination in the prescribed Form No. SH - 13 duly filled in to M/s. MCS Share Transfer Agents Ltd, at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

9. Members holding shares in physical form requested to intimate any change of bank mandate to M/s. MCS Share Transfer Agents Ltd / to the Company immediately.
10. Pursuant to regulation 44 of the SEBI Listing Regulations, 2015, read with Section 108 of the Companies Act, 2013, and the relevant Rules, the Company has entered into an arrangement with CDSL to facilitate the members to exercise their right to vote at the AGM by electronic means. Instructions for exercise of voting rights by electronic means are furnished separately in the Annual Report.
11. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. MCS Share Transfer Agents Ltd, cannot act on any request received directly from the members holding shares in electronic form for any change in the bank particular or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
12. Members are requested to:
- (i) intimate to the Company's Registrar and Transfer Agents, M/s. MCS Share Transfer Agents Ltd, at the above mentioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
  - (ii) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialized form;
  - (iii) quote their folio numbers/Client ID/DP ID in all correspondence;
  - (iv) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
13. Re-appointment of Directors:

Name of the Director	Mr. MURALIDHARAN RAMASAMY DIN No. 07092976
Date of Birth	19/06/1976
Age	42
Qualification	Post Graduate
List of companies in which directorship is held as on 31 <sup>st</sup> March, 2018	Nil
Shareholding as on 31 <sup>st</sup> March, 2018	
a) Held individually	Nil
b) Held jointly with others	

14. In terms of Regulations 26(4) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the secretarial standard -2 on "General Meeting, the particulars of Directors seeking to be re-appointed / appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below. Members are requested to kindly refer the Chapter on Corporate Governance in the Annual Report.

15. The Notice of the 56<sup>th</sup>AGM along with the Annual Report of 2017-18 is being sent by electronic mode to those Members whose email addresses are registered with the Company / Depository Participants, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, a physical copy is being sent by permitted mode. To support the 'Green Initiative' Members who have not registered their email addresses are required to register the same with the Company / Depository. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. [www.arunahotels.com](http://www.arunahotels.com).
16. Members desiring any information as regards the Accounts are requested to write to the Company Secretary at an early date so as to enable the management to reply at the meeting. For any communication, the Members may also send requests to the Company's investor email id: [cs@ahlchennai.com](mailto:cs@ahlchennai.com).
17. Voting through electronic means  
In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 Regulations, the Company is pleased to offer e-voting facility to its members to exercise their right to vote at the 56<sup>th</sup> Annual General Meeting (AGM) by electronic means in respect of the businesses to be transacted at the AGM, through the remote e-voting platform provided by M/s. MCS Share Transfer Agents Ltd (MCS).
- The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the meeting. Facility of voting through ballot shall also be made available at the meeting.
18. Pursuant to the provisions of Section 47 of the Companies Act, 2013 the preference shareholders of the Company are entitled to vote on all the resolutions as mentioned in the aforesaid Notice.

The Procedure and instructions for remote e-voting are as under:

Voting through electronic means will commence on 17<sup>th</sup> September 2018 at 9:00 AM and will end on 19<sup>th</sup> September 2018 at 5:00 PM. The members will not be able to cast their vote electronically beyond the date and time mentioned above.

- i. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of remote e-voting shall be reckoned in proportion to their shares of the paid up equity share as on the cut – off date being 13<sup>th</sup> September 2018.
- ii. Any person who acquires Shares of the Company and become Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date i.e. 13<sup>th</sup> September 2018, may obtain the User Id and password in the manner as mentioned below:
  - (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (ii) Click on "SHAREHOLDERS" Tab
  - (iii) Select "ARUNA HOTELS LIMITED" from the drop down box and click "SUBMIT"
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field(SI. No. mentioned in your address label can be used as Sequence No. for this purpose).</li> </ul>
DOB#	Enter the date of birth as recorded in your demat account or in the company records for the said demat account or folio in DD/MM/YYYY format.
Dividend bank details#	Enter the dividend bank details as recorded in your demat account or in company records for the said demat account or Folio

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will reach directly the Company selection screen. However, Members holding shares in demat form will now reach ‘Set Password’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Aruna Hotels Limited.
- (xii) On the voting page, you will see Resolution Description and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account (s) which they wish to vote on and then cast their vote. They

should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

- iii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk\\_evoting@cdslindia.com](mailto:helpdesk_evoting@cdslindia.com).
- iv. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- v. The Scrutinizers shall within a period not exceeding two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- vi. Mr. M.Damodaran, Proprietor of Mr M.Damodaran and associates Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vii. The Results shall be declared after remote E voting and physical ballot after the AGM of the Company and the resolutions will be deemed to be passed on the date of the Company subject to the receipt of requisite number of votes in favor of the resolution. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website and on the website of CSDL and communicated to the Stock Exchanges.
- viii. Details of persons to be contacted for issues relating to e-voting:  
Mr. MADHUKAR / Mr. SUBODH  
MCS SHARE TRANSFER AGENT LTD  
Unit: Aruna Hotels Limited  
002, Ground Floor, Kashiram Jamnadas Building,  
15 P D mello Road, GhadiyalGodi,  
Mumbai - 400 009  
Tel. No.: 022-40206022/23/24  
[E-mail: mparase@yahoo.com/subodh@mcsregistrar.com](mailto:mparase@yahoo.com/subodh@mcsregistrar.com)
- ix. Details of Scrutinizer: Mr. M. Damodaran, Practicing Company Secretary
  - a) The Scrutinizer’s decision on the validity of the vote shall be final.
  - b) Once the vote on a resolution stated in this notice is cast by shareholder through remote e-voting, the shareholder shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the Meeting; however such member shall not be allowed to vote again.
  - c) The Scrutinizer after scrutinizing the votes cast at the Meeting by Poll and through remote e-voting, will not later than two (2) days of conclusion of the Meeting, make a consolidated Scrutinizer’s Report and submit the same forthwith to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same.
  - d) The Results declared along with the consolidated Scrutinizer’s Report shall be hosted on the website of the Company ([www.arunahotels.com](http://www.arunahotels.com)). The Results shall simultaneously be communicated to Bombay Stock Exchange Limited.

- e) The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 20.09.2018 subject to receipt of the requisite number of votes in favor of the Resolutions.

### ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 201

#### **ITEM No.3 Raising of funds by the Company through unsecured loan .**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance of aggregating up to Rs. 50 Crores through The Promoters and Promoter group as unsecured loan to the Company with an option to convert the entire loan amount into equity shares of the Company on such price, terms and conditions as may be stipulated in the financing documents/agreements to be entered between the Company and the Lender as per the provision of Section 62(3), 180 (1)(c) and other applicable provisions, if any of the Companies Act, 2013.

The Promoters and Promoter group for providing unsecured loan details as given below: (Rs. In Crores)

SL NO.	Name	Unsecured Loan
1	SUBASRI REALTY PRIVATE LIMITED	20
2	GAY TRAVELS PRIVATE LIMITED	20
3	RANI PRINTERS PRIVATE LIMITED	5
4	SRI DEVI AGENCIES PRIVATE LIMITED	1

None of Director, Key Managerial personnel (KMP) and their relatives, is concerned or interested in the said resolution except to the extent of their directorship in the Company.

Pursuant to the provisions of Section 62 of the Companies Act, 2013 the above proposal requires the approval of the members of the Company by way of Special Resolution.

The Board recommends the Special resolutions set out in the Notice in the interest of the Company.



## ARUNA HOTELS LIMITED

## BALANCE SHEET AS AT MARCH 31 2018

(Rs in Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
Non-current Assets			
(a) Property, plant and equipment	1	10,372.30	11,147.45
(b) Capital work-in-progress	1	388.91	147.66
(d) Financial assets			
(i) Security Deposits	2	14.15	14.15
(e) Deferred Tax Asset	3	6.06	-
(f) Other Non Current Asset	4	-	818.38
		10,781.42	12,127.64
Current Assets			
(a) Inventories	5	-	28.63
(b) Financial assets			
(i) Cash and cash equivalents	6	(4,742.34)	17.69
(c) Other current assets	7	33.69	29.06
		(4,708.64)	75.37
<b>Total Assets</b>		<b>6,072.77</b>	<b>12,203.01</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
(a) Share capital	8	1,210.00	1,207.87
(b) Other equity	9	3,294.94	9,515.13
<b>Total Equity</b>		<b>4,504.94</b>	<b>10,723.00</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10	1,443.05	1,038.73
		<b>1,443.05</b>	<b>1,038.73</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	11	15.77	311.96
(b) Provisions	12	-	17.62
(c) Other current liabilities	13	109.01	111.71
		124.78	441.28
<b>Total Liabilities</b>		<b>1567.83</b>	<b>1,480.01</b>
<b>Total Equity and Liabilities</b>		<b>6,072.77</b>	<b>12,203.01</b>

Summary of Significant Accounting Policies -Note No:20

The Notes referred to the above are integral part of the Financial Statement .

For Bala &amp; Co

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

Chartered Accountants

Firm Registration No.: 000318S

P.S. Devasenapathy  
PartnerNagaraj P.  
CFOVaithyalingam Anbalagan  
Managing Director  
DIN : 00059007Muralidharan Ramasamy  
Director  
DIN; 07092976

M.No: 024740

Place: Chennai

Date: 29.05.2018

Ajay Shukla  
Company Secretary

## ARUNA HOTELS LIMITED

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

(Rs in Lakhs except EPS)

Particulars	Note No	Year ended	
		March 31,2018	March 31,2017
<b>INCOME</b>			
Revenue from operations		-	-
Other Income			
Rental Income	14	8.09	7.88
Creditors/Liability Written Back	14	419.50	169.76
Other Income	14	7.14	3.40
<b>Total Income</b>		<b>434.73</b>	<b>181.05</b>
<b>EXPENSES</b>			
Employee benefits expense	15	21.12	15.46
Depreciation & amortization expense	16	80.63	145.29
Other expenses	17	1,700.86	531.45
Finance costs	18	28.47	5.97
<b>Total expenses</b>		<b>1,831.09</b>	<b>698.18</b>
<b>Profit before tax</b>		<b>(1,396.36)</b>	<b>(517.13)</b>
Tax Expense:			
(1) Current tax		-	-
Less: MAT Credit Entitlement	-	-	-
Net Current Tax	-	-	-
(2) Deffered tax Asset	3	(6.06)	-
<b>Total tax</b>	-	<b>(6.06)</b>	
<b>Profit for the year</b>		<b>(1,390.30)</b>	<b>(517.13)</b>
Other Comprehensive Income		-	-
Other Comprehensive Income for the year, net of tax	-	-	-
<b>Total Comprehensive Income for the year ( Comprising Profit and Other Comprehensive Income for the year)</b>		<b>(1,390.30)</b>	<b>(517.13)</b>
Earnings per equity share			
(1) Basic		(15.45)	(5.75)
(2) Diluted		(15.45)	(5.75)

Summary of Significant Accounting Policies -Note No:20

The Notes referred to the above are integral partof the Financial Statement .

For Bala & Co  
Chartered Accountants  
Firm Registration No.: 000318S

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

P.S. Devasenapathy  
Partner  
M.No: 024740

Nagaraj P.  
CFO

Vaithyalingam Anbalagan  
Managing Director  
DIN : 00059007

Muralidharan Ramasamy  
Director  
DIN; 07092976

Place: Chennai  
Date: 29.05.2018

Ajay Shukla  
Company Secretary

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31 ,2018

Particulars	Year ended	
	March 31,2018	March 31,2017
Profit before taxation	(1,396.36)	(517.13)
<b>Adjustments for:</b>		
Depreciation	80.63	145.29
IT Refund interest adjusted against earlier demand	21.99	-
Loss/(Gain) on sale of assets	507.03	-
Interest received	(0.43)	(1.27)
Interest expense	28.47	5.97
<b>Operating cash flow before changes in working capital</b>	<b>(758.67)</b>	<b>(367.13)</b>
Adjustments for changes in:		
Trade receivables	-	123.70
Inventories	28.63	-
Other current assets	(4.64)	6.52
Long term provisions	-	(3.65)
Short term provisions	(17.62)	(82.77)
Short term loans and advances	-	17.01
Other current liabilities	(6.54)	(746.29)
Trade payables	<b>(296.18)</b>	<b>(35.91)</b>
<b>Cash generated from operations</b>	<b>(1051.18)</b>	<b>(1,088.51)</b>
Income taxes paid	-	-
<b>Net cash from operating activities-A</b>	<b>(1051.18)</b>	<b>(1,088.51)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of assets	93.22	-
Change in Capital work in progress	(241.17)	(65.22)
Sale of non-current investments	-	1.95
Interest received	0.43	1.27
<b>Net cash used in investing activities-B</b>	<b>(147.52)</b>	<b>(62.01)</b>
<b>Cash flows from Financing activities</b>		
Proceeds from share application money	(4,757.67)	1,370.00
Proceeds from calls in arrears	2.13	-
Proceeds from long term borrowings	404.32	-
Repayment of long term borrowings	-	(525.98)
Transfer to reserves	-	(5.00)
Proceeds from short term borrowings	-	-
Proceeds/(Repayment) from long term loans and advances	-	27.93
Decrease in non-current assets	818.38	174.28
Interest paid	(28.47)	(5.97)
<b>Net cash used in Financing activities-C</b>	<b>(3561.32)</b>	<b>1,035.26</b>
<b>Net increase in cash and cash equivalents - (A+B+C)</b>	<b>(4,760.03)</b>	<b>(115.26)</b>
Cash and cash equivalents at the beginning of year	17.69	132.95
Cash and cash equivalents at the end of year	(4,742.34)	17.69
Cash and cash equivalents consists of:		
Cash in hand	0.07	0.07
Balances with banks		
in current accounts	(4,754.39)	6.01
in deposits	11.98	11.61
	<b>(4,742.34)</b>	<b>17.69</b>

For Bala & Co  
Chartered Accountants  
Firm Registration No.: 000318S

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

P.S. Devasenapathy  
Partner  
M.No: 024740

Nagaraj P.  
CFO

Vaithyalingam Anbalagan  
Managing Director  
DIN : 00059007

Muralidharan Ramasamy  
Director  
DIN: 07092976

Place: Chennai  
Date: 29.05.2018

Ajay Shukla  
Company Secretary

## Summary statement of changes in equity

## a. Equity share Capital

Particulars	Note No.	Equity Shares of Rs 10/- each (Nos.)	Amount (in Rs.)	14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each (Nos.)	Amount (in Rs.)	17% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each (Nos.)	Amount (in Rs.)	16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each (Nos.)	Amount (in Rs.)
Balance as at April 1, 2016		9,000,000	89,787,000	60,000	6,000,000	50,000	5,000,000	200,000	20,000,000
Changes in equity share capital during the year		-	-	-	-	-	-	-	-
Balance as at March 31, 2017	8	9,000,000	89,787,000	60,000	6,000,000	50,000	5,000,000	200,000	20,000,000
“Changes in equity share capital during the year: Received call in arrears”		-	213,000	-	-	-	-	-	-
Balance as at March 31, 2018		9,000,000	90,000,000	60,000	6,000,000	50,000	5,000,000	200,000	20,000,000

## b. Other Equity

(Rs in Lakhs)

Particulars	Reserves and surplus					Share Application pending allotment money	Total
	Capital Redemption Reserve	Securities Premium Reserve	Preference share Redemption Reserve	Retained Earnings	Other Comprehensive Revaluation Reserve		
<b>Balance as at April 1, 2016</b>	4.00	1,652.16	30.25	(4,927.78)	8,615.28	3,387.67	8,761.59
Proceed/(Repayment) during the year						1,370.00	1,370.00
Profit/(Loss) for the year				(517.13)			(517.13)
Accumulated Depreciation				(0.14)			(0.14)
IT refund for previous year				(5.00)			(5.00)
Other Comprehensive Income							-
Depreciation on revaluation reserve					(94.20)		(94.20)
Revaluation Reserve					-		-
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(522.27)</b>	<b>(94.20)</b>	<b>1,370.00</b>	<b>753.54</b>
<b>Balance as at March 31, 2017</b>	4.00	1,652.16	30.25	(5,450.04)	8,521.09	4,757.67	9,515.13
Proceed/(Repayment) during the year						(4,757.67)	(4,757.67)
Profit/(Loss) for the year				(1390.30)			(1390.30)
Accumulated Depreciation							-
IT refund for previous year				21.99			21.99
Other Comprehensive Income							-
Depreciation on revaluation reserve					(94.20)		(94.20)
Revaluation Reserve					-		-
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(1368.32)</b>	<b>(94.20)</b>	<b>(4,757.67)</b>	<b>(6,22.19)</b>
<b>Balance as at March 31, 2018</b>	4.00	1,652.16	30.25	(6818.36)	8,426.89	-	3294.94

The accompanying notes form an integral part of the financial information

This is the restated summary statement of changes in equity referred to in our report of even date

For and on behalf of the Board

Chartered Accountants

Firm Registration No.: 000318S

Vaithyalingam Anbalagan

Managing Director

DIN : 00059007

Muralidharan Ramasamy

Director

DIN : 07092976

P.S. Devasenapathy

Partner

Membership No.: 024740

Place: Chennai

Date: 29.05.2018

Ajay Shukla

Company Secretary

Chief Financial Officer

Nagaraj P

Chief Financial Officer

## Notes to the Financial statement as at March 31,2018

## 1. Property, plant and equipment

(Rs in lakhs)

Asset Category	Freehold Land	Building	Plant & Machinery	Office Equipments	Vehicles	Computers/ Laptops	Total	Capital work in progress
Gross Block								
At March 31, 2017	8,348.00	3,460.80	1,791.07	128.64	24.16	2.73	13,755.41	147.66
Additions	-	-	-	-	-	-	-	323.69
Disposals	-	-	(1,791.07)	(128.64)	-	-	(1,919.71)	(82.44)
Reserve	-	-	-	-	-	-	-	-
At March 31,2018	8,348.00	3,460.80	-	-	24.16	2.73	11,835.69	388.91
Depreciation								
At March 31,2017	-	1,276.20	1,197.70	121.69	10.31	2.02	2,607.95	-
Additions	-	76.79	-	-	3.22	0.62	80.63	-
Disposals	-	-	(1,197.70)	(121.69)	-	-	(1,319.39)	-
Reserve	-	94.20	-	-	-	-	94.20	-
At March 31,2018	-	1,447.18	-	-	13.53	2.64	1,463.39	-
Net Block								
At March 31,2017	8,348.00	2,184.60	593.37	6.95	13.85	22.14	11,147.45	147.66
At March 31,2018	8,348.00	2,013.62	-	-	10.62	0.10	10,372.30	388.91

**2. Financial Assets-Non Current**

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Security Deposit		
MES Deposit	14.14	14.14
BSNL Deposit	0.01	0.01
<b>Total</b>	<b>14.15</b>	<b>14.15</b>

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<b>3. Deferred Tax Asset</b>		
Depreciation as per companies Act 2013	80.63	-
Depreciation as per Income Tax Act 1961	61.02	-
Timing Difference	19.61	-
<b>Deferred Tax Asset</b>	<b>6.06</b>	<b>-</b>

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<b>4 Other Non-Current Assets</b>		
Capital Advances - Unsecured - Considered Good -		214.56
Other Loans and Advances : Advances to employees and others	-	3.81
Deferred Revenue Expenditure	-	600.00
<b>Total</b>	<b>-</b>	<b>818.38</b>

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<b>5. Inventories</b>		
Stores, Spares, Chemicals and others	-	28.63
<b>Total</b>	<b>-</b>	<b>28.63</b>

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<b>6. Financial Assets-Current</b>		
Cash and Cash Equivalents		
Cash on hand	0.07	0.07
Balance with banks		
-in current accounts	(4,754.39)	6.01
-in fixed deposits*	11.98	11.61
<b>Total</b>	<b>(4,742.34)</b>	<b>17.69</b>

*Deposits in PNB A/c are Lien Marked against Court Case		
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<b>7. Other Current Assets</b>		
TDS Debtors	-	25.72
TDS Receivable	1.84	1.07
GST Input Credit	31.86	-
Rent Receivable	-	2.27
<b>Total</b>	<b>33.69</b>	<b>29.06</b>

## 8. Equity Share Capital

(Rs in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Nos.	Amount	Nos.	Amount
<b>Authorised</b>				
Equity Share of Rs 10 each	67,000,000	6,700.00	24,000,000	2,400.00
Cumulative Redeemable Preference Shares of Rs 100	800,000	800.00	800,000	800.00
<b>Total</b>	<b>67,800,000</b>	<b>7,500.00</b>	<b>24,800,000</b>	<b>3,200.00</b>
Issued, subscribed & fully paid up				
Equity shares of Rs. 10 each, fully paid up with voting rights, including 6,90,000 shares of Rs. 10/- each allotted as Bonus Share	9,000,000	900.00	9,000,000	900.00
Less: Calls in arrears	-	-	(2.13)	-
Total paid up equity shares	9,000,000	900.00	9,000,000	897.87
14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each	60000	60.00	60000	60.00
17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs. 100/- each	50000	50.00	50000	50.00
16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	200000	200.00	200000	200.00
Total paid up preference shares	310,000	310.00	310,000	310.00
Total paid up share capital	1,210.00		1,207.87	
The Movement of equity shares is as below				
Shares outstanding at the beginning of the year	9,000,000	900.00	9,000,000	897.87
Shares issued during the year	-	-		
Shares outstanding at the end of the year	9,000,000	900.00	9,000,000	897.87

## Notes:

- Preference shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional shares and not created preference share redemption reserve due to inadequate profits
- The 17.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of ten years from the date of issue. Earliest redemption month is July 2003.
- The 16.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of 15 months from the date of issue. Earliest redemption month is March 97.
- There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.
- Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil



## Details of equity shareholders holding more than 5% shares in the company

Name of the equity shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of the shares held	% of the holding	No. of the shares held	% of the holding
Mr. Kamal Babbar	1216500	14%	1216500	14%
Subasri Reality pvt Ltd	1464123	16%	1464123	16%
Gay Travels Pvt Ltd.	591506	7%	591506	7%

For the period immediately preceding the balance sheet date:

- i. Nil shares were reserved for issuance towards outstanding employee stock options granted / available for grant, towards outstanding share warrants and towards convertible securities.
- ii. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date as at 31 March 2018 is Nil (as at 31 March 2017 is Nil).
- iii. Forfeited shares as at 31 March 2018 is Nil ( as at 31 March 2017 is Nil).

## 9. Other Equity

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Capital Redemption Reserve</b>		
Opening Balance	4.00	4.00
Add: Transfer during the year	-	-
Closing Balance	4.00	4.00
<b>Securities Premium Reserve</b>		
Opening Balance	1,652.16	1,652.16
Add: Transfer during the year	-	-
Closing Balance	1,652.16	1,652.16
<b>Preference Share Redemption Reserve</b>		
Opening Balance	30.25	30.25
Add: Transfer during the year	-	-
Closing Balance	30.25	30.25
<b>Revaluation Reserve</b>		
Opening Balance	8,521.09	8,615.28
Less: Depreciation on Revaluation Reserve	(94.20)	(94.20)
Closing Balance	8,426.89	8,521.09
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	(5,450.04)	(4,927.78)
Depreciation Accumulated	-	(0.14)
Transfers to Reserves*	21.99	(5.00)
Profit / (Loss) for the year	(1,390.30)	(517.13)
Closing balance	<b>(6818.36)</b>	<b>(5,450.04)</b>
Share application pending allotment	-	4,757.67
<b>Total Other Equity</b>	<b>3294.94</b>	<b>9,515.13</b>

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

B. Revaluation reserve created due to revaluation of land and building by Rs 7575.48 and Rs 1173.18 respectively in FY 2013-14.

#### 10. Financial liabilities-Non-current

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Borrowings		
Term Loan from Banks-Secured*	-	200.00
Loans from related parties-Unsecured	1,443.05	627.09
Loans from others-Unsecured	-	211.64
<b>Total</b>	<b>1,443.05</b>	<b>1,038.73</b>

\* Term Loan has been closed during the financial year 2017-18

#### 11. Financial liabilities-Current

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables		
Sundry creditors	15.77	311.96
<b>Total</b>	<b>15.77</b>	<b>311.96</b>

#### 12. Current liabilities: Provisions

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits	-	17.62
<b>Total</b>	<b>-</b>	<b>17.62</b>

#### 13. Other current liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Liabilities	3.09	1.18
Other Payables	105.91	110.52
<b>Total</b>	<b>109.01</b>	<b>111.71</b>

#### 14. Income

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Rental Income	8.09	7.88
Creditors/Liability Written Back	419.50	169.76
Other Income	7.14	3.40
<b>Total Income</b>	<b>434.73</b>	<b>181.05</b>

#### 15. Employee benefit expenses

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries, Wages, and Bonus (excluding Directors)	21.12	13.96
Salaries and Perquisites to Directors	-	1.50
<b>Total</b>	<b>21.12</b>	<b>15.46</b>

**16. Depreciation & amortization expense**

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation on property, vehicles etc.	80.63	145.29
<b>Total</b>	<b>80.63</b>	<b>145.29</b>

**17. Other expenses**

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Power and Fuel Expenses		
- Electricity charges	46.40	32.79
- Diesel charges	-	0.02
<b>Repairs and Maintenance</b>		
- Building	1.81	2.10
- Others	0.72	1.57
Duties and taxes	12.44	22.90
Insurance	0.86	0.84
Interest & penalties	0.19	144.61
Meeting expenses	0.40	7.16
Advertisement expenses	0.59	0.22
Office and Miscellaneous expenses	19.64	7.61
Freight, conveyance and transport expenses	8.83	0.78
Loss on sale of assets	507.03	-
Write off of Old Asset Accounts (other than Fixed Assets)	864.81	273.30
Inventories written off	28.63	-
Capital work in progress written off	82.44	
Fee and taxes	75.85	10.90
Professional charges	47.29	23.78
Payment to auditors	2.95	2.88
<b>Total</b>	<b>1,700.86</b>	<b>531.45</b>

**18. Finance costs**

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest on term loan	28.16	5.93
Bank charges	0.31	0.04
<b>Total</b>	<b>28.47</b>	<b>5.97</b>

**19. Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

i. In FY 2015-16 & FY 2016-17, following notices and demand were issued to the company:

-Income Tax notice received for AY 2012-13 & AY 2013-14. Outstanding dues being Rs 2,73,32,590/- for AY 2012-13 and Rs 2,38,31,782/- for AY 2013-14 against which appeal has been filed and outcome is pending. Since the losses available for set off are more than the income proposed to be added by the Department, even if the company loses the appeal there would be no tax liability.

-The company has received show cause notice from Service Tax Department for FY 2008-09 to FY 2013-14

ii. The company approached Service Tax Settlement Commission to get waiver of the penalties and pending dues upto FY 2013-14 imposed by the Service Tax Authorities.”

- **For Bala & Co**

**Chartered Accountants**

Firm Registration No.: 000318S

For and on behalf of the Board

P.S.Devasenapathy  
Partner  
Membership No : 024740

Vaithyalingam Anbalagan  
Managing Director  
DIN : 00059007

Muralidharan Ramasamy  
Director  
DIN : 07092976

Place : Chennai  
Date : 29.05.2018

Ajay Shukla  
Company Secretary

Nagaraj P.  
Chief Financial Officer

## SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Our Business*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*” and “*Terms of the Issue*” on pages 21, 52, 64, 83, 71, 151, and 166, respectively.

### 1. Summary of Business

Our Company presently owns a hotel by the name of ‘Aruna Hotel’ – Chennai situated at 144, 145, Sterling Road, Nungambakkam, Chennai – 600034, Tamil Nadu, India. In financial year 2014-15, our Company stopped its hotel operations and started renovating the Hotel premises. As of date of this Letter of Offer, we have completed the renovation of the main structure of our Hotel, however we are yet to complete the construction of a multi-level car parking area and setting up of a transformer in the premises of our Hotel. The renovation is expected to be completed in FY 2021-22.

For further details, please refer to the chapter titled “*Our Business*” at page 83 of this Letter of Offer.

### 2. Summary of Industry

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. Total contribution by travel and tourism sector to India’s GDP is expected to increase from Rs 15.24 lakh crore (US\$ 234.03 billion) in 2017 to Rs 32.05 lakh crore (US\$ 492.21 billion) in 2028. Total earning from the sector in India is targeted to reach US\$ 50 billion by 2022.

For further details, please refer to the chapter titled “*Industry Overview*” at page 71 of this Letter of Offer.

### 3. Our Promoter

The Promoter of our Company is S. Balasubramanian Adityan.

For further details please see chapter titled “*Our Promoter*” beginning on page 97 of this Letter of Offer.

### 4. Issue Size

The issue of up to 2,49,00,000 Equity Shares aggregating to an amount upto ₹ 2,490 lakhs. For further details, please see chapter titled “*The Issue*” beginning on page 52 of this Letter of Offer.

### 5. Objects of the Issue

Our Company intends to utilize the Net Proceeds raised through the Issue in the manner set out in the following table:

Particulars	(₹ in lakhs)
	Amount
Part repayment or prepayment of unsecured loans brought in by the Promoter and Promoter Group	2,050
General corporate purposes	400
Issue related expenses	40
<b>Gross proceeds from the Issue</b>	<b>2,490</b>

For further details, please see chapter titled “*Objects of the Issue*” beginning on page 64 of this Letter of Offer.

### 6. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information as at and for the Financial Years ended on March 31, 2021, 2020 and 2019:

(₹ in lakhs)

S. No.	Particulars	March 31, 2021	March 31, 2020	March 31, 2019
1.	Authorised Share Capital	7,500.00	7,500.00	7,500.00
2.	Paid-up Capital	1,210.00	1,210.00	1,210.00
3.	Net Worth attributable to Equity Shareholders	(7,532.92)	(6,525.01)	(5,736.40)
4.	Total Revenue	32.77	10.48	82.60
5.	Profit after tax	(1,007.96)	(788.57)	(979.31)
6.	Earnings per Share (basic & diluted) (in ₹)	(11.20)	(8.76)	(10.88)
7.	Net Asset Value per Equity Share (in ₹)	(83.70)	(72.50)	(63.74)
8.	Total Borrowings	11,133.07	9,812.19	8,003.85

For further details, please refer the section titled “*Financial Information*” on page 100 of this Letter of Offer.

## 7. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information does not contain any qualification requiring adjustments by the Auditors.

## 8. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

### i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	-	-
Direct Tax matters	01	5.01
Indirect Tax matters	-	-
Actions taken by regulatory authorities	-	-
Material civil litigations	02	Not quantifiable

\*To the extent quantifiable

### ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	-	-
Direct Tax matters	02	511.64
Indirect Tax matters	-	-
Actions taken by regulatory authorities	-	-
Material civil litigations	03	299.05

\*To the extent quantifiable

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” at page 151 of this Letter of Offer.

## 9. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 21 of this Letter of Offer.

## 10. Summary of Contingent Liabilities

Following are the details as per the Restated Financial Information as at and for the Financial Year ended on March 31, 2021:

Particulars	Amount
Direct Tax	516.65
Civil	Nil
<b>Total</b>	<b>516.65</b>

(₹ in lakhs)

For further details, please see “*Restated Financial Information- Annexure VII –Notes to restated financial information-Note 17-Contingent Liabilities*” at page 31 of the Restated Financial Information.

### 11. Summary of Related Party Transactions

Following are the details as per the Restated Financial Information as at and for the Financial Year ended on March 31, 2021, 2020 and 2019:

(₹ in lakhs)

Transaction during the year ended	Nature of the Relationship	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
Remuneration to Key Management Personnel	Key Management Personnel	12.59	10.35	10.31
Remuneration Payable	Key Management Personnel	1.52	0.86	0.79
Trade Payables	Shareholder of the company	6.05	6.05	7.41
Borrowings	Shareholder of the company	-	-	-
Borrowings	Shareholder of the company	4041.17	3,401.17	2,446.17
Borrowings	Shareholder of the company	500.00	500.00	500.00
Borrowings	Company with common shareholder/promoter	1344.89	1,147.34	797.34
Borrowings	Shareholder of the company	1621.00	1,486.00	1,281
Borrowings	Shareholder of the company	90.00	90.00	-
Interest accrued yet to be paid	Shareholder of the company	1282.42	345.07	55.13
Interest accrued yet to be paid	Company with common shareholder/promoter	357.11	210.75	104.73
<b>Total</b>		<b>9,236.59</b>	<b>7,180.33</b>	<b>5,202.88</b>

For further details, please see “*Restated Financial Information- Annexure VII –Notes to restated financial information-Note 16-Related party disclosures*” at page F-28 of the Restated Financial Information.

### 12. Issue of equity shares made in last one year for consideration other than cash

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

### 13. Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken split or consolidation of the face value of the Equity Shares in the last one year.

## OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Part repayment or prepayment of unsecured loans availed by our Company from the Promoter Group; and
2. General corporate purposes.

(collectively, referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

### Details of objects of the Issue

The details of objects of the Issue are set forth in the following table:

Particulars	Amount
Part repayment or prepayment of unsecured loans brought in by the Promoter and Promoter Group	2,050
General corporate purposes	400
Issue related expenses	40
<b>Gross proceeds from the Issue</b>	<b>2,490</b>

### Requirement of Funds

The details of the Net Proceeds are set forth in the following table:

Particulars	Amount
Gross Proceeds from the Issue	2,490
Less: Issue related expenses	40
<b>Net Proceeds from the Issue</b>	<b>2,450</b>

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### Utilization of Net Proceeds

Our Company intends to utilize the Net Proceeds for the following objects:

Sr. No.	Particulars	Estimated Amount to be utilized
1.	Part repayment or prepayment of unsecured loans brought in by the Promoter and Promoter Group	2,050
2.	General corporate purposes	400
<b>TOTAL</b>		<b>2,450</b>

### Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2021-22.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding



requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

### Details of the objects of the Issue

The details in relation to objects of the Issue are set forth herein below.

#### 1. Repayment/pre-payment, in full or part, of certain identified unsecured loans availed by our Company from members of the Promoter Group

Our Company proposes to utilize an estimated amount of ₹ 2,050 lakhs from the Net Proceeds of the Issue towards repayment/prepayment, in full or in part, of certain identified unsecured loans availed by our Company from members of the Promoter Group.

Our Company, in order to renovate its Hotel premises and to meet expenses incurred in the ordinary course of business, was in need of finance. On account of difficulty in raising financial support from banks/financial institutions, our Company had raised finance by way of unsecured loans taken from the members of the Promoter Group. The following table provides details of the relevant terms of the unsecured loans that have been availed by our Company from the members of the Promoter Group, out of which we may repay/prepay, in full or in part, any or all of its respective loans/facilities, without any obligation to pay/repay any particular lender in priority to the other:

(₹ in lakhs)					
Sr. No.	Name of the Lender	Amount Sanctioned (Rs.)	Principal Amount availed and outstanding as on March 31, 2021	Repayment Terms	Purpose of the Loan*
1.	Subasri Realty Private Limited ("SRPL")	730.00	351.00	The Company is liable to pay interest @12% p.a. till the date of settlement of the loan amount.	For renovation of Hotel, paying out the liabilities and for any other expenses and to establish modern facilities in the Hotel building and to develop business.
2.	Gay Travels Private Limited ("GTPL")	2,119.56	1,660.72	The Company is liable to pay interest @12% p.a. till the date of settlement of the loan amount.	For renovation of Hotel, paying out the liabilities and for any other expenses and to establish modern facilities in the Hotel building and to develop business.
3.	Malar Publications Private Limited ("MPPL")	1,147.00	491.89	The Company is liable to pay interest @12% p.a. till the date of settlement of the loan amount.	For renovation of Hotel, paying out the liabilities and for any other expenses and to establish modern facilities in the Hotel building and to develop business.
<b>Total</b>		<b>3996.56</b>	<b>2503.61</b>		

\*Certified by M/s Bala & Co., Chartered Accountants, vide their certificate dated July 16, 2021. Further, M/s. Bala & Co., Chartered Accountants, our Statutory Auditor have certified that these borrowing have been utilized for the purposes for which they were availed, as provided in the relevant loan agreements.

We believe that part or full repayment/prepayment of our unsecured loans shall result in an increase in the Net Worth of our Company. This would lead to strengthening of the balance sheet of our Company.

A total amount of ₹ 3,996.56 lakhs has been sanctioned as unsecured loans from our Promoter Group Companies mentioned in the table above of which an amount of ₹ 2503.61 lakhs remains outstanding as of March 31, 2021. Our Company intends to partly or fully repay or pre-pay ₹2,050 lakhs to these Promoter Group Companies through this Issue, as per the details mentioned in the above table, and the said amount is proposed to be adjusted against the application money to be received by our Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from the members of Promoter Group, to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by the members of Promoter Group (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

Our Promoter and our Promoter Group members have undertaken to: (a) subscribe, jointly and severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group; and (b) subscribe to, either individually or jointly, with the Promoter or member of the Promoter Group, for Additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of Additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempted in terms of Regulation 10(4)(b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 10.14/-.

#### **Interest of Promoter and Directors to the objects of the Issue**

SRPL, GTPL, RPPL and MPPL have *vide* their letters dated September 14, 2020, confirmed that an amount of ₹ 2,050 lakhs, which has been identified as the part of the unsecured loans which have to be repaid to our Promoter Group Companies through this Issue, shall be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from SRPL, GTPL and RPPL and MPPL our Promoter Group Companies, to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by our above-mentioned Promoter Group Companies for the unsubscribed portion, (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

#### **2. General Corporate Purposes**

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes is not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

#### **3. Issue expenses**

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses have been certified by M/s Bala & Co., Chartered Accountants, the Statutory Auditor of our Company *vide* their certificate dated July 16, 2021. The estimated Issue expenses are as follows:

Particulars	Amount (₹ in lakhs)	As a percentage of total expenses	As a percentage of Issue size#
Fees of the Lead Managers, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	32	80.00	1.29
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	7	17.50	0.28
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	1	2.50	0.04
<b>Total estimated Issue expenses*^</b>	<b>40</b>	<b>100</b>	<b>1.61</b>

\* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

^Excluding taxes

#Assuming full subscription.

### Interim use of funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

### Appraisal and Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

### Monitoring of utilization of funds

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

### Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment/prepayment of certain unsecured loans availed by our Company from the Promoter Group members and payments made in the ordinary course of business, there are no material existing or anticipated transaction.

## STATEMENT OF TAX BENEFITS

### Statement of possible special tax benefits available to the Company and its Shareholders

To,

**The Board of Directors**

**Aruna Hotels Limited**

Aruna Centre, 145, Sterling Road,  
Nungambakkam, Chennai – 600 034,  
Tamil Nadu, India

**Re: Proposed rights issue of equity shares of face value of ₹ 10 each (the “Equity Shares” and such offering, the “Issue”) of Aruna Hotels Limited (the “Company”) pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).**

We hereby report that the enclosed Statement prepared by Aruna Hotels Limited (the “Company”) states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2021 (hereinafter referred to as “**Income Tax Laws**”), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India, and also to its the Material Subsidiaries of the Company under the respective tax laws of their country as on the signing date, for inclusion in the Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or its Material Subsidiaries or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or its Material Subsidiaries or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or its Material Subsidiaries or the shareholders of the Company may or may not choose to fulfill.

There are no material subsidiaries as identified by the company.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, or its Material Subsidiaries and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue.

We have conducted our examination in accordance with the ‘*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)*’ and ‘*Guidance Note on the Reports in Company Prospectuses (revised 2019)*’ (‘**the Guidance Notes**’) issued by the Institute of Chartered Accountants of India (‘**ICAI**’). The Guidance Notes require that we comply with ethical requirements of the *Code of Ethics* issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements

We do not express any opinion or provide any assurance as to whether:

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchange where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

For and on behalf of M/s. Bala & Co.  
Chartered Accountants  
Firm Registration Number: 000318S

Name: CA V. Sriram  
Partner  
ICAI Membership Number: 216203  
UDIN: 21216203AAAAFE6709  
Date: July 16, 2021  
Place: Chennai

**Encl: As above**

**AUDITORS REPORT ON RESTATED FINANCIAL INFORMATION**

To,

The Board of Directors,

**Aruna Hotels Limited**

Aruna Centre, 145, Sterling Road,  
Nungambakkam,  
Chennai – 600034,  
Tamil Nadu, India.

**Auditor's Report on Restated Financial Information of Aruna Hotels Limited**

Dear sirs,

1. We have examined the attached Restated Financial Information of **Aruna Hotels Limited** (the “**Company**” or the “**Issuer**”) comprising the Restated Financial Statements (Restated Statement of Assets and Liabilities (Annexure I) for each of the financial years ended March 31, 2021, March 31, 2020, March 31, 2019, the Restated Statement of Profit and Loss (Annexure II) (including other comprehensive income), the Restated Statement of Cash flows (Annexure III), the Restated Statement of Changes in Equity (Annexure IV) for each of the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Summary of Significant Accounting Policies and other explanatory information (Annexure V), (collectively the “Restated Financial Information”), for the purpose of inclusion in the Draft Letter of Offer (“**DLOF**”) and the Letter of Offer (“**LOF**”) (DLOF and LOF collectively referred to as “**Offer Documents**”) prepared by the Company in connection with its proposed Rights issues of equity shares (“**RI**”) in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the “Act”) read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the “Rules”)
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time pursuant to the provisions of the Securities and Exchange Board of India Act, 1992 (“SEBI ICDR Regulations”) and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited (the “Stock Exchanges”) and Registrar of Companies, Chennai, Tamil Nadu, in connection with the proposed RI. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 of Annexure V to the Restated Financial Information.

The responsibility of the Board of Directors of the Company includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and

V. Aniram



ensuring that the Company complies with the Act, SEBI ICDR Regulations, and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed Rights Issue of the Company.
  - b) The Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information and
  - d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the proposed Rights Issue.
4. These Restated Financial Information have been prepared under the Indian Accounting Standards (the “Ind-AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Section 133 of the Act and have been compiled by the management from:
  - a) The audited financial statements of the Company for the financial year ended March 31, 2021, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
  - b) The audited financial statements of the Company for the financial year ended March 31, 2020, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
  - c) The audited financial statements of the Company for the financial year ended March 31, 2019, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
5. For the purpose of our examination, we have relied on:

Auditors’ Report dated 17.06.2021, 29.06.2020, 21.05.2019 on the financial statements of the Company for each of the years ended March 31, 2021, March 31, 2020, and March 31, 2019, respectively, as referred in Paragraph above.
6. There were no modifications to the audit reports on the financial statements issued by us for each of the financial years ended March 31, 2021, March 31, 2020, and March 31, 2019.

V. Aniram



7. Based on our examination and according to the information and explanations given to for the respective years, we report that the Restated Financial Information:
  - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies.
  - b) do not require any adjustments for the matters giving rise to modifications as stated in paragraph 6 above; and
  - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Ind AS financial statements as mentioned in the paragraph 4 above.
9. We have also examined the following Restated Financial Statements set out in annexure prepared by the management and approved by the Board of Directors of the Company as under:
  - a) Annexure V: Restated Statement of Significant Accounting Policies
  - b) Annexure VI: Adjustment to Audited Financial Statements
  - c) Annexure VII: Notes to Restated Financial Information
  - d) Annexure VIII: Restated Statement of Dividend Paid
  - e) Annexure IX: Restated Statement of Capitalization
  - f) Annexure X: Restated Statement of Accounting Ratios
  - g) Annexure XI: Summary Statement of Tax Shelter
  - h) Annexure XII: Statement of Material Fraud

According to the information and explanations given to us, in our opinion, the Restated Financial Information and the above restated financial information contained in Annexures V to VIII accompanying this report, read with Summary of Significant Accounting Policies Disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the Stock Exchanges and the Registrar of Companies, Chennai at Tamil Nadu in connection with the proposed Rights Issue. Our report should not be used, referred to, or distributed for any other purpose except

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with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Bala & Co.,**  
**Chartered Accountants.**

Firm Registration Number: 000318S

*V. Sriram*



**CA Sriram V**  
**Partner**


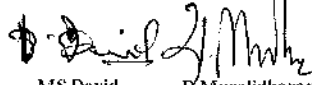
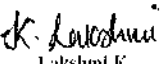

ICAI Membership Number: 216203

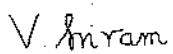


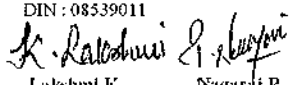

UDIN: 21216203AAAAFE6709

Place: Chennai

Date: 16.07.2021



ARUNA HOTELS LIMITED CIN : L15421TN1960PLC004255 Annexure E: Restated Statement of Assets and Liabilities						
Particulars	Note No. of Annexure VII	As at March 31, 2021 (Audited) (Rs in Lakhs)	As at March 31, 2020 (Audited) (Rs in Lakhs)	As at March 31, 2019 (Audited) (Rs in Lakhs)		
<b>ASSETS</b>						
<b>Non-current Assets</b>						
(a) Property, plant and equipment	1	1,707.24	1,785.71	1,865.30		
(b) Capital work-in-progress	1	4,093.49	2,847.39	1,193.96		
(c) Financial assets						
(i) Deposits	2	33.10	27.08	26.22		
(d) Other non-current assets	4	360.69	360.69	360.69		
		6,194.51	5,020.87	3,446.17		
<b>Current Assets</b>						
<b>(a) Financial assets</b>						
(i) Trade receivables	5	36.39	-	-		
(ii) Cash and cash equivalents	5	26.20	21.39	219.08		
(b) Other current assets	6	405.13	343.78	153.93		
		467.72	365.17	373.01		
<b>Total Assets</b>		<b>6,662.23</b>	<b>5,386.04</b>	<b>3,819.18</b>		
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
(a) Share capital	7	1,210.00	1,210.00	1,210.00		
(b) Other equity	Annex IV	(8,742.92)	(7,735.01)	(6,946.40)		
<b>Total Equity</b>		<b>(7,532.92)</b>	<b>(6,525.01)</b>	<b>(5,736.40)</b>		
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
<b>(a) Financial liabilities</b>						
(i) Borrowings	8	10,478.62	9,228.85	7,753.85		
(b) Other Non Current Liabilities	10(b)	33.84	15.42	15.42		
(c) Deferred tax liabilities	3	1,254.66	1,120.99	978.82		
		11,767.12	10,365.26	8,748.09		
<b>Current liabilities</b>						
<b>(a) Financial liabilities</b>						
(i) Trade payables	9	57.57	68.11	31.38		
(ii) Other current financial liabilities	9	654.45	583.33	250.00		
(iii) Interest accrued yet to be paid	9	1,695.02	807.75	173.55		
(b) Other current liabilities	10(a)	20.99	86.59	352.56		
		2,428.03	1,545.79	807.49		
<b>Total Liabilities</b>		<b>14,195.15</b>	<b>11,911.05</b>	<b>9,555.58</b>		
<b>Total Equity and Liabilities</b>		<b>6,662.23</b>	<b>5,386.04</b>	<b>3,819.18</b>		
The accompanying notes form an integral part of the restated financial information This is the restated summary statement of assets and liabilities referred to in our report of even date						
For Bala & Co Chartered Accountants Firm Registration No.: 0003185  V Sriram Sriram Visvanathan Partner Membership No : 216203 UDIN: 21216203AAAAFE6709  Place: Chennai Date: 16.07.2021					For and on behalf of the Board Aruna Hotels Limited  MS David                      RMuralidharan Managing Director                      Director DIN : 08539011                      DIN : 07092976   Lakshmi K                      Nagraj P Company Secretary/Chief Financial Officer	

ARUNA HOTELS LIMITED CIN :L15421TN1960PLC004255 Annexure II: Restated Statements of Profit and Loss						
Particulars	Note No. of Annexure VII	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)		
		(Rs in Lakhs except EPS)	(Rs in Lakhs except EPS)	(Rs in Lakhs except EPS)		
<b>INCOME</b>						
Revenue from operations						
Other Operating Revenue		30.84	-	-		
Other Income						
Rental Income	11	-	5.79	7.71		
Creditors/Liability Written Back		-	1.27	63.05		
Other Income		1.93	3.44	11.84		
<b>Total Income</b>		<b>32.77</b>	<b>10.48</b>	<b>82.60</b>		
<b>EXPENSES</b>						
Employee benefits expense	12	172.27	37.23	26.25		
Depreciation & amortization expense	13	78.47	79.60	80.11		
Other expenses	14	135.94	137.01	361.53		
Finance costs	15	520.40	403.06	444.29		
<b>Total expenses</b>		<b>907.07</b>	<b>656.89</b>	<b>912.18</b>		
<b>Profit before tax</b>		<b>(874.30)</b>	<b>(646.40)</b>	<b>(829.58)</b>		
Tax Expense:						
Deferred tax	3	133.67	142.17	149.73		
<b>Total tax</b>		<b>133.67</b>	<b>142.17</b>	<b>149.73</b>		
<b>Profit for the year</b>		<b>(1,007.96)</b>	<b>(788.57)</b>	<b>(979.31)</b>		
<b>Other Comprehensive Income</b>						
A (i) Items that will be reclassified to profit or loss						
(ii) Income tax relating to items that will be reclassified to profit or loss						
<b>Other Comprehensive Income for the year, net of tax</b>						
<b>Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the year)</b>						
		<b>(1,007.96)</b>	<b>(788.57)</b>	<b>(979.31)</b>		
<b>Earnings per equity share</b>						
(1) Basic		(11.20)	(8.76)	(10.88)		
(2) Diluted		(11.20)	(8.76)	(10.88)		
The accompanying notes form an integral part of the restated financial information This is the restated summary statement of profit and loss referred to in our report of even date						
<b>For Bala &amp; Co</b> Chartered Accountants Firm Registration No.: 000318S   <b>Sriram Visvanathan</b> Partner Membership No : 216203 UDIN: 21216203AAAAFE6709  Place: Chennai Date: 16.07.2021					For and on behalf of the Board <b>Aruna Hotels Limited</b>   <b>MS David</b> Managing Director DIN : 08539011   <b>Lakshmi K</b> Company Secretary  <b>Nagaraj P</b> Director Chief Financial Officer	

ARUNA HOTELS LIMITED CIN : L15421TN1960PLC004255 Annexure III: Restated Statement of Cash Flows			
Particulars	Year ended	Year ended	Year ended
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Profit before taxation	(874.30)	(646.40)	(829.58)
<b>Adjustments for:</b>			
Depreciation	78.47	79.60	80.11
Interest received	(0.85)	(3.44)	(9.05)
Interest expense	520.40	403.06	444.29
Operating cash flow before changes in working capital	(276.28)	(167.18)	(314.23)
Adjustments for changes in:			
Non operating reserves income			
Trade receivables	(36.39)		
Other current assets*	(61.34)	(189.85)	(120.23)
Non Current Financial Assets	(6.02)	(0.90)	(0.11)
Other current liabilities	(65.58)	(265.97)	257.21
Other Non current liabilities	18.42		
Trade payables	(10.54)	36.73	14.33
Cash generated from operations	(437.73)	(587.17)	(163.04)
Income taxes paid			
Net cash from operating activities-A	(437.73)	(587.17)	(163.04)
Cash flows from investing activities			
Change in Capital work in progress	(1,246.10)	(1,653.45)	(805.05)
Interest received	0.85	3.44	9.05
Net cash used in investing activities-B	(1,245.24)	(1,650.00)	(796.01)
Cash flows from financing activities			
Proceeds/(Repayment) from long term borrowings	1,249.77	1,475.00	6,310.80
Increase/(Decrease) in other current financial liability	958.41	967.54	423.56
(Increase)/ Decrease in non-current assets	-	-	(360.70)
Interest paid	(520.40)	(403.06)	(444.02)
Net cash used in financing activities-C	1,687.78	2,039.48	5,929.66
Net increase in cash and cash equivalents - (A+B+C)	4.81	(197.69)	4,970.61
Cash and cash equivalents at the beginning of year	21.39	219.08	(4,751.53)
Cash and cash equivalents at the end of year	26.20	21.39	219.08
Cash and cash equivalents consists of:			
Cash in hand and Balances with banks	26.20	21.39	219.08
	26.20	21.39	219.08

\*Deposits in PNB A/c are Lien Marked against Court Case. In FY'21, Fixed Deposit was moved to non-current financial assets, hence reclassified in FY'20 and FY'19 as well.

The accompanying notes form an integral part of the restated financial information  
This is the restated summary statement of cash flows referred to in our report of even date

For Bala & Co  
Chartered Accountants  
Firm Registration No.: 0003185

V. Sriram

Sriram Visvanathan  
Partner  
Membership No : 216203  
UDIN: 21216203AAAAFE6709



For and on behalf of the Board  
Aruna Hotels Limited

MS David R Muralidharan  
Managing Director Director  
DIN : 08539011 DIN : 07092976

Lakshmi K Nagaraj P  
Company Secretary Chief Financial Officer

Place: Chennai  
Date: 16.07.2021

ARUNA HOTELS LIMITED  
CIN : L15421TN1960PLC004255  
Annexure IV: Restated statement of changes in equity

Particulars	Note No. of Annexure VII	Equity Shares of Rs 10/- each (Nos.)	Amount (in Rs.)	14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each (Nos.)	Amount (in Rs.)	17.5% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each (Nos.)	Amount (in Rs.)	16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each (Nos.)	Amount (in Rs.)
Balance as at March 31, 2018		90,00,000	9,00,00,000	60,000	60,00,000	50,000	50,00,000	2,00,000	2,00,00,000
Changes in equity share capital during the year		-	-	-	-	-	-	-	-
Balance as at March 31, 2019		90,00,000	9,00,00,000	60,000	60,00,000	50,000	50,00,000	2,00,000	2,00,00,000
Changes in equity share capital during the year		-	-	-	-	-	-	-	-
Balance as at March 31, 2020		90,00,000	9,00,00,000	60,000	60,00,000	50,000	50,00,000	2,00,000	2,00,00,000
Changes in equity share capital during the year		-	-	-	-	-	-	-	-
Balance as at March 31, 2021		90,00,000	9,00,00,000	60,000	60,00,000	50,000	50,00,000	2,00,000	2,00,00,000

## b. Other Equity

(Rs in Lakhs)

Particulars	Reserves and surplus					Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Preference share Redemption Reserve	Retained Earnings	
Balance as at March 31, 2018	-	4.00	1,652.16	30.25	(7,633.11)	(5,964.30)
Profit/(Loss) for the year	-	-	-	-	(999.71)	(999.71)
Total Comprehensive Income for the year	-	-	-	-	(999.71)	(999.71)
Balance as at March 31, 2019	-	4.00	1,652.16	30.25	(8,632.81)	(6,946.40)
Profit/(Loss) for the year	-	-	-	-	(788.61)	(788.61)
Total Comprehensive Income for the year	-	-	-	-	(788.61)	(788.61)
Balance as at March 31, 2020	-	4.00	1,652.16	30.25	(9,421.42)	(7,735.01)
Profit/(Loss) for the year	-	-	-	-	(1,007.96)	(1,007.96)
Total Comprehensive Income for the year	-	-	-	-	(1,007.96)	(1,007.96)
Balance as at March 31, 2021	-	4.00	1,652.16	30.25	(10,429.38)	(8,742.92)

The accompanying notes form an integral part of the restated financial information  
This is the restated summary statement of changes in equity referred to in our report of even date

Per Balu & Co  
Chartered Accountants  
Firm Registration No.: 000318S

V. Sriram  
Sriram Visvanathan  
Partner  
Membership No.: 216203  
UDIN: 21216203:AAAAP6709



Place: Chennai  
Date: 16.07.2021

For and on behalf of the Board  
Aruna Hotels Limited

MS David  
Managing Director

DIN: 08539011

Lakshmi K  
Company Secretary

R Muralidharan  
Director

DIN: 07092976

Nagaraj P  
Chief Financial Officer



## Annexure V: Restated Summary of Significant Accounting Policies

### A CORPORATE INFORMATION

The Restated Financial Information comprise the Financial Statements of Aruna Hotels Limited (the Company) for the financial year(s) ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019. The Company was incorporated on 09<sup>th</sup> September 1960. The registered office of the company is located at 145, Sterling Road, Chennai, Tamil Nadu- 600034. The principal activities of the company is to carry out business of developing, owning, acquiring, renovating, operating, managing and promoting hotels, restaurants etc.

### B BASIS OF PREPARATION

#### B.1 Statement of Compliance

The Restated Financial Information relates to the Company and have been specifically prepared for inclusion in the Draft Letter of Offer/ Letter of Offer (“*Offer Document*”) to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) in connection with the proposed Rights Issue of the Company (referred to as the “Issue”). The Restated Financial Information comprise the restated statement of assets and liabilities as at 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019, the restated statements of profit and loss, the restated statement of changes in equity and the restated statement of cash flow for the financial year ended on 31<sup>st</sup> March 2021, 2020 and 2019 (together referred as ‘Restated Financial Information’) and restated other Financial Information has been prepared under the Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015.

The Restated Financial Information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”); the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) and The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”). The Restated Financial Information has been complied by the management from:

- The audited Ind AS financial statements of the company as at and for the financial year ended 31 March 2021, 31 March 2020 and 31 March 2019, prepared in accordance with Indian Accounting Standards (‘Ind AS’) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held 17<sup>th</sup> June 2021, 29<sup>th</sup> June, 2020 and 21<sup>st</sup> May 2019 respectively.

The Restated Financial Information has been prepared by the management for the purpose of inclusion in the Letter of Offer document prepared by the Company in connection with its proposed Rights Issue, to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, and the concerned Stock Exchange in accordance with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 “the Act”;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”); and
- c) The Guidance note on reports in Company prospectuses (revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as mended from time to time (the “Guidance Note”).

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This Restated Financial Information has been compiled by the Company (as explained above) and:

- a. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- b. adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company as at and for the financial ended 31 March 2021 prepared under Ind AS and the requirements of the SEBI Regulations;
- c. the revaluation reserve has been adjusted in accordance with SEBI ICDR regulations and Guidance Note; and
- d. the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective periods to which they relate.

These Restated Financial Information were authorised for issue by the Company's Board of Directors on 16<sup>th</sup> July 2021.

## **B.2 Going Concern Assumption**

The Company has taken into account all the possible impacts of COVID-19 in preparation of these restated financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these restated financial statements and believes that the impact of COVID-19 is not material to these restated financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these restated financial statements owing to the nature and duration of COVID-19.

The company halted its operations in FY 2014-15. Since FY 15-16 the company is under the process of renovation and was likely to commence its operations at the end of FY 2019-20. The completion of renovation work and commencement of operations have got delayed due to lockdowns and macro-economic factors during Covid-19. The management has plans to commence its hotel operations in FY 2021-22 which we have reviewed, the company will be able to generate cash flows from their operations in near future.

## **B.3 Functional currency & presentation currency:**

The financial statements are presented in Indian Rupees (INR) which is the functional and presentation currency of the Company, and all values are rounded off to the lakhs with two decimals, except where otherwise indicated.

## **B.4 Basis of Measurement:**

The restated financial statements have been prepared on a historical cost basis.

## **B.5 Use of estimates and judgements.**

The preparation of Restated Financial Information require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the Restated Financial Information and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

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## **B.6 Current vs. Non-current classification of Assets and Liability**

The Company present assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional rights to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

## **C SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the Restated Financial Information are as given below. These accounting policies have been applied consistently to all the periods presented in the Restated Financial Information.

### **C.1 Cash and cash equivalent**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### **C.2 Income Tax**

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in Other Comprehensive Income.

Deferred Tax assets and liabilities shall be 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 by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base).

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in Other Comprehensive Income (OCI) or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### **C.3 Property, Plant and equipment**

Capital work in progress is stated at cost less impairment. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of

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replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Freehold land is not depreciated.

#### Depreciation on Plant, Property and Equipment

The depreciable amount of PP&E (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Fixed Assets	Useful life considered March, 2021	Useful life considered March, 2020	Useful life considered March, 2019
Building	30 Years	30 Years	30 Years
Vehicles	8 Years	8 Years	8 Years
Computers	6 Years	6 Years	6 Years
Laptop	3 Years	3 Years	3 Years

#### De-recognition

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to statement of profit or loss.

#### **C.4 Revenue recognition**

The Company derives revenue primarily from rendering services related to hotel, restaurant, banquets etc. by providing accommodation and food to the guests.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied

#### Other revenues

Other revenue majorly comprises of rental income, scrap revenue which is recognized when the right to receive the income is established as per the terms of contract.

#### Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

#### **C.5 Employee Benefits**

##### **Short-term employee benefits**

A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

##### **Defined Benefit Plans and Defined Contribution Plans**

As informed by the management, the number of employees are less than 10, hence no adjustment has been done w.r.t. defined benefit plans and defined contribution plans as per the provisions of AS-15 in the

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restated financial statement for the financial year 2018-19, 2019-20 and 2020-21.

## **2.6 Financial assets, financial liabilities**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Trade receivables

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e., expected cash shortfall based on the management decision.

### Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### De-recognition of financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

### Financial liabilities and equity instruments

#### Classification as debt or equity

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as a part of cost of an asset is included in the "Finance Costs".

The interest method used to capitalize the interest expense charged on loan from related party is based on the proportion of capital expenditure done during the quarter along with the incremental loan increased during the year. The management has referred the para 11 to 14 of Ind AS 23, the effective rate of method provided in para 14 of Ind AS 23 was not feasible in the case of Aruna Hotels Limited as the repayment of interest and loan instalment will start as and when the operations will start. Hence, based on the best judgement by the management proportionate method is used.

This Secured Borrowings consists of Secondary Mortgage on Building owned by the Company. The Primary Mortgage is held by HDFC Bank Ltd.

### De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **C.7 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### **C.8 Provisions, Contingent Assets and Contingent Liabilities**

#### **Provisions:**

The company recognizes a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

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**Contingent Assets:**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

**Contingent Liabilities:**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses contingent liabilities in note no. 19 of Annexure VII to Restated Financial Information.

**C.9 Earnings per Share**

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

**Ordinary Shares**

Ordinary Shares are classified as equity share capital. Incremental costs directly attributable to the issuance of the new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

**Description of reserves****Retained earnings.**

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

**Securities Premium**

The amount received in excess of the par value of the equity shares has been classified as securities premium.

**Capital redemption reserve.**

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

**Revaluation Reserve**

Revaluation Reserve is the upward or downward adjustment of the value of the asset, done depending on the material changes in the value of the asset. This reserve will not be available for distribution of dividend to shareholders.

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## **D Significant Judgements and Key sources of Estimation in applying Accounting Policies.**

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the Restated Financial Information is included in the following notes:

### **Recognition of Deferred Tax Assets:**

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

### **Useful lives of depreciable/ amortizable assets (tangible and intangible):**

The Company reviews the useful life of property, plant, and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### **Provisions and Contingencies:**

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

### **Borrowing Costs**

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. An entity shall capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. An entity shall recognise other borrowing costs as an expense in the period in which it incurs them. Specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset have been capitalised. General borrowing costs that are attributable to the construction of a qualifying asset have been capitalized using proportionate method which is subject to management judgment.

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Annexure VI: Statement of adjustments to audited financial statements				
1.Reconciliation of Profit (Loss) /total comprehensive income as per audited financial statements with total comprehensive income as per restated financial information				
Particulars	Note No. of Annex VII	(Rs in lakhs)	(Rs in lakhs)	(Rs in lakhs)
		March 31,2021 (Audited)	March 31,2020 (Audited)	March 31,2019 (Audited)
Prepared as per		Ind AS	Ind AS	Ind AS
<b>Loss (including other comprehensive income)</b>		<b>(1,007.96)</b>	<b>(788.57)</b>	<b>(1,814.46)</b>
<b>Material adjustment on account of restatement</b>				
<b>Audit qualification:</b> Deffered Tax asset written off (Difference in WDV as per Companies Act and Income Tax Act (For FY 2015-16 to FY 2017-18)(As calculated under restated financials per the SEBI Guidelines for the Rights Issue)	18(b)		-	(835.15)
<b>Total Adjustments</b>		-	-	<b>(835.15)</b>
<b>Restated total comprehensive income</b>		<b>(1,007.96)</b>	<b>(788.57)</b>	<b>(979.31)</b>
<b>2.Reconciliation of total equity as per audited financial statements with total equity as per restated financial information</b>				
Particulars	Note No. of Annex VII	(Rs in lakhs)	(Rs in lakhs)	(Rs in lakhs)
		March 31,2021 (Audited)	March 31,2020 (Audited)	March 31,2019 (Audited)
<b>Total Equity as per audited financial statements</b>		<b>611.38</b>	<b>1,713.53</b>	<b>2,596.29</b>
Effect of:				
<b>Ind AS adjustments:</b>				
Revaluation surplus	18(b)	8,144.30	8,238.53	8,332.69
<b>Total Adjustments</b>		<b>8,144.30</b>	<b>8,238.53</b>	<b>8,332.69</b>
<b>Total Equity under Ind AS</b>		<b>(7,532.92)</b>	<b>(6,525.01)</b>	<b>(5,736.40)</b>

V. Iram



## ARUNA HOTELS LIMITED

## Annexure VII: Notes to restated financial information

I. Property, plant and equipment							
(Rs in lakhs)							
Asset Category	Freehold Land	Building	Vehicles	Computers/Laptops	Total	Capital work in progress	
<b>At March 31,2019</b>	772.52	2,287.62	24.16	2.73	3,087.03	1,193.96	
Additions	-	-	-	-	-	1,653.43	
Disposals	-	-	-	-	-	-	
Reserve	-	-	-	-	-	-	
<b>At March 31,2020</b>	772.52	2,287.62	24.16	2.73	3,087.03	2,847.39	
Additions	-	-	-	-	-	1,246.10	
Disposals	-	-	-	-	-	-	
Reserve	-	-	-	-	-	-	
<b>At March 31 ,2021</b>	772.52	2,287.62	24.16	2.73	3,087.03	4,093.49	
<b>Depreciation</b>							
<b>At March 31,2019</b>	-	1,202.24	16.76	2.74	1,221.73	-	
Additions	-	76.78	2.81	-	79.60	-	
Disposals	-	-	-	-	-	-	
Adjusted against reserves	-	-	-	-	-	-	
<b>At March 31,2020</b>	-	1,279.02	19.57	2.74	1,301.33	-	
Additions	-	76.78	1.69	-	78.47	-	
Disposals	-	-	-	-	-	-	
Adjusted against reserves	-	-	-	-	-	-	
<b>At March 31 ,2021</b>	-	1,355.80	21.26	2.74	1,379.80	-	
<b>Net Block</b>							
At March 31,2019	772.52	1,085.38	7.40	-	1,865.30	1,193.96	
At March 31,2020	772.52	1,008.60	4.59	-	1,785.71	2,847.39	
At March 31 ,2021	772.52	931.82	2.90	-	1,707.24	4,093.49	

V. Miram



**Details of Capital Work in Progress as on March 31,2021**

(Rs in Lakhs)

<b>Name of the Party</b>	<b>Amount till Mar'21</b>
Altech	11.30
Code	1,325.17
Bureau Veritas	11.21
Disha Interiors P Ltd	14.80
Drapes & Dreams	0.65
Ecolandscapers	0.20
Exelan Networking Tchn P Ltd	20.10
Forma Electical P Ltd	0.30
Gladiance Automation P Ltd	26.78
IDS Next Business solutions P Ltd	4.94
JEPL Projects and altech	23.79
Johnson Lifts Pvt Ltd	40.27
J.S. Traders	15.00
K. Thangaiya Bore Wells	5.09
Kaiyaan	0.25
Karthikeyan Associate	0.89
Kiruthika Enterprises	86.46
Klen Laundroworks	33.51
Light Scape	0.13
Mantac Engineers	36.76
Ode Furnishings	1.86
Parklayer P Ltd	10.80
POM Engineers	169.74
RK Plumbing	0.69
Sans Key Technologies I Pvt Ltd	13.22
Satco Traders	1.35
Season Control Private Ltd	241.96
Show Lights	0.40
Siddharth Enterprises	12.75
Sree Ram Engineers	423.55
Task Master Construction & Consultancy Se	155.86
Transform	98.11
Unimech Systems India P Ltd	105.05
Voltamp Transformers Limited	20.53
Mustafa M	2.48
Interest related to CWIP	1,177.54
<b>Total</b>	<b>4,093.49</b>

V. Iram





## 2. Financial Assets-Non Current

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
<b>Security Deposit</b>			
MES Deposit	14.14	14.14	14.14
Electricity Deposit	5.16	-	-
BSNL Deposit	0.01	0.01	0.01
	<b>19.31</b>	<b>14.15</b>	<b>14.15</b>
<b>Other</b>			
PNB Deposit with Court*	13.79	12.94	12.07
<b>Total</b>	<b>33.10</b>	<b>27.08</b>	<b>26.22</b>

\*Deposits in PNB A/c are Lien Marked against Court Case. This Fixed Deposits was shown under cash and cash equivalents in FY'20 and F'19 but in FY'21 it was moved to non-current financial asset - as it is expected to be realized after 12 months from the end of the reporting period. Hence, reclassified in FY'19 and FY'2 as well.

## 3. Deferred tax asset/Deferred tax liability

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
<b>Opening Balance</b>			
<b>Deferred tax liability</b>	(1,120.99)	(978.82)	(829.09)
Difference in WDV as per Companies Act and Income Tax Act	(133.67)	(142.17)	(149.73)
<b>Deferred tax asset/(liability) charged through profit &amp; loss account</b>	<b>(133.67)</b>	<b>(142.17)</b>	<b>(149.73)</b>
<b>Closing Balance of deferred tax asset/(liab</b>	<b>(1,254.66)</b>	<b>(1,120.99)</b>	<b>(978.82)</b>

## 4. Other Non-Current Assets

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Yessir Holdings and Investments Private	360.69	360.69	360.69
<b>Total</b>	<b>360.69</b>	<b>360.69</b>	<b>360.69</b>

^A petition was filed for a matter of Arbitration Award dated 28.04.2014 by M/s Southern Agrifurane Industries Private Limited (Petitioner) against M/s Yessir Holdings and Investments Private Limited (1st Respondent), M/s Aruna Hotels Limited (2nd Respondent) and Hon'ble Mr Justice K.P. Sivasubramanian(3rd Respondent) in the High Court of Madras (O.P No. 387 of 2014). The Petitioner and 2nd Respondent have agreed to a memorandum of compromise as on 23rd January 2019. As per the memorandum of compromise, M/s Aruna Hotels Limited will pay Rs 4,44,76,575/- in eight equal installment of Rs 55,59,572/- to M/s Southern Agrifurane Industries Limited ( Installment payment commenced from 21.01.2019 till 21.08.2019). Out of the total amount paid, Rs 3,60,69,041/- is paid by M/s Aruna Hotels Limited on behalf of M/s Yessir Holdings Investments Private Limited, which will be later recovered from M/s Yessir Holdings and Investments Private Limited together with interest in accordance with law.



V. Jirram

## 5. Financial Assets-Current

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
<b>Trade Receivables</b>			
Trade receivables outstanding for a period not exceeding six months-unsecured	36.39	-	-
<b>Total</b>	<b>36.39</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents</b>			
Cash on hand	0.07	0.31	0.22
<b>Balance with banks</b>			
-in current accounts	26.13	21.08	218.85
<b>Total</b>	<b>26.20</b>	<b>21.39</b>	<b>219.08</b>

## 6. Other Current Assets

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
TDS Receivable	0.09	2.39	2.47
GST Input Credit	17.64	17.76	137.88
Other Current Assets*	387.40	323.64	13.58
<b>Total</b>	<b>405.13</b>	<b>343.78</b>	<b>153.93</b>
*Other Current Assets consists of rent receivable and advances given to suppliers			



V. Niram

## 7. Equity Share Capital

Particulars	As at March 31, 2021 (Audited)		As at March 31, 2020 (Audited)		As at March 31, 2019 (Audited)	
	Nos.	Amount (Rs in Lakhs)	Nos.	Amount (Rs in Lakhs)	Nos.	Amount (Rs in Lakhs)
<b>Authorised</b>						
Equity Share of Rs 10 each	6,70,00,000.00	6,700.00	6,70,00,000.00	6,700.00	6,70,00,000	6,700.00
Cumulative Redeemable Preference Shares of Rs 100	8,00,000.00	800.00	8,00,000.00	800.00	8,00,000	800.00
<b>Total</b>	<b>6,78,00,000.00</b>	<b>7,500.00</b>	<b>6,78,00,000.00</b>	<b>7,500.00</b>	<b>6,78,00,000</b>	<b>7,500.00</b>
<b>Issued, subscribed &amp; fully paid up</b>						
Equity shares of Rs. 10 each, fully paid up with voting rights, including 6,90,000 shares of Rs. 10/- each allotted as Bonus Share	90,00,000.00	900.00	90,00,000.00	900.00	90,00,000	900.00
Less: Calls in arrears						
<b>Total paid up equity shares</b>	<b>90,00,000.00</b>	<b>900.00</b>	<b>90,00,000.00</b>	<b>900.00</b>	<b>90,00,000</b>	<b>900.00</b>
14% Redeemable Cumulative Taxable Preference Share of Rs. 100/- each	60,000.00	60.00	60,000.00	60.00	60000	60.00
17.5% Redeemable Cumulative Preference Taxable Preference Shares of Rs. 100/- each	50,000.00	50.00	50,000.00	50.00	50000	50.00
16.5% Redeemable Cumulative Taxable Preference Shares of Rs. 100/- each	2,00,000.00	200.00	2,00,000.00	200.00	200000	200.00
<b>Total paid up preference shares</b>	<b>3,10,000.00</b>	<b>310.00</b>	<b>3,10,000.00</b>	<b>310.00</b>	<b>3,10,000</b>	<b>310.00</b>
<b>Total paid up share capital</b>	<b>1,210.00</b>	<b>1,210.00</b>	<b>1,210.00</b>	<b>1,210.00</b>	<b>1,210.00</b>	<b>1,210.00</b>
The Movement of equity shares is as below:						
<b>Particulars</b>	<b>Nos.</b>	<b>Amount</b>	<b>Nos.</b>	<b>Amount</b>	<b>Nos.</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	90,00,000.00	900.00	90,00,000.00	900.00	90,00,000	900.00
Shares issued during the year			-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>90,00,000.00</b>	<b>900.00</b>	<b>90,00,000.00</b>	<b>900.00</b>	<b>90,00,000</b>	<b>900.00</b>

V. Srinam



**Notes:**

- i. Preference shares, which have fallen due for redemption long ago could not be redeemed due to inadequate profits and non issuance of additional shares and not created preference share redemption reserve due to inadequate profits.
- ii. The 17.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of ten years from the date of issue. Earliest redemption month is July 2003.
- iii. The 16.5% Redeemable cumulative taxable preference shares are redeemable at par any time after the date of issue but before the expiry of 15 months from the date of issue. Earliest redemption month is March 97.
- iv. There are no special rights or preferences and restrictions attached to any class of shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.
- v. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

**Details of equity shareholders holding more than 5% shares in the company**

Name of the equity shareholder	As at March 31, 2021 (Audited)		As at March 31, 2020 (Audited)		As at March 31, 2019 (Audited)	
	No. of the shares held	% of the holding	No. of the shares held	% of the holding	No. of the shares held	% of the holding
Mr. Kamal Babbar	12,16,500.00	13.5%	12,16,500.00	13.5%	12,16,500	13.5%
Subasri Realty Private Limited	16,85,539.00	18.7%	16,85,539.00	18.7%	16,85,539	18.7%
Gay Travels Private Limited	5,91,506.00	6.6%	5,91,506.00	6.6%	5,91,506	6.6%

For the period of three years immediately preceding the balance sheet date:

- i. Nil shares were reserved for issuance towards outstanding employee stock options granted / available for grant, towards outstanding share warrants and towards convertible shares.
- ii. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 3 years immediately preceding the Balance Sheet date is Nil.
- iii. Forfeited share is Nil.

V. Iram



## 8. Financial liabilities-Non-current

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
<b>Borrowings</b>			
Term Loan from Banks-Secured(Net of Loan Processing Fee of Rs 2065000/-)	2,881.57	2,604.35	2,729.35
Loans from related parties-Secured#	5,003.44	5,003.44	5,003.44
Loans from related parties-Unsecured	2,593.61	1,621.06	21.06
<b>Total</b>	<b>10,478.62</b>	<b>9,228.85</b>	<b>7,753.85</b>

#This secured borrowings consists of secondary mortgage on building owned by the company. The primary mortgage is held by HDFC Bank Ltd.

## Details of term loan taken from HDFC Bank

Loan 1	
Year in which Loan was Sanction	FY 2018-19
Type of Loan	Term Loan
Amount Sanctioned	Rs 350000000
Amount Disbursed	Rs 350000000
	7 Years including a moratorium of 1 year repayable in 24 equal quarterly installments
Rate of Interest	10.75% linked to 1 year MCLR with Annual reset
Interest payment frequency	Interest shall be payable monthly on the first day of subsequent month.
Interest calculation method	Interest will be calculated on 365 days in respect of rupee loans/ credit facilities.
Security	1. Commercial Property ( Primary Security)
	2. Personal Guarantee of Mr S Balasubramanian Adityan (Secondary Collateral)
	3. Exclusive charge on FD of Rs 250 Lakhs from Gay Travels Pvt Limited towards debt reserve.

Loan 2:	
Type of Loan	Working Capital Term Loan under ECGLS
Amount Sanctioned	6,40,00,000.00
Amount Disbursed	6,40,00,000.00
Tenure of Repayment	48
Rate of Interest	8.25% p.a
Interest Payment Frequency	Monthly service
Interest calculation method	Floating Rate
	Extension of second ranking charge over existing primary and collateral securities including mortgage created in favour of the bank.
Security	



V. Aniram

Our Promoter Group Companies, Malar Publications Private Limited, Subsari Realty Private Limited, Rani Printers Private Limited and Gay Travels Private Limited have extended inter-corporate loans to our Company. After obtaining the prior consent of HDFC Bank Limited vide its no objection certificate dated January 02, 2019, these Promoter Group Companies have created a second charge on the above mentioned properties to secure the inter-corporate loans extended by them to our Company.

## # Details of related parties loan

Sr. No.	Name of the Lender	Relationship with Company	Relationship with Company	Amount Sanctioned		Amount Outstanding as on March 31, 2021(excluding interest)		Remarks
				Secured(in Rs Lakhs)	Unsecured(in Rs Lakhs)	Secured(in Rs Lakhs)	Unsecured(in Rs Lakhs)	
1	Gay Travels Private Limited	Shareholder of the company	Promoter	2,380.44	2,119.56	2,380.44	1,660.72	company is liable to pay interest @ 12% p.a. till the date of
2	Rani Printers Private Limited	Shareholder of the company	Promoter	500.00	-	500.00	-	
3	Malar Publication Private Limited	Common Promoter	Promoter	853.00	1,147.00	853.00	491.89	
4	Subasri Realty Private Limited	Shareholder of the company	Promoter	1,270.00	730.00	1,270.00	351.00	
5	Sivels Holdings Private Limited	Shareholder of the company	Promoter	-	200.00	-	90.00	
	Sub-Total			5,003.44	4,196.56	5,003.44	2,593.61	
	Total unsecured loan				9,200.00		7,597.05	



V. Iram

## 9. Financial liabilities-Current

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Sundry Creditors	28.13	33.75	31.38
MSME Creditors	29.44	34.36	-
Interest Accrued yet to be paid	1,695.02	807.75	173.55
Term Loan -Current#	654.45	583.33	250.00
<b>Total</b>	<b>2,407.04</b>	<b>1,459.20</b>	<b>454.93</b>

# It consists of amount of term loan to be repayable in next twelve months

^ Details of interest accrued yet to be paid as on 31 March 2021:

Party Name	Amount Due as on March 31,2021	Period for which it is pending
Gay Travels Private Limited-Old Loan	173.17	FY 2018-19 & upto Mar FY 2020-21
Malar Publications Private Limited	357.11	FY 2018-19 & upto Mar FY 2020-21
Gay Travels Private Limited-New Loan	628.86	FY 2018-19 & upto Mar FY 2020-21
Rani Printers Private Limited	120.16	FY 2018-19 & upto Mar FY 2020-21
Subasri Realty Private Limited	349.43	FY 2018-19 & upto Mar FY 2020-21
Sivels Holdings Private Limited	10.80	FY 2018-19 & upto Mar FY 2020-21
HDFC Term Loan	55.49	From 16 March 2021 to 31 March 2021
<b>Total</b>	<b>1,695.02</b>	

## MSME creditors balance as on 31st March 2021

Party name	Amount Due as on March 31,2021
Season Control P Ltd	5.86
Sreeram engineers	23.58
<b>Total</b>	<b>29.44</b>

## 10(a).Other current liabilities

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Statutory Liabilities	0.61	1.26	8.28
Other Payables	20.38	85.33	344.28
<b>Total</b>	<b>20.99</b>	<b>86.59</b>	<b>352.56</b>

## 10(b).Other Non current liabilities

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Bharathi Kurunthachallam & A Sunil Reddy	15.42	15.42	15.42
Culinary Ocean Hospitality LLP	18.42		
<b>Total</b>	<b>33.84</b>	<b>15.42</b>	<b>15.42</b>

## 11. Income

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Sale of services	-	-	-
Rental Income*	-	5.79	7.71
Creditors/Liability Written Back^	-	1.27	63.05
Other Operating Revenue	30.84	-	-
Other Income**	1.93	3.44	11.84
<b>Total Income</b>	<b>32.77</b>	<b>10.48</b>	<b>82.60</b>

\* Rental Income and interest on FD is recurring in nature.

^ Creditors/Liability written back is non-recurring in nature.

#Other income mainly consists of interest income on FD.

## 12. Employee benefit expenses

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Salaries, Wages, and Bonus (excluding Directors)	33.17	36.70	25.74
Director remuneration	4.09	-	-
Payment of disputed arrears of employee due*	135.00	-	-
Exgratia	-	0.53	0.51
<b>Total</b>	<b>172.27</b>	<b>37.23</b>	<b>26.25</b>

V. Aniram



\*A Company Petition (CP/597/(IB)/CB/2017) was filed under section 9 of the I&B Code by Mr. N. Subramanian against the Company before the NCLT, Chennai Bench for claiming an arrears of salary dues since the year 1998 till his retirement in 2013. As per the demand notice dated June 29, 2017 issued under section 8(1) of the I&B Code, an amount of Rs. 1,87,75,631/-has been claimed by Mr. Subramanian from the Company. By an order dated November 17, 2017, the NCLT had admitted the petition and ordered inter alia the commencement of corporate insolvency resolution process of the Company and appointed Mr. Venkatramanrao Nagarajan as the Insolvency Resolution Professional. Being aggrieved by the said order passed by NCLT, Subasri Realty Private Limited had, as shareholder of the Company, filed an appeal (Company Appeal (AT) Insolvency No. 290 of 2017) before the NCLAT, New Delhi. By an order dated July 16, 2018, NCLAT has set aside the NCLT's order dated November 17, 2017 on the ground that there is an existence of dispute about arrears of salary. The said Mr. Subramanian has filed a civil appeal (C.A. No. 000187 of 2019) under section 62 of I&B Code before the Hon'ble Supreme Court of India challenging the final judgment and order passed by the Ld. NCLAT in CA (AT) (Insolvency) No. 290 of 2017 dated July 16, 2018. The matter is currently agreed with a settlement of Rs. 1.35 crores payable by the company as a full and final settlement and has been paid before the end of the reporting period.

### 13. Depreciation & amortization expense

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Depreciation on property, plant and equipment	78.47	79.60	80.11
<b>Total</b>	<b>78.47</b>	<b>79.60</b>	<b>80.11</b>

### 14. Other expenses

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Power and Fuel Expenses			
- Electricity charges	39.59	50.79	59.72
Repairs and Maintenance			
- Others	0.01	2.83	0.43
Annual Maintenance Charges	0.11	0.23	1.36
Insurance	1.16	1.21	1.46
Interest & penalties	-	6.77	-
Meeting expenses	-	-	0.04
Advertisement expenses	0.69	2.73	2.75
Postage	0.05	0.68	17.36
Printing and Stationery	0.37	0.24	2.36
Annual Connectivity, Custody & Listing Charges	5.15	0.82	1.38
Share evoting charges	0.69	0.64	0.64
AGM expenses	-	6.65	1.10
Water Charges	0.09	-	-
Office and Miscellaneous expenses	0.72	1.08	1.69
Bad Debts	0.68	-	-
Consulting Charges	-	-	0.25
Security Expenses	5.06	7.02	7.21
Freight, conveyance and transport expenses	0.12	1.02	9.27
Fee and taxes	22.10	21.16	27.32
Professional charges	40.96	20.66	37.59
Reversal of liabilities earlier written off	15.89	10.00	187.09
Payment to auditors (Statutory Audit Fees)*	2.50	2.50	2.50
<b>Total</b>	<b>135.94</b>	<b>137.01</b>	<b>361.53</b>
*Excluding GST			

### 15. Finance costs

Particulars	As at	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
	(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
Interest on term loan		-	203.07
Interest on Others*	520.39	402.89	240.94
Bank charges	0.01	0.17	0.28
<b>Total</b>	<b>520.40</b>	<b>403.06</b>	<b>444.29</b>

\* Interest to others refers to interest payable towards loan from related parties

V. M. Ram





## 16. Related party disclosures

S.No	Nature of Relationship	31-03-2021	31-03-2020	31-03-2019
A	Other related parties			
1	Key Management Personnel	R.Muralidharan Director Rajakumar Director MS David Managing Director Freeda Ganaselvam Director N.Suyumbhu Director Nagaraj P CFO Lakshmi K Company secretary (W.e.f 30th June 2020)	R.Muralidharan Director Rajakumar Director MS David Managing Director Freeda Ganaselvam Director N.Suyumbhu Director Nagaraj P CFO Ajay Shukla Company secretary Lakshmi K Company secretary (W.e.f 30th June 2020)	R.Muralidharan Director Rajakumar Director MS David Managing Director Freeda Ganaselvam Director N.Suyumbhu Director Nagaraj P CFO Ajay Shukla Company secretary -
2	Shareholder of the company/Promoter Group	Gay Travels Private Limited (Promoter Group) Rani Printers Private Limited (Promoter Group) Subasri Realty Private Limited (Promoter Group)	Gay Travels Private Limited (Promoter Group) Rani Printers Private Limited (Promoter Group) Subasri Realty Private Limited (Promoter Group)	Gay Travels Private Limited (Promoter Group) Rani Printers Private Limited (Promoter Group) Subasri Realty Private Limited (Promoter Group)
3	Company with common shareholder/promoter	Sivanthi Farms Private Limited India Cabs Private Limited Sivels Holdings Private Limited The Indian Newspaper Society Educational Trustee Co Private Limited The India Cements Limited Metronation Chennai Television Private Limited Rani Syndicate Private Limited Daily Thanthi Private Limited Subasri Realty Private Limited Rukmani Publications Private Limited Gay Travels Private Limited Malar Publications Private Limited	Sivanthi Farms Private Limited India Cabs Private Limited Sivels Holdings Private Limited The Indian Newspaper Society Educational Trustee Co Private Limited The India Cements Limited Metronation Chennai Television Private Limited Rani Syndicate Private Limited Daily Thanthi Private Limited Subasri Realty Private Limited Rukmani Publications Private Limited Gay Travels Private Limited Malar Publications Private Limited	Sivanthi Farms Private Limited India Cabs Private Limited Sivels Holdings Private Limited The Indian Newspaper Society Educational Trustee Co Private Limited The India Cements Limited Metronation Chennai Television Private Limited Rani Syndicate Private Limited Daily Thanthi Private Limited Subasri Realty Private Limited Rukmani Publications Private Limited Gay Travels Private Limited Malar Publications Private Limited



V. Aniram

**B. Related Party transactions and balances-summary**

Transaction during the year ended	Nature of the Relationship	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
Remuneration to Key Management Personnel	Key Management Personnel	12.59	10.35	10.31
Remuneration Payable	Key Management Personnel	1.52	0.86	0.79
Trade Payables	Shareholder of the company	6.05	6.05	7.41
Borrowings	Shareholder of the company	4,041.17	3,401.17	2,446.17
Borrowings	Shareholder of the company	500.00	500.00	500.00
Borrowings	Company with common shareholder/promoter	1,344.89	1,147.34	797.34
Borrowings	Shareholder of the company	1,621.00	1,486.00	1,281.00
Borrowings	Shareholder of the company	90.00	90.00	
Interest accrued yet to be paid	Shareholder of the company	802.03	114.23	55.13
Interest accrued yet to be paid	Company with common shareholder/promoter	357.11	210.75	104.73
Interest accrued yet to be paid	Shareholder of the company	120.16	60.16	-
Interest accrued yet to be paid	Shareholder of the company	349.43	170.67	-
Interest accrued yet to be paid	Shareholder of the company	10.80	-	
<b>Total</b>		<b>9,256.74</b>	<b>7,197.58</b>	<b>5,202.88</b>

V. Aniram



## C. Significant related party transactions and balances

Transaction during the year ended	Nature of Relationship	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
<b>Remuneration to Key Management Personnel</b>				
<i>CFO</i>	Key Management Personnel	3.69	3.66	3.65
<i>Company Secretary</i>	Key Management Personnel	4.81	6.69	6.66
<i>Managing Director**</i>	Key Management Personnel	4.09	-	-
<b>Remuneration Payable</b>				
<i>Company Secretary</i>	Key Management Personnel	0.55	0.56	0.51
<i>CFO</i>	Key Management Personnel	0.33	0.30	0.28
<i>Managing Director**</i>	Key Management Personnel	0.64	-	-
<b>Trade Payables</b>				
<i>GAY TRAVELS PRIVATE LIMITED</i>	Shareholder of the company	6.05	6.05	7.41
<b>Borrowings</b>				
<i>GAY TRAVELS PRIVATE LIMITED</i>	Shareholder of the company	4,041.17	3,401.17	2,446.17
<i>RANI PRINETRS PRIVATE LIMITED</i>	Shareholder of the company	500.00	500.00	500.00
<i>MALAR PUBLICATIONS PRIVATE LIMITED</i>	Company with common shareholder/promoter	1,344.89	1,147.34	797.34
<i>SUBASRI REALTY PRIVATE LIMITED</i>	Shareholder of the company	1,621.00	1,486.00	1,281.00
<i>SIVELS HOLDINGS PRIVATE LIMITED</i>	Shareholder of the company	90.00	90.00	-
<b>Interest accrued yet to be paid</b>				
<i>GAY TRAVELS PRIVATE LIMITED</i>	Shareholder of the company	802.03	114.23	55.13
<i>MALAR PUBLICATIONS PRIVATE LIMITED</i>	Company with common shareholder/promoter	357.11	210.75	104.73
<i>RANI PRINETRS PRIVATE LIMITED</i>	Shareholder of the company	120.16	60.16	-
<i>SUBASRI REALTY PRIVATE LIMITED</i>	Shareholder of the company	349.43	170.67	-
<i>SIVELS HOLDINGS PRIVATE LIMITED</i>	Shareholder of the company	10.80	-	-
<b>Total</b>		<b>9,256.74</b>	<b>7,197.58</b>	<b>5,202.88</b>

\*Managing Directors remuneration has also been disclosed under KMP's from FY 20-21

V. Aniram



**17. Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. As on 31st March 2021, there were following contingent liabilities of the company.

S.no	Particulars	Description	Outstanding dues
	<b>Taxation</b>		
1	Direct Tax	payment and short deduction of Rs.4,08,109.49/-. Also for the above, there are interest of Rs.53,320/- under section 201 of the Income Tax Act, 1961 and interest under section 220(2) of the said Act amounting to Rs.240/-. Along with the above there is also a late filing fees under section 234E of Rs.39,000/-. The reason for the above demands are	Total amount is Rs.5,00,669.49
		Income Tax notice received for AY 2012-13 & AY 2013-14. Outstanding dues being Rs 2,73,32,590/- for AY 2012-13 and Rs 2,38,31,782/- for AY 2013-14 against which appeal has been filed to the ITAT Chennai and outcome is pending. Since the losses available for set off are more than the income proposed to be added by the Department, even if the company loses the appeal there would be no tax liability.	Total amount is Rs.5,11,64,372.00
2	Civil	A labour dispute (ID No. 261 of 2007) is pending against the Company before the Labour Court, Chennai which has been filed by one Mr. N. Babu under the Industrial Disputes Act, 1947, who was working as a house keeper from 1998 to May 2004 in the Hotel. In the said labour dispute, Mr. Babu has prayed inter alia that he be reinstated in the Hotel with previous salary, work continuity and all other allowances as may be applicable to the Hotel. The matter is currently pending before the Labour Court, Chennai.	

**18. Explanations to the material adjustments made between Restated and Audited Financials**

- Amount written off/written back: - Company has written off / written back some liabilities or provision which were excess provided in the previous years and become non-payable in the subsequent years, similarly company has given some advances or created some recoverable assets which also become non-receivable / non-recoverable in the subsequent year, such income / expenses have been restated in the respective year, in which such liabilities/provision were originally created and advances originally given.
- Reclassification: Assets / liabilities which do not meet the definition of financial asset / financial liability under IND AS have been reclassified to other asset / liability.

**19. Preference Shares Disclosures and Dividend Provisions:**

The company had issued preference share in earlier years and were not redeemed in the year in which it has to be redeemed, because it had no profits, nor could it make any fresh issue of shares. The financial statement of the company still shows preference shares as part of equity, which is deviation from the provisions of Ind AS.

In restated financial information, the company has not provided any provision for the dividend on the preference shares, which is a deviation from the provisions of Ind AS. As the company wants settle the agreement with each shareholder individually, no liability for the same has been created.

**Annexure VIII: Restated statement of Dividend paid**

During the year ended as on 31 March 2021 and preceeding three years the company has not distributed any dividends as the company was making losses and in FY 14-15 the company shuts its operations as well.

V. Miram



## Annexure IX: Restated Statement of Capitalisation

(Rs in lakhs)

Particulars	As at March 31,2021	After the Issue
<b>Borrowings</b>		
Current borrowings*	2,349.47	2,349.47
Non-current borrowings# (A)	10,478.62	8,428.62
<b>Total borrowings (B)</b>	<b>12,828.09</b>	<b>10,778.09</b>
<b>Equity</b>		
Equity share capital	1,210.00	3,700.00
Other equity	(8,742.92)	(8,742.92)
<b>Total Equity (C)</b>	<b>(7,532.92)</b>	<b>(5,042.92)</b>
Long-Term Debt/Equity ratio (A/C)	(1.39)	(1.67)
Total Debt/Equity ratio (B/C)	(1.70)	(2.14)

\* Current borrowings includes - current maturity of long term debts and interest accrued on Term loan from banks and related parties

# The term loan is net off loan processing fees.

## Annexure X: Restated Statement of Accounting Ratios

Particulars	Year ended		
	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
Net worth as at the end of the year	(7,532.92)	(6,525.01)	(5,736.40)
Net worth as at the end of the year excl revaluation reserve (A)	(7,532.92)	(6,525.01)	(5,736.40)
Net Profit/(Loss) after tax, as restated available for equity shareholders (B)	(1,007.96)	(788.57)	(979.31)
Weighted Average number of equity shares outstanding during the year			
For basic earnings per share (C)	90,00,000.00	90,00,000.00	90,00,000.00
For diluted earnings per share (D)	90,00,000.00	90,00,000.00	90,00,000.00
Earnings per share of Rs 10/- each			
Basic (Rs) (E=B/C)	(11.20)	(8.76)	(10.88)
Diluted (Rs) (F=B/D)	(11.20)	(8.76)	(10.88)
Return on net worth (G=B/A)	-13%	-12%	-17%
Weighted average number of shares outstanding during the year (H)	90,00,000.00	90,00,000.00	90,00,000.00
Net Assets value per share of Rs 10 each (I=A/H)	(83.70)	(72.50)	(63.74)
Face Value (Rs.)	10.00	10.00	10.00
EBITDA (Rs.) {includes other income & liability written back}	(275.43)	(163.74)	(305.18)
EBITDA (Rs.) {excluding other income & liability written back}	(277.36)	(174.24)	(387.78)

Note:

1. The above ratios are calculated as under:

- Basic earnings per share= Net profit attributable to equity shareholders/ weighted average number of shares outstanding during the year
- Diluted earnings per share=Net profit attributable to equity shareholders/weighted average number of diluted potential shares outstanding during the year
- Return on net worth (%)=Net profit attributable to equity shareholders /Net worth as at the end of the year
- Net asset value (Rs.)=Net worth/Number of equity shares as at the end of the year
- EBITDA(Rs)= Net Profit before Tax+Depreciation+Interest

2. The figures are disclosed above are based on the restated financial information.

3. Earnings per share (EPS) calculation is in accordance with Indian Accounting standard (Ind AS 33-Earnings per share) prescribed by the Companies Act, 2013.

4. Bank Charges and loan processing charges are considered as part of other expenses for the calculation of EBITDA.

V. Sri Ram



## Annexure XI: Summary Statement of Tax Shelter

Reconciliation of taxable income and book profits

S.No	Particulars	For the year ended		
		31-03-2021	31-03-2020	31-03-2019
		(Rs in Lakhs)	(Rs in Lakhs)	(Rs in Lakhs)
A	Restated profit (loss) before taxes	(874.30)	(646.40)	(829.58)
B	Statutory tax Rate (%)	25%	25%	25%
C	Tax at statutory rate	(218.57)	(161.60)	(207.40)
D	<u>Adjustment of permanent difference:</u>			
	Write off of Old Asset Accounts (other than Fixed Assets)	-	-	-
E	<u>Adjustment of timing difference:</u>			
F	Net Adjustments (D+E)	-	-	-
G	Tax expense (savings) thereon (F*B)	-	-	-
H	Current (tax losses)/tax profits (C+G)	(218.57)	(161.60)	(207.40)
I	Adjusted against brought forward losses	-	-	-
J	Current (tax losses)/tax profits (H-I)	(218.57)	(161.60)	(207.40)

## Annexure XII : Statement of Material Fraud

There are no material frauds that have been committed by or against the company in the last three years

For Bala & Co  
Chartered Accountants  
Firm Registration No.: 0003188

V Srinam  
Srinam Visvanathan  
Partner  
Membership No : 216203  
UDIN: 21216203.AAAAFE6709

Place: Chennai  
Date: 16.07.2021



For and on behalf of the Board

*R. Muralidharan*  
R Muralidharan  
Director  
DIN : 07092976

*MS David*  
MS David  
Managing Director  
DIN : 08539011

*Nagaraj P*  
Nagaraj P  
Chief Financial Officer

*Lakshmi K*  
Lakshmi K  
Company Secretary



**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH, CHENNAI**

**CP/597/(IB)/CB/2017**

Under Section 9 of the Insolvency and Bankruptcy Code 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

In the matter of

**Mr. N.Subramanian (Petitioner/Operational Creditor)**

Vs

**M/s. Aruna Hotels Limited (Respondent/Corporate Debtor)**

Order delivered on 17<sup>th</sup> November, 2017

CORUM


CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)  
S.VIJAYARAGHAVAN, MEMBER (TECHNICAL)

*For Operational Creditor (s): Mr. S. Prakash for  
M/s. T. S. Vijaya Raghavan Counsel*

*For Corporate Debtor(s) : Ms. D. Revathi Karthick and  
Mr. Sai Vihari, Counsel*

ORDER

Per. CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)

1. Under adjudication is CP/597/(IB)/CB/2017 that has been filed by Mr. N.Subramanian an Ex-employee of the Corporate Debtor viz M/s. Aruna Hotels Limited. 

2. The brief facts stated by the Petitioner are that he has claimed an arrears of salary dues since the year 1999 for rendering services to the Corporate Debtor for about 37 years as stated in the letter dated 31.03.2014, placed at page 97 of the typed set filed with the Petition. It has been stated that whenever the Petitioner/Operational Creditor demanded arrears of salary and wanted to be relieved, the Managing Director persuaded him to continue and assured that all his arrears of salary would be settled and for the reasons that the Petitioner remained associated with the Company for a very long time, the same was accommodated by the Petitioner and he continued to work on a reduced consolidated salary of Rs.25,000/-. The Petitioner has placed on file a letter dated 30.09.2006 that assured the Petitioner to clear his dues. The letter dated 30.09.2006 reflects that the Petitioner/Operational Creditor was entitled to the arrear of the salary as per the order dated 01.02.1998 fixed on 01.01.2000 as follows:-

Basic Salary : 18,000/-



HRA	:	9,000/-
Special Allowance	:	9,000/-
Reimbursements	:	<u>5,000/-</u>
Total	:	<u>41,000/-</u>

PF Contribution : As per Rules.


LTA : 3 months' salary for every 3years

It was also mentioned in the letter that he will be eligible for an increase of 10% every year on the total salary, reckoned from 01.01.2001. The letter under reference was issued by the then Managing Director of the Respondent/Corporate Debtor.

3. When the Petitioner has submitted his resignation on 22.01.2013 his consolidated salary was increased to Rs.35,000/- with effect from 01.02.2013, as an incentive for withdrawing his resignation. However, his resignation was accepted and he was relieved from the services on 30.06.2013. The copy of the resignation letter of the petitioner dated 22.01.2013 is placed at page 95 of the typed set filed with the Petition and the letter dated 30.06.2013 by which the resignation was accepted is placed at page 96 of the typed set filed with the Petition wherein the management of the Corporate Debtor expressed its deep appreciation of the services

rendered by the Petitioner/Operational Creditor during his long association with the Company spanning over a period of 29 years as has been stated in the letter dated 30.06.2013 placed at page 96 of the typed set filed with the Petition. These documents have not been rebutted through any documentary evidence by the Respondent/Corporate Debtor. It is also on record that even after resignation the Petitioner/Operational Creditor was retained on a consolidated salary of Rs.35,000/- per month and it was assured that his arrears of salary would be settled over year end i.e., 31.03.2014. But, the same was not done and a letter of confirmation was issued on 31.03.2014 assuring to the Applicant/Operational Creditor that the accounts will be settled very shortly in accordance with the terms of the letter of the management dated 30.09.2006. Then, on 30.09.2014 an assurance was given that the arrear of salary will be settled in a period of one month reckoning from 30.09.2014 failing which it was promised that interest at the rate of 9% will be paid for the delayed payments. The statement of the

arrears of salary annexed by the Respondent/Corporate Debtor with the letter dated 30.09.2014 reflects very clearly the outstanding balance of the arrears of salary as claimed by the Petitioner/Operational Creditor. The letters mentioned above are placed at pages 97 and 98 of the typed set filed with the Petition. The Petitioner/Operational Creditor has supported his claim with Director's Report attached to the Annual Report for the Financial Year 2013-2014 and 2014-2015. The Report is filed with the Written Arguments and marked as Annexure -1

4. The Petitioner/Operational Creditor has given Section 8 notice on 29.06.2017. The copy of which is placed at page 15 of the typed set filed with the Petition, claiming arrears of salary of Rs.1,87,75,631/- as outstanding debt against the Respondent/Corporate Debtor. The reply to the said notice was given on 05.07.2017 by the Respondent/Corporate Debtor stating therein that all his salary has been paid, however, it was admitted that gratuity amounting to 

Rs.5,85,577/- is pending as approved on 06.02.2013. The reply of the notice is placed at page 22 of the typed set filed with the petition.

5. The Respondent/Corporate Debtor have filed the counter affidavit stating therein that the due diligence report does not reflect the liability of the arrears of salary of the Petitioner/Operational Creditor. It has been stated that the employee's dues has been settled and nothing is due. But, interestingly it has been claimed in the reply that the claim of the Petitioner/Operational Creditor is barred by limitation. The defence taken by the Respondent/Corporate Debtor is highly contradictory, if the dues of the employee have been settled, and there is nothing outstanding, then, the argument that the claim is barred by limitation does not carry any weight. The other defence that has been taken by the Respondent/Corporate Debtor is that it has paid Rs.2,10,000/- on 31.07.2015 as arrear of salary. In support of the same, they placed on record 'payment voucher' filed with the Written Arguments which goes

to show that the entry '*pay to*' is filled with name "*N.Subramanian*"; entry '*Rupees*' is filled with words "*Two Lakh and Ten Thousands only*" and entry '*Rs.*' is filled with amount, "*2,10,000/-*". These are being written in one hand writing. However, entry '*debt*' is filled with the words "*salary arrears*" and entry '*(particulars)*' is filled with the words "*full & final settlement of salary as on date*" which are in different hand writing. The '*payment voucher*' *per se* reflects that a fraud is being played on the Petitioner/Operational Creditor, which can easily be identified with the naked eyes. Therefore, the entries relating to the "*salary arrears*" and "*full & final settlement of salary as on date*" seem to have been entered with *mala fide* intention to show that the amount paid is full and final settlement of the arrears of salary, which in no circumstances could be relied upon.

6. Therefore, the evidence i.e. "*payment voucher*" relied upon by the Respondent/Corporate Debtor, as proof of payment of the arrears of salary stands

rejected. Moreover, the Applicant/Operational Creditor explained that the voucher for Rs.2,10,000/- shown by the Respondent/Corporate Debtor is arrears of six months' payment @ Rs.35,000/- p.m., which was not paid on due dates, but then paid at one go.


7. It will not be out of context to mention that the 'Demand Notice' has been issued by the Petitioner/Operational Creditor on 29.06.2017 as has been mentioned hereinabove and the Respondent/Corporate Debtor has approached the City Civil Court at Chennai on 06.07.2017 and filed the OS.No.36/33/2017 against one M.Sivaram, and N.Subramanian (Operational Creditor), wherein the prayers has been made to declare the notice/letters dated 30.09.2006, 22.01.2013, 30.06.2013, 31.03.2014 and 30.09.2014 issued by the Respondent/Corporate Debtor itself as null and void, and not binding on the same and for grant of permanent injunction restraining the Petitioner/Operational Creditor from relying on or claiming against the Respondent/Corporate Debtor on

the basis of the said letters. Under para 6 of the 'Plaint' it is clearly mentioned that the Petitioner/Operational Creditor has issued a notice claiming arrears of Rs.1,87,75,631/- as arrears of Salary, claiming himself entitled for an enhancement of salary, shows that Section 8 notice dated 29.06.2017 was received by the Respondent/Corporate Debtor, and within one week i.e. 06.07.2017 OS. No. 3633/2017 has been filed.

8. Thus Civil Suit OS.No.3633/2017 has been filed by the Corporate Debtor in order to camouflage/circumvent the initiation of the Corporate Insolvency Resolution Process by the Petitioner/Operational Creditor against the Respondent/Corporate Debtor, which cannot be termed as dispute relating to the outstanding debt because the filing of the Civil Suit by the Corporate Debtor appears to be malafide, fraudulent and mischievous.

9. The copy of the Complaint dated 06.07.2017 is placed at pages 57 to 65 of the typed set filed with the counter. The last letter dated 30.09.2014 placed at page 98 of the typed set filed with the petition is evidencing the acknowledgment of the entire arrears of salary as claimed by the Petitioner/Operational Creditor, wherein an assurance was also given that if there is a delay in payment, the Respondent/Corporate Debtor will pay interest at the rate of 9% p.a.

10. Therefore, the claim is not time barred under the law of limitation, because the letters which have been given by the Corporate Debtor to the Petitioner/Operational Creditor confirm/acknowledge the arrears of salary due.

11. We have heard the counsels for the parties, peruse the records placed on the file. In totality of the facts and circumstances, we are constrained to conclude that the Corporate Debtor defaulted in 



making payment of the arrears of the salary to the Petitioner/Operational Creditor. The Operational Creditor has complied with requirements under Sections 8, 9 (3) (b) (c) of I&B Code, 2016 and has made out a case for admission of the Application under Section 9 of the Insolvency and Bankruptcy Code, 2016.

12. Therefore, we admit the application and we order the commencement of the Corporate Insolvency Resolution Process which ordinarily shall get completed within 180 days, reckoning from the day this order is passed.

13. We appoint Mr. Venkataramanarao Nagarajan, as IRP, who has been proposed by the Operational Creditor. There is no disciplinary proceedings pending against the IRP as evidenced from Form-2 and his name is reflected in IBBI website. The IRP is directed to take charge of the Corporate Debtor's management immediately. He is also directed to cause public announcement as prescribed under Section 15 of the


I&B Code, 2016 within three days from the date the copy of this Order is received, and call for submissions of claim by the creditors in the manner as prescribed.

14. We declare the moratorium which shall have effect from the date of this Order till the completion of Corporate Insolvency Resolution Process, for the purposes referred to in Section 14 of the I&B Code, 2016. We order to prohibit all of the following, namely

:-

(a) The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;


(b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;

(c) Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of 

Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);

(d) The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

15. The supply of essential goods or services of the Corporate Debtor shall not be terminated or suspended or interrupted during moratorium period. The provisions of Sub-section (1) of Section 14 shall not apply to such transactions, as notified by the Central Government.


16. The IRP shall comply with the provisions of Sections 13 (2), 15, 17 & 18 of the Code. The Directors of the Corporate Debtor, its Promoters or any person associated with the management of the Corporate Debtor is expected to extend all assistance and cooperation to the IRP as stipulated under Section 19 and for discharging his functions under Section 20 of the I&B Code, 2016. Accordingly, the Application is disposed of. 

17. The Operational Creditor and the Registry are directed to send the copy of this Order to IRP so that he could take charge of the Corporate Debtor's assets etc. and make compliance with this Order as per the provisions of I&B Code, 2016.

18. The Registry is directed to communicate this Order to the Operational Creditor and the Corporate Debtor.

The address details of the IRP are as follows: -

Mr. Venkataramanarao Nagarajan,  
 Regn.No:(IBBI/IPA-002/IP-N00055/2016-17/10107)  
 New No. 29, Kavarai Street,  
 West Mambalam,  
 Chennai – 600 033  
 Tamilnadu  
 Email: [csnagarajan@gmail.com](mailto:csnagarajan@gmail.com)  
 Mobile No: 9940111058.

  
**S.VIJAYARAGHAVAN**  
**MEMBER (TECHNICAL)**  
 PAM

  
**CH. MOHD SHARIEF TARIQ**  
**MEMBER (JUDICIAL)**

**VENKATARAMANARAO NAGARAJAN (V.NAGARAJAN)**  
**Insolvency Resolution Professional**  
**ARUNA HOTELS LIMITED (under Insolvency Resolution Process)**  
**New No. 29 Kavara Street,**  
**West Mambalam, Chennai 600 033.**  
**Mobile: 99401 11058**

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**MINUTES OF THE 5TH OF THE COMMITTEE OF CREDITORS OF M/S. ARUNA HOTELS LIMITED (UNDER CIRP) HELD ON 24.03.2021 AT 6.00 PM BY WAY OF VIDEO CONFERENCING (VC) - JIO MEET - <HTTPS://JIOMEETPRO.JIO.COM/SHORTENER?SCHEDULEDMEETING=TRUE&HASH=ZBAVVXEELP436D418DF6D41616497764829&PWD=R425> SUCH MEETING DEEMED TO BE HELD AT THE OFFICE OF THE RESOLUTION PROFESSIONAL AT NEW NO. 29 KAVARAI STREET, WEST MAMBALAM, CHENNAI 600033.**

**Members Present:**

**Mr. V. Nagarajan - Resolution Professional**

**Mr. Sivaram**

**Mr. Karthik Sivaram**

**Mr. D. Ramjee**

**Mr. Rohit S Bajaj**

**Mr. Krishnan**

**Mr. N. Subramanian**

**Mr. Sivakumar**

**Mr. M.P. Rajendranath (legal heir)**

**Mr. Kamal Babbar**

**Mr. Rajkumar**

**Mr. Muralidharan**

**1. Chairman of the Meeting**

The Resolution Professional Mr. V. Nagarajan, drew reference to Regulation 24(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Bodies) Regulations, 2016, which gave him the authority to occupy the Chair and thereafter occupied the Chair.

**2. To ascertain quorum for the meeting**

**VENKATARAMANARAO NAGARAJAN (V.NAGARAJAN)**  
**Insolvency Resolution Professional**  
**ARUNA HOTELS LIMITED (under Insolvency Resolution Process)**  
**New No. 29 Kavara Street,**  
**West Mambalam, Chennai 600 033.**  
**Mobile: 99401 11058**

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The Chairman read out the names of the attendees and informed that all the 9 of the Operational Creditors of the Corporate Debtor. It was noted that one Operational Creditor Mr. MP Rajendranath had deceased and was represented by his legal (heir) representative.

As the requisite quorum was present the Chairman commenced the proceedings. Notice calling the meeting was read and recorded.

The committee noted that the notice and intimation calling the committee of creditors meeting was given to persons who were Directors of the CD as on CIRP commencement at its email id and Mr. Rajkumar and Mr. Muralidharan had joined the meeting.

**Approval of COC for convening meeting at short notice**

Regulation 19 of the Insolvency And Bankruptcy Board Of India (Insolvency Resolution Process For Corporate Persons) Regulations, 2016 mandates 5 days notice for convening of COC subject to proviso by which Notice can be reduced to minimum of 24 hours in case of COC's like that in the case of the present Corporate Debtor where there is no Authorised Representative. Such reduction of notice has to be approved by the COC.

As such the first agenda taken up will be the permission of the COC for conduct of meeting by Short notice. If the same is not permitted the meeting will be refixed for date 5 days thereafter to ensure that 5 days notice is given for the meeting.

After noting down the same, the members of the committee of creditors present at the meeting have given their consent for shorter notice in calling this meeting of CoC.

**Ratification of minutes of previous meeting of 4th COC held on 04.06.2018 and to take note of the CIRP calendar of CD.**

The minutes of the last COC meeting held on 04.06.2018 have been already circulated to the then members of the COC as also the invitees being the suspended Directors. As there have been no objections raised by any of the COC members the same is finalised but however as it has to be ratified by the COC at its next meeting the same is placed for ratification.

**M/s. ARUNA HOTELS LIMITED (Corporate Debtor)**  
**Ref: CP No. CP/597 (IB) /CB/2017**

**CIRP Calendar**

CIRP commencement date: 17<sup>th</sup> November 2017

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Supreme Court Order dated 03-03-2021

Activity	Date/Tentative Time schedule	No. of days cumulative total
NCLT Case Admission	17-11-2017	0
COC Constitution with Bajaj	12-12-2017	25
First CoC meeting	14-12-2017	28
2 <sup>nd</sup> CoC meeting	10-02-2018	87
3rd COC meeting	29-03-2018	133
04th COC meeting - Extn 90 days taken	04-06-2018	
Extension 90 days taken - NCLT Order dt	12-06-2018	
NCLAT Order setting aside the CIRP	16-07-2018	

The members after detailed discussion the minutes as well as the CIRP calendar was duly noted and taken on record. and was duly noted, ratified, confirmed and taken on record.

**Take note of the order of the Apex Court in CA/187/2019 passed on 03.03.2021 in respect of the CIRP of the Corporate Debtor.**

The CIRP in this case which commenced on 17.11.2017 was terminated by order dated 16.07.2018 of the NCLAT in Appeal of a shareholder of the Corporate Debtor. The Apex Court vide order dated 03.03.2021 was pleased to restore the order of NCLT and set aside the order of NCLAT. As such the CIRP is now restored. The copy of the Apex Court order is annexed as part of the documents annexed to the Agenda for the 5th COC meeting.

The members taken the same on record.

**5. Note the changes in the constitution of Committee of Creditors.**

RP submitted before the COC that the composition of Committee of Creditors (The COC) of the CD as at the previous meeting on 04.06.2018 comprised the following :

**VENKATARAMANARAO NAGARAJAN (V.NAGARAJAN)**  
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S. No.	Name of the Financial Creditors	Claim received	Admitted Claim	Voting %
1	Rohit S Bajaj	6,151,025	6,151,025	4.399
2	Southern Arifurane Industries Ltd	95,714,730	95,714,730	68.459
3	Kges Residency P Ltd	37,947,666	37,947,666	27.142
	<b>Total</b>	<b>139,813,421</b>	<b>139,813,421</b>	<b>100</b>

Each of the said COC members have withdrawn their claims. While the SI No 2 and SI No 3 creditors have withdrawn their claims entirely the SI No.1 creditor (Mr. Rohit S Bajaj) has withdrawn one of the 2 claims fully and has opted to withdraw the other claim under Form C as financial creditor and seek that his fresh claim under Form B be treated as operational creditor in view of the position in law standing clarified.

As all the financial creditors have withdrawn their claims the COC is now comprised of only Operational Creditors by operation of law. The Resolution professional has in terms of the Code and Regulations there under taken note of the fact that the COC is only comprised of operational creditors and has issued the COC meeting notice to such persons as eligible to be now part of the COC.

The present composition of the COC is as under:

S.No	Name of the Operational Creditor	Amount of claim received	Interest	Admitted Claim	Total Claim amount	% of Total Claim
1	Kamal Babbar	3,000,000	1,485,000	3,000,000	4,485,000	3.84
2	MP Rajendranath	267,239	-	267,239	267,239	0.34
3	N.Subramanian	15,199,023	3,576,608	15,199,023	18,775,631	19.47
4	C.Ganapathy	3,037,236	983,376	3,037,236	4,020,612	3.89



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5	N. Krishnan	5,910,321	1,984,765	5,910,321	7,895,086	7.57
6	D.Ramjee	24,855,610	8,112,652	24,855,610	32,968,262	31.84
7	Kartick P sivaram	11,560,311	4768559	11,560,311	11,560,311	14.81
8	M Sivaram	11643667	4,803,012	11,643,667	11,643,667	14.92
9	EPF Department	1097084	-	1097084	1097084	1.41
10	Rohit S Bajaj	1485000	1,136,025	1485000	1485000	1.90
	<b>Grand total</b>	<b>78,055,491</b>	<b>26,849,997</b>	<b>78,055,491</b>	<b>94,197,892</b>	<b>100.00</b>

The members after detailed discussion the same was duly noted, ratified, confirmed and taken on record.

**6. Note the present status of the Claims in respect of the CIRP**

The status of claims as on 22.03.2021 is as under:

Same as above and was duly by the members and raftified.

**7. To take note of the Form FA given by Mr. N. Subramanian, Operational Creditor (Petitioner for the CIRP) of CD.**

The Petitioning Operational Creditor Mr N. Subramanian, on whose CP 597/2017 the CIRP of the Corporate Debtor was initiated has on 22.03.2021 expressed intent to withdraw the proceedings as per Section 12A of the Code read with Regulation 30A of the regulations. The said Form FA was incomplete and hence has been returned by the Resolution professional on 23.03.2021. However to avoid delay the estimated cost has been intimated to the said Applicant/Operational Creditor so that the Applicant can act as per law. Once the completed Form FA and Bank Guarantee are tendered the COC may consider the same as per the provisions of Regulation 30A of the Regulations. The Resolution Professional will convene a meeting within the prescribed time lines once the Form FA and Bank Guarantee are received by it

Copy of the letter dated 22.03.2021 and Form FA received and the reply issued by the Resolution professional dated 23.03.2021 are annexed.

The members after detailed discussion the same was duly noted, ratified, confirmed and taken on record.

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**8. Take on record MA/06/2021 filed by Resolution Professional at NCLT Chennai and status thereof.**

The Resolution professional was notified of the CIRP resumption on 06.03.2021 by letter of the Applicant Operational Creditor on whose Appeal the Apex Court had restored the order of the Hon'ble NCLT, Chennai.

Immediately the Resolution professional had attempted to resume the CIRP on an as is where is basis as it was on 16.07.2018 when it was stopped by the order of NCLAT. However there was no cooperation from the Suspended Directors and as such MA/6/2021 was filed at the NCLT Chennai Bench for directions. A memo and a counter has been filed by the Suspended Directors at NCLT and the matter is now posted to 30.03.2021.

Copies of the MA6/2021 and the Memo and counter of the Suspended Directors are annexed.

During the pendency of the proceedings in MA 6/2021 at Hon'ble NCLT one of the shareholders of the Corporate Debtor moved the Hon'ble Apex Court. However the said MA filed was withdrawn. Despite multiple demands the copies of the said Application was never furnished to the Resolution professional despite it being a party in the case. The said facts are stated for record.

The members after detailed discussion the same was duly noted, ratified, confirmed and taken on record.

**9. Authorise RP to file application for exclusion of time from 16.07.2018 till date from the CIRP period.**

For reason of the NCLAT order no proceedings could go on from 16.07.2018 in respect of the CIRP. As the Suspended Directors are not cooperating with the resumption of CIRP even after the Apex Court order it would be appropriate for the COC to permit the RP to move the NCLT to seek exclusion of period from 18.07.2018 till 30.03.2021 being the next date of hearing of the proceedings at NCLT. As on 16.07.2018 less than 30 days of the 270 day period was left. Any decision on further extension of the CIRP as also on any need for further exclusion of times can be decided only once the Suspended Directors cooperate and allow the CIRP to be recommenced. As of now the Resolution Professional may be permitted to seek exclusion of time from date of NCLAT order till 03.03.2021 (Date of Supreme Court Order). Since one of the COC member Mr. C. Ganapathy was unable to join online meeting, the said Agenda shall put under the evoting as per the IBC Rules and Regulations, 2016 as amended from time to time and the draft resolution shall be as under:

RESOLVED THAT THE consent of the Committee of Creditors of the Company be and is hereby accorded to Mr. V. Nagarajan, Resolution Professional to seek exclusion of time from the date of the Hon'ble NCLAT New Delhi order dated 16.07.2018 to till 30.03.201 or such time as may be necessary to obtain

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the records from the Suspended Directors and others in computing the CIRP days of the Corporate Debtor and to apply to the Hon'ble National Company Law Tribunal, Chennai for the same.

RESOLVED FURTHER THAT Mr. V. Nagarajan, Resolution Professional be and is hereby authorised to sign all documents, deeds and others and to do all required things as may be required or considered necessary in this connection.

**10. Take on record the present status of the CIRP and the further steps to be taken thereon.**

RP informed the members that the CIRP is at the stage where EOI has been issued and Resolution plans are awaited. To avoid liquidation and Given the short time frames available to complete the CIRP the Resolution professional has already commenced discussions to engage consultants from the Hospitality Industry to create a value maximising Resolution plan for the CD. Parallely the RP is also proceeding to keep all things ready for the valuer to start work once the access to the property is restored by the Suspended Directors.

As the COC is meeting after a long time and the COC now includes persons who were long term employees of the Corporate Debtor the inputs from the COC will be valuable in this regard. No agenda is being set out on this item as the Resolution professional will welcome inputs from all. Even the Suspended Directors can give their inputs of all steps needed so as to avoid liquidation and to ensure that value maximization is achieved.

There was a general discussion on the said issue by the members who wanted time to revert with suggestions.

**11. Any other agenda with the permission of the Chair.**

Mr K Rajkumar one of the Suspended Directors submiLed that:

- a. Each of the COC members had been fully settled even before the CIRP commenced on 17.11.2017
- b. that HDFC Bank should be invited to COC.

The submissions were noted and briefly replied to by Mr R Subramanian Adv for the Resolution Professional setting out that the claims in the CIRP have been admitted in 2017/2018 itself and that any issue of HDFC Bank can be always be raised by HDFC Bank.

There being no other agenda, the meeting concluded with a vote of thanks to the Chair.

**Chairman**

**Chennai**  
**24-03-2021**



தமிழ்நாடு தமில்நாடு TAMILNADU

21/03/2021

N. Subramanian and Subasri Realty  
Private Limited.

CC 489405

V. SELVANAYAGAM  
STAMP VENDOR  
No. 28/55, Rakkiappa Street,  
Mylapore, Chennai-600 004.  
L.No. 4/B3/97 Cell: 9444119139

### MEMORANDUM OF COMPROMISE

THIS MEMORANDUM OF COMPROMISE MADE ON THIS THE 22<sup>nd</sup>  
DAY OF MARCH 2021 BETWEEN:

**M/s. Subasri Realty Private Limited**, a Company incorporated under the Companies Act, 1956 and having its registered office at No.86, EVR Periyar High Road, Vepery, Chennai- 600007, represented by its Chief Executive Officer Mr. K. Rajakumar, hereinafter referred to as '**Party of the First Part**', which term or expression as herein used shall mean and include its successors, administrators and permitted assigns;

For SUBASRI REALTY PVT. LTD.,

*[Signature]*

Chief Executive Officer

*[Signature]*

**AND**

**N. SUBRAMANIAN (AADHAR No. 9931 9760 8599) & (PAN No. AMMPS4744B)** Son of Sri. Natesa Pillai, aged about 63 years and residing at No. 4/33, II Floor, Officers Colony, 1<sup>st</sup> Street, Flat No. 6, Corner Enclave, Rajaram Mehta Nagar, Aminjikarai, Chennai 600 029 and hereinafter referred to as '**Party of the Second Part**', which term or expression as herein used shall mean and include its successors, administrators and permitted assigns;

Party of the First Part and Party of the Second Part shall be collectively referred to as "Parties"

A. WHEREAS the Party of the Second Part filed application bearing number CP No. 597 of 2017 before the Hon'ble National Company Law Tribunal ("**NCLT**") under section 9 of the Insolvency and Bankruptcy Code, against M/s. Aruna Hotels Limited ("Company"), claiming an Operational debt of Rs. 1.87 Crores ("Operational Debt") and the said CP No. 597 of 2017 was admitted by the Hon'ble NCLT vide order dated 17.11.2017 thereby commencing Corporate Insolvency Resolution Process ("**CIRP**") in M/s. Aruna Hotels Limited ("**Company**").

B. WHEREAS the Order of admission of the NCLT was challenged by the Applicant by way of an appeal before the Hon'ble National Company Law Appellate Tribunal ("**NCLAT**") and the said order of admission was reversed by the NCLAT whereby

For SUBASRI REALTY PVT. LTD.,



Chief Executive Officer



the Company was released from rigors CIRP under the Insolvency and Bankruptcy Code, 2016.

C. WHEREAS Civil Appeal no. 187 of 2019 before the Hon'ble Supreme Court of India was filed by the **Party of the Second Part** challenging the order dated 16.07.2018 of the Hon'ble NCLAT and subsequently the Hon'ble Supreme Court of India vide order dated 03.03.2021 set aside the order of NCLAT and ordered to restore CP 597 of 2017, by virtue of which CIRP of the Company was restored under the Insolvency and Bankruptcy, 2016.

D. WHEREAS Party of the First part is the largest shareholder of the Company holding 18.73% of Equity shares of the Company and holds 33.79% of Equity shares of the Company along with the promoter group and Party of the First part has come forward to enter into a full and final settlement with the Party of the Second Part for any and all the dues, claims, etc. in relation to the Operational Debt claimed in CP 597 of 2017 on the file of the NCLT and in relation to any other claims that the Party of the Second Part shall have against the Company.

E. WHEREAS the Party of the Second Part on receipt of the said Full and final settlement amount shall cooperate with the Party of the First Part or with such persons as deemed fit by the Party of the First Part for the smooth withdrawal of the Petition filed

For SUBASRI REALTY PVT. LTD.,

  
Chief Executive Officer



by the Second Part and the corresponding closure of the CIRP of the Company as per applicable provisions of law. The Party of the First Part has made the said offer of Full and final Settlement and the Party of the Second Part has accepted the said offer.

F. And Whereas the terms and conditions agreed upon between the Parties hereto for the said Full and Final Settlement are set out hereunder.

**NOW THIS MEMORANDUM OF COMPROMISE WITNESSETH AS FOLLOWS:**

1. The Party of the Second Part is hereby paid a sum of Rs.1,35,00,000 (Rupees One Crore and Thirty-Five Lakhs Only) ("Full and Final Settlement Amount") as against the Operational Debt claimed in CP 597 of 2017 and against any and all other claim(s) that the Party of the Second Part has with the Company and Demand Draft bearing No. 946463 dated 22.03.2021 issued by Indian Bank, Aminjikai Branch equivalent to the said sum of Rs.1,35,00,000 (Rupees One Crore and Thirty-Five Lakhs Only) has been paid by the Party of the First Part to the Party of the Second Part as a full and Final settlement.

For SUBASRI REALTY PVT. LTD.,




Chief Executive Officer



2. Party of the Second Part hereby acknowledge the receipt of the demand draft for Rs.1,35,00,000/- as full and final settlement as on this date.
3. Party of the Second Part confirms that the Company shall not be liable to pay any other sum to the Party of the Second Part and Party of the Second Part confirms that there are no other claims it has against the Company.
4. The Parties agree that the costs as stipulated under Regulation 30A (2) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 shall be borne by Party of the First Part and the Party of the Second Part shall serve a letter to the Interim Resolution Professional simultaneous to the receipt of the settlement amount and signing of this Memorandum of Compromise seeking for an estimate of the costs stipulated hereunder in this clause and on receipt of the same immediately forward/communicate the same to the Party of the First Part enabling the Party of the First Part to facilitate the furnishing of Bank Guarantee by the Party of the Second Part either by it providing funds to the Party of the Second or by providing a bank guarantee on behalf of the Party of the Second Part.
5. The Party of the Second Part simultaneous to the signing of this MOC has also handed over a copy of Form-FA of the

For SUBASRI REALTY PVT. LTD.,

  
Chief Executive Officer





Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 to the satisfaction of the Party of the First Part.

6. The Party of the Second Part agrees that he shall fully co-operate for the smooth withdrawal of CP 597 of 2017 before the NCLT, Chennai under Section 12A of the Insolvency and Bankruptcy Code, 2016 and shall co-operate to execute as required by law any and all affidavit(s), application(s) and/or petition(s), for the smooth withdrawal of CP 597 of 2017 as and when required.
7. Party of the Second Part confirms that any and all legal proceedings filed by him against the Company shall be withdrawn immediately on receipt of the Full and Final Settlement amount and further confirms that there are no other claims against the Company.
8. The Party of the First Part agrees to unilaterally withdraw O. S. No. 3633 of 2017 filed against the Party of the Second Part which is pending before the Hon'ble XIII Asst. City Civil Court, Chennai on the next date of hearing.
  - a. The Party of the First Part hereby confirms that notwithstanding anything else set out in this Memo this compromise is independent of the CIRP of the Company which is underway under the Insolvency and Bankruptcy Code, 2016 and does not create any

For SUBASRI REALTY PVT. LTD.,



Chief Executive Officer



obligations/monetary obligations on the Party of the Second Part either to return the sum received under this compromise even in the event of it not being allowed to be withdrawn for any reason the Party of the First Part alone shall be liable to pay any further sums as directed by the NCLT, Chennai in any proceedings related to the CIRP or its withdrawal. The Party of the First Part also confirms that the Party of the Second Part has complied with all/substantial obligations by handing over Form-FA to it and nothing remains from his side except for signing any documents in future clarifying his stand. The Party of the First Part will bear all expenses that may be incurred by the Party of the Second Part in the course of any proceedings that the Party of the Second Part is required to take pursuant to this Memo of Compromise.

9. The Parties agree that the terms and conditions of this Memorandum of Compromise are highly confidential and shall at all times be kept private and confidential subject to requirement under law.
10. The Parties agree that the compromise herein is a full and final compromise between the parties and that it shall not make any claim against each other in respect of the settlement at any stage hereafter.

For SUBASRI REALTY PVT. LTD.,

  
Chief Executive Officer



11. The Party of the First Part undertakes and confirms that Mr. K. Rajakumar, Chief Executive Officer is duly authorised to execute the Memo of Compromise as herein on its behalf.

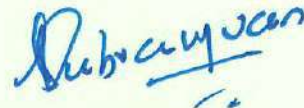
12. This Memorandum of Compromise is made in duplicate one to be retained by each of the Parties.

In Witness whereof the Party of the First Part and the Party of the Second Part have signed this Memorandum of Compromise, on the day, month and year first above written.

For SUBASRI REALTY PVT. LTD.,

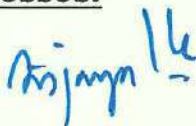
  
Chief Executive Officer

(PARTY OF THE FIRST PART)



(PARTY OF THE SECOND PART)

**Witnesses:**

1. 

NAME: T.S. VIJAYA RAGHAVAN

Driving License No: TN22 19960000285

Address: No. 9, 12<sup>th</sup> Street, Chennai – 600 061

Mobile No: 9841444499

2. 

NAME: D. REVATHI

AADHAR Card No: 5547 5952 9113

Address: 7/3, Trust Square Street, Ayanavaram, Chennai – 600 023

Mobile No: 9840029837

आयकर विभाग

INCOME TAX DEPARTMENT



भारत सरकार

GOVT. OF INDIA

432

NATESA PILLAI SUBRAMANIAN

भारत  
सरकार

NATESA PILLAI

29/05/1958

Permanent Account Number  
AMMPS4744B



*Natesa Pillai*

Signature

*Natesa Pillai*



இந்திய அரசாங்கம்

சுற்றுலா அமைச்சு



க. பி. ராமணியன் ந

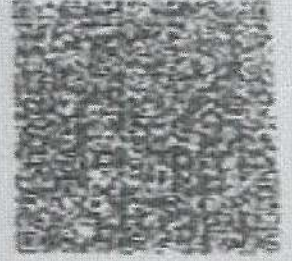
Subramanian N

பிறந்த நாள்/DOB: 29/05/1958

ஆண்/ MALE

9931 9760 8599

VID : 9124 1144 9799 1909



எனது ஆதார். எனது அடையாளம்

*Subramanian*

**UNION OF INDIA Driving Licence (Tamil Nadu)**

DL. No. **TN22 19960000285**

Date of Issue: **10-01-1996**      Valid Till: **05-11-2024**

Date of Birth: **06-11-1974**      Blood Group: **O+**

Name: **VIJAYARAGHAVAN T S**

Son/Daughter/Wife of: **SREENIVAS**



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*Amu my  
Ajayn/6*

உள்ள அட்டை/Enrollment No. : 020400006/55471

To  
**O Revathi**  
B. Revathi  
7953, K. Kavayam  
RTE, THALAIKUM FLATS  
PATEL ROAD  
Perambalur  
Perambalur District  
Tamil Nadu - 600011  
554719113

10/03/2018

XXXXXXXXXXXXXXXXXXXX  
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உங்கள் ஆதார் எண் / Your Aadhaar No. :  
**5547 5952 9113**

ஆதார் - சாதாரண மனிதனின் அதிகாரம்

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 **சர்க்கார் அமைச்சு**  
Government of India

 **O Revathi**  
B. Revathi

பிறப்பு தேதி - DOB: 23/08/1974  
பாலினம்: Female

XXXXXXXXXXXXXXXXXXXX  
K3K2750447191  
55750447

*Revathi*

Payee Only

इंडियन बैंक  
Indian Bank

AMINJIKARAI (01668)

(जारीकर्ता शाखा / ISSUING BRANCH)

केवल तीन महीने के लिए वैध Valid for three months only

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मांगे जाने पर ON DEMAND PAY N SUBRAMANIAN \*\*\*\*\*

या उनके आदेश पर OR ORDER

रुपये RUPEES ONE CRORES THIRTY FIVE LAKHS ONLY\*\*\*\*\*

Indian Bank  
₹ \*\*\*\*13500000.00

\*\*\*\*\* प्राप्त मूल्य के लिये अदा करें FOR VALUE RECEIVED

इंडियन बैंक की सभी शाखाओं में सममूल्य पर देय।  
Payable at par at all branches of Indian Bank

App Name: SUBASRI REALTY PRIVATE LIMITED \*\*\*\*\*

MDDC946463

सेविस् ब्रान्च (अदाकर्ता शाखा - Drawee Branch) (CHENNAI) 01164

अधिकृत हस्ताक्षरकर्ता  
Authorised Signatory (S.S. No.)

अधिकृत हस्ताक्षरकर्ता  
Authorised Signatory (S.S. No.)

Please sign above

T20/MDDC

946463 0000190001

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SB BRANCH  
S-2067

Received the D.D  
Subramanian  
22/03/2024  
(N. SUBRAMANIAN)  
98840 25969

MADRAS SECURITY PRINTERS PVT. LTD. - CHENNAI / CTS - 2011



**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH, CHENNAI**

**IA/361/2021 in CP/597/IB/2017**

*(Filed under Sec. 60(5) of Insolvency and Bankruptcy Code, 2016 read with  
Rule 11 of NCLT Rules, 2016)*

In the matter of **M/s. Aruna Hotels Limited**

K.N. Rajakumar  
(suspended Director of Corporate Debtor)  
No.145, Sterling Road,  
Nungambakkam,  
Chennai – 600 034

.. .. . Applicant

-Vs-

V. Nagarajan, Resolution Professional  
Of M/s. Aruna Hotels Limited  
New No. 29, Kavarai Street,  
West Mambalam,  
Chennai – 600 033

**& 7 Others**

.. .. . Respondent

Present:

For Applicant : P.H. Aravindh Pandia, Senior Advocate

For Respondent : R. Subramanian, Advocate for RP  
C. Mohan, Advocate for HDFC Bank

CORAM :

**R. VARADHARAJAN, MEMBER (JUDICIAL)**

**ANIL KUMAR B, MEMBER (TECHNICAL)**

*Order Pronounced on 4<sup>th</sup> June 2021*

## ORDER

**Per: R. VARADHARAJAN, MEMBER (JUDICIAL)**

1. This Application has been moved by Board of Directors of the Corporate Debtor whose powers stood suspended seeking thereof for urgent hearing of MA/6/2021.

2. Brief facts of the case are that the Corporate Debtor was ordered into CIRP by this Tribunal vide order dated 17.11.2017 passed in CP/597/IB/2017 and the Respondent viz. Mr. V. Nagarajan was appointed as the IRP. Thereafter, the IRP constituted the Committee of Creditors and the Respondent was confirmed to act as the Resolution Professional in relation to the Corporate Debtor. Aggrieved by the said order of admission, the Directors of the Corporate Debtor whose power stood suspended preferred an Appeal before the Hon'ble NCLAT in Company Appeal (AT) (Ins) No. 290 of 2017 and the Hon'ble NCLAT vide its order dated 16.07.2018 has set aside the CIRP order passed by this Tribunal.

3. Thereafter, the Operational Creditor has preferred an Appeal before the Hon'ble Supreme Court in Civil Appeal No.187 of 2019 wherein the Hon'ble Apex Court vide its order dated 03.03.2021 has

set aside the order of the Hon'ble NCLAT and upheld the order of admission passed by this Tribunal.

4. Immediately after the CIRP order was restored by the Hon'ble Supreme Court on 03.03.2021, the RP moved MA/6/2021 before this Tribunal stating that the Directors of the Corporate Debtor whose powers stood suspended were not co-operating with the RP inspite of repeated emails being sent to them. This Tribunal vide order dated 15.03.2021 granted opportunity to the Respondent to file counter in relation to the same. Subsequently when the matter came up for hearing on 22.03.2021, the Learned Senior Counsel for the Respondent submitted that the Directors of the Corporate Debtor whose powers stood suspended have filed Miscellaneous Application No. 480 of 2021 before the Hon'ble Supreme Court in which the Hon'ble Apex Court on 19.03.2021 passed the following order;

"The learned counsel for the applicant seeks leave to withdraw this application with liberty to approach the CoC for settlement under Section 12A of the IBC. With liberty as above, the application is disposed of as withdrawn."

5. Further, one of the Financial Creditors of the Corporate Debtor viz. HDFC Bank has submitted that after the dismissal order passed by the Hon'ble NCLAT in Company Appeal (AT) (Ins) No. 290 of 2017 in and by which the Corporate Debtor was released from the rigors of

CIRP, the HDFC Bank has tendered loan to the tune of Rs.36 Crore to the Corporate Debtor and that the Corporate Debtor has not committed any default in relation to repayment of the said loan.

6. However, taking into consideration the orders passed by the Supreme Court on 19.03.2021, and also the representations being made by the Learned Counsel for the Corporate Debtor, this Tribunal directed the RP to file an Affidavit in regard to the current status of the CoC members.

7. Subsequent to the above, when the said MA/6/2021 came up for hearing on 30.03.2021, this Tribunal has passed the following order;

“Ld. Counsel for the Applicant Mr. T. Sugirtha, Ld. Sr. Counsel Mr. P.H Arvindh Pandian for R1 to R5 and Ld. Counsel Mr. C. Mohan of M/s. King and Partridge for R7 are present through video conferencing mode.

As directed by this Tribunal, an affidavit along with the Memo has also been filed as reported by the Ld. Counsel for RP. The parties, viz, the Respondents are permitted to file Counter Affidavit as the statement made in the affidavit is sought to be seriously contested by the Respondents, particularly, R7. In the circumstances, two weeks’ time is granted for filing of the Counter Affidavit.

Post this matter on 22.04.2021 and in the mean while the RP is directed not to precipitate the CIRP process in view of the permission given by the Hon’ble Supreme Court in relation to consideration of Section 12A Application as may be moved by the Applicant.”

8. Thereafter, due to upsurge in Covid-19 cases at Chennai, this Tribunal was hearing only urgent matters and hence the matter was not listed for hearing on 22.04.2021. However, the Director of the Corporate Debtor whose powers stood suspended has filed an Application viz. IA/361/2021, the present Application seeking for urgent hearing of MA/6/2021 stating *inter alia* that after the direction issued by this Tribunal on 30.03.2021, the RP is seeking to constitute a revised CoC consisting of only Operational Creditors in view of the fact that the original Financial Creditors who constituted the CoC had given letters of withdrawal. Taking into consideration the said representation made by the Learned Counsel for the parties, this Tribunal has passed the following order;

“Learned Senior Counsel for Applicant, Mr. Arvinth Pandian and Learned Counsel for Respondent / RP Mr. R. Subramanian are present through video conferencing platform.

This is an Application seeking for urgent listing of MA/6/2021 in CP/597/(IB/2017 and that the same is to be heard today and not being in the urgent list as is given in the cause list today.

It is brought to the notice of this Tribunal by way of an averment in the Application along with the documents filed therewith that the Respondent / Resolution Professional is seeking for constituting a revised Committee of Creditors consisting of only Operational Creditors in view of the fact that the original Financial Creditors who constituted the CoC had given letters of withdrawal and in the circumstances it becomes incumbent for this Tribunal to take up this Application on an urgent basis.

The records filed along with the Application disclose that despite specific direction given by this Tribunal to the Resolution Professional not to precipitate the CoC, taking into consideration the order passed by the Hon'ble Supreme Court dated 19.03.2021

in Miscellaneous Application No.480/2021 in C.A. No.187/2019 in the matter of one N. Subramanian –Vs- M/s. Aruna Hotels Ltd. & Anr. for admission and IA No.37894/2021 and IA No.37900/2021, still it is seen that the RP has persisted with the constitution of the CoC and also called for a meeting of the CoC on 19.04.2021 on the presumption that since the earlier CoC had chosen to withdraw, a de novo CoC is required to be constituted.

However, we find this representation made on behalf of the RP very strange as it is required to be seen that the order passed by this Tribunal in admitting the Petition, initiating the CIRP and appointing the IRP was challenged before the Hon'ble NCLAT which chose to set aside the order passed by this Tribunal dated 17.11.2017 in CJP/597/(IB)/CB/2017.

However, the said order of the Hon'ble NCLAT came to be challenged before the Hon'ble Supreme Court, which in effect restored the order passed by this Tribunal admitting the Petition in relation to the Corporate Debtor. Hence, the proceedings viz., the legal proceedings can be considered only as a continuation of the proceedings and the date of initiation of the CIRP is required to be reckoned as the date when the order was passed by this Tribunal admitting the Petition and not thereafter.

In the circumstances, taking the same as the date of admission of the Petition and action taken by the IRP in calling for the claims, as provided under Section 15 of IBC, 2016 and in case Financial Creditors have chosen to lodge their claims and in relation to which the IRP had constituted the CoC and also convened the 1<sup>st</sup> CoC meeting is required to be reckoned as the validly constituted CoC even as of today and not as contended by Learned Counsel for the RP and the RP / Respondent cannot constitute a CoC de novo disregarding the earlier constituted CoC.

In the circumstances, we direct the RP to convene the meeting of the CoC of the members, who constituted the CoC originally i.e., in the year 2017, soon after the order of admission was passed by this Tribunal, initiating the CIRP and place the draft of Application prepared under 12A of IBC, if any, along with Form FA or at the least Form FA as lodged with the IRP / RP, before the CoC to be called and convened, as directed above and hold a meeting of the CoC and report to this Tribunal about the decision of the Members of the CoC as constituted in the year 2017. The CoC constituted presently by the IRP / RP in derogation of the order passed by this Tribunal shall stand suspended and shall not exercise any of the powers as provided under the provisions of IBC, 2016.

Let the IRP / RP comply with the above directions within a period of ten days from today and report to this Tribunal about the outcome of the CoC meeting, as required to be called and convened. Post the matter on **03.05.2021** under the caption 'urgent listing' along with other connected Applications.

9. Aggrieved by the above order passed by this Tribunal on 22.04.2021, the Director of the Corporate Debtor whose powers stood suspended has filed an Appeal before the Chennai Bench of Hon'ble NCLAT in Company Appeal (AT)(CH)(Ins) No. 48 of 2021, which came to be dismissed vide its order dated 30.04.2021.

10. Thereafter, when the matter came up for hearing on 03.05.2021, it was submitted by the Learned Counsel for the RP that the meeting was convened on 01.05.2021 and the RP has filed the minutes of the meeting through e-filing only in the afternoon and hence the matter was adjourned to 04.05.2021.

11. On 04.05.2021, after giving a detailed hearing to the parties in relation to the issue of constitution of CoC, this Tribunal has passed the following order;

"Ld. Sr. Counsel for the Board of Directors whose powers stand suspended, Mr. P.H. Arvinth Pandian, Ld. Counsel for RP Mr. R. Subramanian and Ld. Counsel Mr. Mohan of King & Patridge for HDFC Ltd., are present through video conferencing mode.

Ld. Counsel for the RP represents that a report on 03.05.2021 as directed by this Tribunal has been filed after convening the CoC, however, certain issues are sought to be raised in relation to the Order dated 22.04.2021 passed by this Tribunal, particularly the penultimate portion of the Order, which reads as follows:

*“In the circumstances, we direct the RP to convene the meeting of the CoC of the Members, who constituted the CoC originally i.e., in the year 2017, soon after the order of admission was passed by this Tribunal, initiating the CIRP and place the draft of Application prepared under 12A of IBC, if any, along with Form-‘FA’ or at the least Form-‘FA’ as lodged with the IRP/RP, before the CoC to be called and convened, as directed above and hold a meeting of the CoC and report to this Tribunal about the decision of the Members of the CoC as constituted in the year 2017. The CoC constituted presently by the IRP/RP in derogation of the order passed by this Tribunal shall stand suspended and shall not exercise any of the powers as provided under the provisions of IBC, 2016”.*

In relation to the same, Ld. Counsel for the RP brings to the notice of this Tribunal specifically the report which has been filed by the Resolution Professional. After a careful perusal of the said report as filed by the Resolution Professional, it is seen that deliberately an issue is sought to be raised by the RP belatedly. Being an Officer appointed by this Tribunal, in case, if the RP had an issue in relation to the Order dated 22.04.2021, the RP should have come before this Tribunal seeking for clarification, if any required, however, he has not chosen to do so. Again, he has acted suo moto in calling for a CoC Meeting on 01.05.2021 with only one Member being a Financial Creditor of the CoC without considering the totality and ignoring the other two out of the three Members of the CoC, whose claim stood admitted prior to the Order of Hon’ble NCLAT dated 16.07.2018 even as per the admission of the RP in his report.

From the Report, it is also evident that, apart from the sole Member to whom notice has been given and who has chosen to attend, there was also another Member, who was also part of the CoC at the end of the year 2017 as follows:

SI.No	Financial Creditor	Voting Share
1	M/s. KGEYES Residency P Ltd	86.05%
2	Mr. Rohit S Bajaj	13.95%

Further, it is brought to the notice of this Tribunal by the RP that an objection has been raised by the said KGEYES Residence P Ltd., vide their letter dated 30.04.2021 that it should also form part of the CoC meeting directed to be convened presently. Since the endeavour of this Tribunal vide Order dated 22.04.2021 was to in effect prohibit the RP from convening a meeting of the CoC as suo moto constituted by him in the year 2021, this Tribunal



had mentioned the CoC as was prevalent in 2017 to consider the Section 12A Application in view of the directions given by the Hon'ble Supreme Court.

In the circumstances, we direct the RP to convene a Meeting properly by including M/s. KGEYES Residency P Ltd., and M/s.Southern Agrifurane Industries Ltd., as well as Mr. Rohit S Bajaj all as per the report of the RP as being part of the CoC prior to the passing of the Order by the Hon'ble NCLAT.

In the circumstances, we feel that an opportunity is also required to be given to M/s. KGEYES Residency P Ltd., and M/s. Southern Agrifurane Industries Ltd., to take a decision, in relation to the Application filed under Section 12A of IBC 2016 along with Form-'FA' which has been filed as an Annexure to the report of the RP. Even though on the part of the Applicant an objection is being taken to the inclusion of M/s. KGEYES Residency P Ltd., and it is stated that an Application is also pending before this Tribunal filed in the year 2017 itself, however, this Tribunal is of the view that the Applicant cannot have a locus to challenge about the constitution of the CoC as it prevailed in the year 2017 – 2018 prior to the Hon'ble NCLAT's Order.

Thus, an opportunity is given to the Resolution Professional to duly convene a meeting of the CoC having been constituted with Members, who were part of the CoC prior to the Order of Hon'ble NCLAT passed on 16.07.2016 as pointed out in the report by the RP filed on 03.05.2021 within a period of one week from today and report to this Tribunal about the outcome of the decision of the CoC within a period of one week thereafter, from the date of CoC meeting in this regard.

Post this matter on **27.05.2021**.

12. However, due to Covid-19 pandemic, the matter could not be heard on 27.05.2021 and was taken up for hearing on 02.06.2021. The RP has filed the minutes of the CoC meeting held on 25.05.2021 and a perusal of the said minutes posits the fact that CoC (as on 16.07.2018) has unanimously with 100% majority has passed a Resolution for withdrawal of the CIRP in relation to the Corporate

Debtor and the Petitioner / Operational Creditor has also tendered his Form FA dated 22.03.2021.

13. At the fag end of the argument, the Learned Counsel for the RP has submitted that the fee of the IRP has not been paid by the CoC and hence sought for a direction in relation to the same. However, it is noted that pursuant to the orders passed by this Tribunal, two CoC meetings were convened by the RP and in none of the meeting the RP has moved an agenda for fixing his fee / remuneration, however after CoC passing a Resolution for withdrawal of the Application under Section 12A of IBC, 2016 the RP seeks for fixing his fees. However, it is seen from FORM FA presented before this Tribunal that Bank Guarantee in a sum of Rs.10 lakh, has been provided towards fees and costs of the Resolution Professional by the Operational Creditor. However, an objection is taken in this regard in relation to the person who had taken the Bank Guarantee (BG) not to be the party concerned, but by a third party company. Learned Senior Counsel for the Board of Directors whose powers stand suspended gives an undertaking on behalf of them that the BG will not be returned unhonoured under any circumstances and that the amount for which BG has been given will be duly met. The same is taken on record and

in the circumstances we do not find any force in the contention of the Resolution Professional in this regard

14. Thus, taking into consideration the said submissions made by the Ld. Counsel for the Applicant/RP/Respondents as well as the averments contained in the Application and also based on the unanimous Resolution passed by the CoC on 25.05.2021 under Section 12A of IBC, 2016 for withdrawal of CIRP of the Corporate Debtor, this instant Application stands **allowed** and in the circumstances, CP/597/IB/2017 stands **withdrawn**. Consequently, the CIRP initiated against the Corporate Debtor also stands **withdrawn**. All the connected Application stands **closed**.

15. The RP is directed to hand over the management to the Board of Directors whose powers stood suspended by virtue of the initiation of the CIRP by this Tribunal while admitting the Petition in CP/597/IB/2017 vide Order dated 17.11.2017 and whose powers stand restored consequent to the withdrawal of CIRP in relation to the Corporate Debtor viz., *M/s. Aruna Hotels Limited*.

-Sd-  
**ANIL KUMAR B**  
MEMBER (TECHNICAL)

-Sd-  
**R. VARADHARAJAN**  
MEMBER (JUDICIAL)

*Raymond*



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## Notices

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Notice No	20180319-23	Notice Date	19 Mar 2018
Category	Company related	Segment	Equity
Subject	Revocation of Suspension in trading of equity shares of Aruna Hotels Ltd. (Scrip Code: 500016)		

### Content

Trading Members of the Exchange are hereby informed that the suspension in trading of equity shares of the below mentioned company will be revoked w.e.f. March 27, 2018. Pursuant to SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015, trading in the securities of the company will be resumed in "XT" group.

Scrip Code	Name of the Company
500016	Aruna Hotels Ltd.

Trading members may note that the entire promoter's shareholding i.e. 47,46,330 equity shares are under lock-in as per the details given under:

No of Shares	Distinctive Nos	Date upto – under lock-in
3944250	Demat	31/07/2018
802080	Annexure II	31/07/2018

A profile of the Company is also attached as Annexure I.

The Information Memorandum of the aforesaid company will be available on the Exchange's website under Corporates->Corporate Filings->Information Memorandum->Revocation.

Further the trading members may please note that the above mentioned scrip will be a part of Special Pre-open Session for IPO's & Relisted Scrips -Relist session on March 27, 2018.

For further information on SPOS, the trading members are requested to refer to the Exchange's notice no.20120216-29 on **Enabling Special Pre-open Session for IPO's & Relisted Scrips**.

Trading Members are requested to take note of the same.

**Arpita Joshi**  
 Associate Manager  
 Listing Compliance

**Mandar Chavan**  
 Deputy Manager  
 Listing Compliance

March 19, 2018

### Attachments

[Annexure II.pdf](#)
[Annexure I.pdf](#)



## MCS Share Transfer Agent Limited

002, Ground Floor, Kashiram Jamnadas Building 5,  
P' Demello Road, Masjid East, Mumbai - 400009

Phone No.: 022-40206022/23/24 Fax:- 022-40206021, Email: helpdesknum@mcsregistrars.com  
Website: www.mcsregistrars.com, CIN NO.U67120WB2011PLC165872



Date: 23/02/2018

To

Ajay Shukla  
Company Secretary and Compliance Officer  
Aruna Hotels Ltd  
No 144-145, Sterling Road  
Nungambakkam  
Chennai-600 0034

Dear Sir,

Sub: Incorporation of Lock –in details

This is to confirm that Holding of Shares by the Promoters of your company as on date is under Lock in period and Lock in release date is on 01/08/2018.

1. In Demat Form : 39,44,250 Shares
2. Physical Form : 8,02,080 Shares

Total: 47,46,330 Shares

This is for your Information

Thanking you,

Yours faithfully,

For MCS Share Transfer Agent Limited

  
Subodh Vichare

Branch Head-Mumbai



**INFORMATION MEMORANDUM**

06 .03.2018

**1. Company Profile:**

Name of the Company	ARUNA HOTELS LIMITED
Corporate Identification Number (CIN)	L15421TN1960PLC004255
Registered Office Address	144-145,STERLING ROAD NUNGAMBAKKAM CHENNAI TN 600034
Tel. No & Fax No	044-28263399
Email	directorsaruna@gmail.com
Names of Regional Stock Exchange and other stock exchanges where Listed	BSE Limited
ISIN	INE957C01019
Name and contact details of Compliance Officer and Company Secretary	Ajay Shukla 044-28263399 cs@ahhchennai.com
Email id for investor grievance	directorsaruna@gmail.com

**2. Capital Structure of the Company :**

<b>Share Capital</b>	
Authorized Capital of the Company	75,00,00,000
Issued, Subscribed of the Company	12,10,00,000
Paid up capital of the Company	12,07,87,000
<b>Listed Capital</b>	
Face value of Equity shares	10

**Includes 90,00,000 Equity shares of Rs.10 Each and 3,10,000 preference shares of Rs.100 each.**

**3. Company Management**

History and Present Business of the Company.	<b>Hotel Business .Currently under Renovation</b>
Subsidiary(ies) of the company	As on Date the Company does not have any subsidiary
Name of the Promoter	1.KAMAL BABBAR
	2.KARTHIK PERUMAL
	3.ADITYAN B S
	4.RAGHAVAN SIVARAM
	5.SATHYA SIVARAM
	6.SUBBIAH T N
	7.MARUTHAI PILLAI P
	8.RUKMANI SIVARAM
	9. AUGUSTIN D

	10.CHANDRAMOHAN R
	11.GEETHA PERIASAMY
	12.ANITA KUMARAN
	13.MALA JAYARAM
	14.S SWARNA
	15.ARUN PILLAI M
	16. CHANDRAKANT
	17. CHITHAN V
	18.SIVAKAMI SUBBIAH
	19.JAYANTHI NATARAJAN
	20. VIJAYALAKSHMI CHANDRAMOHAN
	21.JAYANTHI S
	22.YAMINI SUBBIAH
	23.SENTHILNATHAN M
	24.SIVARAM M
	25.SIVABAGYAM M
	26.CHANDRA MOHAN P
	27.RAVICHANDRAN C L
	28.GANESAN M
	29.GAY TRAVEL S PRIVATE LIMITED
	30.SUBASRI REALTY PRIVATE LIMITED
	31.YESSIR HOLDINGS AND INVESTMENTS PVT LTD
	32.SOVEREIGN MEDIA MARKETING PRIVATE LIMITED
	33.SRI DEVI AGENCIES PVT LTD
	34.RANI PRINTERS PVT LTD
Names and addresses of Auditors	<b>M/s. BALA&amp;CO , Chennai</b> "Sri Guru Nivas" No 21.Srinivasa Nagar, Kandanchavadi,OFF OMR Chennai-600096.

Details of Director/ Key Managerial Personnel					
Name of the Director /KMP	Designation	DIN	Date of Appointment	Other Directorship	Qualification shares
Mr. VAITHYALINGAM ANBALAGAN	Managing Director	00059007	10.10.2015	Yes	NIL
MR. RAJAKUMAR KUMARUVELAYATHANADAR	Director	05187894	02.03.2015	Yes	NIL
MR. MURALIDHARAN RAMASAMY	Director	07092976	02.03.2015	NIL	NIL
MR. SUYAMBU NARAYANAN	Independent Director	07718798	10.02.2017	NIL	NIL
MS. FREEDA GNANASELVAM KANAGIAH	Woman Independent Director	07350172	27.11.2015	NIL	NIL
Mr. AJAY SHUKLA	Company Secretary		19.06.2017	-	-
Mr.Nagaraj .P	Chief Financial Officer(CFO)		05.03.2015	-	-

Change, if any, in directors / management and auditors during the last one year, and reasons thereof. Further details on composition of Board are to be provided.

Name of the Director /KMP	Designation	DIN	Appointment /Cessation
Mr.Sundaresan Vairakan	Independent Director	07328033	10.02.2017( Cessation)
Mr. SUYAMBU NARAYANAN	Independent Director	07718798	10.02.2017 (Appointment )
Mr. AJAY SHUKLA	Company Secretary		19.06.2017(Appointment )
Mr Balaji Gandela	Company Secretary		19.06.2017(Cessation )

Rights of Members regarding voting, dividend ,lien on shares and the process for modification of such rights an forfeiture of shares	As per Articles of Association
Restrictions, if any, on transfer and transmission of shares/debentures and on their Consolidation/splitting	None
Revaluation of assets, if any	None

Latest Shareholding Pattern as on 31.12.2017					
Particulars	No of Shares	% of total shareholding	No of shares in Demat form	No of shares pledged	% of Pledged Shares
<b>PROMOTER AND PROMOTER GROUP</b>					
1.KAMAL BABBAR	1216500	13.52	1216500	0	0
2.KARTHIK PERUMAL	78893	0.88	0	0	0
3.ADITYAN B S	309888	3.44	0	0	0
4.RAGHAVAN SIVARAM	68558	0.76	0	0	0
5.SATHYA SIVARAM	61769	0.69	0	0	0
6.SUBBIAH T N	42300	0.47	0	0	0
7.MARUTHAI PILLAI P	30390	0.34	0	0	0
8.RUKMANI SIVARAM	25624	0.28	0	0	0
9. AUGUSTIN D	19200	0.21	0	0	0
10.CHANDRAMOHAN R	19200	0.21	19200	0	0
11.GEETHA PERIASAMY	17180	0.19	0	0	0
12.ANITA KUMARAN	15000	0.17	0	0	0
13.MALA JAYARAM	14940	0.17	0	0	0
14.S SWARNA	14858	0.17	14858	0	0
15.ARUN PILLAI M	11844	0.13	0	0	0
16. CHANDRAKANT	11683	0.13	0	0	0
17. CHITHAN V	10050	0.11	10050	0	0
18.SIVAKAMI SUBBIAH	10000	0.11	0	0	0
19.JAYANTHI NATARAJAN	12200	0.14	0	0	0
20. VIJAYALAKSHMI CHANDRAMOHAN	7770	0.09	0	0	0
21.JAYANTHI S	6514	0.07	0	0	0
22.YAMINI SUBBIAH	6000	0.07	0	0	0
23.SENTHILNATHAN M	5530	0.06	0	0	0



24.SIVARAM M	6105	0.07	0	0	0
25.SIVABAGYAM M	3700	0.04	0	0	0
26.CHANDRA MOHAN P	3200	0.04	0	0	0
27.RAVICHANDRAN C L	802	0.01	0	0	0
28.GANESAN M	1900	0.02	0	0	0
29.GAY TRAVEL S PRIVATE LIMITED	591506	6.57	590296	0	0
30.SUBASRI REALTY PRIVATE LIMITED	1464123	16.27	1464123	0	0
31.YESSIR HOLDINGS AND INVESTMENTS PVT LTD	372412	4.14	372412	0	0
32.SOVEREIGN MEDIA MARKETING PRIVATE LIMITED	195718	2.17	195718	0	0
33.SRI DEVI AGENCIES PVT LTD	29880	0.33	0	0	0
34.RANI PRINTERS PVT LTD	61093	0.68	45093	0	0
<b>INSTITUTIONS SHAREHOLDING</b>					
1.Mutual Funds	66739	0.74	0	0	0
2.Financial Institutions/ Banks	2006	0.02	1756	0	0
3.Insurace Companies	132189	1.47	94049	0	0
<b>NON-INSTITUTIONS SHAREHOLDING</b>					
1.Indian Public	3715079	41.28	906030	0	0
2.NRIs	72398	0.80	52968	0	0
3.Private Body Corporate/trust/	265259	2.94	141781	0	0
<b>Total</b>	<b>9000000</b>	<b>100</b>	<b>5124834</b>	<b>0</b>	<b>0</b>

**4. Business**

Nature of Business: Hotel Industries ( Hotel is under Renovation)

**5. Litigation**

Outstanding pertaining to	
(i) matters likely to affect operation and finances of the company including disputed tax liabilities of any nature ; and	None
ii) criminal prosecution launched against the company and the directors for alleged offences	None
(iii)Particulars of default, if any, in meeting statutory dues, institutional dues, and towards instrument holders like debentures, fixed deposits, and arrears on cumulative preference shares, etc. (also give the same particulars about the companies promoted by the same private promoters and listed on stock exchanges).	None

**6. Financial Information**

Financial performance for last 2 years	In Rupees Lakhs	
	Particulars	FY 2016-17
Sales		
Other Income	181.05	354.89
Total Income	181.05	354.89
Expenditure	698.18	361.43
Profit /Loss before Tax	(517.13)	(6.54)
Provision for Tax		
<b>Profit after Tax</b>		
Share Capital	1207.87	1207.87
Reserves & Surplus	4757.45	5373.92

**Declaration**

No statement made under this Information Memorandum contravenes any of the provisions of Companies Act 2013, as may be applicable and the rules made there under. All the legal requirements connected with the listing /revocation of suspension of trading in equity of shares of our company and also the guidelines, instructions etc. issued by SEBI, Government and any other competent authority in this behalf have been duly complied with. All information contained in this document is true and correct.

Thanking you,

Yours faithfully  
For Aruna Hotels Limited



Vaithyalingam Anbalagan  
Managing Director  
DIN :00059007





# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

## Annexure IV

### COMPANY PROFILE

Name of the Company	ARUNA HOTELS LIMITED
Registered Address	144-145, STERLING ROAD NUNGAMBAKKAM CHENNAI TN 600034
Telephone	044-28263399
Fax nos.	
Email ID	directorsaruna@gmail.com
Corporate Address (Address of Communication)	144-145, STERLING ROAD NUNGAMBAKKAM CHENNAI TN 600034
Telephone	044-28263399
Fax No.	
Email ID	directorsaruna@gmail.com
Company Website Address	www.arunahotels.com
Name of Managing Director	Mr. VAITHYALINGAM ANBALAGAN ( DIN No:00059007)
Residence Telephone No.	No:18-A,B-1, Dr THIRUMURTHY NAGAR 1St STREET, NUNGAMBAKKAM CHENNAI 600034
Mobile No.	+91 9841271299
Name of Chairman	No chairman
Telephone no.	
Mobile No.	
Name of all the Directors	1. Mr. VAITHYALINGAM ANBALAGAN +91 9841271299 2. MR. RAJAKUMAR KUMARUVELAYATHANADAR +91 9790970589 3. MR. MURALIDHARAN RAMASAMY +91 9176911555 4. MR. SUYAMBU NARAYANAN +91 9444006577 5. MS. FREEDA GNANASELVAM KANAGIAH +91 8667266639
Telephone No.	
Name of Company Secretary & Compliance Officer	Ajay Shukla
Telephone	044-28263399
Fax nos.	
Email ID	cs@ah Chennai.com
Brief nature of Business	Hotel Industries
Site Address	144-145, STERLING ROAD NUNGAMBAKKAM CHENNAI TN 600034
Name of the Group Companies	NA
Operational Status of Business	Hotel is under Renovation.
Name change of the company in last five years	No
Change in Main Line of Business in last five years	No
Exchanges where the company is listed indicating Regional Stock Exchange	No
Whether Listing Fees paid to all the Exchanges.	Yes
Various Securities listed on BSE with the scrip codes and ISIN nos.	EQUITY Scrip Code :500016 ISIN No:INE957C01019



No. 144, 145, Sterling Road, Nungambakkam, Chennai- 600 034.  
Ph: 044-3988 4422, Fax: 044-3041 4999. Email: arunahotelmpl@gmail.com.




# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

Name of Auditors and the changes in last five years with the dates. If yes reasons for the same.	M/s. BALA&CO , Chennai From the FY 2015-16 "Sri Guru Nivas" No 21.Srinivasa Nagar, Kandanchavadi,OFF OMR Chennai-600096 (Due to Location of the Auditor) U.C Bhandari &Co No 324, 1 <sup>st</sup> Floor , Prabhat Complex #8, K.G Road Bangalore -560 009
Action taken against the company by any other exchange in last five years.	No

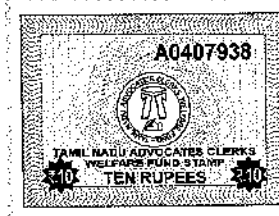
*The information provided herein is as submitted by the company and BSE LTD is not responsible for errors, if any.*

FOR ARUNA HOTELS LIMITED

  
V. ANBALAGAN  
MANAGING DIRECTOR



No. 144.145, Sterling Road, Nungambakkam, Chennai- 600 034.  
Ph: 044-3988 4422, Fax: 044-3041 4999. Email: arunahotelmpl@gmail.com.



IN THE COURT OF National Company Law Tribunal Bench At Chennai

I. A. No. of 2021

Mr. Kamal Babbar

... Plaintiff/Petitioner

Versus

Aruna Hotels Ltd & Ors

... Defendant/Respondent

I/We Kamal Babbar

do hereby appoint and retain

G. Rajathi and K. Panjalakshmi Advocates

to appear for me/us in the above Suit / Original / Miscellaneous Petition and to conduct and prosecute or defend the same and all proceedings that may be taken in respect of any application for execution of any decree or order passed therein. I/We empower my/our Advocate to appear in all miscellaneous proceedings in the above suit or matter till all decree or orders are fully satisfied or adjusted and all appeals thereto whether in suit, interlocutory application, execution petitions and applications in execution till they are finally disposed of in this Court and to obtain the return of documents and draw moneys that might be payable to me/us in the said suit or matter. He is / They are also authorized to depute other Counsel to act on his / their behalf.

I Certify that the contents of this vakalat at were read out and explained in English

In my presence of the Executant who appeared perfectly to understand the same and made his / her their signature in my presence.

G. Rajendran, M.A., B.L., Advocate & Commissioner of Oaths, Notary Public, GOVT OF INDIA, No. 48/58, East Jones Road, Saidapet, Chennai - 600 015.

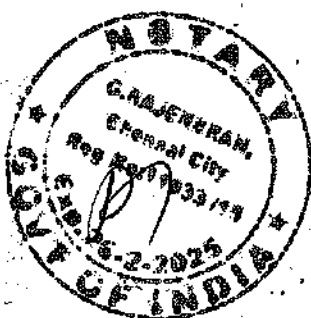
ACCEPTED : The address for services of the said Advocate is at D1, Sishthi Crescendo, 2A, Ground Floor, Desika Road, Mylapore, Chennai - 600 004.

Dated at Chennai on this 20th day of October 2021

G. Rajathi MS 2345/2012

K. Panjalakshmi MS 1925/2014

Advocate for plaintiff/ Petitioner



IN THE COURT OF National Company  
Law Tribunal Bench At Chennai

J. A. No.

of 2021

Mr. Kamal Babbar

... Plaintiff/Petitioner

Versus

Aruna Hotels Ltd & Ors

... Defendant/Respondent

## VAKALAT

Dr. Rajathi - Ms 2345/2012

K. Panjalakehmi - Ms 1975/2014

COUNSEL FOR Petitioner

86672 68945

Cheoff@rsadvocate.Com

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI**

**IN THE MATTER OF SECTION 244 OF THE  
COMPANIES ACT 2013  
AND  
IN THE MATTER OF ARUNA HOTELS LIMITED**

**IA NO OF 2021  
IN  
IA No OF 2021  
IN  
COMPANY PETITION No. OF 2021**

Mr. Kamal Babbar  
S/o. Ram Prakash Babbar  
66/1, Kasturi Avenue, MRC Nagar ,  
Raja Annamalaipuram,  
Chennai 600028

... Petitioner

-Vs.-

Aruna Hotels Ltd  
Represented By Its Company Secretary And  
Compliance Officer Ms Lakshmi Kumar  
144-145, Sterling Rd, Nungambakkam,  
Chennai, Tamil Nadu 600034

Subasri Realty Private Limited  
No.86 (Old No.1091)  
Periyar Evr High Road  
Chennai 600 007

Gay Travels Private Limited  
61, Nungambakkam High Road,  
Chennai 600034

Rani Printers Private Limited  
New No.86, Periyar Evr High Road  
Vepery Chennai 600007

Malar Publications Private Limited  
1091, Poonamallee High, Road,  
Chennai 600007

Mr. S Balasubramanian  
No 4 Bishop Garden  
Greenways Road  
Chennai 600028



Mr. Susai Nadar David  
(Managing Director of Aruna Hotels Ltd)  
B1 R C Princess Royal Apartments  
44-45 Siruvallur High Road, Perambur,  
Chennai, Tamil Nadu 600 011.

Mr. K N Rajkumar  
( Director Of Aruna Hotels Ltd)  
29a, 3rd Street Thangam Colony  
Annanagar West  
Chennai, Tamil Nadu - 600 040

Mr. Muralidharan Ramasamy  
Chairman and Non-Executive Director  
E-104, Casa Grande The Address,  
Easwaran Street, Opposite Aravind  
Theatre, Karapakkam, Oggiamthoraipakkam,  
Kancheepuram, Chennai – 600 097

Respondents

**APPLICATION FOR INTERIM RELIEFS UNDER SECTION 244(1)  
OF THE COMPANIES ACT 2013 READ WITH SECTION 242 OF  
ACT 2013 AND READ WITH RULE 11 OF THE NCLT RULES 2016**

**1. Particulars of Applicant / Respondent :**

- a. The Applicant is Mr Kamal Babbar a shareholder holding 1106875 fully paid up shares of face value of Rs 10/- each of the 1st Respondent such shares accounting for 13.52% of the equity share capital of the 1st Respondent and 10.05 % of the total issued capital. The address of service of the Petitioner for the purpose of this Application shall be the address of its Advocate Ms G Rajathi and Ms K Panjalakshmi at 24, D1, Srishti Cresendo, Desika Road, Mylapore, Chennai – 600004.
- b. The 1st Respondent is a public limited company with its registered office at 144-145, Sterling Rd, Nungambakkam, Chennai, Tamil Nadu 600034 .situated within the territory over which this bench of the Hon'ble Tribunal exercises jurisdiction. The 1st Respondent company's equity shares are listed on the BSE ( formerly Bombay Stock Exchange)

- c. The 2nd Respondent is a company registered under the Companies Act with their registered office at No.86 (Old No.1091) Periyar Evr High Road Chennai 600 007
- d. The 3rd Respondent is a company registered under the Companies Act with their registered office at 61, Nungambakkam High Road, Chennai 600034
- e. The 4th Respondent is a company registered under the Companies Act with their registered office at New No.86, Periyar EVR High Road, Ve-pery, Chennai 600007
- f. The 5th Respondent is a company registered under the Companies Act with its registered office at 1091, Poonamallee High, Road, Chennai 600007
- g. The 2nd to 5th Respondents are all companies set out as promoters and as lenders of the 1st Respondent
- h. The 6th Respondent is Mr S Balasubramanian S/o Sivanthi Adityan and residing at No 4 Bishop Garden Greenways Road Chennai 600028 and is the person set out presently as the promoter of the 1st Respondent. The companies set out as the 2nd to 5th Respondents are set out as entities controlled by the 5th Respondent
- i. The 7th Respondent is Mr. Susai Nadar David residing a B1 R C Princess Royal Apartments, 44-45 Siruvallur High Road, Perambur, Chennai, Tamil Nadu 600 011 and is the person set out as the Managing Director of the 1st Respondent
- j. The 8th Respondent is Mr. K N Rajkumar and is a person set out as a Non Independent Director of the 1st Respondent

- k. The 9th Respondent is Mr. Muralidharan Ramasamy residing at E-104, Casa Grande The Address, Easwaran Street, Opposite Aravind Theatre, Karapakkam, Oggiamthoraiyakkam, Kancheepuram, Chennai – 600 097 and is the person set out as the Chairman of the 1st Respondent

**2. Jurisdiction of the Chennai bench of the Hon'ble Tribunal :**

The Applicant states that this Hon'ble Tribunal has exclusive jurisdiction in respect of the reliefs sought herein as the Respondent No 1 company in respect of whose affairs the Petition is filed and reliefs is sought by orders of the Hon'ble Tribunal under this Application has its registered office in the state of Tamilnadu within the territory over which the Tribunal exercises jurisdiction. The present application is for interim reliefs only

**3. Limitation :**

- a. The Applicant states that the present application is for interim reliefs pending grant of waiver of requirement under Section 244(1) of the Companies Act 2013 and arises only when the Petition under Section 241 of the Act 2013 is being filed. The fact of the main Petition under Section 241 of Act 2013 being within limitation the present Application is not barred by limitation

**4. The facts leading to the filing of the present Application are as follows**

- a. The full facts and reasons under which the composite petition under Section 59 read with Section 213 with Section 221 with Section 241 and Section 242 and Section 216 of the Act 2013 are set out in the Company Petition inter alia under Section 241 of the Act 2013 and the Applicant craves leave to refer to the same and treat them as part of the present proceedings in the interest of brevity
- b. The reasons for seeking waiver under is set out in the IA filed under Section 244(1) of Act 2013 and the Applicant craves leave to refer to the

same and treat them as part of the present proceedings in the interest of brevity

- c. The Applicant herein is holds 12% of the equity share capital and holds over 9% of the issued share capital and was holding over 10% till recently. As such the Applicant is advised that it has a good case for getting waiver as the waiver is for the benefit of all the members of 1st Respondent who number over 25000
- d. The Applicant states that a rights issue is sought to be made in a further act of oppression. The rights issue is sought to be made in violation of the SEBI ICDR Regulations and in any event is an act sought to be effected by an illegally constituted board of Directors based on persons to whom shares have been shown as transferred in violation of law. In fact the rights issue is sought to be made even without any payment being made by the Promoter shareholders
- e. The Applicant states that once the waiver is granted the issues in the main petition can be gone into. The Applicant has sought substantial interim reliefs in the said Petition
- f. The Applicant states that at the present stage the only interim relief that Applicant craves is that status quo in respect of the capital of the company is not altered till the waiver application is disposed off so that no irreparable steps are committed as these will complicate the position even further
- g. The Applicant states that rights issue has closed on 13.10.2021 but that allotment is not yet made and the relief sought is only to seek to stay the same. The Applicant states that as in any event no money is being received and only book entries are being made the non allotment of shares will not cause any prejudice to the 1st Respondent

5. In view of the facts above said mentioned the Applicant prays for the following interim reliefs

a. The Hon'ble Tribunal may be pleased to :

(i) Pending the disposal of the Petitioner's Application for grant of waiver under Section 244(1) of Act 2013 restrain the 1st Respondent from in any manner altering the status quo in respect of the share capital and further not to make any allotment in the rights issue made under Letter of Offer dated 17.09.2021

(ii) For such other and further reliefs as the nature and circumstances of the case may require.

6. The Applicant has paid the applicable fee electronically

Applicant

Advocate

Dated this the 21stDay  
of October 2021 at Chennai

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT CHENNAI**

**IN THE MATTER OF SECTION 244 OF THE  
COMPANIES ACT 2013  
AND  
IN THE MATTER OF ARUNA HOTELS LIMITED**

**IA NO        OF 2021  
                  IN  
IA No        OF 2021  
                  IN  
COMPANY PETITION No. OF 2021**

Mr. Kamal Babbar

...Applicant

-Vs.-

Aruna Hotels Ltd & Ors

...Respondents

**AFFIDAVIT**

I, Kamal Babbar , Indian inhabitant, S/o. Ram Prakash Babbar with my residence at 66/1, Kasturi Avenue, MRC Nagar , Raja Annamalaipuram, Chennai 600028 do solemnly affirm and state as follows:

- 1.I am a shareholder of the 1st Respondent and am the Applicant in the above matter and am competent to make this Affidavit
- 2.The statements made in paragraphs 1 to 4 in the Application herein now shown to me are true to my own knowledge and I believe the same to be true and para 5 of the application is the prayer for reliefs .

Solemnly affirmed at Chennai |  
on this the 21<sup>st</sup> day of |  
October 2021 and signed his |  
name in my presence: |

**DEPONENT**

**BEFORE ME**

**NATIONAL COMPANY LAW TRIBUNAL  
VACATION BENCH (COURT-I)  
CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH,  
NATIONAL COMPANY LAW TRIBUNAL, HELD ON **22.10.2021** at **2.30 P.M**  
THROUGH VIDEO CONFERENCING

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**PRESENT: SMT. R.SUCHARITHA, MEMBER (JUDICIAL)**

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IA/MA/IBA/TCP/TCA/CP/CA No : CP/133(CHE)2021  
NAME OF PETITIONER : Kamal Babbar  
NAME OF RESPONDENT : Aruna Hotels Ltd & Ors  
SECTION : 244(1) of CA, 2013

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**ORDER**

This Application has been filed under Section 244(1) of the Companies Act, 2013. The Petitioner herein has round 9% of shareholding in the 1<sup>st</sup> Respondent Company. Therefore, an Application for waiver under Section 244 of the Companies Act, 2013 is moved. The Petitioner has mentioned this case in the Registry yesterday and moved this Application before the Vacation Bench stating that there is an urgency. The Application was returned due to defects, the same was represented today, numbered as CP/133/2021 and listed for hearing at 2.30 PM.

The Petitioner is represented by the Ld. Counsel Mr. R.Subramaniam and the Respondents are represented by the Ld. Senior Counsel Mr. P.H.Arvinth Pandian for Mr. Jerin Asher Sojan, Advocate for R1, R2, R6 to R9 and Mr. C.V.Shailendran, Advocate for R3 to R5 through video conferencing mode.

The Ld. Counsel for the Petitioner states that the rights issue were issued on 17.09.2021 and was closed on 13.10.2021. The Petitioner was part of the erstwhile Board of Directors of the first



Respondent Company. The Petitioner has also resigned from the management of the Company.

It was submitted by the Ld. Counsel for the Petitioner that the issuance of the rights by the present management is in violation of the law and a fraudulent, therefore, there is an urgency to stop allocation of the shares until further orders.

Ld. Senior Counsel appearing on behalf of the Respondents states that this Application is a frivolous Application. It is pertinent to mention here that the first Respondent Company was under the Corporate Insolvency Resolution Process (CIRP) for some period of time. Subsequently, the first Respondent Company came out of the CIRP under Section 12A of the Insolvency & Bankruptcy Code, 2016 and the present Board of Management has been entrusted with the first Respondent Company.

Ld. Senior Counsel for the Respondents states that after the public issuance of shares, the Petitioner has voluntarily decided to sell around 3,00,000 (three lakhs) shares on 28.09.2021 and 01.10.2021.



The present Application has been moved today before this Tribunal and no interim order can be passed at this stage of Waiver Application. Meanwhile, it is also represented by the Ld. Senior Counsel for the Respondents that the Petitioner is also the part of the Writ Petition filed before the Hon'ble Bombay High Court,, wherein SEBI has also been included as a Respondent.

Therefore, no interim prayer can be entertained at this stage when the Application filed under Section 244 of the Companies Act, 2013 is pending. The Respondents take notice.

The Respondents are permitted to file their Counter(s) in the Registry before the next date of hearing.

List this matter on **10.11.2021** for Counter(s) and further hearing.

-SD-  
**(R.SUCHARITHA)**  
**MEMBER (JUDICIAL)**

MS