

# ASIAN HOTELS (EAST) LIMITED

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

Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 [www.ahleast.com](http://www.ahleast.com)

CIN: L15122WB2007PLC162762

12<sup>th</sup> February, 2021

<b>The Manager</b> <b>Listing Department</b> <b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers,</b> <b>Dalal Street, Mumbai- 400001</b> <b>Tel: (022 2272 8013)</b> <b>Fax: (022 2272 3121)</b>	<b>The Manager</b> <b>Listing Department</b> <b>National Stock Exchange of India Ltd.</b> <b>Exchange Plaza</b> <b>Plot No. C/1, G Block,</b> <b>Bandra – Kurla Complex</b> <b>Bandra (E), Mumbai – 400 051</b> <b>Tel: (022) 2659 8235/36</b> <b>Fax: (022) 2659 8237/38</b>
<b>Type of Security: Equity shares</b> <b>Scrip Code : 533227</b>	<b>Type of Security: Equity shares</b> <b>NSE Symbol : AHLEAST</b>

Madam / Sir,

**Ref: Intimation under Regulation 30 of SEBI Listing Regulations, 2015.**

**Sub: Notice of the meeting of unsecured creditors of the Company convened pursuant to the directions of the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT).**

Further to our letter dated 4<sup>th</sup> February, 2021, we wish to inform you that pursuant to order of Hon'ble NCLT dated 28th January, 2021, as amended by corrigendum order dated 2nd February, 2021 & 9<sup>th</sup> February, 2021 respectively, a meeting of the unsecured creditors of the Company will be convened on Wednesday, 17<sup>th</sup> March, 2021 at 04:00 p.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement, Demerger and Reduction of Capital between the Company, Robust Hotels Private Limited and their respective shareholders and creditors under the provisions of Sections 230 to 232 and 66 of the Companies Act, 2013 and other relevant provisions of the Act and rules framed thereunder.

Notice along with annexures, convening the meeting of the unsecured creditors on 17<sup>th</sup> March, 2020 at 4:00 p.m. is enclosed herewith.

Request you to please take the above information on records.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



Encl: as stated above

OWNER OF



**HYATT**  
**REGENCY™**  
KOLKATA

# Asian Hotels (East) Limited

[CIN No. L15122WB2007PLC162762]

Registered Office: Hyatt Regency Kolkata, JA-1, Sector - 3, Salt Lake City, Kolkata, West Bengal - 700098

Tel No. 033 6820 1346; Fax No. 033 2335 8246;

Email: saumen.chatterjee@ahleast.com; Website: www.ahleast.com

## NOTICE OF MEETING OF UNSECURED CREDITORS (CONVENED PURSUANT TO ORDER DATED 28th JANUARY, 2021, AS AMENDED BY CORRIGENDUM ORDER DATED 2nd FEBRUARY, 2021 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH)

MEETING	
<b>Day</b>	Wednesday
<b>Date</b>	17th March, 2021
<b>Time</b>	04:00 P.M.
<b>Venue</b>	In view of the ongoing COVID-19 pandemic and related social distancing norms, as per the directions of the Hon'ble National Company Law Tribunal, Bench, Kolkata, the meeting shall be conducted through video conferencing / other audio-visual means and is deemed to take place at Hyatt Regency Kolkata, JA-1, Sector – 3, Salt Lake City, Kolkata, West Bengal – 700098

### INDEX

S.No.	Contents	Page Nos.
1.	Notice of meeting of the Unsecured Creditors of Asian Hotels (East) Limited convened as per the directions of National Company Law Tribunal, Kolkata Bench.	2 - 6
2.	Explanatory Statement under Section 230(3) read with Section 102 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.	7 - 15
3.	Scheme of Arrangement, Demerger and Reduction of Capital.	16 - 45
4.	Fairness Opinion dated January 13, 2020, issued by D & A Financial Private Limited.	46 - 52
5.	Capital Allocation and Share Entitlement Report dated January 13, 2020 issued by Mr. Mahim S. Mehta.	53 - 68
6.	Certificate issued by the Auditor of the Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.	69
7.	Shareholding Pattern and capital structure of the Demerged Company and the Resulting Company Pre (as on December 31, 2020) and Post Scheme of Arrangement.	70 - 73
8.	Complaints Report dated March 02, 2020 and March 13, 2020 submitted by the Company to the Stock Exchanges.	74 - 77
9.	Observation Letters dated May 21, 2020 from the National Stock Exchange Limited and BSE Limited respectively.	78 - 83
10.	Report under Section 232(2)(c) of the Companies Act, 2013 adopted by the Board of Directors of Demerged Company.	84 - 87
11.	Report under Section 232(2)(c) of the Companies Act, 2013 adopted by the Board of Directors of Resulting Company.	88 - 90
12.	Audited Financial Statement of the Demerged Company for the period ended March 31, 2020.	91 - 126
13.	Supplementary Accounting Statement of the Demerged Company for the period ended September 30, 2020	127 - 136
14.	Audited Financial Statement of the Resulting Company for the period ended March 31, 2020.	137 - 179
15.	Supplementary Accounting Statement of the Resulting Company for the period ended September 30, 2020.	180 - 183

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
KOLKATA BENCH  
COMPANY APPLICATION NO. CA(CAA) No. 1155/KB/2020**

**IN THE MATTER OF:**

SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT 2013, READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES 2016.

**AND IN THE MATTER OF:**

**ASIAN HOTELS (EAST) LIMITED** [CIN NO. L15122WB2007PLC162762], A COMPANY INCORPORATED UNDER THE PROVISIONS OF COMPANIES ACT, 1956 AND HAVING ITS REGISTERED OFFICE AT HYATT REGENCY KOLKATA, JA-1, SECTOR – 3, SALT LAKE CITY, KOLKATA, WEST BENGAL – 700098, INDIA. Tel No. 033 6820 1346; Fax No. 033 2335 8246; Email: saumen.chatterjee@ahleast.com; Website: www.ahleast.com.

**AND IN THE MATTER OF:**

SCHEME OF ARRANGEMENT BETWEEN ASIAN HOTELS (EAST) LIMITED (“**DEMERGED COMPANY**”), ROBUST HOTELS PRIVATE LIMITED (“**RESULTING COMPANY**”) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS FOR INTER ALIA THE DEMERGER OF THE SECURITIES TRADING UNIT OF THE DEMERGED COMPANY (“**DEMERGED UNDERTAKING**”) INTO THE RESULTING COMPANY AND REDUCTION OF CAPITAL.

**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF ASIAN HOTELS (EAST) LIMITED (“Notice”)**

To

The **Unsecured Creditors of Asian Hotels (East) Limited (the “Company”)**

**NOTICE** is hereby given that by an Order dated January 28, 2021, as amended by Corrigendum Order dated February 02, 2021 (the “**Order**”), in the above mentioned Company Scheme Application No. CA(CAA) No. 1155/KB/2020, the National Company Law Tribunal, Kolkata Bench has directed a Meeting to be held of the Unsecured Creditors of the Company (the “**Meeting**”), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement between Robust Hotels Private Limited, the Company and their respective shareholders and creditors (the “**Scheme**”).

In pursuance of the said Order and as directed therein, further Notice is hereby given that a Meeting of the Unsecured Creditors of the Company will be held at 4:00 PM on Wednesday, the 17th day of March, 2021 through video conferencing (VC) / other audio visual means (OAVM) to transact the business as stated hereunder, and the Unsecured Creditors of the Company are requested to attend and to consider and if thought fit, approve with or without modification(s), the resolutions set out below in this Notice under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) with the requisite majority.

“**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, other applicable enactments, rules, regulations and guidelines, Memorandum and Articles of Association of the Company and subject to the sanction by the National Company Law Tribunal, Kolkata Bench (“**NCLT**”/ “**Tribunal**”) and subject to other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT, the approval of the Unsecured Creditors of the Company be and is hereby accorded to the proposed Scheme of Arrangement between Robust Hotels Private Limited and the Company and their respective shareholders and creditors (the “**Scheme**”).”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangements embroiled in the Scheme and to accept such modification, amendments, limitations and conditions, if any, which may be required and/or imposed by the NCLT and /or any other

authority(ies) while sanctioning the Scheme or by any authority under the Law, or as may be required for the purpose of resolving any doubt or difficulties that may arise in giving effect to the Scheme, as the Board may be deem fit and proper, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the Unsecured Creditors of Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Due to difficulty in dispatch of the Notice along with the explanatory statement by post or courier, on account of threat posed by COVID-19 pandemic situation and as permitted under the MCA Circulars and the Order, the Company is sending the Notice through electronic mail to Unsecured Creditors whose electronic mail address is available with the Company. For other Unsecured Creditors, Notice is being sent through registered post or speed post or through courier.

The Unsecured Creditors can vote on resolutions through VC/OAVM during the Meeting. The Company is also extending remote e-voting facility for its unsecured creditors, to enable them to cast their votes electronically in advance of the Meeting. The instructions for remote e-voting are appended to the Notice. Therefore, unsecured creditors can vote on the aforesaid resolutions either through remote e-voting prior to the Meeting while the e-voting window is open or through voting via VC/OAVM during the Meeting. Only those Unsecured Creditors, who are present in the Meeting through VC/OAVM facility and have not already cast their vote through remote e-voting and are not otherwise barred from doing so, shall be eligible to vote in the Meeting. It is clarified that casting of votes by remote e-voting shall not disentitle a Unsecured Creditor as on the Cut-off Date from attending the Meeting.

Explanatory Statement pertaining to the said Resolution setting out the material facts and reasons thereof under Sections 230 and Section 102 of the Companies Act, 2013, read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with copy of the Scheme and other annexures, is enclosed. Copies of the same can also be obtained free of cost by sending a request through email to saumen.chatterjee@ahleast.com.

For Unsecured Creditors whose email address are not registered with the Company, they may follow the procedures mentioned in the notes to the Notice for casting their votes and can also get their email address registered with the Company. The Unsecured Creditors who have not registered their email addresses with the Company can get the same registered by emailing to saumen.chatterjee@ahleast.com at least 72 hours before the meeting.

The National Company Law Tribunal, Kolkata Bench has appointed Mr. Abhishek Sikdar, Advocate, to be the Chairperson of the said meeting.

Mr. Gopal Kumar Khetan, Practicing Chartered Accountant has been appointed as the scrutinizer to conduct the voting via VC/OAVM at the meeting and through remote e-voting, in a fair and transparent manner.

The above mentioned Scheme of Arrangement, if approved in the Meeting, will be subject to the subsequent approval by the National Company Law Tribunal, Kolkata Bench.

Sd/-  
**Abhishek Sikdar**  
Chairperson

Dated this 12th day of February 2021  
Place: Kolkata

**NOTES:**

1. In accordance with the Order, this Notice is being sent by email to all Unsecured Creditors whose name is recorded in the books of accounts of the Company as on January 31, 2021, (the “**Cut-off date**”) as well as of June 30, 2020, i.e. with respect to which a list of unsecured creditors of the Company was submitted before the Hon’ble NCLT. For Unsecured Creditors whose email is not registered with the Company, Notice is being sent to them through registered post or speed post or through courier.
2. In view of continuing COVID-19 pandemic and the restrictions imposed on the movement of people, physical attendance of the unsecured creditors is not required and the meeting is being held through video conferencing



("VC") or other audio visual means ("OAVM"), as allowed by the Tribunal vide the Order, and in compliance with applicable provisions of the Companies Act, 2013 and the Ministry of Corporate Affairs ("MCA") circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and 31st December, 2020 (collectively referred to as "MCA Circulars"). The venue of the Meeting shall be deemed to be the Registered Office of the Company.

3. Unsecured Creditors may join the Meeting through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Unsecured Creditors from 3:30 p.m. (IST) i.e. 30 minutes before the time scheduled to start the Meeting and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the Meeting.
4. The Unsecured Creditors of the Company as of the Cut-off Date shall have the facility of voting during the Meeting through VC/ OAVM. Voting rights of each Unsecured Creditors shall be reckoned basis the value of the Company's unsecured debt from such Unsecured Creditor as on the Cut-off date. A person who is not an Unsecured Creditors as on the Cut-off Date should treat this Notice of Meeting for information purpose only. Kindly refer notes below for procedure for voting during the Meeting through VC/OAVM.
5. The Company is also extending the facility of remote e-voting during the period commencing from Sunday, 14th March, 2021 (9:00 A.M.) and ending on Tuesday, 16th March, 2021 (5:00 P.M.). During this period, Unsecured Creditors of the Company whose name is recorded in the books of accounts of the Company as on the Cut-off Date i.e. 31st January, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Kindly refer notes below for procedure for remote e-voting. Once the vote on a resolution is cast by the Unsecured Creditors, the Unsecured Creditors shall not be allowed to change it subsequently.
6. Unsecured Creditors attending the Meeting who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the Meeting. Unsecured Creditors who have voted through remote e-voting shall be eligible to attend the Meeting, however, they shall not be eligible to vote at the meeting.
7. As the Meeting is being conducted through VC/OAVM, the facility to appoint proxy to attend and cast vote is not available for this Meeting. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
8. A Body Corporate or Foreign Institutional Investor ("FII") or Foreign Portfolio Investor ("FPI") is entitled to appoint authorised representatives to attend the Meeting of Unsecured Creditors provided such Body Corporate or FII or FPI sends a scanned copy (PDF/JPG Format) of the Board Resolution/ power of Attorney authorizing its representatives to attend and vote at the Meeting through VC/OAVM on its behalf pursuant to Section 113 of the Act. The said authorization shall be sent to the Scrutinizer (along with a copy of such representative's identification proof) by email through its registered email address to khetangopal23@gmail.com with a copy marked to evoting@nsdl.co.in, cscorporate@sarafhotels.com and saumen.chatterjee@ahleast.com not later than 48(forty eight) hours prior to the commencement of the Meeting.
9. A statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the business to be transacted at the Meeting is annexed hereto and forms part of this Notice. The Notice, Explanatory Statement and all documents referred to therein shall be available at [www.ahleast.com](http://www.ahleast.com).
10. In line with Section 103 of Companies Act, 2013 and the Order, the quorum of the Meeting shall consist of 5 Unsecured Creditors of the Company. The attendance of the Unsecured Creditors attending the meeting through VC/OAVM will be counted for the purpose of reckoning the quorum.
11. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if the resolution mentioned in the notice has been approved at the meeting by a majority of persons representing three fourth in value of unsecured creditors present and voting at the meeting via VC/OAVM or remote e-voting.
12. The material documents referred to in the accompanying Explanatory statement and pursuant to applicable provisions, shall be open for inspection from 10:00 a.m. to 5:00 p.m. on all working days (except Sundays and Public Holidays) upto 1 (one) day prior to the date of the Meeting of the Unsecured Creditors at the Registered Office of the

Company. Copies of the Scheme of Arrangement and Explanatory Statement can be obtained free of charge at the registered office of the Company or by sending a request through email to [saumen.chatterjee@ahleast.com](mailto:saumen.chatterjee@ahleast.com).

13. The Notice convening the aforesaid Meeting will also be published through advertisement in The Financial Express (Kolkata Edition) in English and Aajkal (Kolkata Edition) in Bengali.
14. The company has entered into an arrangement with NSDL, for facilitating e-voting at the Meeting and remote e-voting, through their e-voting platform [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
15. For your login credentials i.e. User Id and password for casting the vote please refer email sent for the Meeting.
16. The Scrutinizer shall after the conclusion of the voting at Meeting, unblock the votes cast through remote e-voting and e-voting and make, not later than 48 hours of the conclusion of the Meeting, a consolidated Scrutinizer's Report of total votes cast in favour or against the resolution for approval of the Scheme, if any, and provide it forthwith to the Mr. Abhishek Sikdar, Chairperson of the Meeting who shall declare the Result.
17. The business of the meeting shall be transacted and the result thereof ascertained accordingly. The aforesaid resolution for approval of the Scheme shall, if passed by a majority in number representing three-fourths in value of such unsecured creditors, present and voting at the meeting via VC/OAVM, be deemed to have been duly passed on the date of the said meeting (i.e. 17th March, 2021) under Section 230(1) read with Section 232(1) of the Companies Act, 2013.
18. The result declared by the Chairperson of the Meeting, along with the Scrutinizer's Report will be available forthwith on the website of the Company at [www.ahleast.com](http://www.ahleast.com) and on the website of NSDL at <https://www.evoting.nsdl.com/>. The Company shall simultaneously forward the result to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
19. The result declared along with the Scrutinizer's report shall be placed on the website of the Transferee Company ([www.ahleast.com](http://www.ahleast.com)) and on NSDL website (<https://evoting.nsdl.com>) immediately after the result is declared.

#### **INSTRUCTIONS FOR UNSECURED CREDITORS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

20. Unsecured Creditors will be provided with a facility to attend the Unsecured Creditors meeting through VC/OAVM through the NSDL e-Voting system. The link for VC/OAVM will be available in Unsecured Creditors login where the EVEN of the Company will be displayed.
21. Unsecured Creditors are encouraged to join the meeting through laptops / tablets for better experience.
22. Further Unsecured Creditors will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
23. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
24. Unsecured Creditors who would like to express their views/ask questions during the Meeting or have queries in respect of the Scheme may register themselves as a speaker by sending their request on or before March 12, 2021 mentioning their name, membered , email id, mobile number at [saumen.chatterjee@ahleast.com](mailto:saumen.chatterjee@ahleast.com). The questions and queries should be restricted to the Scheme. Those Unsecured Creditors who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### **PROCEDURE AND INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING**

The procedure for remote e-voting and e-Voting on the day of the meeting of Unsecured Creditors of the Company is as follows-

- a) Use the following URL for e-voting: <https://www.evoting.nsdl.com> either on a personal Computer or on a mobile.

- b) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders/ Members’ section.
- c) After entering the details appropriately, click on “LOGIN”
- d) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
- e) Enter the login credentials i.e., user id and password mentioned in your email. Your user id will be EVEN Number followed by Member’s Unique Number registered with the company
- f) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- g) How to retrieve your ‘initial password’?
  - i) If your email ID is registered in your account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email open the attachment i.e. a .pdf file. Open the .pdf file - the password to open the .pdf file is your Member’s Unique No. The pdf file contains your ‘User ID’ and your ‘initial password’.
- h) Select “EVEN” of company for which you wish to cast your vote.
- i) Now you are ready for e-Voting as the Voting page opens.
- j) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify to cast your vote and click on “Submit” and also “Confirm” when prompted
- k) Upon confirmation, the message “Vote cast successfully” will be displayed.
- l) Upon confirmation, the message “Vote cast successfully” will be displayed.
- m) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- n) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- o) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- p) The said e-facility for voting shall be available from 3:00 p.m. on the day of the Meeting, until the conclusion of the Meeting.
- q) If any votes are cast by the Unsecured Creditors through the e-voting available during the Unsecured Creditors meeting and if the same Unsecured Creditors have not participated in the meeting through VC/OAVM facility, then the votes cast by such Unsecured Creditors shall be considered invalid as the facility of e-voting during the meeting is available only to the Unsecured Creditors attending the meeting.
- r) The Company is also extending the facility of remote e-voting during the period commencing from Sunday, 14th March, 2021 (9:00 A.M.) and ending on Tuesday, 16th March, 2021 (5:00 P.M.).
- s) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the “Downloads” section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 / 1800-1020-990 / 1800-22-44-30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
KOLKATA BENCH  
COMPANY APPLICATION NO. CA(CAA) No. 1155/KB/2020**

**IN THE MATTER OF:**

SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT 2013, READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES 2016.

**AND IN THE MATTER OF:**

**ASIAN HOTELS (EAST) LIMITED** [CIN NO. L15122WB2007PLC162762], A COMPANY INCORPORATED UNDER THE PROVISIONS OF COMPANIES ACT, 1956 AND HAVING ITS REGISTERED OFFICE AT HYATT REGENCY KOLKATA, JA-1, SECTOR – 3, SALT LAKE CITY, KOLKATA, WEST BENGAL – 700098, INDIA. Tel No. 033 6820 1346; Fax No. 033 2335 8246; Email: saumen.chatterjee@ahleast.com; Website: www.ahleast.com.

**AND IN THE MATTER OF:**

SCHEME OF ARRANGEMENT BETWEEN ASIAN HOTELS (EAST) LIMITED, ROBUST HOTELS PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS FOR INTER ALIA THE DEMERGER OF THE DEMERGED UNDERTAKING INTO THE RESULTING COMPANY AND REDUCTION OF CAPITAL.

**EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 102 OF THE COMPANIES ACT, 2013, READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. The National Company Law Tribunal, Kolkata Bench, (“**Tribunal**”), by an Order dated January 28, 2021, as amended by Corrigendum Order dated February 02, 2021 (“**Order**”) in the Company Application referred to above, with respect to the Scheme of Arrangement between Robust Hotels Private Limited (“**Resulting Company**”) and Asian Hotels (East) Limited (“**Demerged Company**”) and their respective shareholders and creditors for demerger and transfer of the Securities Trading Unit of the Demerged Company (“**Demerged Undertaking**”) from the Demerged Company into the Resulting Company (“**the Scheme**”) has directed the convening of the Meeting of the Equity Shareholders of Asian Hotels (East) Limited to be held at 3:00 p.m. on Wednesday, the 17th day of March 2021, through video conferencing (VC) / other audio visual means (OAVM) which shall be deemed to be held at Hyatt Regency Kolkata, JA-1, Sector – 3, Salt Lake City, Kolkata, West Bengal – 700098.
2. The Order further directs the convening of the meeting of the Unsecured Creditors of the Demerged Company at 4:00 p.m. on Wednesday, the 17th day of March 2021, through VC / OAVM, to consider the Scheme. As the Demerged Company does not have any secured creditors, the requirement of holding a meeting of secured creditors does not arise, as recorded in the Order.
3. Asian Hotels (East) Limited (“**Demerged Company**”) is a public limited company incorporated under the Companies Act, 1956, having its registered office at Hyatt Regency Kolkata, JA-1, Sector – 3, Salt Lake City, Kolkata, West Bengal – 700098 and email: saumen.chatterjee@ahleast.com. The Demerged Company was incorporated as Vardhman Hotels Private Limited on 08 January 2007 and was converted into a public limited company on 28 July 2007. The name of Demerged Company was changed to its present name on 16 February 2010. The CIN of the Demerged Company is L15122WB2007PLC162762 and PAN is AACCV4634N. The Equity Shares of the Demerged Company are listed on National Stock Exchange of India Limited (“**NSE**”) and BSE Limited (“**BSE**”) (together, the “**Stock Exchanges**”).
4. The Demerged Company is primarily engaged in two(2) lines of business through separate divisions as follows: (a) Hotel Division engaged in the operation and management of Hyatt Regency Kolkata; and (b) Investment Division which in-turn consists of the “**Securities Trading Unit**” (comprising of treasury/liquid investments which is being regularly traded and bonds, mutual funds, and shares of certain companies, which already are under an agreement of sale, part performance completed) and the “**Strategic Investments Unit**” (comprising inter alia of investment in and loans given to the Resulting Company and GJS Hotels Limited).

5. The share capital structure of the Demerged Company as on December 31, 2020 is as follows:

<b>Share Capital</b>	<b>Amount in Rs.</b>
<b>Authorised Capital</b>	
9,00,00,000 Equity Shares of Rs. 10/- each	90,00,00,000
10,00,000 Preference Shares of Rs. 10/- each	1,00,00,000
<b>Total</b>	<b>91,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,15,27,797 Equity Shares of Rs. 10/- each	11,52,77,970
<b>Total</b>	<b>11,52,77,970</b>

6. Robust Hotels Private Limited (“Resulting Company”), is a private limited company incorporated under the Companies Act, 1956, having its registered office at 365, Anna Salai Teyampet, Chennai, Tamil Nadu – 600018, India and Email: thanika@sarafhotels.com. The CIN of the Resulting Company is CIN U55101TN2007PTC062085 and PAN is AADCR5418B. The shares of the Resulting Company are not listed on any stock exchange. The Demerged Company holds 22,41,83,829 equity shares of Rs. 10/- each of the Resulting Company (directly and through its nominees), aggregating to 100% of the total equity share capital of the Resulting Company. Resulting Company is a wholly owned subsidiary of the Demerged Company.
7. The Resulting Company is authorized to engage in the business of operating and management of Hyatt Regency Chennai, a hotel located at 365, Anna Salai, Teyampet in Chennai.
8. The share capital structure of the Resulting Company as on December 31, 2020 is as follows:

<b>Share Capital</b>	<b>Amount in Rs.</b>
<b>Authorised Capital</b>	
22,50,00,000 Equity Shares of Rs. 10/- each	2,25,00,00,000
<b>Total</b>	<b>2,25,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
22,41,83,829 Equity Shares of Rs. 10/- each	
<b>Total</b>	<b>2,24,18,38,290</b>

9. The Scheme provides for (i) the demerger and transfer of the “Demerged Undertaking” (being the undertaking, business, activities and operations of the Demerged Company pertaining to Securities Trading Unit) from the Demerged Company into and with the Resulting Company as a going concern, in accordance with Sections 230-232 of Companies Act, 2013 and in compliance with Section 2(19AA) of Income-tax Act, 1961 (ii) reorganization and reduction of equity shares of the Resulting Company held by Demerged Company (without payment of consideration), in terms of Section 66 of Companies Act, 2013, and its utilization for wiping out losses of the Resulting Company and (iii) a bonus issue by the Demerged Company of fully paid-up equity shares to its equity shareholders as of the Record Date in 1:2 ratio, that is, 1 (one) new bonus fully paid-up equity share (having face value of Rs. 10/- (Indian Rupees ten)) for every 2 (two) Equity Shares of the Demerged Company (having face value of Rs. 10/- (Indian Rupees ten) each) held by a shareholder of the Demerged Company as of the Record Date, in accordance with Section 63 of the Companies Act, 2013. The “Record Date” shall be a date after the sanction of the Scheme but before the Effective Date, as fixed by the Board of Directors of the Demerged Company in consultation with the Board of Directors of the Resulting Company
10. The proposed demerger and transfer of the Demerged Undertaking from the Demerged Company into the Resulting Company pursuant to this Scheme shall be in the interest of the Demerged Company and the Resulting Company

and all their concerned stakeholders including shareholders, creditors, employees, and general public in the following ways:

- (i) Unlocking the value of Demerged Company's shares for its shareholders, which is presently getting subdued on account of subdued performance and balance sheet of Resulting Company;
- (ii) Possible release of guarantee(s) presently given by the Demerged Company to the lenders of the Resulting Company. This would clear the contingent liability as appearing in the financial statements of the Demerged Company, and will potentially improve the credit rating of the Demerged Company, thereby enabling reduction in cost of finance for the Demerged Company and better price discovery on the stock market;
- (iii) The Equity Shares of Resulting Company shall also be entitled to the benefit of getting listed on the Stock Exchanges pursuant to the SEBI Circular. Therefore, shareholders of the Demerged Company (as of the Record Date) shall, as a result of the Scheme, hold Equity Shares of 2 (two) listed entities, the Demerged Company and the Resulting Company. Such shareholders would then be able to choose to remain invested in both or either of the Demerged Company and the Resulting Company, giving them greater flexibility in managing / dealing with their investments in different companies, being the Demerged Company and the Resulting Company in view of their respective businesses, and individual risk profiles;
- (iv) Improving the balance sheet of the Resulting Company and its credit rating by providing liquid assets and resources that would enable enhancement in future profitability without any sacrifice of value by the shareholders of the Demerged Company, enabling potential turn-around and/or expansion programs for the Resulting Company, and assist the Resulting Company in supporting and potentially reducing its debt burden and cost of financing;
- (v) Enable unlocking of the true value of the Resulting Company for the shareholders of the Demerged Company (in a separate entity, being the Resulting Company), which does not appear to be reflecting fully and accurately in the present consolidated market valuation of the Demerged Company on account of there being a holding company discount;
- (vi) Provide scope for attracting and accessing targeted funding and investors for the Demerged Company and the Resulting Company and provide better flexibility in pursuing long term growth plans and strategies for the separate companies, instead of the Resulting Company continuing to use Demerged Company's credit rating and guarantees and equity funds;
- (vii) Enable the management of the Demerged Company to evaluate the performance of the Hotel Division on an independent basis and keep its risks (if any) ring-fenced; and
- (viii) Enable enhanced strategic flexibility and focus of the respective managements of the Demerged Company and the Resulting Company, thereby facilitating the separate managements to efficiently exploit opportunities for each of the said businesses.

11. The salient features of the Scheme are as follows :

- A. Appointed date means the Effective Date (beginning of business hours) or such other date as may be directed / approved by the Tribunal(s). The Scheme shall become effective upon the filing of the sanction order of the Scheme with the relevant jurisdictional Registrar of Companies by each of the Demerged Company and the Resulting Company (the "Effective Date"), and shall be deemed to have become effective from the Appointed Date.
- B. The Scheme provides inter-alia for demerger and transfer of the Demerged Undertaking from the Demerged Company and into and with the Resulting Company.
- C. Equity Shares to be issued by the Resulting Company to the shareholders of the Demerged Company pursuant to the Scheme in accordance with the Share Entitlement Ratio will be listed on the Stock Exchanges in accordance with the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, including vide Circular CFD/DIL 3/CIR/2017/26 dated March 23, 2017 and Circular CFD/DIL3/CIR/2018/2



dated January 03, 2018, read with Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

**The aforesaid are only the salient features of the Scheme. You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.**

12. The amounts due to the unsecured creditors of the Demerged Company as on 30th June, 2020 is Rs. 5,94,14,816/- (Rupees five crore ninety four lakh fourteen thousand eight hundred sixteen only), and as of January 31, 2021 is Rs. 3,84,15,464.27/-. (Three crore eighty four lakhs fifteen thousand four hundred sixty four rupees and twenty seven paise only).
13. The amounts due to the unsecured creditors of the Resulting Company as on 31st July, 2020 is Rs. 61,73,62,002/- (Rupees sixty one crore seventy three lakh sixty two thousand two only).
14. The Scheme shall have no adverse effect on any of the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Demerged Company The Scheme is in the interest of all stakeholders of the Demerged Company.
15. The Scheme shall have no adverse effect on any of the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Resulting Company. The Scheme is in the interest of all stakeholders of the Resulting Company.
16. No investigation proceedings have been instituted or are pending in relation to the Demerged Company and Resulting Company under the Companies Act, 1956 or the Companies Act, 2013.
17. There is no petition pending for winding up of the Demerged Company or the Resulting Company.
18. The details of the promoter and promoter group of the Demerged Company are as under:

S.No.	Name of the Promoter	Address of the Promoter	No of shares held
i.	Saraf Industries Limited	IFS Court, Bank Street, Twentyeight Cyber City, Ebene- 72201, Mauritius	3630630
ii.	Radhe Shyam Saraf	Flat D20/F Caine Mansion, 80 – 88, Caine Road, Hong Kong.	3284680
iii.	Ratna Saraf	Flat D20/F Caine Mansion, 80 – 88, Caine Road, Hong Kong	617347
iv.	Umesh Saraf	H. No. 27-A, Green Avenue Lane Vasant Kunj New Delhi: 110070	24731
v.	Arun Kumar Saraf	Grand Hyatt Residences, Juniper Hotel Vakola Pipe Line Road, Vakola, Santacruz East Mumbai: 400055	8732

19. The Board of Directors of the Demerged Company in its Meeting held on November 14, 2019 approved the Scheme and filing thereof.

The details of the Directors of the Demerged Company who voted in favour of the Resolution, against the Resolution and who did not participate or vote on such Resolution are as under:

S.No.	Name of Director	Address	Voted for the Resolution	Voted against the Resolution	Did not vote or participate
i.	Mr. Radhe Shyam Saraf	Flat D20/F Caine Mansion, 80-88, Caine Road, Hong Kong	-	-	-
ii.	Mr. Arun Kumar Saraf	Grand Hyatt Residencies, Juniper Hotel Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai- 400055	-	-	Did not Participate

S.No.	Name of Director	Address	Voted for the Resolution	Voted against the Resolution	Did not vote or participate
iii.	Mr. Umesh Saraf	H. No. 27-A, Green Avenue Lane Vasant Kunj, New Delhi-110070	-	-	-
iv.	Mr. Rama Shankar Jhavar#	22/2A, Gora Chand Road, Kolkata- 700014	Voted in favour	-	-
v.	Mr. A.C. Chakrabortti	29/13. Ballygunge Park, PO-Ballygunge, Kolkata- 700019	Voted in favour	-	-
vi.	Mr. Padam Kumar Khaitan	3, Queens Park, Kolkata-700019	Voted in favour	-	-
vii.	Mrs. Rita Bhimani	12/4, Sunny Park Apartments 6, Sunny Park, Kolkata-700019	Voted in favour	-	-

***\*Did not vote / participate, being interested Directors.***

***#Late. R S Jhavar ceased to hold the office of Independent Director due to his sudden demise on Wednesday, 14th October, 2020.***

*Mr. Radhe Shyam Saraf and Mr. Umesh Saraf had sought and was given leave of absence from the above mentioned Meeting and did not attend the Meeting.*

20. The details of the promoter and promoter group of the Resulting Company are as under:

S.No.	Name	Address	No of Equity shares held
i.	Asian Hotels (East) Limited	Hyatt Regency Kolkata, JA-1, Sector-3, Salt lake City, Kolkata- 700 098	22,41,83,829
ii.	Mr. Arun Kumar Saraf	Grand Hyatt Residencies, Juniper Hotel Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai- 400055	Nil
iii.	Mr. Umesh Saraf	H. No. 27-A, Green Avenue Lane Vasant Kunj, New Delhi- 110070	Nil
iv.	Mr. Varun Saraf	Grand Hyatt Residences, Vakola Pipe Line Road, Vakola, Santacruz East Mumbai: 400055	Nil

The Board of Directors of the Resulting Company in its Meeting held on January 13, 2020, approved the Scheme and filing thereof.

21. The details of the Directors of the Resulting Company who voted in favour of the Resolution, against the Resolution and who did not participate or vote on such Resolution are as under:

Sl. No.	Name of Director	Address	Voted for the Resolution	Voted against the Resolution	Did not vote or participate
i.	Mr. Arun Kumar Saraf	Grand Hyatt Residencies, Juniper Hotel Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai-400055	-	-	-

Sl. No.	Name of Director	Address	Voted for the Resolution	Voted against the Resolution	Did not vote or participate
ii.	Mr. Umesh Saraf	H. No. 27-A, Green Avenue Lane Vasant Kunj, New Delhi- 110070	-	-	Did not participate
iii.	Mr. Varun Saraf	Grand Hyatt Residencies, Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai- 400055	-	-	-
iv.	Mr. Avali Srinivasan	45, Saphthagiri Colony, Jafferkhanpet, Chennai- 600083	-	-	-
v.	Mr. Rama Shankar Jhavar#	29/13. Ballygunge Park, PO- Ballygunge, Kolkata- 700019	Voted in favour	-	-
vi.	Mrs. Rita Bhimani	12/4, Sunny Park Apartments 6, Sunny Park, Kolkata- 700019	Voted in favour	-	-

Mr. Arun Kumar Saraf, Mr. Varun Saraf and Mr. A. Srinivasan had sought and was given leave of absence from the above-mentioned meeting and did not attend the meeting.

**\*Did not vote / participate, being interested Directors.**

**#Late. R S Jhavar ceased to hold the office of Independent Director due to his sudden demise on Wednesday, 14th October, 2020.**

22. The details of the Directors of the Demerged Company and their shareholding in the Demerged Company ("A") and the Resulting Company ("B") either singly or jointly are as follows:

S.No.	Name of Director	Address	Age (Yr)	Position	Equity Shares Held	
					A	B
i.	Mr. Radhe Shyam Saraf	Flat D20/F Caine Mansion, 80-88, Caine Road, Hong Kong	90	Non-Executive Director	3284680	-
ii.	Mr. Arun Kumar Saraf	Grand Hyatt Residencies, Juniper Hotel Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai- 400055	61	Joint Managing Director	8732	-
iii.	Mr. Umesh Saraf	H. No. 27-A, Green Avenue Lane Vasant Kunj, New Delhi- 110070	56	Joint Managing Director	24731	-
iv.	Mr. A.C. Chakrabortti	22/2A, Gora Chand Road, Kolkata- 700014	90	Independent Director	-	-
vi.	Mr. Padam Kumar Khaitan	3, Queens Park, Kolkata- 700019	67	Independent Director	-	-
vii.	Mrs. Rita Bhimani	12/4, Sunny Park Apartments 6, Sunny Park, Kolkata- 700019	75	Independent Director	-	-

23. The details of the Directors of the Resulting Company and their shareholding in the Demerged Company (“A”) and the Resulting Company (“B”) either singly or jointly are as follows:

S.No.	Name of Director	Address	Age (Yr)	Position	Equity Shares Held	
					A	B
i.	Mr. Arun Kumar Saraf	Grand Hyatt Residencies, Juniper Hotel Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai- 400055	61	Non-Executive Director	8732	-
ii.	Mr. Umesh Saraf	H. No. 27-A, Green Avenue Lane Vasant Kunj, New Delhi-110070	56	Non-Executive Director	24731	-
iii.	Mr. Varun Saraf	Grand Hyatt Residencies, Vakola Pipe Line Road, Vakola, Santacruz East, Mumbai-400055	36	Non-Executive Director	-	-
iv.	Mr. Avali Srinivasan	45, Sapthagiri Colony, Jaffer Khanpet, Chennai-600083	73	Non-Executive Director	-	1(One) in the capacity of nominee of Asian Hotels (East) Limited, the Demerged Company
vi.	Mrs. Rita Bhimani	12/4, Sunny Park Apartments 6, Sunny Park, Kolkata- 700019	75	Independent Director	-	-

24. No Directors or Key Managerial Personnel or their relatives except in the capacity of being a shareholder of the companies involved in the scheme are concerned, or interested financially or otherwise, in the Scheme.
25. The Scheme does not affect in any manner nor vary the rights in any manner of the Key Managerial Personnel (as defined under the Companies Act 2013) or Directors of the Demerged Company or the Resulting Company. The Scheme also does not propose any compromise or arrangement with the creditors of the Demerged Company or the Resulting Company.
26. Pre and post Scheme shareholding pattern of the Demerged Company based on the agreed share entitlement ratio is reproduced below:

Particulars	Pre-Scheme (December 31, 2020)		Post-Scheme	
	Total No. of shares held	Shareholding as a%	Total No. of shares held	Shareholding as a%
Promoter	7566120	65.63	11349179	65.63
Public	3961677	34.37	5942517	34.37
<b>Total (A+B)</b>	<b>11527797</b>	<b>100.00</b>	<b>17291696</b>	<b>100.00</b>

27. Pre and post Scheme shareholding pattern of the Resulting Company is reproduced below:

Particulars	Pre-Scheme (December 31, 2020)		Post-Scheme	
	Total No. of shares held	Shareholding as a%	Total No. of shares held	Shareholding as a%
Promoter	224183829	100	11349179	65.63
Public	-	-	5942517	34.37
<b>Total (A+B)</b>	<b>224183829</b>	<b>100.00</b>	<b>17291696</b>	<b>100.00</b>

28. The Scheme is conditional upon and subject to:

- a) The approval by the requisite majority of the classes of persons, including shareholders and creditors of the Resulting Company and Demerged Company under Section 230 to 232 of the 2013 Act.
- b) The scheme being approved by the public shareholders of the Demerged Company in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March, 10, 2017, read with Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 i.e., the votes cast by the public shareholders of the Company in favour of the resolution approving the Scheme being more than the number of votes cast by the public shareholders of the Company against it.
- c) The sanctioning of this Scheme by the National Company Law Tribunal, Kolkata Bench, and National Company Law Tribunal, Chennai Bench, whether with or without any modifications or amendments as they may deem fit.
- d) The filing of the certified copies of the relevant orders of the National Company Law Tribunal, Kolkata Bench and National Company Law Tribunal, Chennai Bench with the respective Registrar of Companies, by the Demerged Company and Resulting Company.
- e) Any other sanctions and orders as may be directed by the National Company Law Tribunal in respect of the Scheme.

29. Corporate Unsecured Creditors may participate and vote at the Meeting of Unsecured Creditors through their authorized representative by lodging a certified true copy of the Board Resolution/Power of Attorney (along with a copy of the identification proof of the authorised representative) with the Company not later than 48(forty-eight) hours before the time of commencement of the Meeting, authorizing such person to attend and vote on its behalf.

30. In the present matter, Mr. Mahim S. Mehta, a Registered Valuer, has provided the Capital Allocation and Share Entitlement Report dated January 13, 2020, and a Fairness Opinion dated January 13, 2020 has been provided by D&A Financial Services (P) Limited.

31. The Demerged Company has not accepted any deposit nor has issued debentures.

32. Copy of the Notice issued to the Unsecured Creditors of the Demerged Company, the Scheme of Arrangement and Explanatory Statement under Sections 102 and 230 of the Companies Act, 2013, have been placed on the website of the Demerged Company at [www.ahleast.com](http://www.ahleast.com). A copy of the Scheme, along with Explanatory Statement under Sections 102 and 230 of the Companies Act, 2013 is also being forwarded to the Registrar of Companies, West Bengal.

33. The following documents will be open for inspection by the Unsecured Creditors and also for obtaining extracts from, or for making of / obtaining copies of, at the Registered Office of the Demerged Company between 10:00 a.m. to 5:00 p.m. on all working days (except Sundays and Public Holidays) upto 1 (one) day prior to the date of the Meeting of the Unsecured Creditors, and shall also be available on the website of the Company [www.ahleast.com](http://www.ahleast.com):

- (i) Explanatory Statement under Section 230, and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.
- (ii) Copy of the Company Application No. CA(CAA) No.1155/KB/2020.

- (iii) Copy of the Tribunal's Order dated January 28, 2021, as amended by Corrigendum Order dated February 02, 2021, in the above Company Application.
- (iv) Copy of the Memorandum and Articles of Association of the Demerged Company and the Resulting Company.
- (v) Copy of the Scheme.
- (vi) Copy of the Capital Allocation and Share Entitlement Report dated January 13, 2020 issued by Mr. Mahim S. Mehta.
- (vii) Copy of the Fairness Opinion dated January 13, 2020, issued by D&A Financial Services (P) Limited.
- (viii) Complaints Report dated March 02, 2020 and March 13, 2020 submitted by the Demerged Company to the Stock Exchanges.
- (ix) Copy of the Observation Letters dated May 21, 2020 from the National Stock Exchange of India Limited and BSE Limited respectively.
- (x) Report under Section 232(2)(c) of the Companies Act, 2013 adopted by the Board of Directors of Demerged Company.
- (xi) Report under Section 232(2)(c) of the Companies Act, 2013 adopted by the Board of Directors of Resulting Company.
- (xii) Audited Financial Statement of Demerged Company for the period ended March 31, 2020.
- (xiii) Audited Financial Statement of Resulting Company for the period ended March 31, 2020.
- (xiv) Supplementary Accounting Statement of Demerged Company for the period ended September 30, 2020.
- (xv) Supplementary Accounting Statement of Resulting Company for the period ended September 30, 2020.
- (xvi) Copy of the extracts of the Board Resolutions dated November 14, 2019 and January 13, 2020, of the Demerged Company and the Resulting Company respectively approving the Scheme.
- (xvii) Certificate issued by the Auditor of the Demerged Company to the effect that the accounting treatment, if any proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- (xviii) List of Unsecured Creditors of the Demerged Company as on June 30, 2020 and the Cut-off Date i.e. 31st January, 2021.



**SCHEME OF ARRANGEMENT, DEMERGER AND REDUCTION OF CAPITAL  
(UNDER SECTION 230 TO 232 AND SECTION 66 OF THE COMPANIES ACT, 2013)**

**AMONGST  
ASIAN HOTELS (EAST) LIMITED  
AND  
ROBUST HOTELS PRIVATE LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



## PART I

### 1. OVERVIEW, OBJECTS AND BENEFITS OF THE SCHEME

#### 1.1 Brief Overview of the Companies

##### 1.1.1 Asian Hotels (East) Limited ("AHEL"):

- (i) AHEL is a listed public limited company incorporated under the laws of India and having its registered office at Hyatt Regency, JA-1, Sector – 3, Salt Lake City, Kolkata, West Bengal – 700098, India. The CIN of AHEL is L15122WB2007PLC162762. The PAN of AHEL is AACCV4634N.
- (ii) AHEL is primarily engaged in two lines of business through separate divisions as follows: (a) Hotel Division engaged in the operation and management of Hyatt Regency, Kolkata; and (b) Investment Division which in-turn consists of the Securities Trading Unit and the Strategic Investments Unit.
- (iii) AHEL was incorporated under the name 'Vardhman Hotels Private Limited' on January 08, 2007 as a private limited with the Registrar of Companies, West Bengal, and was converted into a public limited company on July 28, 2007. The name of AHEL was changed to its present name on February 16, 2010.
- (iv) The shares and securities of AHEL are listed on the Stock Exchanges.

##### 1.1.2 Robust Hotels Private Limited ("RHPL"):

- (i) RHPL is a private limited company incorporated under the laws of India and having its registered office at 365, Anna Salai Teynampet, Chennai, Tamil Nadu – 600018, India. The CIN of RHPL is U55101TN2007PTC062085. The PAN for RHPL is AADCR5418B.
- (ii) RHPL is carrying on the business of operating Hyatt Regency Hotel, a hotel located at 365, Anna Salai, Teynampet in Chennai.
- (iii) RHPL was incorporated on January 19, 2007 with the Registrar of Companies, Chennai.
- (iv) RHPL is a wholly owned subsidiary of AHEL, and the shares and securities of RHPL are not listed on any stock exchange.

#### 1.2 Overview of the Scheme of Arrangement

- 1.2.1 This Scheme contemplates *inter alia* the demerger and transfer of the Demerged Undertaking from AHEL into and with RHPL as a going concern, in accordance with Sections 230-232 of the 2013 Act and in compliance with Section 2(19AA) of IT Act, and reduction and cancellation of equity shares of RHPL held by AHEL (without payment of consideration), in terms of Section 66 of the 2013 Act and used for *inter*



1



absorbing out its losses. In addition, as an integral part of the Scheme, AHEL shall make a bonus issue in accordance with Sections 63 of the 2013 Act of fully paid-up equity shares to its equity shareholders (as of the Record Date) in 1:2 ratio, that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10 (Indian Rupees ten) for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 (Indian Rupees ten) each held by a shareholder of AHEL as of the Record Date.

1.2.2 After the effectiveness of this Scheme, the Share Capital of RHPL consisting of the fully paid-up New Equity Shares of RHPL issued as consideration in terms of Part IV of this Scheme to the shareholders of AHEL shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time. Further, as an integral part of the Scheme, Equity Shares of RHPL (presently held by AHEL) shall stand cancelled and reduced (without payment of consideration) without any further act and deed, and hence this Scheme contemplates approval of the Tribunal(s) in terms of Section 66 of the 2013 Act, in addition to Sections 230-232 of the 2013 Act.

1.2.3 This Scheme is segregated into six parts:

- (i) Part I sets out an overview, objects and benefits of this Scheme and contains the definitions used in this Scheme and the interpretation pertaining in this Scheme;
- (ii) Part II sets out the capital structure of the Scheme Entities;
- (iii) Part III deals with reorganization of capital in AHEL and RHPL, including issuance of Bonus Shares by AHEL to its equity shareholders (as of the Record Date) in 1:2 ratio, that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10 (Indian Rupees ten) for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 (Indian Rupees ten) each held by a shareholder of AHEL as of the Record Date;
- (iv) Part IV deals with the demerger of the Demerged Undertaking from AHEL and its vesting into and with RHPL in accordance with Sections 230-232 of the 2013 Act and in compliance with Section 2(19AA) of the Income-tax Act, and issuance of consideration shares by RHPL to the shareholders of AHEL;
- (v) Part V deals with reduction of capital in RHPL and consequent cancellation of Existing Equity Shares of RHPL held by AHEL without consideration; and
- (vi) Part VI deals with the accounting treatment, taxes, miscellaneous, general terms and conditions applicable to this Scheme, and sets out certain additional arrangements that also form an integral part of this Scheme.

### 1.3 Objects and Rationale of this Scheme

1.3.1 AHEL primarily operates in two business segments through separate business divisions: (i) its Hotel Division is engaged in the operation and management of the Hyatt Regency, Kolkata; and (ii) its Investment Division comprising of: (a) Strategic Investments Unit,



which *inter alia* includes its investments in and loans given to RHPL and GJS Hotels Limited (“**Strategic Investments Unit**”); and (b) Securities Trading Unit, which *inter alia* includes its treasury/liquid investments, which are regularly traded, and bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed) (“**Securities Trading Unit**”).

- 1.3.2 Each of the businesses carried on by AHEL by itself and along with its subsidiaries have significant potential for growth and profitability, however, the nature of risk, competition, challenges, opportunities and business methods for AHEL and RHPL are very different. The proposed demerger would result in segregation and transfer of the Securities Trading Unit into RHPL / Resulting Company and continued housing of the Hotel Division in AHEL/ Demerged Company.
- 1.3.3 This Scheme is expected to result in the following benefits for AHEL and/or RHPL (as applicable):
- (i) Unlocking the value of AHEL shares to its shareholders, which is presently getting subdued on account of subdued performance and balance sheet of RHPL;
  - (ii) Possible release of guarantee(s) presently given by AHEL to the lenders of RHPL. This would clear the contingent liability as appearing in the financial statements of AHEL, and will potentially improve the credit rating of AHEL, thereby enabling reduction in cost of finance for AHEL and better price discovery on the stock market;
  - (iii) Pursuant to the Scheme, the Equity Shares of RHPL shall also be entitled to the benefit of getting listed on the Stock Exchanges pursuant to the SEBI Circular. Therefore, shareholders of AHEL (as of the Record Date) shall, as a result of the Scheme, hold Equity Shares of 2 (two) listed entities, AHEL and RHPL. Such shareholders would then be able to choose to remain invested in both or either of AHEL and RHPL, giving them greater flexibility in managing / dealing with their investments in different companies, being AHEL and RHPL in view of their respective businesses, and individual risk profiles;
  - (iv) Improving the balance sheet of RHPL and its credit rating by providing liquid assets and resources that would enable enhancement in future profitability without any sacrifice of value by the shareholders of AHEL, enabling potential turn-around and/or expansion programs for RHPL, and assist RHPL in supporting and potentially reducing its debt burden and cost of financing;
  - (v) Enable unlocking of the true value of the RHPL for the shareholders of AHEL (in a separate entity, being RHPL), which does not appear to be reflecting fully and accurately in the present consolidated market valuation of AHEL on account of there being a holding company discount;
  - (vi) Provide scope for attracting and accessing targeted funding and investors for each of AHEL and RHPL and provide better flexibility in pursuing long term growth



3





plans and strategies for the separate companies AHEL and RHPL, instead of RHPL continuing to use AHEL's credit rating and guarantees and equity funds;

- (vii) Enable the management of AHEL to evaluate the performance of the Hotel Division on an independent basis and keep its risks (if any) ring-fenced; and
- (viii) Enable enhanced strategic flexibility and focus of the respective managements of AHEL and RHPL, thereby facilitating the separate managements to efficiently exploit opportunities for each of the said businesses.

1.3.4 The Scheme Entities believe that this Scheme is in the best interests of the Scheme Entities and their respective shareholders and creditors, and other stakeholders, as it is expected to provide greater financial strength and flexibility and better access to funds to both AHEL and RHPL.

#### 1.4 Definitions

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the meaning ascribed to such terms and expressions under the 2013 Act, and if not defined therein then under other relevant statutes, such as the Income Tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof. In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.4.1 "2013 Act" means the Companies Act, 2013 and the rules framed under such a statute and includes any alterations, modifications and amendments made to such a statute or any re-enactment of such a statute;
- 1.4.2 "Accounting Standards" means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4.3 "AHEL" or "Demerged Company" means Asian Hotels (East) Limited;
- 1.4.4 "Applicable Laws" means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, Accounting Standards, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of this Scheme or at any time after such date;



- 1.4.5 “**Appointed Date**” means the Effective Date (beginning of business hours) or such other date as may be directed / approved by the Tribunal(s), being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative;
- 1.4.6 “**Assets of the Demerged Undertaking**” means all assets and property (wherever located, including in the possession of third parties) pertaining to the Securities Trading Unit (whether movable or immovable, real or personal, corporeal or incorporeal, present, future, contingent, tangible or intangible), including any and all: (i) rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or any of its equipment; (ii) capital work-in-progress, furniture, fixtures, office equipment, computer software (including assets which are licensed, leased or otherwise), financial assets, cash and bank balance, application monies, current assets, sundry debtors, all outstanding loans granted, deposits made, provisions, advances, receivables, funds, leases of all kinds of property, licences, tenancy rights, premises, hire purchase and lease arrangements;(iii) tax deferrals and benefits (including sales tax and service tax), sales tax credits, CENVAT credits, MAT and other income tax credits, interest tax credits, wealth tax credits, no-objection certificates, any other tax paid in advance or in excess or provisionally or TDS deducted;(iv) benefit of any exemptions, consents, privileges, liberties, advantages, exemptions, incentives receivable under Applicable Laws or in terms of certain schemes or policies of Governmental Authorities, (including in relation to any taxes); (v) rights, title, interests, benefits, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of, or enjoyed by, or to which, AHEL may be entitled in regard to the Securities Trading Unit and all other interests in connection with or relating to such Securities Trading Unit;(vi) and specifically includes Deposits and Balances of the Demerged Undertaking, Investments of the Demerged Undertaking, Contracts of the Demerged Undertaking, IPR of the Demerged Undertaking, Licenses of the Demerged Undertaking, Employees of the Demerged Undertaking, and Books and Records of the Demerged Undertaking;
- 1.4.7 “**Board of Directors**”, in relation to any company, means the board of directors of such a company and, unless contrary to the provisions of Applicable Laws, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.4.8 “**Books and Records of the Demerged Undertaking**” means books, records, papers, files, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer information, customer and supplier pricing information, whether in physical or electronic form, directly or indirectly relating to the Securities Trading Unit;
- 1.4.9 “**Contracts of the Demerged Undertaking**” means contracts, agreements, engagements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, insurance policies, security arrangements, claims against any third parties, guarantees, letters of credit, reversions, tenancies and other such arrangements or facilities, whether written or otherwise, deeds,





bonds, schemes, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature pertaining to such Securities Trading Unit, including agreements with any Governmental Authority, sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits, of whatsoever nature, which pertain to such Securities Trading Unit;

- 1.4.10 **“Demerged Undertaking”** means the undertaking, business, activities and operations of the AHEL pertaining to Securities Trading Unit, and specifically including any and all:(i) Assets of the Demerged Undertaking; and (ii) Liabilities of the Demerged Undertaking;
- 1.4.11 **“Deposits and Balances of the Demerged Undertaking”** means deposits and balances with Governmental Authorities, customers and other Persons, advance monies, earnest monies, payment against warrants or other entitlements, security deposits (including interest) paid or received, directly or indirectly, in connection with the Securities Trading Unit;
- 1.4.12 **“Effective Date”** has the meaning assigned to such term in Clause 6.7; Any references in this Scheme to “upon this Scheme becoming effective” or “upon the effectiveness of this Scheme” or “post effectiveness of this Scheme” means and refers to the Effective Date;
- 1.4.13 **“Employees of the Demerged Undertaking”** means employees of AHEL engaged in connection with the Securities Trading Unit;
- 1.4.14 **“Equity Shares”**, in regard to a company, means the fully paid-up equity shares of such a company;
- 1.4.15 **“Existing Equity Shares of RHPL”** means Equity Shares of RHPL having face value of Rs. 10 (Indian Rupees ten each), each of which is held by AHEL;
- 1.4.16 **“Governmental Authority”** means the Government of India, State Government(s) and any competent governmental, quasi-governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity, including SEBI;
- 1.4.17 **“Investment Division”** means the separate ‘Investments including investment in Hotel (South)’ division of AHEL consisting of (A) the Strategic Investments Unit comprising *inter alia* of investment in and loans given to RHPL and GJS Hotels Limited; and (B) the Securities Trading Unit comprising of treasury/liquid investments which is being regularly traded and bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed);
- 1.4.18 **“Investments of the Demerged Undertaking”** means investments of all kinds (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debenture stock, units, units of mutual fund schemes, pass through certificates or security receipts)



pertaining to the Securities Trading Unit, including all investments made out of shareholders' funds, all cash balances with banks, money at call and short notice, loans, advances, contingent rights or benefits, securitised assets, receivables, benefits of assets or properties or other interest held in trust, benefit of any security arrangements, authority, allotments, approvals, reversions, money market instruments including rated certificates of deposits and commercial papers, repos, reverse repo, treasury bills, call, notice, term money, buildings, structures and offices held for the benefit of, or enjoyed by, or to which, AHEL may be entitled and the depository participant accounts;

- 1.4.19 **"IPR of the Demerged Undertaking"** means intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications made in regard to such intellectual property rights with Governmental Authorities, used by or held for use in connection with the Securities Trading Unit, whether or not recorded in the books of accounts, and other intellectual property rights of any nature whatsoever, books, records, files, papers, process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, and all other records and documents, whether in physical or electronic form, relating to the Securities Trading Unit;
- 1.4.20 **"IT Act"** means the Income-tax Act, 1961, the rules and regulations framed under such a statute and includes any alterations, modifications, amendments made thereto, and, or, any re-enactment of such a statute;
- 1.4.21 **"Liabilities of the Demerged Undertaking"** means debts, borrowings, duties, guarantees, and liabilities including current tax (including but not limited to income tax, goods and services tax, service tax, value added tax, sales tax, etc.) and deferred tax balances, contingent liabilities, present or future, relating to, or arising out of the activities or operations of the Securities Trading Unit, including specific loans and borrowings (if any), advanced received, and any current liabilities incurred and utilised solely for the activities or business or operation of such Securities Trading Unit, all assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including whether arising out of any contract or tort based on negligence or strict liability), whether provided for or not in the books of accounts or disclosed in the financial statements pertaining to such Securities Trading Unit;
- 1.4.22 **"Licenses of the Demerged Undertaking"** means licences, consents, approvals and permits (including the licenses granted by any Governmental Authorities for the purpose of carrying on the Securities Trading Unit or in connection therewith), authorizations, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, allotments, concessions, certifications, liberties, subsidies, rights to use and avail of all utilities, including telephones, leased line connections and installations, water, electricity and other services and benefits of all rights including memberships, powers and facilities of every kind and description whatsoever, whether statutory or otherwise, and any waiver



of the foregoing, issued by any Governmental Authorities used or held for use in connection with the Securities Trading Unit;

- 1.4.23 **“New Equity Shares of RHPL”** means Equity Shares of RHPL having face value of Rs. 10 (Indian Rupees ten) each;
- 1.4.24 **“Person”** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or Governmental Authority or any other entity that may be treated as a person under Applicable Laws;
- 1.4.25 **“Public Shareholders”** in regard to a company, means shareholders of such company which are within the meaning of **“public”**, as the term is defined in Rule 2(d) of the Securities Contracts (Regulation) Rules, 1957;
- 1.4.26 **“Record Date”** means the date to be fixed by the Board of Directors of AHEL in consultation with the Board of Directors of RHPL in terms of Clause 6.9 for the purpose of (i) issue of Bonus Shares in terms of Part III of this Scheme; and (ii) issue of fully paid-up New Equity Shares of RHPL by RHPL to the shareholders of AHEL in terms of Part IV of this Scheme;
- 1.4.27 **“Registrar of Companies”** means (i) with respect to AHEL, Registrar of Companies, West Bengal; (ii) with respect to RHPL means the Registrar of Companies, Chennai;
- 1.4.28 **“RHPL”** or **“Resulting Company”** means Robust Hotels Private Limited;
- 1.4.29 **“Scheme”** means this Scheme of Arrangement and Demerger and Reduction of Capital under Section 230-232 and Section 66 of the 2013 Act, as modified or amended from time to time in accordance with Applicable Laws and with the requisite approval of the Tribunals;
- 1.4.30 **“Scheme Entities”** means AHEL and RHPL collectively;
- 1.4.31 **“SEBI”** means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- 1.4.32 **“Share Capital”**, in regard to a company, means the total issued, subscribed and paid-up share capital of such company;
- 1.4.33 **“Share Entitlement Ratio”** has the meaning assigned to such a term in Clause 4.2.2;
- 1.4.34 **“Stock Exchanges”** means collectively BSE Limited and the National Stock Exchange of India Limited; and
- 1.4.35 **“Tribunal”** means National Company Law Tribunal, Kolkata Bench and / or National Company Law Tribunal, Chennai Bench (as applicable), having territorial jurisdiction in the State(s) in which the respective registered offices of the Scheme Entities are located.





## 1.5 Interpretation

### 1.5.1 In this Scheme, unless the context otherwise requires:

- (i) the words “including”, “include” or “includes” shall be interpreted in a manner as though the words “without limitation” immediately followed the same;
- (ii) the words “directly or indirectly” mean directly or indirectly through one or more affiliates, associates, relatives or other intermediary Persons and “direct or indirect” shall have the correlative meanings;
- (iii) any Person includes that Person’s legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;
- (iv) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (v) the words “other”, “or otherwise” and “whatsoever” shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (vi) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (vii) the term “Clause” refers to the specified clause of this Scheme;
- (viii) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision;
- (ix) references to one gender includes all genders; and
- (x) words in the singular shall include the plural and *vice versa*.



PART II

2. CAPITAL STRUCTURE

2.1 AHEL

2.1.1 The capital structure of AHEL as on December 31, 2019 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
90,000,000 Equity Shares of Rs. 10 each	900,000,000
1,000,000 Preference Shares of Rs. 10 each	10,000,000
<b>Total</b>	<b>910,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
11,527,797 Equity Shares of Rs. 10 each	115,277,970
<b>Total</b>	<b>115,277,970</b>

2.1.2 The Equity Shares of AHEL are listed on the Stock Exchanges.

2.2 RHPL

2.2.1 The capital structure of RHPL as on December 31, 2019 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
225,000,000 Equity Shares of Rs. 10 each	2,250,000,000
<b>Total</b>	<b>2,250,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
224,183,829 Equity Shares of Rs. 10 each	2,241,838,290
<b>Total</b>	<b>2,241,838,290</b>

2.2.2 RHPL is a wholly owned subsidiary of AHEL. AHEL legally and beneficially holds all 224,183,829 Equity Shares of RHPL, representing 100% (one hundred per cent.) of the Share Capital of RHPL.

2.2.3 The shares and securities of RHPL are, at present, not listed on any stock exchange, whether in India or in any other country.



### 3. REORGANISATION OF CAPITAL

#### 3.1 Issue of Bonus Equity Shares

- 3.1.1 Upon the Scheme becoming effective, AHEL shall issue and allot by way of bonus, to each equity shareholder whose name is recorded in the Registrar of Members of the Company and/or the records of the depository(ies) as equity shareholder of AHEL on the Record Date, in the ratio of 1:2, that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10 (Indian Rupees ten) (“**Bonus Shares**”) for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 (Indian Rupees ten) each held by a shareholder of AHEL as of the Record Date.
- 3.1.2 The Bonus Shares to be issued and allotted by AHEL shall be subject to the provisions of the Memorandum of Association and Articles of Association of AHEL and shall rank *pari passu* with the Equity Shares of AHEL in every respect.
- 3.1.3 As soon as practicable after the issuance of Bonus Shares, AHEL shall take necessary steps towards listing of the Bonus Shares on the Stock Exchanges, subject to all regulatory approvals and Applicable Law.

#### 3.2 Issuance mechanics and other relevant provisions

- 3.2.1 The issuance and allotment of Bonus Shares to the shareholders of AHEL in terms of Part III of this Scheme is an integral part of the Scheme and shall be deemed to have been carried out as if the procedure laid down under the 2013 Act, including Section 63, as well as all applicable SEBI regulations have been complied with.
- 3.2.2 Subject to Applicable Laws, the Bonus Shares shall be issued in dematerialised form, unless a shareholder of AHEL gives a notice to AHEL on or before the Record Date, requesting for issuance of Bonus Shares in physical form. The shareholders of AHEL shall provide such confirmation, information and details as may be required by AHEL to issue the Bonus Shares.
- 3.2.3 For the purpose of the allotment of Bonus Shares, in case any member’s holding in AHEL is such that the member becomes entitled to a fraction of a Bonus Share, AHEL shall not issue fractional Bonus Shares to such members, but shall consolidate all such fractions and issue such consolidated number of Bonus Shares (any further fractions being ignored) to a person, who shall act as a trustee of such Bonus Shares for the limited purpose mentioned herein, nominated by the Board of AHEL in that behalf, who shall sell such shares as and when he deems fit, but within a period of one year from the Effective Date, and shall distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to the respective fractional entitlements in the Bonus Shares.
- 3.2.4 No Bonus Shares will be issued under this Scheme in respect of any equity shares of AHEL that have been forfeited or partly paid. The issuance of Bonus Shares pursuant to





this Scheme in respect of any equity shares of AHEL which are held in abeyance shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by AHEL. The Equity Shares lying in 'Unclaimed Suspense Account' (if any) and the Equity Shares held in the Investor Education and Protection Fund (if any) shall also be eligible for issuance of Bonus Shares and such Bonus Shares shall be dealt with in the same manner as Equity Shares lying in the said Unclaimed Suspense Account and/or the Investor Education and Protection Fund (as the case may be).

- 3.2.5 Bonus Shares shall be granted exclusively to the equity shareholders of AHEL as on the Record Date. This Scheme or Part III hereon does not, in any manner, constitute an offer or an invitation to the public to subscribe to the Bonus Shares / Equity Shares of AHEL. Neither the Scheme nor any related document shall constitute an offer document or prospectus in any manner or for any purpose whatsoever.
- 3.2.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of AHEL, the Board of Directors of AHEL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in AHEL as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in AHEL and in relation to the issuance of Bonus Shares. The Board of Directors of AHEL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme in regard to issuance of Bonus Shares.

### 3.3 Accounting Treatment

- 3.3.1 The Bonus Shares shall be issued by utilizing (capitalising) the entire amount in the Capital Redemption Reserve Account of AHEL pursuant to which the Capital Redemption Reserve Account shall be left with nil balance; and thereafter to the extent required from the General Reserves of AHEL.



PART IV

4. DEMERGER OF DEMERGED UNDERTAKING FROM AHEL TO AND INTO RHPL AND ISSUE OF CONSIDERATION SHARES BY RHPL

4.1 Demerger and Vesting of the Demerged Undertaking

4.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all the present and future assets and liabilities of the Demerged Undertaking as on the Appointed Date, whether known or unknown, and the entire business of the Demerged Undertaking shall stand transferred to and vested in RHPL, as a going concern, without any further act or deed, together with all its properties, assets, rights, benefits and interest therein, in accordance with Sections 230 to 232 of the 2013 Act and other provisions of Applicable Laws, if any, and the provisions contained herein.

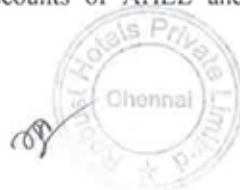
4.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- (i) all Assets of the Demerged Undertaking that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and, or, by endorsement and delivery, or by vesting and recordal, including equipment, furniture and fixtures, shall stand vested in and be deemed to be vested in RHPL, wherever located, and shall become the property and an integral part of RHPL in terms of this Scheme. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) all Assets of the Demerged Undertaking that are movable properties, other than those described under sub-clause (i) above, including investments in shares and any other securities, money market instruments including rated certificates of deposits and commercial papers, repos, reverse repo, treasury bills, call, notice, term money, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authorities, customers and other Persons shall, without any further act or deed, become the property of RHPL and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. For the avoidance of doubt, it is clarified that investments of the Demerged Undertaking shall, pursuant to Sections 230 to 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in RHPL with effect from the Appointed Date.
- (iii) all Assets of the Demerged Undertaking that are immovable properties (whether owned, or leased / licensed), including any right or interest in the buildings and



structures standing thereon and all lease / license or rent agreements, together with security deposits and advance / prepaid lease / license fee, rights and easements in relation to such properties shall stand transferred to and be vested in and, or, be deemed to have been transferred to and vested in RHPL, without any further act or deed, pursuant to applicable provisions of the 2013 Act and the provisions of this Scheme. RHPL shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease / license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee to RHPL.

- (iv) all Liabilities of the Demerged Undertaking shall, pursuant to Sections 230 to 232 of the 2013 Act and the provisions of this Scheme and, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of RHPL, without any further act or deed, and RHPL shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. For the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- (v) all Contracts of the Demerged Undertaking shall be and remain in full force and effect on, against or in favour of RHPL and may be enforced as fully and effectually as if, instead of AHEL, RHPL had been a party or beneficiary or obligor thereto. All Contracts of the Demerged Undertaking shall stand transferred and vested in favour of RHPL on the same terms and conditions. RHPL and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.
- (vi) any notices, disputes, pending suits / appeals, legal, taxation, or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to Demerged Undertaking, whether pending on the Appointed Date or which may be instituted any time in the future shall not abate, be discontinued or in any way prejudicially affected by reason of demerger and vesting of the Demerged Undertaking in RHPL or anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against RHPL in the same manner and to the same extent as would or might have been continued, prosecuted and, or, enforced by or against Demerged Undertaking, as if this Scheme had not been implemented.
- (vii) all the property, assets and liabilities of the Demerged Undertaking shall be transferred by AHEL to RHPL at the values appearing in the books of account of AHEL on the Appointed Date. The accounts of AHEL and RHPL shall be





reconstructed in accordance with Applicable Laws and the relevant provisions of this Scheme. Upon the Scheme becoming effective, the accounts of AHEL and RHPL shall be restated with effect from the Appointed Date, as specified in the Scheme and as per directions of the Tribunal in this regard (if any). The income-tax returns, GST returns and other returns of each of AHEL and RHPL (as filed for any period after the Appointed Date) may be revised and re-filed accordingly.

- (viii) all Employees of the Demerged Undertaking shall become employees of RHPL with effect from the Effective Date, on such terms and conditions as are no less favourable in aggregate than those on which they are currently engaged by the Demerged Undertaking, without any interruption of service as a result of this demerger and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such Employees of the Demerged Undertaking, upon this Scheme becoming effective, RHPL shall stand substituted for AHEL for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by AHEL, in accordance with the provisions of Applicable Laws or otherwise. RHPL undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the Employees of the Demerged Undertaking, the past services of such Employees of the Demerged Undertaking shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Demerged Undertaking will transfer / handover to RHPL, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or on-going leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its employees and all forms, notifications, orders and contribution / identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause. RHPL shall continue to abide by any agreement(s) / settlement(s) entered into / by AHEL with any of the Employees of the Demerged Undertaking prior to the Appointed Date and from the Appointed Date till Effective Date. In case of conflict of any positions / designations between the current employees of RHPL and the employees transferred from AHEL as a consequence of this Scheme, the Board of Directors of RHPL shall be entitled to re-classify the designation of any relevant employee to resolve such conflict.
- (ix) all IP of the Demerged Undertaking shall stand transferred to and vested in RHPL.
- (x) all Deposits and Balances of the Demerged Undertaking shall stand transferred to and vested in RHPL.



- (xi) all Books and Records of the Demerged Undertaking shall stand transferred to and vested in RHPL.
- (xii) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, self-assessment tax, taxes withheld / paid in a foreign country, value added tax, sales tax, service tax, stamp duty etc.) including any interest, penalty, surcharge and cess, if any, payable by or refundable to or being the entitlement of AHEL in connection with the Demerged Undertaking, including all or any refunds or claims shall be treated as the tax liability or refunds / credits / claims, as the case may be, of RHPL and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses, including brought forward business loss, unabsorbed depreciation, etc., as would have been available to AHEL in connection with the Demerged Undertaking, shall pursuant to this Scheme becoming effective, be available to RHPL.
- (xiii) all Licences of the Demerged Undertaking shall be in full force and effect in favour of RHPL and may be enforced as fully and effectually as if, instead of AHEL, RHPL had been a party or beneficiary or obligee thereto. For the avoidance of doubt, it is clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution / endorsement in the name of RHPL pursuant to the sanction of this Scheme by the Tribunal and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, RHPL shall file appropriate applications / documents with relevant authorities concerned for information and record purposes.
- (xiv) benefits of any and all corporate approvals as may have already been taken by AHEL in connection with the Demerged Undertaking, including approvals under Sections 42, 62(1A), 180, 185, 186 and 188 of the 2013 Act shall stand transferred to RHPL and the said corporate approvals and compliances shall be deemed to have been taken / complied with by RHPL.
- (xv) all estates, assets, rights, title, interests and authorities accrued to and, or, acquired by AHEL in regard to the Demerged Undertaking shall be deemed to have been accrued to and, or, acquired for and on behalf of RHPL and shall, upon this Scheme becoming effective, pursuant to the provisions of Sections 230 to 232 of the 2013 Act and this Scheme, without any further act or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in RHPL to that extent and shall become the estates, assets, right, title, interests and authorities of RHPL.
- (xvi) all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of AHEL (insofar as the same pertains to the Demerged Undertaking) after the Effective Date, shall be accepted



by the bankers of RHPL and credited to the accounts of RHPL, if presented by RHPL.

- 4.1.3 It is clarified that no assets, liabilities, deposits and balances, investments, contracts, intellectual property rights, licences, employees and books and records of AHEL, except those pertaining to the Demerged Undertaking (which are transferred to Resulting Company in terms of the Clause 4.1.2), shall be transferred to, or vested in, RHPL in terms of the provisions of Part IV of this Scheme.
- 4.1.4 Upon this Scheme becoming effective and the consequent demerger and vesting of the Demerged Undertaking into and with RHPL, the secured creditors of AHEL, if any, shall not be entitled to any encumbrance over any of the assets of the Demerged Undertaking. It is clarified that all the assets of the Demerged Undertaking shall, subject to Applicable Laws, remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by RHPL in accordance with the provisions of Applicable Laws. For this purpose, no further consent from the existing secured creditors of AHEL, if any, shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors, if any.
- 4.1.5 RHPL shall, at any time after this Scheme becomes effective in accordance with the provisions hereof and as the successor entity of AHEL, in relation to the Demerged Undertaking, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. RHPL shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of AHEL in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of AHEL *inter alia* in its capacity as the successor-in-interest of AHEL in relation to the Demerged Undertaking.
- 4.1.6 RHPL shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by AHEL in connection with the Demerged Undertaking. It is clarified that if the consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of RHPL pursuant to the sanction of this Scheme by the Tribunals, and upon this Scheme becoming effective. RHPL shall file appropriate applications / documents with the relevant authorities concerned for information and record purposes and RHPL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of AHEL insofar as the same are in connection with the Demerged Undertaking and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.





#### 4.2 Payment of Consideration for Demerged Undertaking

- 4.2.1 Upon this Scheme coming into effect, the shareholders of AHEL as of Record Date shall be entitled to receive Equity Shares of RHPL as detailed in this Clause 4.2 of this Scheme.
- 4.2.2 AHEL and RHPL have engaged Mr. Mahim S. Mehta, a Registered Valuer (as defined in the Companies (Registered Valuers and Valuation) Rules, 2017), to provide a Capital Allocation Report / Share Entitlement Report. In connection with such engagement, Mr. Mahim S. Mehta has issued a Capital Allocation Report / Share Entitlement Report dated January 13, 2020. AHEL and RHPL had engaged D&A Financial Services (P) Limited, Merchant Bankers, to provide a fairness opinion on Share Entitlement Ratio adopted under this Scheme. In connection with such engagement, D&A Financial Services (P) Limited, Merchant Banker has issued a fairness opinion dated January 13, 2020 ("Fairness Opinion"). The Board of Directors of each of AHEL and RHPL have determined the Share Entitlement Ratio as 1:1, based on their independent judgment and after taking into consideration the aforesaid Capital Allocation Report / Share Entitlement Report and Fairness Opinion ("Share Entitlement Ratio"). Therefore, 1 (one) Equity Share of RHPL having a face value of Rs. 10 (Indian rupees ten) each shall be issued and allotted to shareholders of AHEL for every 1 (one) Equity Share of AHEL having a face value of Rs. 10 (Indian rupees ten) each, held by shareholders of AHEL as of the Record Date.
- 4.2.3 In aggregate RHPL shall issue and allot 17,291,696 (one crore seventy-two lac ninety-one thousand six hundred ninety six) New Equity Shares having a face value of Rs. 10 (Indian rupees ten) each, fully paid-up, to the shareholders of AHEL as on Record Date, in a manner and proportion such that pursuant to such issuance and allotment (and reduction of capital in terms of Part V) on the Effective Date, the shareholding pattern (in terms of number of equity shares) and *inter-se* shareholding percentage of shareholders of RHPL shall mirror the shareholding pattern (in terms of number of equity shares) and *inter-se* shareholding percentage of the shareholders of AHEL, as on the Record Date.

#### 4.3 Issuance mechanics and other relevant provisions

- 4.3.1 There shall be no change in the shareholding pattern of RHPL between the Record Date and the date on which the New Equity Shares are listed in terms of the SEBI Circular, which may affect the status of the observation / no-objection letter issued by the Stock Exchanges in respect of the Scheme (in terms of Regulations 37 of SEBI LODR). Subject to the above, in the event that AHEL and, or, RHPL, as the case may be, change their capital structures prior to the Effective Date, either by way of any increase (by issue of Equity Shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner except as specifically provided in this Scheme itself, which would have the effect of bringing some change to the capital structures of such company(ies), subject to the approval of the Scheme Entities, the Share Entitlement Ratio and / or number consideration shares to be issued (as applicable) shall stand modified / adjusted accordingly to take into account the effect of such corporate actions.





- 4.3.2 Subject to Applicable Laws, the fully paid-up New Equity Shares of RHPL that are to be issued in terms of Clause 4.2 shall be issued in dematerialised form, unless a shareholder of AHEL gives a notice to AHEL and RHPL on or before the Record Date, requesting for issuance of such Equity Shares in physical form. The shareholders of AHEL shall provide such confirmation, information and details as may be required by RHPL to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by RHPL, AHEL is unable to provide the details of the demat account of any particular shareholder, subject to applicable law, RHPL shall allot the appropriate number of New Shares to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, RHPL is not permitted to issue and allot the New Equity Shares in physical form, and it has still not received the demat account details of certain shareholders of AHEL, it shall issue and allot such shares in lieu of the New Equity Share entitlement of such shareholders, into a demat suspense account, which shall be operated by one of the directors of RHPL, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense account into the individual demat accounts of such claimant shareholders, such number of shares as may be required in terms of this Scheme.
- 4.3.3 Equity shares to be issued by RHPL pursuant to Clause 4.2 in respect of Equity Shares of the shareholders of AHEL which are held in abeyance shall also be kept in abeyance.
- 4.3.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of AHEL, the Board of Directors of AHEL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in AHEL as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in AHEL and in relation to the Equity Shares issued by RHPL upon the effectiveness of this Scheme. The Board of Directors of AHEL and RHPL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in RHPL on account of difficulties faced in the transition period.
- 4.3.5 The New Equity Shares to be issued and allotted by RHPL in terms of Clause 4.2 shall be subject to the provisions of the Memorandum of Association and Articles of Association of RHPL, and shall rank *pari passu* with the Equity Shares of RHPL.
- 4.3.6 The issuance and allotment of Equity Shares by RHPL to the shareholders of AHEL in terms of Part IV of this Scheme is an integral part of the Scheme and shall be deemed to have been carried out as if the procedure laid down under Section 62 and other applicable provisions of the 2013 Act, as well as all applicable SEBI regulations have been complied with.
- 4.3.7 RHPL shall apply to the Stock Exchanges and SEBI for listing and admission of all the Equity Shares of RHPL (including the New Equity Shares of RHPL) to trading in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with Applicable Laws. RHPL shall enter into such arrangements, complete such formalities and give such confirmations and/or undertakings to the Stock Exchanges as may be



necessary in accordance with the Applicable Laws for the listing of Equity Shares of RHPL.

- 4.3.8 The New Equity Shares of RHPL issued and allotted pursuant to the Scheme shall remain frozen in the depository system until listing/trading permission is given by the designated Stock Exchange for such New Equity Shares of RHPL.
- 4.3.9 RHPL shall, if and to the extent required, apply for and obtain any approvals from the appropriate authorities including the Reserve Bank of India, for the issue and allotment of Equity Shares of RHPL by RHPL to non-resident equity shareholders of AHEL, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment.

#### 4.4 Accounting Treatment

##### 4.4.1 Accounting treatment in the books of AHEL:

- (i) Upon this Scheme becoming effective, the book value of assets and liabilities of the Demerged Undertaking as appearing in the books of account of AHEL and transferred to RHPL shall be reduced from the book value of assets and liabilities of AHEL as on the close of business on the day immediately preceding the Appointed Date.
- (ii) The difference between the book value of assets and liabilities of the Demerged Undertaking, shall be accounted for under 'Demerger Adjustment Account', which shall be specifically created to account for this balance; and thereafter the same shall be adjusted/set-off first against the amount lying to the credit of the Capital Reserve Account, and thereafter against the amount lying to the credit of the General Reserve Account of AHEL.
- (iii) Notwithstanding the above, the Board of Directors of AHEL, in consultation with its statutory auditors, is authorized to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and is authorized by the Accounting Standards and/or Generally Accepted Accounting Principles.

##### 4.4.2 Accounting treatment in the books of RHPL:

- (i) Upon coming into effect of this Scheme, Transferee Company shall record the assets and liabilities transferred to and vested in it pursuant to this Scheme, at the same book values as appearing in the books of AHEL as on the close of business on the day immediately prior to the Appointed Date.
- (ii) RHPL shall credit its Share Capital Account in its books of account with the aggregate face value of the New Equity Shares issued to the shareholders of AHEL by it in terms of Clause 4.2, and reduce its Share Capital Account to the extent of Equity Shares of RHPL held by AHEL which are reduced and cancelled in terms of Part V of this Scheme.



- (iii) The intangible assets and goodwill transferred or arising as a result of the demerger, if any, shall be amortized in the books of accounts of RHPL in accordance with the Accounting Standards.
- (iv) The surplus or deficit, if any, of the value of the assets over the value of the liabilities of the Demerged Undertaking acquired pursuant to this Scheme by RHPL, shall, after adjusting for the value of the New Equity Shares issued by RHPL to the shareholders of AHEL pursuant to this Scheme, shall be: (a) in case of a surplus, recorded as and credited to the Capital Reserve Account, in the books of RHPL, and (b) in case of a deficit, recorded as and debited to the Goodwill Account in the books of RHPL.

4.4.3 Notwithstanding the above, the Board of Directors of AHEL and/or RHPL, in consultation with its respective statutory auditor(s), is authorized to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and in accordance with the Generally Accepted Accounting Principles (GAAP).





**PART V**

**5. REDUCTION OF CAPITAL IN RHPL**

**5.1 Reduction of Capital in RHPL**

- 5.1.1 The Existing Equity Shares of RHPL held by AHEL shall be reduced and cancelled (without payment of any consideration) as an integral part of the Scheme in order to present a true and fair picture of the capital structure, business, assets and financials of RHPL, in particular, the profits/losses in RHPL. The reduction does not involve either a diminution of liability in respect of share capital not paid-up or payment of paid-up share capital of RHPL to any person.
- 5.1.2 No prejudice will be caused to shareholders and/or creditors of RHPL by the aforesaid reduction of capital. The creditors of RHPL shall not be adversely affected by the proposed reduction of the share capital as there will be no reduction in the amounts payable to any of them, and no payment is involved to any shareholder as well. Further, the reduction of capital would not adversely affect the business or operations of RHPL or its ability to honour its commitments or pay the debts in the ordinary course of business. The Scheme does not in any manner alter, vary or affect the rights of the creditors. The Scheme does not in any manner alter, vary or affect the payment of any dues or outstanding amounts including all or any of the statutory dues payable or outstanding.
- 5.1.3 The consent of the shareholders and creditors of the RHPL to this Scheme shall be deemed to be their consent under the provisions of Section 66 of the 2013 Act as well. RHPL shall not be required to (i) convene separate meeting to seek approval for cancellation of shares; or (ii) add "*And Reduced*" as suffix to its name, or (iii) otherwise separately comply with the procedure specified in Section 66 of the 2013 Act, and its compliance with applicable provisions of Sections 230-232 of the 2013 Act shall be deemed as adequate compliance with the procedure specified in Section 66 of the 2013 Act. The Tribunal(s)' sanction for this Scheme shall be deemed to be the Tribunal's approval under Section 66 of the 2013 Act, for reduction and reorganisation of capital by RHPL, as contemplated as an integral part of this Scheme.
- 5.1.4 Upon this Scheme becoming effective and after the allotment of the New Equity Shares by RHPL in terms of Clause 4.2, and reduction of Equity Shares of RHPL held by AHEL in terms of this Clause 4.4, the issued, subscribed and paid-up capital of RHPL shall be Rs. 17,29,16,960 (Indian rupees seventeen crore twenty-nine lac sixteen thousand nine hundred sixty only) consisting of 17,291,696 fully paid-up New Equity Shares having a face value of Rs. 10 (Indian rupees ten) each.

**5.2 Accounting Treatment in the books of AHEL**

Pursuant to such reduction of capital, the investment amount of Rs. 567,00,00,000 (Indian rupees five hundred sixty-seven crore) as appearing in the books of AHEL under the head 'Investments', being shares held in RHPL, shall stand cancelled, and the same shall be adjusted against the amount lying to the credit of the General Reserve Account of AHEL,



pursuant to which the General Reserve Account of AHEL shall be left with nil balance; and thereafter shall be adjusted against the amount lying to the credit of the Profit And Loss Account of AHEL, to the extent required.

### 5.3 Accounting Treatment in the books of RHPL

Pursuant to such reduction of capital in RHPL, an amount equivalent to the face value of the Existing Equity Shares (of RHPL held by AHEL) which are being reduced shall first be credited to the Capital Reconstruction Reserve Account of RHPL. Thereafter, the debit balance of the Profit And Loss Account of RHPL to the extent of INR 110 Crore consisting of unabsorbed book losses and unabsorbed book depreciation (in equal proportion) shall be adjusted against the amount lying to the credit of the Capital Reconstruction Reserve Account.



## PART VI

### 6. TAXES, MISCELLANEOUS AND GENERAL TERMS AND CONDITIONS

6.1 Upon this Scheme becoming effective, the accounts of AHEL and RHPL, as on the Appointed Date, shall be reconstructed in accordance with the terms of Part III, Part IV, Part V and Part VI of this Scheme. Each of AHEL and RHPL shall be entitled to revise and file their respective income tax returns, wealth tax returns, TDS returns, and other statutory returns, as result of demerger and vesting of the Demerged Undertaking in RHPL.

#### 6.2 Taxes

6.2.1 The provisions of Part IV of this Scheme have been drawn up in compliance with the conditions specified under the tax laws, specifically Section 2(19AA) of IT Act, and other relevant sections of IT Act. If any terms or provisions of Part IV of this Scheme are found or interpreted to be inconsistent with the provisions of the aforesaid section at a later date, including resulting from an amendment of law or for any other reason whatsoever, such provisions shall prevail and this Scheme shall (subject to the provisions of this Scheme, including Clauses 5.1.2, 5.6.6 and 5.6.7), stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect the other parts of this Scheme.

6.2.2 Upon this Scheme becoming effective, the accounts of AHEL and RHPL as on the Appointed Date shall be reconstructed in accordance with this Scheme. AHEL and RHPL shall be entitled to revise and refile their respective income tax returns, TDS returns, and other statutory returns and shall also have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted at source, credit of foreign taxes paid / withheld, etc., if any, consequent to implementation of this Scheme.

6.2.3 The Appointed Date shall be deemed to be the 'acquisition date' for all purposes, including for the purposes of accounts of AHEL and RHPL.

#### 6.3 Conduct of business till Effective Date

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

- (i) the business pertaining to the Demerged Undertaking shall be deemed to have been carried on account of, and the properties and assets of Demerged Undertaking shall be deemed to have been held for and in trust for, RHPL; and
- (ii) all profits or income arising or accruing to or received in regard to the Demerged Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid in a foreign country, value added tax, sales tax, service tax etc.) or losses arising in or incurred in regard to the Demerged





Undertaking shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of RHPL.

#### 6.4 Alteration of the Memorandum and Articles of Association of RHPL

##### 6.4.1 Amendment of Main Objects

Upon this Scheme becoming effective and with effect from Appointed Date, the main objects clause of the Memorandum of Association of RHPL shall be amended to include the following main objects. Accordingly, the Memorandum of Association of RHPL shall stand modified by inclusion of the following additional paragraph in the main objects as paragraph 4 in Clause III(A) of the Memorandum of Association of RHPL after the existing paragraph 3:

*“4. To deal with or to act as an investor by the way of acquiring, holding, selling, buying, transferring, subscribing to any shares, bonds, stocks, debentures or any other securities, of any kind, issued by or guaranteed by any government, public body, incorporated entity, authority, state, sovereign, commissioners, trusts, provincial, municipal body, or otherwise, whether in India or elsewhere, or units issued by mutual funds, and to act as guarantors, financiers, underwriters, and to lend money or deal with money, either with or without interest to such individuals, firms, body corporates and institutions and upon such terms and conditions as the Company may see expedient but not amounting to banking business as defined under the Banking Regulations Act, 1949.”*

##### 6.4.2 Conversion into Public Company

As of the Appointed Date, RHPL / Resulting Company is a ‘deemed public company’ in terms of the 2013 Act. Upon this Scheme becoming effective, and as an integral part and consequence thereof, RHPL shall stand converted into a ‘public company’ in terms of the 2013 Act. As the conversion of RHPL into a ‘public company’ is an integral part and consequence of the Scheme, the consent of shareholders of the RHPL to this Scheme shall be deemed to be their consent for such conversion as required under the 2013 Act, including in terms of Section 13, Section 14 and Section 18 of the 2013 Act read with Rule 29 and Rule 33 of the Companies (Incorporation) Rules, 2014; *provided that* the Memorandum of Association and Articles of Association of RHPL shall be amended (to the extent) required reflect such conversion, including the name clause, as required in terms of the 2013 Act, and accordingly upon the Scheme becoming effective: (i) Clause I of the Memorandum of Association of RHPL shall stand replaced by inclusion of the following clause: *“The name of the Company is Robust Hotel Limited”(or such other name as may be approved by Registrar of Companies, Chennai and be acceptable to RHPL)* and consequent changes shall be carried out in the Articles of Association of RHPL; (ii) the word “Private” appearing in the name of the RHPL in the Articles of Association and Memorandum of Association of the RHPL shall stand deleted; and (iii) provisions in the Articles of Association of RHPL: (a) restricting the right to transfer shares; (b) limiting the number of members to 200 (two hundred);and (c) prohibiting any invitation to the public to subscribe for any securities shall stand deleted. Further,





provisions regarding minimum number of directors and minimum number of shareholders shall stand modified as per applicable law.

#### 6.4.3 Deemed Approval of Shareholders for Amendments

The consent of the shareholders of RHPL to this Scheme shall be sufficient for the purposes of effecting each of the amendments contemplated in this Clause 6.4, and no further resolutions or approval, whether under Sections 13, Section 14, Section 18 of the 2013 Act, any other applicable provisions of the 2013 Act or under the Articles of Association of RHPL, shall be required to be separately passed, nor shall RHPL be required to pay any additional registration fees, stamp duty, etc.

#### 6.5 **Compliance with Tax Laws**

6.5.1 Part IV of this Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, specifically Section 2(19AA) of the Income-tax Act, 1961 and other relevant sections of the Income-tax Act, 1961.

6.5.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the tax laws shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, but subject to applicable laws, the power to make such amendments/modifications as may become necessary, whether before or after the effectiveness of the Scheme, shall vest with the Board of Directors of RHPL and AHEL, which power shall be exercised reasonably in the best interests of the Scheme Entities and their shareholders, and which power can be exercised at any time.

#### 6.6 **Filing of Applications / Petitions with Tribunal(s)**

6.6.1 The Scheme Entities shall, with all reasonable dispatch, make their respective applications or a joint application to the jurisdictional Tribunals under Sections 230 and 232 read with Section 66 of the 2013 Act and other applicable provisions thereof, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of such classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the Tribunal(s).

6.6.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of each of the Scheme Entities (wherever required), each of the Scheme Entities shall, with all reasonable dispatch, file respective petitions before the jurisdictional Tribunal(s) for sanction of this Scheme under Sections 230 to 232 of the 2013 Act, and other applicable provisions thereof, and for such other order or orders, as Tribunal(s) may deem fit for sanctioning/giving effect to this Scheme. Upon this Scheme becoming effective, the shareholders of each of the Scheme Entities, shall be deemed to have also accorded their approval under all relevant provisions of the 2013 Act, as applicable, for giving effect to the provisions contained in this Scheme.



## 6.7 Effectiveness of the Scheme

6.7.1 This Scheme is conditional upon, and shall become effective on the happening of the last of the following (“Effective Date”):

- (i) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (if required) of each of the Scheme Entities as required under the 2013 Act;
- (ii) the Scheme being sanctioned by the jurisdictional Tribunal(s) and appropriate orders being passed by the Tribunal(s) pursuant to Sections 230 and 232 of the 2013 Act and other relevant provisions thereof, as applicable; and
- (iii) certified copies of the relevant Orders of the Tribunal(s) being filed with the Registrar of Companies, West Bengal by AHEL, and Registrar of Companies, Chennai by RHPL.

6.7.2 This Scheme shall become effective from the Effective Date, and the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

## 6.8 Sequence of Events

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative on Effective Date, only in the sequence and in the order mentioned hereunder:

- (i) issue and allotment of Bonus Shares by AHEL;
- (ii) amendment to the memorandum and articles of association of RHPL as provided in this Scheme;
- (iii) demerger and vesting of the Demerged Undertaking from AHEL into and with RHPL in accordance with Part IV of this Scheme;
- (iv) issue and allotment of fully paid-up New Equity Shares of RHPL to the shareholders of AHEL as of Record Date in accordance with Part IV of this Scheme; and
- (v) reduction and cancellation of Existing Equity Shares of RHPL held by AHEL in accordance with Part V of this Scheme.

## 6.9 Record Date

After this Scheme is sanctioned but before it becomes effective, the Board of Directors of AHEL shall, in consultation with the Board of Directors of RHPL, determine the record date (“Record Date”) for (i) issuance of Bonus Shares; and (ii) the issuance and allotment of Equity Shares of RHPL to the shareholders of AHEL in terms of the Scheme and the direction of the Tribunal in this regard (if any). On determination of Record Date,



27



AHEL shall provide to RHPL, the list of its shareholders as on such Record Date, who are entitled to receive the Equity Shares in RHPL in terms of this Scheme in order to enable RHPL to issue and allot such Equity Shares to such shareholders of AHEL.

#### 6.10 Binding Effect

Upon this Scheme becoming effective it shall be binding on the Scheme Entities, their respective shareholders, creditors and all other stakeholders.

#### 6.11 Miscellaneous

- 6.11.1 AHEL shall comply with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time, while *inter alia* procuring the approval of its public shareholders and shall provide for voting by such public shareholders through postal ballot and e-voting. For the purposes of this Clause 6.11.1, the term 'public' shall have the meaning ascribed to such term under rule 2 of Securities Contracts (Regulation) Rules, 1957. The Scheme is conditional upon being approved by the public shareholders of AHEL through e-voting in terms of Para 9(a) of Part I of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017 (as amended from time to time) and the Scheme shall be acted upon only if votes cast by the public shareholders of AHEL in favour of the proposal are more than the number of votes cast by the public shareholders of AHEL against it.
- 6.11.2 As an integral part of the Scheme, all rights and liabilities of the Demerged Company in / to a bid presently submitted by the Demerged Company to Mumbai International Airport Limited shall stand transferred to RHPL.
- 6.11.3 The transfer of properties and liabilities to, and the continuance of proceedings in terms of the Scheme, including as envisaged in Part IV of this Scheme shall not affect any transaction or proceedings already concluded by any of the Scheme Entities on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that RHPL accepts and adopts all acts, deeds and things done and executed by AHEL in respect thereto as done and executed on behalf of itself.
- 6.11.4 Nothing contained in this Scheme shall affect the business and operations of AHEL other than the Demerged Undertaking, and the residual business(es) of AHEL shall continue to belong to, and be vested in and be managed by, AHEL.
- 6.11.5 Each of the Scheme Entities shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. The shareholders of Scheme Entities shall not be entitled to dividend (whether interim and/or final), if any, declared and paid by any of the other Scheme Entities prior to the Effective Date. The holders of the shares of each of the Scheme Entities, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends. It is clarified that the aforesaid provision in respect of declaration of dividend is only an enabling provision and shall not be deemed to confer any right on any shareholder of any of the Scheme Entities to demand or claim any dividend.





- 6.11.6 Each of the Scheme Entities (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Tribunal(s), SEBI, Stock Exchange(s) and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Scheme Entities(acting through their respective Boards of Directors), are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Tribunal(s) or SEBI or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 6.11.7 Notwithstanding anything else to the contrary in this Scheme, the Scheme Entities (acting through their respective Boards of Directors), shall be at liberty to withdraw from this Scheme in case (i) any condition or alteration imposed by the Tribunal(s) or any other authority; or (ii) any deemed modifications to the Scheme resulting from the Scheme (or any part thereof) being or becoming inconsistent with applicable laws (including resulting from an amendment of law or for any other reason whatsoever) is not acceptable to the Scheme Entities; or (iii) prior to the Effective Date, the Scheme Entities (acting through their respective Board of Directors) mutually agree at any time to withdraw the Scheme for any reason.
- 6.11.8 If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Scheme Entities(acting through their respective Board of Directors), shall attempt to bring about appropriate modifications to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, in equitable manner as per the intent and spirit of the Scheme, including but not limited to such part.
- 6.11.9 All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto upto the Effective Date, shall be borne and paid by AHEL (unless mutually agreed otherwise by the Scheme Entities acting through their respective Board of Directors), and such expenses shall be entitled to be amortised in terms of Applicable Laws.





**D & A FINANCIAL SERVICES (P) LIMITED**  
Merchant Banking & Corporate Advisory Services

Date: 13<sup>th</sup> January, 2020

The Board of Directors  
Asian Hotel (East) Limited  
Robust Hotels (P) Limited

**Subject: Fairness Opinion for the purpose of Proposed Scheme of Arrangement, Demerger and Reduction of Capital between Asian Hotels (East) Limited (Hereinafter referred to as "AHEL" or Transferor/Demerger Company) and Robust Hotels Private Limited ("RHPL" or Resultant Company") and their respective shareholders and creditors.**

Dear Sir/s,

In connection with the proposed Scheme of Arrangement, Demerger and Reduction of Capital between Asian Hotels (East) Limited (Hereinafter referred to as AHEL or Transferor Company/Demerger Company) and Robust Hotels Private Limited ("RHPL" or Resultant Company) (Hereinafter collectively referred to as "Companies") and their respective shareholders and creditors for the proposed Demerger under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act 2013 (the 'Scheme' or the 'Scheme of Arrangement').

We, M/s D & A Financial Services (P) Ltd, SEBI registered Merchant Banker, having license no. INM000011484, have been engaged by you to give our fairness opinion on the share entitlement ratio required under scheme of Demerger done by Mahim Singh Melita, Independent Valuer having its office D 21, Geetanjali Enclave, New Delhi-110017, who is appointed valuer for the proposed Scheme of Arrangement of Asian Hotels (East) Limited and Robust Hotels (P) Limited.

The Scheme shall be subject to (i) Receipt of approval from the National Company Law Tribunal ("NCLT") and (ii) other statutory approval(s) as may be required in this regard.

**1. Scope and Purpose of the Opinion**

The management of Asian Hotels (East) Limited has engaged M/s D & A Financial Services (P) Ltd to submit fairness opinion to the Board of Directors on the proposed Scheme of Arrangement as defined above. The scope of this Fairness Opinion includes commenting on the fairness of the Scheme of Arrangement. The Fairness Opinion is addressed to the Board of Directors of Asian Hotels (East) Limited and Robust Hotels (P) Limited. Further, this Fairness Opinion has been issued as per the requirements of SEBI circular no. CFD/DIL3/CIR/2017/21, dated 10-3-2017 read with SEBI Circular No. CFD/DIL3/CIR/2017/26, dated 23-3-2017 and CFD/DIL3/CIR/2018/2, dated 3-1-2018 ("SEBI Circulars") and as per the SEBI (ICDR) Regulations, 2018 pricing rules.



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

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

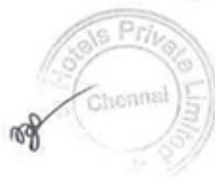
## **2. BRIEF BACKGROUND OF THE COMPANIES**

### **Asian Hotels (East) Limited ("AHEL"):**

- i. AHEL is a listed public limited company incorporated under the laws of India and having its registered office at Hyatt Regency, JA-1, Sector – 3, Salt Lake City, Kolkata, West Bengal – 700098, India. The CIN of AHEL is L15122WB2007PLC162762. The PAN of AHEL is AACCV4634N.
- ii. AHEL is primarily engaged in two lines of business through separate divisions as follows: (a) Hotel Division engaged in the operation and management of Hyatt Regency, Kolkata; and (b) Investment Division which in-turn consists of the Securities Trading Unit and the Strategic Investments Unit.
- iii. AHEL was incorporated under the name 'Vardhman Hotels Private Limited' on January 08, 2007 as a private limited with the Registrar of Companies, West Bengal, and was converted into a public limited company on July 28, 2007. The name of AHEL was changed to its present name on February 16, 2010.
- iv. The shares and securities of AHEL are listed on the BSE Limited and National Stock Exchange of India Limited. (Hereinafter referred to as "Stock Exchanges").

### **Robust Hotels Private Limited ("RHPL"):**

- i. RHPL is a private limited company incorporated under the laws of India and having its registered office at 365, Anna Salai Teynampet, Chennai, Tamil Nadu – 600018, India. The CIN of RHPL is U55101TN2007PTC062085. The PAN for RHPL is AADCR5418B.



- ii. RHPL is carrying on the business of operating Hyatt Regency Hotel, a hotel located at 365, Anna Salai, Teynampet in Chennai.
- iii. RHPL was incorporated on January 19, 2007 with the Registrar of Companies, Chennai.
- iv. RHPL is a wholly owned subsidiary of AHEL, and the shares and securities of RHPL are not listed on any stock exchange.

#### Overview of the Scheme of Arrangement

Asian Hotels (East) Limited is a company listed on the Bombay Stock Exchange and National Stock Exchange. Asian Hotels (East) Limited has three subsidiaries namely; GJS Hotels Limited ("GJS"), Regency Convention Centre and Hotels Limited ("RCC") and Robust Hotels Private Limited ("RHPL"). Over the years, AHEL has also been making substantial investments in mutual funds, bonds, shares etc. As per recent financial statements the company has two divisions, Hotel Business (East), ("Hotel Division") and "Investments including investments in Hotel (South)" which further has two business units viz:

- Strategic Investments Unit: This unit includes loans and investments in RHPL and GJS.
- Securities Trading Unit ("Demerged Undertaking"): This unit comprises of treasury/ liquid investments which are regularly being traded and bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed)

The Scheme of Arrangement provides for demerger of Demerged Undertaking of AHEL into RHPL. Under the Scheme of Arrangement, the whole of assets and liabilities relating to the Demerged Undertaking of AHEL shall be transferred to RHPL.

#### Salient features of the Scheme of Arrangement

The Scheme of Arrangement is segregated into the following:

- Issuance of bonus shares by AHEL to its equity shareholders (as of the Record Date) in 2:1 ratio, that is, 1 (one) new bonus fully paid-up equity share having face value of INR 10 (Rupees ten) for every 2 (two) Equity Shares of the AHEL having face value of INR 10 (Rupees ten) each held by a shareholder of AHEL as of the Record Date.
- Demerger of the Demerged Undertaking from AHEL into RHPL in accordance with Sections 230-232 of the Companies Act, 2013 and in compliance with Section 2(19AA) of Income Tax Act, 1961 and issuance of consideration shares by RHPL to the shareholders of AHEL.
- Reduction of capital in RHPL and consequent cancellation of existing Equity Shares of RHPL held by AHEL without consideration.



3



The Appointed Date for the determination of Share Entitlement Ratio as per the Scheme of Arrangement shall be same as the Effective Date. The Scheme shall become effective on the happening of the last of the following:

- Upon approval of Scheme by shareholders and/or creditors of each of the Scheme Entities as required under the Companies Act, 2013;
- Upon sanction of Scheme by the Tribunal(s) and appropriate orders being passed by the Tribunal(s) pursuant to Sections 230 and 232 of the Companies Act, 2013; and
- Certified copies of the relevant orders of the Tribunal(s) being filed with the Registrar of Companies.

After the effectiveness of this Scheme, the Share Capital of RHPL consisting of the New Equity Shares of RHPL issued as consideration in terms of the Scheme to the shareholders of AHEL shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time. Further, as an integral part of the Scheme, Equity Shares of RHPL (presently held by AHEL) shall stand cancelled and reduced (without payment of consideration) without any further act and deed, and hence this Scheme contemplates approval of the Tribunal(s) in terms of Section 66 of the 2013 Act, in addition to Sections 230-232 of the 2013 Act.

### 3. Sources of Information

For arriving at the opinion set forth below, we have relied upon following documents:

- Draft Scheme of Arrangement.
- Share Entitlement Report issued by Mr. Mahim Mehta, an independent valuer dated 13<sup>th</sup> January, 2020.
- Such other information and explanations as we required and which have been provided by the management of the Companies.
- Shareholding Pattern of companies as of 30<sup>th</sup> September, 2019.

### 4. Valuation Report.

Based on analysis and as this Demerger creating a mirror shareholding, we are of the opinion that the Share Entitlement Ratio as described below and as recommended by an independent valuer Mr. Mahim Mehta vide his report dated 13<sup>th</sup> January, 2020, is fair and reasonable for all the shareholders and the Companies involved in the Scheme:

The equity shareholders of AHEL (holding one equity share of INR 10 each fully paid up) will receive 1 (one) equity share of RHPL (INR 10 each fully paid up) for every 1 (one) equity share (INR 10 each

4





fully paid up) held in AHEL. This Report is recommendatory in nature and provides view as to whether this Share Entitlement Ratio would be fair and equitable to all the stakeholders and is based on the sustainable equity capital in RHPL pursuant to bonus issue by AHEL, demerger of Securities Trading Unit and Cancellation of capital of RHPL.

##### 5. Rationale of scheme

The Management has proposed that every shareholder holding one equity share (including bonus shares) in AHEL will receive one share as consideration of the demerger in the Transferee Company. The value of each share held by a shareholder in AHEL pre-demerger will be reflected by the combined value of the shares in AHEL (post demerger) and Transferee Company, RHPL. After the implementation of the entire Scheme on the Effective Date, the shareholding pattern in Transferee Company will thus be same as the shareholding pattern of AHEL; this means that the economic interests of the shareholders of AHEL will remain unchanged and the shareholders will have the same degree of control on both the companies, as they had before demerger in AHEL; so is the case regarding value on an aggregate basis.

As per the Scheme of Arrangement, AHEL, RHPL and their respective shareholders stand to gain for the following reasons:

- Unlocking the value of AHEL, shares to its shareholders which is presently getting subdued on account of subdued performance and balance sheet of RHPL.
- Pursuant to the Scheme, the Equity Shares of RHPL shall also be entitled to benefit of getting listed on the Stock Exchanges pursuant to the SEBI Circular. Therefore, shareholders of AHEL (as of the Record Date) shall, as a result of the Scheme, hold Equity Shares of 2 (two) listed entities, AHEL and RHPL. Such shareholders would then be able to choose to remain invested in both or either of AHEL and RHPL, giving them greater flexibility in managing / dealing with their investments in different companies, being AHEL and RHPL in view of their respective businesses, and individual risk profiles.
- Provide scope for attracting and accessing targeted funding and investors for each of AHEL and RHPL and provide better flexibility in pursuing long term growth plans and strategies for the separate companies AHEL and RHPL, instead of RHPL continuing to use AHEL's credit rating and guarantees and equity funds.
- Enable the management of AHEL to evaluate the performance of the Hotel Division on an independent basis and keep its risks (if any) ring-fenced. Improving the balance sheet of RHPL and its credit rating by providing liquid assets and resources that would enable enhancement in future profitability without any sacrifice of value by the shareholders of AHEL, enabling potential turn-around and/or expansion programs for RHPL, and assist RHPL in supporting and potentially reducing its debt burden and cost of financing.



- Enable unlocking of the true value of the RHPL for the shareholders of AHEL (in a separate entity, being RHPL), which does not appear to be reflecting fully and accurately in the present consolidated market valuation of AHEL on account of there being a holding company discount.
- Possible release of guarantee(s) presently given by AHEL to the lenders of RHPL. This would clear the contingent liability in the balance sheet of AHEL and improve the credit rating of AHEL thereby enabling reduction in cost of finance for AHEL and better price discovery on the stock market.
- Enable enhanced strategic flexibility and focus of the respective managements of AHEL and RHPL, thereby facilitating the separate managements to efficiently exploit opportunities for each of the said businesses.

Thus, the Scheme of Arrangement will be advantageous to all the stakeholders owing to higher potential market value of equity shares, on an aggregate basis, improved possibility of raising capital for expansion if required or forming strategic alliances.

**Cancellation in Capital in RHPL**

The equity shares of RHPL held by AHEL to be reduced and cancelled without any payment of consideration. As a result, the investments held by AHEL in RHPL under the Strategic Investments Unit shall become Nil.

**6. Conclusion and Opinion**

On the basis of our scope and limitations mentioned in the report and based on our examination of the draft of the Proposed Scheme of Arrangement and Share Entitlement Report dated 13<sup>th</sup> January, 2020 and on consideration of all the relevant factors as described herein above, we are of the opinion that the ratio as proposed by the independent valuer i.e the equity shareholders of AHEL (holding one equity share of INR 10 each fully paid up) will receive 1 (one) equity share of RHPL (INR 10 each fully paid up) for every 1 (one) equity share (INR 10 each fully paid up) held in AHEL, is fair.

Thanking You

For D & A Financial Services (P) Ltd

(M K Doogar)

Director

Place: New Delhi





APPENDIX AEXCLUSIONS AND LIMITATIONS

- Our conclusion is based on the information furnished to us being complete and accurate in all material respects.
- We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Companies.
- Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this Opinion. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this Opinion.
- Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.
- We do not express any opinion as to the price at which shares of the Companies may trade at any time, including, subsequent to the date of this opinion.



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**ADVISORY REPORT ON CAPITAL ALLOCATION AND SHARE ENTITLEMENT RATIO FOR DEMERGER OF "DEMERGED UNDERTAKING" OF ASIAN HOTELS (EAST) LIMITED INTO ROBUST HOTELS PRIVATE LIMITED AS PER THE SCHEME OF ARRANGEMENT BETWEEN ASIAN HOTELS (EAST) LIMITED AND ROBUST HOTELS PRIVATE LIMITED**

January, 2020



Prepared by:

**Mahim Singh Mehta, ACA, CMA,**

**Registered Valuer (Securities or Financial Assets)**

**D-21, Geetanjali Enclave,**

**New Delhi-110017**

**CONTENTS**

CHAPTER 1 – DISCLAIMER CLAUSE.....- 3 -

CHAPTER 2 – BACKGROUND OF SCHEME OF ARRANGEMENT AND SCOPE OF WORK.....- 5 -

CHAPTER 3 – DATA RELIED UPON .....- 7 -

CHAPTER 4 – BACKGROUND OF COMPANY .....- 8 -

CHAPTER 5 – RATIONALE FOR THE PROPOSED SHARE ENTITLEMENT RATIO.....- 13 -

CHAPTER 6 – CONCLUSION.....- 16 -



## **CHAPTER 1 - DISCLAIMER CLAUSE**

This advisory report ("Report") is being furnished by Mahim Singh Mehta ("Registered Valuer") at the request of the Management ("Management") of Asian Hotels (East) Limited ("AHEL" / "Company" / "Transferor Company" / "Demerged Company"). The Management of AHEL is intending a demerger of its Securities Trading Unit ("Demerged Undertaking") which is a unit of "Investments including Investment in Hotel (South)" segment of the Company into its wholly owned subsidiary Robust Hotels Private Limited ("RHPL" / "Transferee Company" / "Resulting Company"). A Scheme of Arrangement dealing with (a) demerger and (b) cancellation of capital of RHPL has now been proposed by the Restructuring Committee. The said Scheme of Arrangement ("Scheme") is to be considered by the board of directors of AHEL. The Appointed Date for the determination of Share Entitlement Ratio as per the Scheme of Arrangement shall be same as the Effective Date. AHEL has appointed a Registered Valuer to give their advisory opinion on the Share Entitlement Ratio pursuant to the Scheme of Arrangement between AHEL and RHPL. Accordingly, this Report is being furnished for the purpose of providing an opinion on Share Entitlement Ratio proposed by the Management.

The details of scope of work have been mentioned in Chapter 2 below. This Report must be considered in that context only and not as an advisory document for any other purpose like tax advice or investment advice. The Report shall not be distributed, reproduced, or used, without the express written consent of the Registered Valuer for any purpose other than that mentioned in Chapter 2 below.

The Report has been prepared by the Registered Valuer from information extracted from desk research, published reports, discussions with the Management from time to time and other data provided by the Management and their Financial Advisors. The scope of work does not include verification of data submitted by the Management and we have relied upon the data provided to us. Wherever required, the information and data submitted by AHEL has been duly certified by the Management.

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



*Mahim Singh Mehta*

- 3 -

*Private & Confidential*



*Advisory Report on Capital Allocation and Share Entitlement Ratio pursuant to Scheme of Arrangement*

We do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of Management.

We don't expect any liability of any kind to any party in relation to the issuance of this report. For the purpose of this assignment, we have not attempted a detailed due diligence review for various aspects i.e. commercial, operational, financial, legal, environmental etc. No change of any item in this report shall be made by anyone other than us, and we shall have no responsibility for any such unauthorized change.

In furnishing the Report, the Registered Valuer reserves the right to amend or replace the Report at any time. The information contained herein is based on certain assumptions and analysis of the information available at the time the Report was prepared. The Registered Valuer does not purport to give any representation, warranty or other assurance in relation to this document.

This Report highlights the basis of arriving at the Share Entitlement Ratio pursuant to demerger of AHIEL, keeping in view the circumstances prevailing at the time of preparation of this report and arrives at the opinion on the Share Entitlement Ratio considering the facts of the case.

*This Report is to be read in whole.*



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## CHAPTER 2 – BACKGROUND OF SCHEME OF ARRANGEMENT AND SCOPE OF WORK

### Brief background of the Scheme of Arrangement

Asian Hotels (East) Limited is a company listed on the Bombay Stock Exchange and National Stock Exchange. Asian Hotels (East) Limited has three subsidiaries namely GJS Hotels Limited ("GJS"), Regency Convention Centre and Hotels Limited ("RCC") and Robust Hotels Private Limited. Over the years, AHEL has also been making substantial investments in mutual funds, bonds, shares etc. As per recent financial statements the company has two divisions, Hotel Business (East) ("Hotel Division"); and "Investments including investments in Hotel (South)" which further has two business units viz:

- Strategic Investments Unit: This unit includes investments in RHPL and GJS. GJS is a part of the Strategic Investments Unit as they are responsible for the development of a Hotel in Odisha;
- Securities Trading Unit ("Demerged Undertaking"): This unit comprises of treasury/ liquid investments which are regularly being traded and shares of certain companies which are held on short term basis; all of these are held as Stock-in-trade.

AHEL's shareholding pattern comprises of Promoters (65.63%) and Public (34.37%) as on September 30, 2019.

The Scheme of Arrangement provides for demerger of Demerged Undertaking of AHEL into RHPL. Under the Scheme of Arrangement, the whole of assets and liabilities relating to the Demerged Undertaking of AHEL shall be transferred to RHPL.

### Salient features of the Scheme of Arrangement

The Scheme of Arrangement is segregated into the following:

- Issuance of bonus shares by AHEL to its equity shareholders (as of the Record Date), that is, 1 (one) new bonus fully paid-up equity share having face value of INR 10 (Rupees ten) for every 2 (two) equity shares of the AHEL having face value of INR 10 (Rupees ten) each held by a shareholder of AHEL as of the Record Date.
- Demerger of the Demerged Undertaking from AHEL into RHPL in accordance with Sections 230-232 of the Companies Act, 2013 and in compliance with Section 2(19AA) of Income Tax Act, 1961 and issuance of equity shares as consideration by RHPL to the shareholders of AHEL.
- Cancellation of capital in RHPL and consequent cancellation of existing Equity Shares of RHPL held by AHEL without consideration.



*Advisory Report on Capital Allocation and Share Entitlement Ratio pursuant to Scheme of Arrangement*

The Appointed Date for the determination of Share Entitlement Ratio as per the Scheme of Arrangement shall be same as the Effective Date (beginning of business hours) or such other date as may be directed/ approved by the Tribunal(s), being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative.

**Scope of Work**

I, Mahim Singh Mehta, vide letter dated November 8, 2019 have been engaged by the Management of AHEL to provide an opinion on the Share Entitlement Ratio proposed by the Management for the demerger. The date of determination of Share Entitlement Ratio is the Appointed Date of demerger which will now be same as the Effective Date. However, the shares will be allotted to the shareholders as on the Record Date as defined in the draft Scheme of Arrangement.

**Share Entitlement Ratio**

The Audit Committee based on the recommendation of the Management has proposed the ratio for the issue of equity shares in RHPL to the equity shareholders of AHEL. Thus, equity shareholders of AHEL (holding one equity share of INR 10 each fully paid up) will receive 1 (one) equity share of RHPL (INR 10 each fully paid up) for every 1 (one) equity share (INR 10 each fully paid up) held in AHEL. This Report is recommendatory in nature and provides view as to whether this Share Entitlement Ratio would be fair and equitable to all the stakeholders and is based on the sustainable equity capital in RHPL pursuant to bonus issue by AHEL, demerger of Securities Trading Unit and cancellation of capital of RHPL.





### **CHAPTER 3 – DATA RELIED UPON**

For the purpose of this Report, we have relied upon the following information as authenticated and provided to us by the Management:

1. Management certified assets and liabilities of the Demerged Undertaking as on September 30, 2019;
2. Audited financial statements of AHEL as on March 31, 2019, March 31, 2018 and March 31, 2017;
3. Audited financial statements of RHPL as on March 31, 2019, March 31, 2018 and March 31, 2017;
4. Shareholding pattern of AHEL as on September 30, 2019;
5. Shareholding pattern of RHPL as on September 30, 2019;
6. Other facts and data considered necessary to determine the fairness of the Share Entitlement Ratio;
7. Guidelines laid down by Bombay Stock Exchange and National Stock Exchange;
8. Other information provided by the Company from time to time.





## CHAPTER 4 - BACKGROUND OF COMPANY

### 1. Asian Hotels (East) Limited

Asian Hotels (East) Limited ("Demerged Company") is a company listed on the Bombay Stock Exchange and National Stock Exchange. The promoters hold approximately 65.63% in the Company and the balance is held by public shareholders. AHEL was originally incorporated in 2007 as Vardhman Hotels Private Limited. The Company is engaged in the hotel business through "Hyatt Regency Kolkata" a five-star hotel located in Kolkata, India. Currently, AHEL has two business divisions i.e. the Hotel Division and "Investments including Investment in Hotel (South)". The Hotel Division is engaged in the operations and management of the Hyatt Regency, Kolkata; and "Investments including Investment in Hotel (South)" further comprises two business units:

- Strategic Investments Unit: This unit includes investments in RHPL and GJS. AHEL is developing a hotel in Odisha through its subsidiary GJS.
- Securities Trading Unit: This unit comprises of treasury/ liquid investments which are regularly being traded and shares of certain companies which are held on short term basis; all of these are held as Stock-in-trade.

### Financial Summary

#### Standalone Profit and Loss Account of AHEL

Particulars	2018-19	2017-18	2016-17
Total Revenue	113.71	107.75	107.11
Less: Operating Expenses	84.35	83.57	79.98
<b>EBITDA</b>	<b>29.36</b>	<b>24.18</b>	<b>27.13</b>
Less: Depreciation and Amortisation Expenses	4.92	5.44	6.38
Less: Finance Cost	0.00	0.00	0.50
Exceptional Items	0.00	0.00	(3.36)
<b>Profit before tax</b>	<b>24.44</b>	<b>18.74</b>	<b>16.89</b>
<b>Profit for the year</b>	<b>17.78</b>	<b>14.74</b>	<b>12.96</b>
Add: Depreciation	4.92	5.44	6.38
<b>Cash Profit</b>	<b>22.7</b>	<b>20.18</b>	<b>19.34</b>

(INR Cr)



Standalone Balance Sheet of AHEL

Particulars	(INR Cr)		
	March 31, 2019	March 31, 2018	March 31, 2017
<b>EQUITY &amp; LIABILITIES</b>			
Equity Share Capital	11.53	11.53	11.53
Other Equity	910.18	891.16	877.01
Non-Current Liabilities	8.92	9.01	12.36
Current Liabilities	28.09	23.25	13.80
<b>Total</b>	<b>958.72</b>	<b>934.95</b>	<b>914.70</b>
<b>ASSETS</b>			
Non-Current Assets	505.26	503.92	503.31
Current Assets	453.46	431.03	411.39
<b>Total</b>	<b>958.72</b>	<b>934.95</b>	<b>914.70</b>

Capital structure of AHEL as on September 30, 2019:

Authorised Capital	INR Cr	
9,00,00,000 Equity Shares of INR 10 each	90.00	
10,00,00,000 Preference Shares of INR 10 each	1.00	
<b>Paid-up Share Capital</b>	<b>INR</b>	<b>Percentage held</b>
Promoters (75,66,120 Equity Shares of INR 10 each)	7,56,61,200	65.63%
Public (39,61,677 Equity Shares of INR 10 each)	3,96,16,770	34.37%
<b>Total</b>	<b>11,52,77,970</b>	<b>100.00%</b>

Note: AHEL shall make a bonus issue of fully paid-up equity shares to its equity shareholders (as of the Record Date) nearest to the Appointed Date, in a ratio, that is, 1 (one) new bonus (fully paid-up equity share having face value of INR 10 (Rupees ten) for every 2 (two) equity shares of the AHEL having face value of INR 10 (Rupees ten) each held by a shareholder of AHEL as of the Record Date.



2. Robust Hotels Private Limited

Robust Hotels Private Limited ("Resulting Company") is an unlisted company duly incorporated in 2007 under the provisions of the Companies Act, 1956 and has its registered office at Chennai, Tamil Nadu. The Resulting Company offers accommodation and hospitality services and operates a hotel, "Hyatt Regency Chennai", in Chennai, India. The business activities of Resulting Company compliment the business activities of Demerged Company. It is currently a wholly owned subsidiary company of the Demerged Company.

Financial Summary

Statement of Profit & Loss of RHPL

(INR Cr)

Particulars	2018-19	2017-18	2016-17
Total Revenue	100.67	88.43	98.74
Less: Total Expenses	123.27	116.31	138.07
Profit Before Tax	(22.60)	(27.88)	(39.33)
Add: Depreciation and Amortisation Expenses	23.03	24.39	24.59
Cash Profits	0.43	(3.49)	(14.74)



**Advisory Report on Capital Allocation and Share Entitlement Ratio pursuant to Scheme of Arrangement**

**Balance Sheet of RHPL**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
(INR Cr)			
<b>EQUITY &amp; LIABILITIES</b>			
Equity Share Capital	154.17	154.17	154.17
Other equity	117.48	140.07	168.11
Non-Current Liabilities*	234.13	237.57	239.70
Current Liabilities	77.96	71.40	45.83
<b>Total</b>	<b>583.74</b>	<b>603.21</b>	<b>607.81</b>
<b>ASSETS</b>			
Non-Current Assets	566.20	587.41	592.68
Current Assets	17.54	15.80	15.13
<b>Total</b>	<b>583.74</b>	<b>603.21</b>	<b>607.81</b>

\*Note: Non-Current Liabilities earlier included Cumulative Redeemable Preference Shares and Unsecured Non-Convertible Debentures which were converted into Equity shares pursuant to the Scheme of Arrangement between AHEL, RHPL and GJS Hotels Limited.

**Capital structure of RHPL as on September 30, 2019:**

Authorised Capital	INR Cr
22,50,00,000 Equity shares of INR 10 each	225.00
<b>Paid up Share Capital of the Company</b>	<b>INR</b>
22,41,83,829 Equity shares of INR 10 each held by AHEL	2,24,18,38,290
<b>Total</b>	<b>2,24,18,38,290</b>
	<b>Percentage held</b>
	100.00%
	100.00%





*Advisory Report on Capital Allocation and Share Entitlement Ratio pursuant to Scheme of Arrangement*

**Estimated future profits of RHPL after the Effective Date**

(INR Lacs)

<b>Particulars</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Income from operations	11,666	12,335	12,688
Income from Demerged Undertaking	728	861	995
<b>Total Income</b>	<b>12,394</b>	<b>13,196</b>	<b>13,683</b>
Total Operating Cost	8,392	8,859	9,237
<b>Gross Profit (EBIDTA)</b>	<b>4,002</b>	<b>4,337</b>	<b>4,446</b>
Finance Cost	1,370	1,174	937
Depreciation	2,330	2,347	2,363
<b>Profit Before Tax</b>	<b>302</b>	<b>816</b>	<b>1,146</b>



Source: Projected financial projections as provided by Management

## CHAPTER 5 – RATIONALE FOR THE PROPOSED SHARE ENTITLEMENT

The Management has proposed that every shareholder holding one equity share (including bonus shares) in AHEL will receive one share as consideration of the demerger in the Transferee Company. The value of each share held by a shareholder in AHEL pre-demerger will be reflected by the combined value of the shares in AHEL (post demerger) and Transferee Company, RHPL. After the implementation of the entire Scheme on the Effective Date, the shareholding pattern in Transferee Company will thus be the same as the shareholding pattern of AHEL; this means that the economic interests of the shareholders of AHEL will remain unchanged and the shareholders will have the same degree of control on both the companies, as they had before demerger in AHEL; so is the case regarding value on an aggregate basis.

As per the Scheme of Arrangement, AHEL, RHPL and their respective shareholders stand to gain for the following reasons:

- Unlocking the value of AHEL shares to its shareholders which is presently getting subdued on account of subdued performance and balance sheet of RHPL.
- Pursuant to the Scheme, the equity shares of RHPL shall also be entitled to benefit of getting listed on the Stock Exchanges pursuant to the SEBI Circular. Therefore, shareholders of AHEL (as of the Record Date) shall, as a result of the Scheme, hold equity shares of 2 (two) listed entities, AHEL and RHPL. Such shareholders would then be able to choose to remain invested in both or either of AHEL and RHPL, giving them greater flexibility in managing / dealing with their investments in different companies, being AHEL and RHPL in view of their respective businesses, and individual risk profiles.
- Provide scope for attracting and accessing targeted funding and investors for each of AHEL and RHPL and provide better flexibility in pursuing long term growth plans and strategies for the separate companies AHEL and RHPL, instead of RHPL continuing to use AHEL's credit rating and guarantees and equity funds.
- Enable the Management of AHEL to evaluate the performance of the Hotel Division on an independent basis and keep its risks (if any) ring-fenced.
- Improving the balance sheet of RHPL and its credit rating by providing liquid assets and resources that would enable enhancement in future profitability without any sacrifice of value by the shareholders of AHEL, enabling potential turn-around and/or expansion programs for RHPL, and assist RHPL in supporting and potentially reducing its debt burden and cost of financing.



Mahim Singh Mehta

- 13 -

Private & Confidential

*Advisory Report on Capital Allocation and Share Entitlement Ratio pursuant to Scheme of Arrangement*

- Enable unlocking of the true value of the RHPL for the shareholders of AHEL (in a separate entity, being RHPL), which does not appear to be reflecting fully and accurately in the present consolidated market valuation of AHEL on account of there being a holding company discount.
- Possible release of guarantee(s) presently given by AHEL to the lenders of RHPL. This would clear the contingent liability in the balance sheet of AHEL and improve the credit rating of AHEL thereby enabling reduction in cost of finance for AHEL and better price discovery on the stock market.
- Enable enhanced strategic flexibility and focus of the respective managements of AHEL and RHPL, thereby facilitating the separate managements to efficiently exploit opportunities for each of the said businesses.

Thus, the Scheme of Arrangement will be advantageous to all the stakeholders owing to higher potential market value of equity shares, on an aggregate basis, improved possibility of raising capital for expansion if required or forming strategic alliances.

**Cancellation in capital in RHPL**

The equity shares of RHPL held by AHEL to be reduced and cancelled without any payment of consideration. As a result, the investments held by AHEL in RHPL under the Strategic Investments Unit shall become Nil.

This cancellation shall take place pursuant to Part IV of the Scheme. The cancellation shall take place in order to present a true and fair picture of the capital structure, business and financials of RHPL.



*Advisory Report on Capital Allocation and Share Entitlement Ratio pursuant to Scheme of Arrangement*

We also reproduce the table as prescribed by BSE through circular dated May 29, 2017 and by NSE through circular dated June 01, 2017.

As this demerger is creating a mirror shareholding, the said table may not be applicable.

Computation of Share Exchange Ratio:

Valuation Approach	Asian Hotels (East) Limited		Robust Hotels Private Limited	
	Value per Share	Weight	Value per Share	Weight
Assets Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Fair Value	NA	NA	NA	NA

Share Entitlement Ratio pursuant to the demerger shall be one share of RHPL for every one share held in AHEL.

**Note:** Consequent to this Scheme of Arrangement, the economic beneficial interest of the shareholders of AHEL shall remain the same. Also, there shall be no change in the shareholding pattern of Demerged Company and the Resulting Company. Hence, this is a value neutral demerger. Thereby, valuation as per above methods is not required.





## **CHAPTER 6 – CONCLUSION**

- For giving an opinion on the fairness of the Share Entitlement Ratio, the following factors have been considered:
  - i. Stock Exchange listing regulations;
  - ii. Impact on shareholding pattern of both the companies i.e. AHEL and RHPL post scheme;
- Pursuant to Part IV of the Scheme, the shares of RHPL held by AHEL shall be reduced and cancelled.
- Further as a condition for demerger, RHPL shall issue its shares as consideration to the shareholders of AHEL in the Share Entitlement Ratio as mentioned below.
- As per Section 2(19AA) of the Income Tax Act, 1961, all the assets and liabilities of the Demerged Undertaking being transferred by the Transferor Company (AHEL) are transferred at values appearing in the books of accounts immediately before the demerger.
- Based on the above, recommended Share Entitlement Ratio on demerger is as follows "for every 1 (one) equity share of face value of INR 10 (Rupees ten only) each held in AHEL as on the record date, the equity shares to be issued to shareholders of AHEL shall be equivalent to 1 (one) equity share of face value INR 10 (Rupees ten only) each fully paid up in RHPL".
- Considering there is no change in the shareholding pattern of RHPL and the effective control remains with the shareholders of AHEL, we recommend that the Share Entitlement Ratio stated above is fair and equitable for all the stakeholders of the companies involved in the Scheme of Arrangement on all parameters specified in this Report.

**The Report is to be read in whole.**

**Date:** January 13, 2020

**Place:** New Delhi



**Mahim Singh Mehta, ACA, CMA,  
Registered Valuer (Securities or Financial Assets)  
Membership No: IBBI/RV/05/2019/11986  
UDIN: 20086117AAAAAA5126**

To  
The Board of Directors  
Asian Hotels (East) Limited.  
Hyatt Regency, JA-1, Sector -3  
Salt Lake City, Kolkata  
West Bengal – 700098, India

1. We, M/s Singhi & Co. Chartered accountants the statutory auditors of Asian Hotels (East) Limited (CIN No L15122WB2007PLC162762) (hereinafter referred to as "the Company"), have examined the proposed accounting treatments as specified in clause 3.3.1, 4.4.1(i), 4.4.1(ii) & 5.2 of the draft "Scheme of Arrangement, Demerger and Reduction of Capital" between Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders and creditors in terms of the provisions of section(s) 230 to 232 and Section 66 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and other generally accepted accounting principles. The draft scheme has been prepared by the company which has been initiated by us for identification purpose.
2. The responsibility for the preparation of the draft scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Asian Hotels (East) Limited and Robust Hotels Private Limited. Our responsibility is only to examine and report whether the draft scheme complies with the applicable Accounting Standards and other Generally Accepted Accounting Principles. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.
3. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatments contained in the aforesaid scheme in relation to Asian Hotels (East) Limited as specifically prescribed in the clauses mentioned in Para 1 above are in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

This Certificate is issued at the request of the Asian Hotels (East) Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange and Bombay Stock Exchange. This Certificate should not be used for any other purpose without our prior written consent.

Encl: Draft "Scheme of Arrangement, Demerger and Reduction of Capital" for reference

For Singhi & Co,  
Chartered Accounts  
Firm Registration No.302049E

  
(Aditya Singhi)  
Partner  
Membership No.305161



Place : Kolkata  
Date : 13/01/2020

UDIN: 20305161AAAAAD3957

Sr	Description	Name of Shareholder	AHEL (Demerged Company)				RHPL (Resulting Company)						
			Pre-arrangement		Post-arrangement		Pre-arrangement		Post-arrangement				
			No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%			
(A)	Shareholding of Promoter and Promoter Group												
1	Indian												
(a)	Individuals/ Hindu Undivided Family	Umesh Saraf	24731	0.21	37096	0.21	-	-	37096	0.21	-	-	0.21
		Arun Kumar Saraf	8732	0.08	13098	0.08	-	-	13098	0.08	-	-	0.08
(b)	Central Government/ State Government(s)	Nil	-	-	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	Asian Hotels (East) Limited (AHEL)	-	-	-	-	224183823	100	-	-	-	-	-
		Mr. TN Thanikachalam (being the nominee of AHEL)	-	-	-	-	1	0.00	-	-	-	-	-
		Mr. A. Srinivasan (being the nominee of AHEL)	-	-	-	-	1	0.00	-	-	-	-	-
		Mr. Bimal K Jhunjhunwala (being the nominee of AHEL)	-	-	-	-	1	0.00	-	-	-	-	-
		Mr. Saumen Chatterjee (being the nominee of AHEL)	-	-	-	-	1	0.00	-	-	-	-	-
		Mr. Ayush Bharuka (being the nominee of AHEL)	-	-	-	-	1	0.00	-	-	-	-	-
		Mr. Amit Saraf (being the nominee of AHEL)	-	-	-	-	1	0.00	-	-	-	-	-
(d)	Financial Institutions/ Banks	Nil	-	-	-	-	1	0.00	-	-	-	-	-



(e) Any Others	Nil	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(1)</b>		<b>33463</b>	<b>0.29</b>	<b>50194</b>	<b>0.29</b>	<b>224183829</b>	<b>100.00</b>	<b>50194</b>	<b>50194</b>	<b>0.29</b>			
<b>2 Foreign</b>													
(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	Ratna Saraf	617347	5.36	926020	5.36	-	-	926020	926020	5.36			5.36
	Radhe Shyam Saraf	3284680	28.49	4927020	28.49	-	-	4927020	4927020	28.49			28.49
(b) Bodies Corporate	Nil	-	-	-	-	-	-	-	-	-			-
(c) Institutions	Nil	-	-	-	-	-	-	-	-	-			-
(d) Any Others	Saraf Industries Limited	3630630	31.49	5445945	31.49	-	-	5445945	5445945	31.49			31.49
<b>Sub Total(A)(2)</b>		<b>7532657</b>	<b>65.34</b>	<b>11298985</b>	<b>65.34</b>	<b>-</b>	<b>-</b>	<b>11298985</b>	<b>11298985</b>	<b>65.34</b>			<b>65.34</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>		<b>7566120</b>	<b>65.63</b>	<b>11349179</b>	<b>65.63</b>	<b>224183829</b>	<b>100.00</b>	<b>11349179</b>	<b>11349179</b>	<b>65.63</b>			<b>65.63</b>
<b>(B) Public shareholding</b>													
<b>I Institutions</b>													
(a) Mutual Funds/ UTI		325	0.00	486	0	-	-	486	486	0			0
(b) Financial Institutions/ Banks		356357	3.09	534534	3.09	-	-	534534	534534	3.09			3.09



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(c)	Central Government/ State Government(s)	Nil	-	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	Nil	-	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies		475992	4.13	713987	4.13	-	-	713987	-	4.13	-
(f)	Foreign Portfolio Investors		51689	0.45	77533	0.45	-	-	77533	-	0.45	-
(g)	Foreign Venture Capital Investors	Nil	-	-	-	-	-	-	-	-	-	-
(h)	Any Other	Nil	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(I)</b>		<b>884363</b>	<b>7.67</b>	<b>1326540</b>	<b>7.67</b>	<b>-</b>	<b>-</b>	<b>1326540</b>	<b>-</b>	<b>7.67</b>	<b>-</b>
<b>2</b>	<b>Non-institutions</b>											
(a)	Bodies Corporate		1494971	12.97	2242436	12.97	-	-	2242436	-	12.97	-
(b)	Individuals											
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs.2 lakh		1049888	9.11	1469697	8.50	-	-	1469697	-	8.50	-
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.		262366	2.28	496263	2.87	-	-	496263	-	2.87	-

(c) Any Other	NBFCs registered with RBI	192	0.00	288	0.00	-	-	-	288	0.00
	Trusts	10	0.00	15	0.00	-	-	-	15	0.00
	Foreign Corporate Bodies(FCB)	38803	0.34	58204	0.34	-	-	-	58204	0.34
	Non Resident Indians	105359	0.91	157996	0.91	-	-	-	157996	0.91
	Clearing Members	3173	0.03	4756	0.03	-	-	-	4756	0.03
	IEPF	122552	1.06	183828	1.06	-	-	-	183828	1.06
	Fractional Shares	-	-	2494	0.01	-	-	-	2494	0.01
	<b>Sub-Total (B)(2)</b>	<b>3077314</b>	<b>26.69</b>	<b>4615977</b>	<b>26.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4615977</b>	<b>26.69</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>3961677</b>	<b>34.37</b>	<b>5942517</b>	<b>34.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5942517</b>	<b>34.37</b>
	<b>TOTAL (A)+(B)</b>	<b>11527797</b>	<b>100.00</b>	<b>17291696</b>	<b>100.00</b>	<b>224183829</b>	<b>100.00</b>	<b>17291696</b>	<b>17291696</b>	<b>100.00</b>
(C) Shares held by Custodians and against which DRs have been issued	Nil	-	-	-	-	-	-	-	-	
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>11527797</b>	<b>100.00</b>	<b>17291696</b>	<b>100.00</b>	<b>224183829</b>	<b>100.00</b>	<b>17291696</b>	<b>17291696</b>	<b>100.00</b>	



# ASIAN HOTELS (EAST) LIMITED

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

Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 [www.ahleast.com](http://www.ahleast.com)

CIN: L15122WB2007PLC162762

2<sup>nd</sup> March, 2020

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

Type of Security: Equity shares  
Scrip Code : 533227

Dear Madam/Sir,

Sub: Submission of Report on Complaints

Re: Scheme of Arrangement

Please find attached 'Report on Complaints' pursuant to Annexure III of Para IA(6) of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 for the Scheme of Arrangement filed with you on 28<sup>th</sup> January, 2020.

This is for your kind perusal and record.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary

Encl.: as above

OWNER OF



**HYATT**  
REGENCY™  
KOLKATA

# ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India  
Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 www.ahleast.com  
CIN: L15122WB2007PLC162762

## REPORT ON COMPLAINTS

(for the period 6<sup>th</sup> February, 2020 to 1<sup>st</sup> March, 2020)

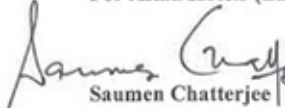
### Part A


Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

### Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



2<sup>nd</sup> March, 2020  
Kolkata

OWNER OF



**HYATT**  
REGENCY™  
KOLKATA



# ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India  
Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 [www.ahleast.com](http://www.ahleast.com)  
CIN: L15122WB2007PLC162762

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

13<sup>th</sup> March, 2020

NSE Symbol : AHLEAST

Dear Madam/Sir,

**Sub: Submission of Report on Complaints**

**Re: Scheme of Arrangement**

Please find attached 'Report on Complaints' pursuant to Annexure III of Para IA(6) of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 for the Scheme of Arrangement filed with you on 28<sup>th</sup> January, 2020.

This is for your kind perusal and record.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary

Encl.: as above

OWNER OF



**HYATT**  
REGENCY™  
KOLKATA

# ASIAN HOTELS (EAST) LIMITED

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

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

CIN: L15122WB2007PLC162762

## REPORT ON COMPLAINTS

(for the period 20<sup>th</sup> February, 2020 to 12<sup>th</sup> March, 2020)


### Part A


Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

### Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



13<sup>th</sup> March, 2020  
Kolkata

OWNER OF



**HYATT**  
REGENCY™  
KOLKATA



National Stock Exchange Of India Limited

Ref: NSE/LIST/23015\_II

May 21, 2020

The Company Secretary  
Asian Hotels (East) Limited  
Hyatt Regency Kolkata, JA-1, Sector-III  
Salt Lake City, Kolkata- 700098

Kind Attn.: Mr. Saumen Chatterjee

Dear Sir,

**Sub: Observation Letter for Draft Scheme of Arrangement amongst Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders and creditors**

We are in receipt of the Draft Scheme of Arrangement amongst Asian Hotels (East) Limited (AHEL) ("Demerged Company") and Robust Hotels Private Limited (RHPL) ("Resulting Company") and their respective shareholders and creditors vide application dated January 28, 2020.

Based on our letter reference no Ref: NSE/LIST/23015 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide mail dated May 21, 2020 has given following comments:

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

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

This Document is Digitally Signed



Signer: Jiten Bharat Patel  
Date: Thu, May 21, 2020 16:54:44 IST  
Location: NSE

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

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

However, the listing of equity shares of Robust Hotels Private Limited on the National Stock Exchange India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Robust Hotels Private Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.


The Company should also fulfill the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Robust Hotels Private Limited is at the discretion of the Exchange.

The listing of Robust Hotels Private Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Robust Hotels Private Limited and its group companies in line with the disclosure requirements applicable for public issues with NSE for making the same available to the public through website of the companies.
2. To publish an advertisement in the newspapers containing all the information about Robust Hotels Private Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the Company as well as NSE.
3. To disclose all the material information about Robust Hotels Private Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
  - (a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”
  - (b) “There shall be no change in the shareholding pattern or control in Robust Hotels Private Limited between the record date and the listing which may affect the status of this approval.”

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

This Document is Digitally Signed

 Signer: Jiten Bharat Patel  
Date: Thu, May 21, 2020 16:54:44 IST  
Location: NSE





Continuation Sheet

The validity of this "Observation Letter" shall be six months from May 21, 2020, within which the scheme shall be submitted to NCLT.

Yours faithfully,  
For National Stock Exchange of India Limited

Jiten Patel  
Manager

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

This Document is Digitally Signed



Signer: Jiten Bharat Patel  
Date: Thu, May 21, 2020 16:54:44 IST  
Location: NSE

DCS/AMAL/JR/R37/1733/2020-21

May 21, 2020

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

Dear Sir,

**Sub: Observation letter regarding the Draft Scheme of Arrangement among Asian Hotels (East) Limited, Robust Hotels Private Limited and their respective shareholders and creditors.**

We are in receipt of Draft Scheme of Arrangement by Asian Hotels (East) Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its Email dated May 21, 2020 has inter alia given the following comment(s) on the draft scheme of arrangement:

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

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

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

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Robust Hotels Private Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Robust Hotels Private Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Robust Hotels Private Limited is at the discretion of the Exchange. In addition to the above, the listing of Robust Hotels Private Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Robust Hotels Private Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all the information of Robust Hotels Private Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Robust Hotels Private Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
  - i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
  - ii. "There shall be no change in the shareholding pattern of Robust Hotels Private Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this **Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

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

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

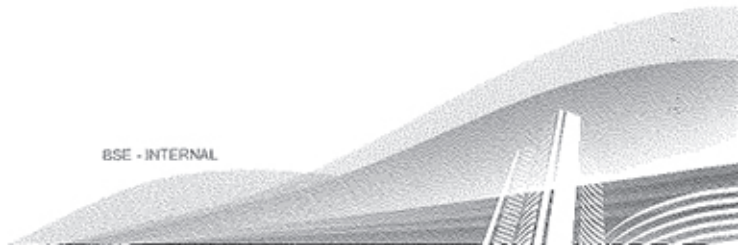
Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

  
Nitinkumar Pujari  
Senior Manager





# ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India  
Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 www.ableast.com  
CIN: L15122WB2007PLC162762

## REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ASIAN HOTELS (EAST) LIMITED ON NOVEMBER 14, 2019, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT AND DEMERGER ON THE EQUITY SHAREHOLDERS (INCLUDING PROMOTER & NON-PROMOTER SHAREHOLDERS) & THE KEY MANAGERIAL PERSONNEL OF THE COMPANY

The Board of Directors (“Board”) of Asian Hotels (East) Limited (“AHEL” or the “Company”), at its meeting held on November 14, 2019, considered and approved the scheme of arrangement, demerger and reduction of share capital between the Company, Robust Hotels Private Limited, a wholly owned subsidiary of the Company (“RHPL” or the “Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (“2013 Act”) providing *inter-alia* (i) demerger and transfer of the undertaking, business, activities and operations of the Company pertaining to ‘Securities Trading Unit’ comprising of treasury/liquid investments which are being regularly traded, bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed)(“Demerged Undertaking”) from the Company into RHPL, as a going concern in compliance with Section 2(19AA) of Income Tax Act, 1961; (ii) capitalization of reserves of the Company and issuance and allotment of fully paid-up bonus equity shares having face value of Rs. 10 (Indian rupees ten) (“Bonus Shares”) by the Company to its equity shareholders (as of the Record Date), in the ratio 2:1, meaning 1 (one) Bonus Share for every 2 (two) equity shares of the Company, ranking *pari passu* with the existing equity shares of the Company; and (iii) reorganization and reduction of shares of RHPL held by the Company (without any consideration)(“Scheme”).”.

Pursuant to the provisions of Section 232(2)(c) of the 2013 Act, the Board is required to adopt a report explaining the effect of compromise or arrangement on each class of shareholders, key managerial personnel (“KMP”), promoter and non-promoter shareholders, and laying out in particular the share entitlement ratio and specifying special valuation difficulties, if any, and the same is required to be circulated as a part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

This report of the Board (“Report”) is accordingly being made pursuant to the requirements of Section 232(2) (c) of the 2013 Act.

While deliberating on the Scheme, the Board *inter-alia* considered and took on record the following documents along with this report:

- (i) Draft scheme of arrangement, demerger and reduction of share capital;
- (ii) Draft Share Entitlement Report dated November 14, 2019 from Mr. Mahim Singh Mehta, IIBI Registered Valuer (IIBI/RV/05/2019/11986) *inter-alia* describing the methodology adopted by them in arriving at the share entitlement ratio;



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Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India  
Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 www.ahleat.com  
CIN: L15122WB2007PLC162762

- (iii) Draft Fairness Opinion dated November 14, 2019 from D&A Financial Services (P) Limited, Merchant Banker;
- (iv) Draft certificate from the statutory auditor of the Company, M/s Singhi & Co., Chartered Accountants confirming that the scheme is in compliance applicable accounting treatment notified under the 2013 Act and other generally accepted accounting principles (the Auditors' Certificate);
- (v) Draft net worth certificate issued by M/s. O.P. Tulyan & Co., Chartered Accountants.
- (vi) Report of the Audit Committee dated November 14, 2019 recommending the Scheme to the Board;

After taking on record the documents / confirmations referred above, the Board of AHEL approved the Scheme, and the draft scheme of arrangement and demerger, as placed before the Board.

Following is the Report with respect to the aforesaid provisions:

## I. Share Entitlement Ratio:

Draft Share Entitlement Report dated November 14, 2019 obtained from Mr. Mahim Singh Mehta, IBBI Registered Valuer (IBBI/RV/05/2019/11986) recommends the following share entitlement

*1 (one) fully paid-up Equity Share of RHPL having a face value of Rs. 10 (Indian rupees ten) shall be issued, allotted and credited as fully paid with rights attached thereto for every 1 (one) fully paid-up Equity Share of the Company having a face value of Rs. 10 (Indian rupees ten) held by shareholders of AHEL as of the Record Date (as determined in terms of the Scheme and the 2013 Act).*

The D&A Financial Services (P) Limited, Merchant Banker, in its Draft Fairness Opinion dated November 14, 2019 provided an opinion that the aforesaid share entitlement ratio is fair and reasonable to the equity shareholders of AHEL. Further, no special valuation difficulties were reported by Mr. Mahim Singh Mehta in the instant Share Entitlement Report.

## II. Effect of the Scheme on the shareholders (including promoter & non-promoter shareholders) of AHEL

- (i) There is only one class of shareholders, i.e., equity shareholders, which includes the promoter as well as non-promoter shareholders of AHEL.
- (ii) Upon the Scheme becoming effective, AHEL will issue and allot equity shares by way of bonus, to each equity shareholder whose name is recorded in the register of members of the Company and/or the records of the depository (ies) as equity



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CIN: L15122WB2007PLC162762

shareholder of AHEL on the Record Date, in the ratio of 2:1, meaning 1 (one) Bonus Share for every 2 (two) equity shares of the Company, ranking *pari passu* with the existing equity shares of the Company;

- (iii) Upon the Scheme becoming effective, as consideration for the Demerged Undertaking demerging into the Resulting Company, the Resulting Company will issue and allot its equity shares to each member of the Company whose name is recorded in the register of members on the record date (as may be determined in terms of the Scheme), as per the above mentioned share entitlement ratio.
- (iv) Upon this Scheme becoming effective, there will be a reduction in share capital of RHPL and consequent cancellation of equity shares of RHPL held by the Company without any consideration.
- (v) Accordingly, upon the Scheme becoming effective and pursuant to the issue of consideration shares by RHPL to shareholders of AHEL as on Record Date, the shareholding pattern and inter-se shareholding percentage of shareholders of RHPL shall mirror the shareholding pattern and inter-se shareholding percentage of the shareholders of AHEL as of the Record Date.
- (vi) The equity shares of RHPL to be issued and allotted as above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company.
- (vii) The equity shares of RHPL shall be listed on the stock exchanges i.e. BSE Limited and National Stock Exchange of India ("Stock Exchanges") in accordance with the SEBI Circular No. CFD/DIL3/ CIR/2017/21 dated March 10, 2017, as amended from time to time, and therefore shareholders of AHEL (as of the Record Date) shall, upon the Scheme becoming effective, hold equity shares of 2 (two) listed entities, AHEL and RHPL.
- (viii) There will be no change in the shareholding pattern of the Company, however paid-up and issued equity share capital of the Company shall stand increased pursuant to the issue of bonus shares. Pursuant to the Scheme there would be no change in the shareholding pattern of AHEL.
- (ix) The equity shares of AHEL to be issued by the Company as bonus shares to its shareholders pursuant to the Scheme would rank *pari passu* with existing equity shares of AHEL and be subject to its Memorandum of Association and Articles of Association and be listed on Stock Exchanges, subject to all regulatory approvals and applicable laws.
- (x) Upon the Scheme becoming effective, the shareholders of RHPL (being the shareholders of AHEL as of the Record Date) and their holding proportion in the Resulting Company, as on the record date, will be identical to that of AHEL (as of



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CIN: L15122WB2007PLC162762

the Record Date), and thus, the overall economic interest of equity shareholders of AHEL shall remain the same even after the Scheme becomes effective.

### III. Effect of the Scheme on Key Managerial Personal (KMP) of AHEL

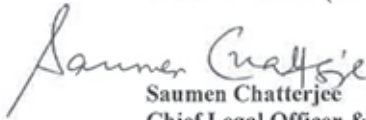
The Scheme will have no effect on KMP of AHEL, except to the extent of their respective shareholding in AHEL, if any, and effect thereon as detailed in Paragraph II above. None of the directors or KMPs or their relatives, except in their capacity as shareholder(s) of AHEL (if applicable), is concerned, or interested financially or otherwise in the Scheme.

There will be no adverse effect of the Scheme on the equity shareholders (including promoters and non-promoter shareholders), or KMPs of the Company.

Adopted at the meeting of the Board of the Company held on November 14, 2019.

On behalf of the Board

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



OWNER OF



**HYATT**  
REGENCY™  
KOLKATA



# ROBUST HOTELS PRIVATE LIMITED

CIN-U55101TN2007PTC062085

Regd office: 365, Anna Salai, Teynampet, Chennai – 600018

Tel: +91 44 6100 1234 Email: info@sarafhotels.com

## REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ROBUST HOTELS PRIVATE LIMITED ON JANUARY 13, 2020, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT AND DEMERGER ON THE EQUITY SHAREHOLDERS (INCLUDING PROMOTER & NON-PROMOTER SHAREHOLDERS) & THE KEY MANAGERIAL PERSONNEL OF THE COMPANY

The Board of Directors (“Board”) of Robust Hotels Private Limited (“RHPL” or the “Company”), at its meeting held on January 13, 2020 considered and approved the scheme of arrangement, demerger and reduction of share capital between the Company, Asian Hotels (East) Limited, holding company of the Company (“AHEL”) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (“2013 Act”) providing *inter-alia* (i) demerger and transfer of the undertaking, business, activities and operations of AHEL pertaining to ‘Securities Trading Unit’ comprising of treasury/liquid investments which are being regularly traded and bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed) (“Demerged Undertaking”) from AHEL into the Company, as a going concern in compliance with Section 2(19AA) of Income Tax Act, 1961; (ii) capitalization of reserves of the AHEL and issuance and allotment of fully paid-up bonus equity shares having face value of Rs. 10 (Indian rupees ten) by AHEL to its equity shareholders (as of the Record Date), in the ratio 2:1, meaning 1 (one) Bonus Share for every 2 (two) equity shares of AHEL, ranking *pari passu* with the existing equity shares.; and (iii) reorganization and reduction of shares of the Company held by AHEL (without any consideration) with ‘Appointed Date’ being the same as the Effective date or such other date as may be modified/ fixed by the Tribunals (“Scheme”).”

Pursuant to the provisions of Section 232(2)(c) of the 2013 Act, the Board is required to adopt a report explaining the effect of compromise or arrangement on each class of shareholders, key managerial personnel (“KMP”), promoter and non-promoter shareholders, and laying out in particular the share entitlement ratio and specifying special valuation difficulties, if any, and the same is required to be circulated as a part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

This report of the Board (“Report”) is accordingly being made pursuant to the requirements of Section 232(2)(c) of the 2013 Act.

While deliberating on the Scheme, the Board *inter-alia* considered and took on record the following documents along with this report:

- (i) Draft scheme of arrangement, demerger and reduction of share capital;
- (ii) Share Entitlement Report dated January 13, 2020 from Mr. Mahim Singh Mehta, IBBI Registered Valuer (IBBI/RV/05/2019/11986) *inter-alia* describing the methodology adopted by them in arriving at the share entitlement ratio;
- (iii) Fairness Opinion dated January 13, 2020 from D&A Financial Services (P) Limited, Merchant Banker;
- (iv) Certificate dated 13<sup>th</sup> January from the statutory auditor of the Company, M/s. P. Lunawat & Associates., Chartered Accountants confirming that the scheme is in compliance with the applicable accounting treatment notified under the 2013 Act and other generally accepted accounting principles (the Auditors’ Certificate);



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CIN-U55101TN2007PTC062085

Regd office: 365, Anna Salai, Teynampet, Chennai – 600018

Tel: +91 44 6100 1234 Email: info@sarahotels.com

- (v) Net worth certificate issued by M/s O.P. Tulsyan & Co., Practising Chartered Accountants;
- (vi) Report of the Audit Committee dated January 13, 2020 recommending the draft Scheme, Share Entitlement Report and Fairness Opinion to the Board.

After taking on record the documents / confirmations referred above, the Board of RHPL approved the Scheme, and the draft scheme of arrangement and demerger, as placed before the Board.

Following is the Report with respect to the aforesaid provisions:

## I. Share Entitlement Ratio:

Share Entitlement Report dated January 13 2020 obtained from Mr. Mahim Singh Mehta, IBBI Registered Valuer (IBBI/RV/05/2019/11986) recommends the following share entitlement ratio:

*1 (one) fully paid-up Equity Share of RHPL having a face value of Rs. 10 (Indian rupees ten) shall be issued, allotted and credited as fully paid with rights attached thereto for every 1 (one) fully paid-up Equity Share of the AHEL having a face value of Rs. 10 (Indian rupees ten) held by shareholders of AHEL as of the Record Date (as determined in terms of the Scheme and the 2013 Act)..*

The D&A Financial Services (P) Limited, Merchant Banker, in its Fairness Opinion dated January 13 2020 provided an opinion that the aforesaid share entitlement ratio is fair and reasonable to the equity shareholders of RHPL. Further, no special valuation difficulties were reported by Mr. Mahim Singh Mehta in the instant Share Entitlement Report.

## II. Effect of the Scheme on the shareholders (including promoter & non-promoter shareholders) of RHPL

- (i) There is only one class of shareholders, i.e., equity shareholders. RHPL being the wholly owned subsidiary of AHEL, 100% equity shares are held by AHEL and its nominees. Thus, AHEL is the sole beneficial shareholder, and holding company of the Company.
- (ii) Upon the Scheme becoming effective, as consideration for the Demerged Undertaking demerging into the RHPL, the RHPL will issue and allot its equity shares to each member of AHEL whose name is recorded in the register of members on the record date (as may be determined in terms of the Scheme), as per the above mentioned share entitlement ratio.
- (iii) Upon this Scheme becoming effective, there will be a reduction of share capital of RHPL and consequent cancellation of equity shares of RHPL held by the AHEL without any consideration.
- (iv) Accordingly, upon the Scheme becoming effective and pursuant to the issue of consideration shares by the Company to shareholders of AHEL as on Record Date, the shareholding pattern and inter-se shareholding percentage of shareholders of the Company shall mirror the shareholding pattern and inter-se shareholding percentage of the shareholders of AHEL as of the Record Date.



# ROBUST HOTELS PRIVATE LIMITED

CIN-U55101TN2007PTC062085

Regd office: 365, Anna Salai, Teynampet, Chennai – 600018

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- (v) The equity shares of the Company to be issued and allotted as above shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- (vi) The equity shares of the Company shall be listed on the stock exchanges i.e. BSE Limited and National Stock Exchange of India in accordance with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, and therefore shareholders of AHEL (as of the Record Date) shall, upon the Scheme becoming effective, hold equity shares of 2 (two) listed entities, AHEL and RHPL.

### III. Effect of the Scheme on KMP of RHPL

The Scheme will have no effect on KMP of RHPL, except to the extent of their respective shareholding in AHEL, if any, and effect thereon as detailed in Paragraph II above. Save as otherwise disclosed above, none of the directors or KMPs or their relatives, except in their capacity as shareholder(s) of AHEL (if applicable), is concerned, or interested financially or otherwise in the Scheme.

There will be no adverse effect of the Scheme on AHEL (sole beneficial shareholder and holding company of the Company) or KMPs of the Company.

Adopted at the meeting of the Board of the Company held on January 13, 2020.

#### On behalf of the Board

For Robust Hotels Private Limited



Manisha Sharma  
Company Secretary



ASIAN HOTELS (RASI) LIMITED  
CIN: L51222WB2007PLC162762  
BALANCE SHEET AS AT 31.03.2020

Particulars	Note	Amount in Rs	
		As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	1,081,794,999	1,097,591,815
(b) Capital work in progress	4	3,910,733	1,442,679
(c) Intangible Assets	3	2,941,407	1,848,031
(d) Financial assets			
(i) Investments	5A	5,712,822,258	3,854,417,962
(ii) Other financial assets	6	11,607,095	11,448,055
(e) Income tax assets (net)	7	29,711,549	85,885,919
(f) Other non current assets	8A	3,547,374	-
		<u>6,846,265,345</u>	<u>5,052,634,461</u>
<b>(2) Current assets</b>			
(a) Inventories	9	18,790,260	13,657,582
(b) Financial assets			
(i) Investments	5B	911,247,864	690,886,317
(ii) Trade receivables	10	45,948,014	68,585,259
(iii) Cash and cash equivalents	11A	16,959,349	20,142,518
(iv) Other bank balances	11B	315,017,598	45,826,671
(v) Loans	12	445,659,105	3,646,633,869
(vi) Other financial assets	6A	16,137,545	19,571,212
(c) Other current assets	8B	24,934,837	29,259,892
(d) Assets classified as held for sale	8C	608,174,741	-
		<u>2,302,869,313</u>	<u>4,534,053,320</u>
<b>Total Assets</b>		<u><b>9,149,134,658</b></u>	<u><b>9,587,197,781</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	13	115,277,970	115,277,970
(b) Other equity	14	8,431,941,428	9,101,826,774
		<u>8,547,219,398</u>	<u>9,217,104,744</u>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Other financial liabilities	17	981,000	1,538,000
(b) Provisions	18	13,487,617	16,586,334
(c) Deferred tax liabilities (net)	19	99,647,617	71,118,784
		<u>114,116,234</u>	<u>89,243,118</u>
<b>(2) Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	15	-	10,730,380
(ii) Trade payables	16		
- Total outstanding dues of Micro and Small Enterprise		1,143,890	409,811
- Total outstanding dues of creditors other than Micro & Small Enterprise		62,160,296	54,242,982
(iii) Other financial liabilities	17	49,943,036	75,756,675
(b) Provisions	18	11,812,715	8,718,602
(c) Other current liabilities	20	362,739,089	130,922,469
		<u>487,799,026</u>	<u>280,850,919</u>
<b>Total Equity &amp; Liabilities</b>		<u><b>9,149,134,658</b></u>	<u><b>9,587,197,781</b></u>

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

In terms of our report attached  
For Singh & Co.

Chartered Accountants  
Firm Registration No. 302049E

*Rajiv Singh*  
Rajiv Singh  
Partner

Membership No. : 053518

Place: Kolkata  
Date: 31st July 2020



*Rishi*  
For and on behalf of the Board of Directors

Arun Kr Saraf  
Director  
DIN No. - 00339772

Umesh Saraf  
Director  
DIN No. - 00017985

Rama Shankar Jhuwar  
Director  
DIN No. - 00023792

*Bhaskar*  
Bhaskar Jhuwar  
CFO & Vice President- Corporate Finance

*Radhe Shyam Saraf*  
Radhe Shyam Saraf  
Chairman  
DIN 00017962

A.C. Chakraborti  
Director  
DIN No. - 00015622

Padam Kr Khaitan  
Director  
DIN No. - 00019700

*Rita Bhimani*  
Rita Bhimani  
Director  
DIN No. - 07106069

*Saumen Chatterjee*  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary



ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD APRIL 1, 2019 TO MARCH 31, 2020

Particulars	Note	Amount in Rs	
		Year ended 31.03.2020	Year ended 31.03.2019
I Revenue from operations	21	921,027,270	1,034,424,671
II Other income	22	89,763,985	102,698,105
III Total income		1,010,791,255	1,137,122,776
IV Expenses			
Consumption of provisions, beverages, smokes & others	23	126,062,103	126,657,266
Employee benefits expenses	24	210,658,694	208,214,084
Depreciation and amortization expenses	3	29,731,845	49,238,742
Other expenses	25	422,933,691	508,643,161
Total expenses		789,386,333	892,753,253
V Profit / (loss) before exceptional items and tax		221,404,922	244,369,523
VI Exceptional items		-	-
VII Profit / (loss) before tax		221,404,922	244,369,523
VIII Tax expense	26		
(1) Current tax (including previous years)		47,372,925	78,547,641
(2) Deferred tax		(15,545,407)	(10,820,673)
(3) MAT (Refer Note No 47)		50,881,095	(1,163,517)
IX Profit / (loss) for the year		138,696,309	177,806,072
X Other comprehensive income			
A (i) Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability		(345,793)	127,826
Equity instruments through other comprehensive income		(35,137,347)	47,042,090
(ii) Income tax relating to items that will not be reclassified to profit or loss		6,455,573	(37,223)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		(29,027,567)	47,132,693
XI Total comprehensive income for the year		109,668,742	224,938,765
XII Earnings per equity share			
(1) Basic	27	12.03	15.42
(2) Diluted	27	12.03	15.42

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

Radhe Shyam Saraf  
Chairman  
DIN 00017962

In terms of our report attached  
For Singhi & Co.  
Chartered Accountants  
Firm Registration. No. 302049E

Rajiv Singh  
Partner  
Membership No. : 053518

Place: Kolkata  
Date: 31st July 2020



For and on behalf of the Board of Directors

Arun Kr Saraf  
Director  
DIN No. - 00339772

Umesh Saraf  
Director  
DIN No. - 00017985

Rama Shankar Jhawar  
Director  
DIN No. - 00023792

Bimal Kr Jhunjunwala  
CFO & Vice President- Corporate Finance

A.C. Chakrabortii  
Director  
DIN No. - 00015622

Padam Kr Khaitan  
Director  
DIN No. - 00019700

Rita Bhimani  
Director  
DIN No. - 07106069

Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary

ASIAN HOTELS (EAST) LIMITED  
CIN: L24240WB2007PLC06646

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD APRIL 1, 2019 TO MARCH 31, 2020

Particulars	Amount in ₹							
	Equity Share Capital	Retained earnings	General Reserve	Securities Premium account	Capital Redemption Reserve	Capital reserve	Other Comprehensive Income	Total equity attributable to equity holders of the Company
As at 31-03-2018	115,877,970	2,812,719,059	5,630,535,555	-	2,000,000	417,998,303	45,380,647	9,026,998,404
Change in equity for the year ended March 31, 2019	-	177,806,072	-	-	-	-	-	177,806,072
Profit for the year	-	(68,819,493)	-	-	-	-	-	(68,819,493)
Final Dividend paid for the year 2017-18	-	(5,923,932)	-	-	-	-	-	(5,923,932)
Dividend distribution tax	-	90,663	-	-	-	-	-	90,663
Other comprehensive income / (loss) for the year, net of tax	-	142,153,250	-	-	-	-	47,042,990	47,042,990
<b>Total comprehensive income for the year</b>	-	142,153,250	-	-	-	-	47,042,990	142,153,250
As at 31-03-2019	115,877,970	2,943,872,279	5,645,535,555	-	2,000,000	417,998,303	92,423,637	9,317,103,744
Change in equity for the year ended March 31, 2020	-	138,696,309	-	-	-	-	-	138,696,309
Profit for the year	-	(68,819,493)	-	-	-	-	-	(68,819,493)
Final Dividend paid for the year 2018-19	-	(5,923,932)	-	-	-	-	-	(5,923,932)
Dividend distribution tax	-	268,764	-	-	-	-	-	268,764
Other comprehensive income / (loss) for the year, net of tax	-	103,694,120	-	-	-	-	(68,768,803)	34,925,317
<b>Total comprehensive income for the year</b>	-	103,694,120	-	-	-	-	(68,768,803)	34,925,317
As at 31-03-2020	115,877,970	3,031,297,881	4,917,031,410	-	2,000,000	417,998,303	63,654,834	8,457,219,398

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

In terms of our report attached  
For Singhal & Co.  
Chartered Accountants

Firm Registration No. 300049E

Rajiv Singh  
Partner

Membership No. : 053518

Place: Kolkata  
Date: 31st July 2020



**Rajiv Singh**  
For and on behalf of the Board of Directors  
DIN 00017962

Arun K. Saraf  
Director  
DIN No. - 00039772

Umesh Sarda  
Director  
DIN No. - 00017985

Rama Shankar Jha  
Director  
DIN No. - 00023792

Himal Kr Jhunjhunwala  
CFO & Vice President - Corporate Finance

A.C. Chakrabarti  
Director  
DIN No. - 00016622

Padam Kr Khaitan  
Director  
DIN No. - 00019000

Rita Bhatnagar  
Director  
DIN No. - 07060649

Saumen Chatterjee  
Chief Legal Officer & Company Secretary

ASLAN HOTELS (EAST) LIMITED  
 CIN: L55122WB2007PLC162762  
 CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020

Particulars	Amount in Rs	
	Year ended 31.03.2020	Year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	221,404,922	244,359,523
Adjustment for :		
Depreciation/amortization	29,731,845	49,238,742
Loss/(profit) on sale of PPE (Net)	2,068,549	36,349
Interest expense	-	-
Provision for bad and doubtful debts	2,187,583	1,396,697
Excess provision written back	(16,435,639)	(28,407,804)
Provision for gratuity	1,037,397	2,454,826
Provision for leave encashment	(1,387,794)	171,864
Interest income	(43,228,075)	(33,863,808)
Dividend income	(9,543,576)	(12,849,034)
Assets written off (Non cash item)	70,886	960,428
Net gain (loss) on current investments	-	-
Fair value loss (gain) on mutual funds	(20,205,794)	(37,462,468)
<b>Operating profit before working capital changes</b>	<b>165,700,304</b>	<b>196,055,325</b>
Movements in working capital :		
Increase/(decrease) in current trade payables	3,979,593	14,415,109
Increase/(decrease) in non-current trade payables	-	-
Increase/(decrease) in other current financial liabilities	(8,497,596)	6,083,879
Increase/(decrease) in other non-current financial liabilities	(557,000)	(325,000)
Increase/(decrease) in other current liabilities	231,746,620	44,541,754
Increase/(decrease) in deferred tax liabilities	0	0
Decrease/(increase) in trade receivables	20,449,662	(4,656,277)
Decrease/(increase) in inventories	(5,132,578)	10,454,542
Decrease/(increase) in non current assets	-	-
Decrease/(increase) in non-current financial assets	(68,970)	(30,000)
Decrease/(increase) in current financial assets	137,100	(21,680,000)
Decrease/(increase) in non-current loans	-	-
Decrease/(increase) in current loans	-	135,068
Decrease/(increase) in other assets	4,325,054	10,161,537
<b>Cash generated from/(used in) operations</b>	<b>412,082,089</b>	<b>265,157,937</b>
Less: Direct taxes paid (Net of Refunds)	(20,074,794)	59,514,052
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>432,156,883</b>	<b>195,643,885</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	(18,220,898)	(25,049,011)
Decrease/(Increase) in capital work in progress	(2,468,054)	(828,389)
Decrease/(Increase) in capital advance	(3,547,374)	-
Proceeds from sale of PPE	1,123,058	468,335
Effect of Scheme of Arrangement	-	-
Investments in assets held for trading	(230,000,037)	-
Proceeds from sale of non current investments	(0)	-
Purchase of current investments	(170,322,051)	(202,300,961)
Non-current loans (given)/repaid	(11,362,077)	(145,440,320)
Interest received	35,664,372	31,321,827
Dividend received	9,543,576	12,849,034
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>(389,529,485)</b>	<b>(329,979,485)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(10,730,380)	-
Proceeds from borrowings	-	10,730,380
Interest paid on borrowings	-	-
Payment of other borrowing cost	-	-
Dividend paid on shares	(29,259,695)	(28,998,677)
Tax on dividend paid	(5,923,932)	(5,923,932)
<b>Net cash flow from/(used in) In Financing Activities (C)</b>	<b>(45,914,007)</b>	<b>(24,192,229)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(3,346,609)</b>	<b>(158,527,829)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>20,142,518</b>	<b>178,670,347</b>
Transfer In in the Scheme of Arrangement	163,440	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>16,959,349</b>	<b>20,142,518</b>
<b>Note:</b>		
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".		
2. Figures in bracket represent cash outflow from respective activities.		
3. Cash and cash equivalent at the end of the year consist of :		
4. Cash and cash equivalent do not include any amount which is not available to the company for its use.		
<b>Particulars</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
a) Cash in hand	829,948	2,395,667
b) Balances with Banks in Current Accounts	16,129,401	17,946,451
	<b>16,959,349</b>	<b>20,142,518</b>



5. Change in Liability arising from financing activities

Borrowings (Note 15)

As at 1st April, 2019	Cash Flow	Foreign Exchange Movement	As at 31st March, 2020
10,730,380	(10,730,380)	-	(0)

In terms of our report attached  
For Singhi & Co.  
Chartered Accountants  
Firm Registration No. 302049E

*Rajiv Singh*

**Rajiv Singh**  
Partner  
Membership No. : 053318

Place: Kolkata  
Date: 31st July 2020



For and on behalf of the Board of Directors

*Arun Kr Saraf*  
**Arun Kr Saraf**  
Director  
DIN No. - 00339772

*Umesh Saraf*  
**Umesh Saraf**  
Director  
DIN No. - 00017985

*Rama Shankar Jhavar*  
**Rama Shankar Jhavar**  
Director  
DIN No. - 00023792

*Bimal Kr Jhunjhunwala*  
**Bimal Kr Jhunjhunwala**  
CFO & Vice President-  
Corporate Finance

*Radhe Shyam Saraf*  
**Radhe Shyam Saraf**  
Chairman  
DIN 00017962

*A.C. Chakrabortii*  
**A.C. Chakrabortii**  
Director  
DIN No. - 00015622

*Padam Kr Khaitan*  
**Padam Kr Khaitan**  
Director  
DIN No. - 00019700

*Rita Bhimani*  
**Rita Bhimani**  
Director  
DIN No. - 07106069

*Saumen Chatterjee*  
**Saumen Chatterjee**  
Chief Legal Officer & Company  
Secretary



## 1. Company Overview and Significant Accounting Policies

### 1.1 Company overview

Asian Hotels (East) Limited is a Public Limited Company listed with Bombay Stock Exchange and National Stock Exchange and is primarily engaged in the Hotel business through "Hyatt Regency Kolkata" a five-star Hotel situated in the city of Kolkata.

### 1.2. Basis of preparation of financial statement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are approved for issue by the Company's Board of Directors on July 31, 2020

### 1.3 Functional & Presentation Currency

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency.

### 1.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## 1.5 Significant Accounting Policies

### a. Property Plant & Equipment:

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Depreciation on fixed assets is calculated on a straight-line basis using the rates based on the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013. If the asset is purchased on or before the 15th of month depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.

### b. Investments in Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company's investment in the equity shares of its subsidiaries are recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries are recognized at fair value.

### c. Inventories

Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion & selling expenses.

### d. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### e. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financials Asset

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- (i) Financial Asset at amortized cost
- (ii) Financial Asset At Fair Value through other comprehensive income (OCI)
- (iii) Financial Asset at Fair value through profit and loss (PL)



#### Financial Asset at amortized cost

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

#### Financial Asset at Fair value through OCI

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

#### Financial Asset at fair value through profit or loss

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a Financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

#### Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

#### Derogation of Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured as at FVTOCI.
- Lease receivables under Ind AS 17.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables')
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

#### Financial Liabilities

##### Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For financial liabilities maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

##### Subsequent Measurement

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the profit or loss.

##### Financial Liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.





**ASIAN HOTELS (EAST) LIMITED**

CIN: L15122WB2007PLC162762

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2020**

**f. Cash and Cash Equivalents**

Cash and Cash Equivalent in balance sheet comprise cash at banks and on hand, unpaid dividend, fixed deposits and short - term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**g. Trade Payables & Other Payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**h. Provisions, Contingent liabilities**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible ;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**i. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**Revenue from contract with customer**

Ind AS 115 " Revenue from Contracts with Customers " which is effective from 1st April, 2018 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

**Sale of Goods:**

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The normal credit term is 30 days days upon delivery. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

**Sale of Services:**

The Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room booking and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

**j. Other Income**

Other income is comprised primarily of interest income, dividend income, gain on sale of investments and exchange gain/loss on translation of assets and liabilities. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recognised using the effective interest rate (EIR). Dividend income is recognised when right to receive payment is established.

**k. Borrowing Costs**

Borrowing costs 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 are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



**ASIAN HOTELS (EAST) LIMITED**

CIN: L15122WB2007PLC162762

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2020**

**l. Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized 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 utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

**m. Earnings per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity shares during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right 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 earning 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 effects of all dilutive potential equity shares.

**n. Ind AS 116- Leases**

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards with the date of initial application on 1st April, 2019. Accordingly the financial statements for the year ended 31st March, 2019 have not been adjusted. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of twelve months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). The impact of adoption of Ind AS 116 on the financial statements of the Company has been described under Note 36.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

**(ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short-term lease and lease of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.





**o. Fair Value Measurement**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**p. Employee benefits**

**Provident Fund:** Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**Gratuity & Leave Encashment (Unfunded):** Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by an independent actuary using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

**q. Foreign Currencies**

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**r. Dividend**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**s. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of Asian Hotels (East ) Limited generally assesses the financial performance and position of the company, and makes strategic decisions.

**t. Impairment of non-current assets - Ind AS 36** requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential. Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed over the period of three years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

**u. Recent accounting pronouncements New and amended standards adopted by the Company:**

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

i) Ind AS 116 - Leases ;

ii) Income tax consequences in case of dividends -Ind AS 12 – Income Taxes (amendments relating to income tax consequences of dividend);

iii) Accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities -Ind AS 12 – Income Taxes (amendments relating to uncertainty over income tax treatments);

iv) Accounting treatment for specific borrowings post capitalisation of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);

v) Accounting for prepayment features with negative compensation in case of debt instruments (Ind AS 109 – Prepayment Features with Negative Compensation);

vi) Accounting for plan amendment, curtailment or settlement occurring inbetween the reporting periods in case of long-term employee benefit plans (Ind AS 19 – Plan Amendment, Curtailment or Settlement);

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.



**ASIAN HOTELS (EAST) LIMITED**

CIN: L15122WB2007PLC162762

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2020**

**New Standards or other amendments issued but not yet effective:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would be applicable from April 1, 2020.

**1.6 Estimation uncertainty relating to the global health pandemic on COVID-19:**

On March 11, 2020, the World Health Organisation declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lockdowns' across the country from March 22, 2020, and extended up to June 30, 2020. The lockdowns and restrictions imposed on various activities due to COVID - 19 pandemic have posed challenges to the business of the Company. Lockdown guidelines issued by Central/State governments mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of our hotel. With the lifting of the partial lockdown restrictions, the Company has started re-opening the hotel being in the non-containment zones, after establishing thorough and well-rehearsed safety protocols. The Company expects to become operational in a phased manner after the lockdown is lifted and the confidence of travelers is restored. The Company expects the demand for its services to pick up albeit at a slower pace once lockdown is lifted and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and limited international travel. The Company has assessed the potential impact of COVID-19 on its capital and financial resources, profitability, liquidity position, supply chain and demand for its services. The Company has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies. The Company has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right-of-use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**2. Key Accounting Estimates & Judgements**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**a. Income taxes**

Deferred tax assets are recognized for unused tax losses/MAT carry forward to the extent it is possible that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including amount expected to be paid / recovered for uncertain tax positions.

**b. Property, Plant and Equipment and Useful Life of PPE and Intangible Assets**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the products or service output of the asset.

**c. Defined Benefit Plans**

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting require the Company to make assumptions regarding variables such as discount rate, rate of as at and for the year ended March 31, 2020.

**d. Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

**e. Provisions and Contingencies**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.



ASIAN HOTELS (EAST) LIMITED

CIN: L15222WB0007PLC06276

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3. PROPERTY, PLANT & EQUIPMENT & INTANGIBLE ASSETS						Amount in Rs
Tangible Assets	Leasehold Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross Block (at cost)</b>						
As at 31.03.2018	297,042,819	1,000,715,541	622,030,585	178,275,993	6,185,499	2,077,850,337
Additions	-	653,293	3,613,137	2,149,130	18,622,981	25,049,011
Disposals	-	-	(618,960)	(505,959)	(773,628)	(1,907,517)
As at 31.03.2019	297,042,819	1,001,369,304	623,023,762	179,919,164	27,634,852	2,100,979,721
Additions	-	737,435	15,234,523	697,010	-	16,668,968
Disposals	-	-	(23,510,875)	(799,261)	(70,886)	(24,301,022)
As at 31.03.2020	297,042,819	1,002,106,739	614,747,410	179,816,913	27,563,966	2,027,377,827
<b>Depreciation</b>						
As at 31.03.2018	-	344,693,368	359,469,055	150,992,268	8,549,487	863,704,178
Charge for the year	-	15,868,867	22,908,499	8,537,209	1,223,287	48,537,662
Disposals	-	-	-	-	-	-
As at 31.03.2019	-	360,562,235	372,377,554	159,529,477	9,772,774	1,003,242,440
Charge for the year	-	15,917,343	7,873,162	3,453,335	2,228,681	29,472,821
Disposals	-	-	(39,496,633)	(671,996)	-	(40,169,629)
As at 31.03.2020	-	376,479,578	350,754,083	160,111,316	12,001,455	1,011,356,432
<b>Net Block</b>						
As at 31.03.2019	297,042,819	740,807,069	253,546,308	20,389,687	17,862,078	1,027,591,811
As at 31.03.2020	297,042,819	725,627,161	264,293,327	17,704,897	15,562,511	1,081,229,615
<b>Intangible Assets</b>	Software					
<b>Gross Block (at cost)</b>						
As at 31.03.2018	9,731,626					
Additions	-					
Disposals	-					
As at 31.03.2019	9,731,626					
Additions	1,559,400					
Disposals	-					
As at 31.03.2020	11,291,026					
<b>Amortisation</b>						
As at 31.03.2018	7,189,815					
Charge for the year	700,780					
Disposals	-					
As at 31.03.2019	7,890,595					
Charge for the year	459,624					
Disposals	-					
As at 31.03.2020	8,350,219					
<b>Net Block</b>						
As at 31.03.2019	1,841,031					
As at 31.03.2020	2,940,807					

4. CAPITAL WORK IN PROGRESS

Particulars	Amount in Rs			
	Building	Plant & Equipment	Furniture & Fixtures	Total
As at 31.03.2018	614,290	-	-	614,290
Additions	828,389	-	-	828,389
Capitalisation	-	-	-	-
As at 31.03.2019	1,442,679	-	-	1,442,679
Additions	1,583,054	885,000	-	2,468,054
Capitalisation	-	-	-	-
As at 31.03.2020	3,025,733	885,000	-	3,910,733

5A. INVESTMENTS

Particulars	Amount in Rs	
	Non-current	As at 31.03.2019
<b>Unquoted</b>		
Investment in Equity Shares carried at cost		
Investment in equity shares of subsidiary - G28 Hotels Limited (Refer Note No 44)		
230,023 (previous year: 10,651,000) equity shares of Rs 10/- each fully paid up	39,204,730	2,346,265,000
Investment in equity shares of subsidiary - Robust Hotels Private Limited (Refer Note No 44)		
204,183,819 (previous year: 30,010,000) equity shares of Rs 10/- each fully paid up	5,673,617,228	300,175,000
Investment in equity shares of subsidiary - Regency Convention Centre & Hotels Limited (Refer Note 42)		
159,199 (previous year: 97,009) equity shares of Rs 10/- each fully paid up	-	203,901,724
	5,712,822,258	3,024,441,724
Investment in Preference Shares carried at amortised cost		
Investment in preference shares of subsidiary - Robust Hotels Pvt. Ltd. (Refer Note No 44)		
4,300,000 (previous year: 4,300,000) 12% cumulative redeemable preference shares of Rs 100/- each fully paid up	-	615,374,060
	-	615,374,060
<b>Quoted</b>		
Investment carried at FVTOCI		
Investment in equity shares of Asian Hotels (West) Limited		
524,438 (previous year: 524,438) equity shares of Rs 10/- each fully paid up (Refer Note No 5.1)	-	184,602,178
Investment carried at amortised cost		
Investment in Bonds of Indian Railways Financial Corporation Limited		
150,000 (previous year: 150,000) 8.25% tax free bonds of Rs 1000/- each (Refer Note No 5.1)	-	150,000,000
	-	334,602,178
	5,712,822,258	3,851,447,962
Aggregate value of quoted investments	-	334,602,178
Aggregate value of unquoted investments	5,712,822,258	3,516,845,784





ASIAN HOTELS (EAST) LIMITED

CIN: L51122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3B. INVESTMENTS

Particulars	Amount in Rs			
	As at 31.03.2020		Current	
	No. of units	As at 31.03.2019 No. of units	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Quoted, fully paid up				
Investment carried at FVTPL (Held for Trading)				
Investment in Equity Shares (Quoted Shares) Face value (FV) of Rs 10 each, unless otherwise stated				
Bajaj Finance Limited (FV Rs 2)	167	-	370,039	-
Bandhan Bank Ltd	820	-	167,075	-
Bharat Rasayan Ltd	31	-	108,352	-
Credit Access Greenem Ltd	264	-	89,060	-
DFM Food Ltd (FV Rs 2)	562	-	98,153	-
Dixon Technologies ( India ) Ltd	39	-	68,017	-
Godrej Properties Ltd (FV Rs 5)	345	-	190,627	-
HDFC Asset Management Company Ltd (FV Rs 5)	187	-	395,094	-
HDFC Bank Ltd (FV Rs 1)	196	-	168,932	-
ICICI Bank Ltd (FV Rs 2)	1,333	-	431,559	-
Info Edge India Ltd	112	-	227,926	-
Inox Leisure Ltd	459	-	120,580	-
MAS Financial Services Ltd	139	-	67,605	-
Tata Consumers Products Ltd (FV Rs 1)	343	-	101,134	-
T D Power Systems Ltd	1,972	-	167,334	-
Trent Ltd (FV Rs 1)	1,347	-	652,418	-
Ujivan Financial Services Ltd	311	-	46,168	-
United Spirits Ltd (FV Rs 2)	589	-	285,430	-
VIP Industries Ltd (FV Rs 2)	450	-	108,057	-
			<b>3,863,599</b>	-
Quoted, fully paid up				
Investment carried at FVTPL (Held for Trading)				
Investment in units of mutual funds [Face value (FV) of Rs 10 each, unless otherwise stated]				
Franklin India Ultra Short Bond Fund-SIP-DDR	-	467,348	-	4,716,105
Franklin India Liquid Fund- Super Institutional Plan-DDR (FV Rs 10000)	60,435	196,428	60,434,520	196,556,962
Aditya Birla Sun Life Fixed Term Plan- Series QH (1101 days)- Regular Growth	8,363,420	8,363,420	88,089,832	86,852,258
UTI Fixed Term Income Fund - Series XXIX - IX (1109 Days) - Growth Plan	9,699,704	9,699,704	90,407,059	101,627,676
UTI Short Term Income Fund-Institutional Plan - Growth	11,453,037	13,007,280	247,761,264	292,796,481
UTI Treasury Advantage Fund -Instt.-Plan-Daily Dividend Reinvestment (FV Rs 1000)	-	8,308	-	8,326,834
HDFC Liquid Fund -Direct Plan -Growth Option (FV Rs 1000)	1,425	-	5,564,995	-
ICICI Prudential Savings Fund-Growth (FV Rs 100)	186,684	-	72,311,773	-
			<b>564,569,443</b>	<b>690,886,317</b>
Investment carried at FVTPL (Held for Trading)				
Investment in Bonds of Indian Railway Financial Corporation Limited 150,000 (previous year: 150,000) 8.25% tax free bonds of Rs 1000/-each- FMV as on 31/03/2020: Rs			193,350,000	-
Investment carried at FVTOCI (Held for Trading)				
Investment in equity shares of Asian Hotels (West) Limited 524,438 (previous year: 524,438) equity shares of Rs 10/- each fully paid up			449,454,831	-
			<b>342,814,831</b>	-
			<b>911,247,864</b>	<b>690,886,317</b>
Aggregate amount of quoted investments			911,247,864	690,886,317
Aggregate amount of unquoted investments			-	-
Aggregate amount of adjustments to impairment in value of investments			-	-

Note 5.1: The Company has commenced the business of dealing in Securities with effect from 1st July 2019 and as a result the Investments in below mentioned Securities have been classified and recognized as Held For Trading purposes:

(a) Investment held in Mutual Funds and tax free bonds have been converted into Stock In Trade and have therefore been classified as Held For Trading purposes under Current Investments. With effect from the said date, the Fair Value of mutual funds and bonds are recognized through Profit & Loss account.

(b) The Investment in Quoted Equity shares have also been converted into Stock In Trade and are therefore classified as assets held for trading purposes under Current Investments. With effect from the said date, all quoted shares are recognized at Fair value through Profit & Loss Account, except equity shares held in Asian Hotels (West) Ltd, whose Fair Value is recognized through Other Comprehensive Income due to the irrevocable option exercised at the inception date of application of Ind AS.





ASIAN HOTELS (EAST) LIMITED

CIN: L45102WB0097PLC1676A

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

6. OTHER FINANCIAL ASSETS

Particulars	Amount in Rs	
	Non - current	
	As at 31.03.2020	As at 31.03.2019
Security deposits	11,607,025	11,448,055
	<b>11,607,025</b>	<b>11,448,055</b>
Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Interest accrued but not due	7,864,512	11,990,869
Interest accrued and due	8,240,133	7,400,343
Accrued Revenue	42,900	180,000
	<b>16,147,545</b>	<b>19,571,212</b>

7. INCOME TAX ASSETS (Net)

Particulars	Amount in Rs	
	Non - current	
	As at 31.03.2020	As at 31.03.2019
Income Tax Asset (Net)		
Opening balance	85,885,919	94,723,649
Less: Tax payable for the year	(47,317,508)	(77,918,056)
Add: Taxes paid	52,990,849	75,422,303
Add/(Less): Refund/adjustment for earlier years	(61,847,711)	(6,341,947)
Closing balance	<b>29,711,549</b>	<b>85,885,919</b>

8A. OTHER NON CURRENT ASSETS

Particulars	Amount in Rs	
	Non Current	
	As at 31.03.2020	As at 31.03.2019
Capital Advance	3,547,374	-
	<b>3,547,374</b>	<b>-</b>

8B. OTHER ASSETS

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Advance to suppliers	8,607,696	9,538,717
Prepaid expenses	6,274,663	13,883,470
Balance with statutory authorities	9,673,678	3,837,205
	<b>24,556,037</b>	<b>27,263,392</b>

8C. Assets Classified as held for Sale

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Investment in equity shares of subsidiary - Regency Convention Centre & Hotels Limited (Refer Note No 42) 159,299 (previous year: 97,009) equity shares of Rs 10/- each fully paid up	508,174,741	-
	<b>508,174,741</b>	<b>-</b>

9. INVENTORIES

Particulars	Amount in Rs	
	Non-current	
	As at 31.03.2020	As at 31.03.2019
(valued at cost or net realisable value whichever is lower)		
Food, Liquor & Tobacco	15,685,913	12,696,316
General Stores and Spares	3,703,347	961,266
	<b>18,799,260</b>	<b>13,657,582</b>

10. TRADE RECEIVABLES

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Trade Receivables		
- Unsecured, considered good	45,948,014	68,585,259
- Significant increase in credit risk	-	-
- Credit Impaired	3,601,647	1,494,731
	49,449,661	70,079,990
Less: Allowance for Credit Impaired	(3,601,647)	(1,494,731)
	<b>45,948,014</b>	<b>68,585,259</b>

11. CASH & CASH EQUIVALENTS & OTHER BANK BALANCES

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
11A. Cash and Cash Equivalents		
Balance with banks		
In current accounts	16,129,401	17,945,451
Cash in hand	829,548	2,195,067
	<b>16,959,349</b>	<b>20,140,518</b>

11B. OTHER BANK BALANCES

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Other Bank Balances		
Fixed Deposits with original maturity of more than 3 months & having remaining maturity of less than 12 months from the Balance Sheet date	311,331,129	41,500,000
Unpaid dividend accounts (Refer Note No 46)	3,886,459	4,326,671
	<b>315,017,588</b>	<b>45,826,671</b>



**ASIAN HOTELS (EAST) LIMITED**  
CIN: L5122WB0007PLC162764

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**

**12. LOANS**

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Loans/advance to subsidiary companies		
GJS Hotels Limited (Refer Note No 44)	40,710,830	3,230,344,250
Regency Convention Centre and Hotels Limited (Refer Note 12.2 below)	-	90,341,344
Robust Hotels Pvt. Ltd.	371,600,000	369,600,000
Other loans and advances		
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd. (Refer Note 42)	33,448,275	33,448,275
	<b>445,659,105</b>	<b>3,646,633,869</b>

12.1 No loans and advances are due from directors or other officers of the company either severally or jointly with any other person.

12.2 The Company had given unsecured interest free loan to subsidiary, Regency Convention Centre & Hotels Limited (RCC) for the purposes of Company's day to day operations/working capital. The accumulated balance due as on 30th June 2019 was Rs. 2,02,72,090/-. The Board of Directors of RCC vide resolution dated 29th July 2019 confirmed the price at which shares of RCC had been transferred by its shareholders in the recent past as the basis for determining the fair value price of Rs 5.135 per share as the allottee-Asian Hotels (East) Limited was the sole shareholder and the said loan was converted into Equity Shares of RCC.

**13. SHARE CAPITAL**

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Authorised Shares		
90,000,000 Equity shares of Rs 10/- each	900,000,000	900,000,000
1,000,000 Preference shares of Rs 10/- each	10,000,000	10,000,000
Issued, subscribed & paid up		
11,527,797 (previous year: 11,527,797) Equity Shares of Rs 10/- each	115,277,970	115,277,970
Total	<b>115,277,970</b>	<b>115,277,970</b>

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

Equity Shares	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
At the beginning of the year	11,527,797	11,527,797
Issued during the year	-	-
Cancelled during the year	-	-
At the end of the year	<b>11,527,797</b>	<b>11,527,797</b>

**Terms/rights attached to Equity Shares**

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.

The company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which Balance Sheet is prepared.

No securities which are convertible into Equity/Preference shares have been issued by the Company during the year.

No calls are unpaid by any directors or officers of the company during the year.

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

Equity shares	As at		As at	
	31.03.2020		31.03.2019	
	% of Holding	% of Holding	No. of Shares	No. of Shares
Saraf Industries Limited	31.49%	31.49%	3,630,630	3,630,630
Rafhe Shyam Saraf	28.49%	28.49%	3,284,680	3,284,680
Ratna Saraf	5.36%	5.36%	617,347	617,347
Sachdeva Stocks Private Limited	5.76%	-	663,500	-

**14. OTHER EQUITY**

Particulars	Amount in Rs	
	Current	
	As at 31.03.2020	As at 31.03.2019
Capital reserve	417,998,203	417,998,203
Capital redemption reserve	2,000,000	2,000,000
General reserve	4,617,031,410	5,645,531,555
FVTOCI reserve	63,623,934	99,422,737
Retained earnings	3,631,259,288	2,943,872,279
	<b>8,431,941,428</b>	<b>9,101,825,774</b>

Refer statement of changes in Equity for movement details

**Nature and purpose of reserves**

(a) **Capital Reserves:** During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.

(b) **Capital Redemption Reserve:** This Reserve has been transferred to the Company in the course of business combinations and can be utilized in accordance with the provisions of the Companies Act, 2013.

(c) **General Reserve:** This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

(d) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(e) **Items of Other Comprehensive Income:**

i) **Re-measurements of Net Defined Benefit Plans:** Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

ii) **Equity Instrument through Other Comprehensive Income:** The fair value change of the Equity Instrument measured at fair value through other comprehensive income is recognised in Equity Instrument through Other Comprehensive Income.



ASIAN HOTELS (EAST) LIMITED  
 CIN: L15122WB2007PLC162762  
 NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

15. BORROWINGS	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
<b>Particulars</b>		
Secured		
Overdraft Account with IDBI Bank Limited*	-	10,730,380
	-	10,730,380

\* The Company maintains an overdraft account and is secured against fixed deposits. The Interest rate on Overdraft Account is 8.25%

16. TRADE PAYABLES	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
<b>Particulars</b>		
Trade payables (Refer Note No 38 for details of dues of micro & small enterprises)	63,304,186	51,632,793
	63,304,186	51,632,793
<b>Classification as required by MSME Act</b>		
Total Outstanding dues of Micro Enterprises and Small Enterprises*	1,143,890	409,811
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	62,160,296	51,222,982
Total Trade Payables	63,304,186	51,632,793

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

17. OTHER FINANCIAL LIABILITIES	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
<b>Particulars</b>		
Security deposit	981,000	1,538,000
	981,000	1,538,000

Particulars	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
Salary payable	12,545,370	9,027,385
Contract Payroll Payable	4,744,335	8,670,569
Unclaimed dividends (Refer Note No 46)	3,886,469	4,326,671
Expenses payable	28,766,859	20,732,050
	49,943,033	72,756,675

18. PROVISIONS	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
<b>Particulars</b>		
Provision for gratuity (Refer Note No 31)	13,487,617	13,494,883
Provision for leave benefits (Refer Note No 31)	-	3,091,451
	13,487,617	16,586,334

Particulars	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
Provision for gratuity (Refer Note No 31)	9,076,030	7,636,374
Provision for leave benefits (Refer Note No 31)	2,735,685	1,033,028
	11,811,715	8,718,602

19. DEFERRED TAX LIABILITIES	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
<b>Particulars</b>		
<b>Deferred Tax Liabilities</b>		
On fiscal allowances of fixed assets	129,434,797	146,848,397
On Fair value gain on current investments	1,301,567	12,335,631
	130,736,364	159,184,028
<b>Deferred Tax Assets</b>		
On Employees' separation and retirement etc.	6,977,364	9,886,776
On Provision for doubtful debts / advances	881,295	435,366
On Provision for VAT	20,525,479	23,791,408
On Provision for Service Tax and Other Tax	1,807,617	3,422,981
On Other Differences	896,992	-
MAT Credit Entitlement (Refer Note No 47)	-	50,529,813
	31,088,747	88,063,244
	99,647,617	71,118,784

Note 19.1: As a matter of prudence no deferred tax asset has been created on long term capital loss. Similarly, deferred tax liability has not been taken on the unrealised long term capital gain to the extent of long term capital loss carried forward in the books.



**Movement in Deferred Tax Liabilities**

Particulars	On fiscal allowances of fixed assets	On Fair value gain on current investments	Total
As at 31.03.2018	147,984,304	4,341,475	152,325,779
Charged/(credited):			
- to profit and loss	(1,335,907)	7,994,156	6,658,249
- to Other comprehensive income	-	-	-
As at 31.03.2019	146,648,397	12,335,631	159,184,028
Charged/(credited):			
- to profit and loss	(17,413,600)	(17,402,608)	(34,816,208)
- to Other comprehensive income	-	6,368,544	6,368,544
As at 31.03.2020	129,234,797	1,301,567	130,736,364

**Movement in Deferred Tax Assets**

Particulars	On Employee's separation and retirement etc.	On Provision for doubtful debts / advances	On Provision for VAT	On Provision for Service Tax and Other Tax and Others	MAT Credit Entitlement	Total
As at 31.03.2018	9,097,834	28,547	10,767,351	-	59,562,155	79,455,887
Charged/(credited):						
- to profit and loss	825,165	406,719	13,024,057	3,412,981	(9,032,342)	8,646,580
- to Other comprehensive income	(37,223)	-	-	-	-	(37,223)
As at 31.03.2019	9,885,776	435,266	23,791,408	3,422,981	50,529,813	88,065,244
Charged/(credited):						
- to profit and loss	(2,995,441)	446,029	(3,265,929)	(718,372)	(50,529,813)	(57,063,545)
- to Other comprehensive income	37,029	-	-	-	-	37,029
As at 31.03.2020	6,977,364	881,295	20,525,479	2,704,609	(0)	31,088,747

**20. OTHER CURRENT LIABILITIES**

Particulars	Amount in Rs	
	As at 31.03.2020	As at 31.03.2019
Advance from customers	16,673,441	17,501,945
Statutory dues	110,693,564	110,499,321
Advance for sale of investment/ property (Refer Note No 42)	230,000,000	-
Others	5,372,084	3,000,000
	<u>362,739,089</u>	<u>130,992,169</u>

**21. REVENUE FROM OPERATIONS**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Sale of products	449,280,274	515,005,210
Sale of services	471,746,996	519,419,461
	<u>921,027,270</u>	<u>1,034,424,671</u>

Set out below is the disaggregation of the Company's revenue from operations:

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Sale of products		
Beverages, wines and liquor	70,077,320	94,192,915
Food and smokes	<u>379,202,954</u>	<u>420,812,295</u>
	449,280,274	515,005,210
Sale of services		
Rooms	400,084,068	432,184,826
Banquet income (only rental portion)	10,661,818	16,709,202
Health & Spa	24,480,024	26,074,661
Laundry & Dry Cleaning	11,635,874	16,488,078
Service Charge	7,311,582	8,761,417
Auto Rental	4,478,874	7,510,265
Communication	916,772	458,557
Other operating revenue	<u>12,177,984</u>	<u>11,230,155</u>
	471,746,996	519,419,461
	<u>921,027,270</u>	<u>1,034,424,671</u>

The company has presented revenue based on the type of goods or services provided to the customers. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

**22. OTHER INCOME**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Interest Income from IRFCL Bond	3,077,795	12,345,000
Interest Income from Loans & Advances	18,243,032	13,814,041
Interest Income from Fixed Deposits	11,046,978	2,534,431
Interest on Income Tax Refund	10,860,270	5,070,335
Dividend	9,543,576	12,849,034
Fair value changes on investment measured at fair value through profit and loss account	20,205,794	27,452,458
Profit on Sale of Mutual Fund	306,410	-
Provisions/ Liabilities written back	16,435,639	28,407,804
Miscellaneous income	44,491	125,001
	<u>89,763,985</u>	<u>102,698,105</u>





**ASIAN HOTELS (EAST) LIMITED**

CIN: L15122WB2007PLC162762

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**
**23. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Opening Stock	12,696,316	21,389,268
Add : Purchases	128,452,700	117,964,314
Less : Closing Stock	141,149,016	139,353,582
Total Consumption of Provisions, Beverages, Smokes & Others	126,062,103	126,657,266

**24. EMPLOYEE BENEFIT EXPENSES**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Salaries, wages & bonus	169,399,525	169,653,348
Contribution to provident & other funds	12,497,553	11,879,768
Staff welfare expenses	28,851,616	26,680,968
	210,648,694	208,214,084

**25. OTHER EXPENSES**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Contract labour and service	44,697,314	52,383,171
Room, catering & other supplies	40,903,344	44,611,411
Linen & operating equipments consumption	8,561,735	10,698,887
Fuel, power & light	96,114,694	102,801,469
Repairs, maintenance & refurbishing	41,809,583	54,403,218
Satellite & television charges	1,016,876	1,707,084
Rent	18,328,776	18,328,776
Rates & taxes	11,824,355	63,088,050
Insurance	3,068,559	2,730,446
Directors' sitting fees	1,440,000	1,240,000
Legal & professional expenses	20,390,808	11,942,101
Payment to auditors	-	-
- As Auditor	850,000	700,000
- For Tax Audit	150,000	150,000
- For Certification	65,000	20,000
- For Other Services	85,640	30,250
Printing & stationery	1,637,620	2,296,704
Guest transportation	11,161,298	19,340,034
Travelling & conveyance	11,023,542	14,228,765
Communication expenses	4,697,952	3,866,260
Technical services	30,338,027	37,880,265
Advertisement & publicity	25,946,253	26,044,969
Commission & brokerage	34,177,280	31,734,920
CSR expenditure	3,400,000	2,500,000
Charity & donation	100,000	-
Bank charges and commission	411,068	314,043
Provision for bad & doubtful debts	2,187,583	1,396,697
Loss on Sale of Equity Shares	167,958	-
Loss on Sale of Mutual Funds	880,407	-
Net loss on foreign exchange	539,100	563,149
PPE written off	70,886	960,428
Loss on sale of PPE	2,068,549	35,349
Miscellaneous expenses	4,810,084	2,645,715
	422,933,691	508,643,161

**26. TAX EXPENSE**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
Current Tax (including earlier years)	47,372,925	78,547,641
Deferred Tax	(22,000,980)	(10,783,450)
MAT	50,881,095	(1,163,517)
Income Tax Expense	76,253,040	66,600,674
Profit before income tax	221,404,922	244,369,523
Enacted Tax rates in India	25.17%	29.12%
Computed expected tax expenses	55,723,191	71,160,405
Effect of non deductible expenses	(23,739,832)	9,745,975
Effect of exempt non operating income	(1,803,018)	(5,777,588)
Effect of other items not subject of tax	(4,863,813)	(7,994,156)
MAT	50,881,095	(1,163,517)
Tax for earlier years	55,417	629,555
Total	76,253,040	66,600,674


**27. EARNINGS PER SHARE (BASIC & DILUTED)**

Particulars	Amount in Rs	
	Year Ended 31st March 2020	Year Ended 31st March 2019
(i) Profit available for Equity Shareholders	138,696,309	177,806,072
(ii) Weighted average number of Equity Shares @ Rs 10 each	11,527,797	11,527,797
(iii) Earnings/(Loss) per share (Rs)	12.03	15.42

28. FINANCIAL INSTRUMENTS

Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2020 are as follows:

Particulars	Amortised Cost	Fair Value through PI.	Fair Value through OCI	Amount in Rs	
				Total Carrying Value	Total Fair Value
<b>Assets:</b>					
<b>Investments</b>					
In Equity Shares	-	3,863,590	149,464,831	153,328,421	153,328,421
In Preference shares	-	-	-	-	-
In Tax Free Bonds	-	193,350,000	-	193,350,000	193,350,000
In Mutual Funds	-	564,569,443	-	564,569,443	564,569,443
Loans	445,699,105	-	-	445,699,105	445,699,105
Cash & Cash equivalents	16,959,349	-	-	16,959,349	16,959,349
Other bank balances	315,017,598	-	-	315,017,598	315,017,598
Trade Receivables	45,948,014	-	-	45,948,014	45,948,014
Other Financial Assets	27,744,570	-	-	27,744,570	27,744,570
<b>Total</b>	<b>851,328,636</b>	<b>761,783,033</b>	<b>149,464,831</b>	<b>1,762,576,500</b>	<b>1,762,376,500</b>
<b>Liabilities:</b>					
<b>Borrowings</b>					
Trade Payables	63,304,186	-	-	63,304,186	63,304,186
Other Financial Liabilities	50,924,036	-	-	50,924,036	50,924,036
<b>Total</b>	<b>114,228,222</b>	<b>-</b>	<b>-</b>	<b>114,228,222</b>	<b>114,228,222</b>

The carrying value and fair value of financial instruments by categories as on March 31, 2019 are as follows:

Particulars	Amortised Cost	Fair Value through PI.	Fair Value through OCI	Amount in Rs	
				Total Carrying Value	Total Fair Value
<b>Assets:</b>					
<b>Investments</b>					
In Equity Shares	-	-	184,602,178	184,602,178	184,602,178
In Preference shares	615,374,060	-	-	615,374,060	615,374,060
In Tax Free Bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	690,886,317	-	690,886,317	690,886,317
Loans	3,646,633,869	-	-	3,646,633,869	3,646,633,869
Other bank balances	45,826,671	-	-	45,826,671	45,826,671
Cash & Cash equivalents	20,142,518	-	-	20,142,518	20,142,518
Trade Receivables	68,585,259	-	-	68,585,259	68,585,259
Other Financial Assets	31,019,267	-	-	31,019,267	31,019,267
<b>Total</b>	<b>4,577,581,644</b>	<b>690,886,317</b>	<b>184,602,178</b>	<b>5,453,070,139</b>	<b>5,453,070,139</b>
<b>Liabilities:</b>					
<b>Borrowings</b>					
Trade Payables	10,730,380	-	-	10,730,380	10,730,380
Other Financial Liabilities	54,652,793	-	-	54,652,793	54,652,793
Other Financial Liabilities	77,294,675	-	-	77,294,675	77,294,675
<b>Total</b>	<b>142,677,848</b>	<b>-</b>	<b>-</b>	<b>142,677,848</b>	<b>142,677,848</b>

Fair value hierarchy

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

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2020:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
<b>Investments</b>				
In Equity Shares	153,328,421	153,328,421	-	-
In Preference shares	-	-	-	-
In Tax free bonds	193,350,000	193,350,000	-	-
In Mutual Funds	564,569,443	564,569,443	-	-
Loans	445,699,105	-	-	445,699,105
Other bank balances	315,017,598	-	-	315,017,598
Cash & Cash equivalents	16,959,349	-	-	16,959,349
Trade Receivables	45,948,014	-	-	45,948,014
Other Financial Assets	27,744,570	-	-	27,744,570
<b>Total</b>	<b>1,762,576,500</b>	<b>911,247,864</b>	<b>-</b>	<b>851,328,636</b>
<b>Liabilities:</b>				
<b>Borrowings</b>				
Trade payables	63,304,186	-	-	63,304,186
Other financial liabilities	50,924,036	-	-	50,924,036
<b>Total</b>	<b>114,228,222</b>	<b>-</b>	<b>-</b>	<b>114,228,222</b>



ASIAN HOTELS (EAST) LIMITED

CIN: L5122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2019:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
<b>Investments</b>				
In Equity Shares	184,602,178	184,602,178	-	-
In Preference shares	615,374,060	-	-	615,374,060
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	690,886,317	690,886,317	-	-
<b>Loans</b>	3,646,633,869	-	-	3,646,633,869
Other bank balances	45,826,671	-	-	45,826,671
Cash & cash equivalents	20,142,518	-	-	20,142,518
Trade receivables	68,585,259	-	-	68,585,259
Other financial assets	31,019,267	-	-	31,019,267
<b>Total</b>	<b>5,453,070,139</b>	<b>875,488,495</b>	<b>150,000,000</b>	<b>4,427,581,644</b>
<b>Liabilities:</b>				
<b>Borrowings</b>	10,730,380	-	-	10,730,380
Trade payables	54,652,793	-	-	54,652,793
Other financial liabilities	77,294,675	-	-	77,294,675
<b>Total</b>	<b>142,677,848</b>	<b>-</b>	<b>-</b>	<b>142,677,848</b>

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

The Company's investment in the equity shares of its subsidiaries is recognised at cost.

29. FINANCIAL RISK MANAGEMENT

Financial risk factors

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

Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. Foreign Currency risk

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

The following table analyses foreign currency risk from financial instruments as of 31st March 2020 and 31st March 2019.

Particulars	31st March 2020	31st March 2019
	Amount in Rs	Amount in Rs
Trade payables (USD converted to INR)	15,805,778	15,216,663

For the year ended 31st March 2020 and 31st March 2019, the effect of every percentage point depreciation/appreciation in the exchange rate between the Indian rupee and

Particulars	Change in USD Rate	Effect on Profit before Tax	
		31st March 2020	31st March 2019
Appreciation in Exchange Rate	1%	(158,058)	(152,167)
Depreciation in Exchange Rate	-1%	158,058	152,167

b) Other Market Price Risks

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through Other Comprehensive Income and Fair value through profit/loss. If the equity prices of quoted investments are 1% higher/lower, the Other Comprehensive Income for the year ended March 31, 2020 would increase/decrease by Rs 14,94,648 (for the year ended March 31, 2019; increase/decrease by Rs 18,46,022) and profit or loss for the year ended March 31, 2020 would increase/decrease by Rs 70,13,485 (for the year ended March 31, 2019; increase/decrease by Rs 69,08,863)

Liquidity risk

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

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. The Company has no outstanding bank borrowings as on 31st March 2020. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2020:

Particulars	Amount in Rs				
	0-3 Months	3 Months- 1 yr	1-3 years	5-20 years	Total
Borrowings	-	-	-	-	-
Trade payables	63,304,186	-	-	-	63,304,186
Other financial liabilities	21,176,174	29,747,862	-	-	50,924,036





ASIAN HOTELS (EAST) LIMITED

CIN: L5122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2019:

Particulars					Amount in Rs
	0-3 Months	3 Months- 1 yr	1-5 years	5-20 years	Total
Borrowings	10,730,380	-	-	-	10,730,380
Trade payables	54,652,793	-	-	-	54,652,793
Other Financial Liabilities	22,024,625	55,270,050	-	-	77,294,675

**Credit Risk**

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

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

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

Particulars	Amount in Rs	
	31st March 2020	31st March 2019
Investments	6,624,070,122	4,545,304,279
Trade Receivables	45,948,014	68,585,259
Loans	445,659,105	3,646,633,869
Other financial assets	27,744,570	31,019,267

Credit risk on Investments primarily include investments in liquid mutual fund units, quoted bonds and investment in subsidiaries. Loans are provided to subsidiary and are in the nature of short term as the same is repayable on demand.

**Risk towards Global Pandemic COVID-19**

Financial instruments carried at fair value as at March 31, 2020 is Rs 91,12,47,864 and financial instruments carried at amortised cost as at March 31, 2020 is Rs 85,13,28,636. A significant part of the financial assets are classified as Level 1 having fair value of Rs 91,12,47,864 as at March 31, 2020. The fair value of these assets is marked to an active market which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the Company are mainly investments in equity shares of listed entities wherein the uncertainties arising out of COVID-19 has already been factored by the stock market as at March 31, 2020 and liquid debt securities wherein no material volatility is expected.

Trade receivables of Rs 4,59,48,014 as at March 31, 2020 forms a significant part of the financial assets carried at amortised cost. The Debtors do not have any concentrated risk and the Company does expect to recover these outstanding in due course. Further, adequate credit loss provision has been created based on the policy of the Company. The Company has specifically evaluated the potential impact with respect to customers in Airline and Travel Agents segments which could have an immediate impact though the outstanding is not significant. Further, we expect that there could be some delay in payments from debtors, over and above the credit cycle. Basis our internal assessment and the stringent provisioning policy of the Company, the management assessment for the allowance for doubtful trade receivables of Rs 35,01,647 as at March 31, 2020 is considered adequate.

**30. CAPITAL MANAGEMENT**

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

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

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

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

Gearing Ratio is as follows :

Particulars	Amount in Rs	
	31st March 2020	31st March 2019
Net debt	-	10,730,380
Total Net Debt and Equity	8,547,219,398	9,227,834,124
Gearing Ratio	0.00%	0.12%

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.





**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

**31. Gratuity and other post-employment benefit plans**

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

a) Defined contribution plans

i. Provident fund

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

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Employer's Contribution to Provident Fund	73,51,014	64,89,243
Employer's Contribution to Pension Scheme	33,18,271	33,48,409

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

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

**Economic Assumptions**

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

**Discount Rate**

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 6.92 % p.a. compound, has been used.

**Salary Escalation Rate**

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

**i. Change in Benefit Obligations:**

Particulars	Gratuity (Unfunded)	
	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Present value of obligations as at the beginning of the year	2,11,80,457	1,88,53,457
Current service cost	2,853,094	27,18,340
Interest cost	1,622,423	14,70,570
Benefit Paid	(3,438,120)	(17,34,084)
Actuarial (gain)/ loss on obligation	345,793	(1,27,826)
<b>Present value of obligations as at the year end</b>	<b>22,563,647</b>	<b>2,11,80,457</b>
Current liability	9,076,030	76,85,574
Non-Current liability	13,487,617	1,34,94,883
<b>Total</b>	<b>22,563,647</b>	<b>2,11,80,457</b>



**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

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

Particulars	Gratuity (Unfunded)	
	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Current Service Cost	2,853,094	27,18,340
Interest Cost	1,622,423	14,70,570
Actuarial (Gain) / loss recognized during the year	-	-
Expenses recognised in Statement of Profit and Loss	44,75,517	41,88,910

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

Particulars	Gratuity (Unfunded)	
	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Actuarial Gain / (loss) recognized during the year	(345,793)	1,27,826

**iv. Principal Actuarial Assumptions :**

Particulars	Refer Note Below	Year ended 31.03.2020	Year ended 31.03.2019
Discount rate (p.a.)	1	6.92 %	7.66%
Salary Escalation Rate (p.a.)	2	6.00 %	6.00%

**v. A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:  
 Gratuity Plan**

Particulars	31-March -20		31-March -20	
	Discount Rate		Future Salary	
Sensitivity Level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined Benefit obligation	(317,216)	331,470	332,800	(321,385)

**A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:  
 Leave**

Particulars	31-March -19		31-March -19	
	Discount Rate		Future Salary	
Sensitivity Level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined Benefit obligation	(3,31,337)	3,46,052	3,49,916	(3,37,978)



**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

**Maturity Profile of Defined Benefit Obligation**

	Particulars	Gratuity 31 <sup>st</sup> March 2020
a)	0 to 1 Year	9,076,030
b)	1 to 2 Year	1,645,722
c)	2 to 3 Year	1,836,800
d)	3 to 4 Year	5,111,196
e)	4 to 5 Year	782,643
f)	5 to 6 Year	507,928
h)	6 Year Onwards	3,603,328

**Notes:**

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

**Demographic assumptions:**

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

**32. C.I.F. Value of Imports :**

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Stores & Spares	-	5,68,692
Capital Goods	24,19,493	14,04,073
<b>Total</b>	<b>24,19,493</b>	<b>19,72,765</b>

**33. Expenditure in Foreign Currency (on payment basis)**

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Commission & Brokerage	91,33,793	1,65,43,888
Technical Services	52,11,601	54,57,392
Advertisement & Publicity	1,33,38,947	1,26,16,367
Recruitment & Training	8,15,404	9,89,155
Others	1,05,67,107	1,27,86,181
<b>Total</b>	<b>3,90,66,852</b>	<b>4,83,92,983</b>

**34. Earnings in Foreign Currency (on receipt basis)- Rs 14,69,71,054 (Previous Year: Rs 18,25,25,199)**



**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

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

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Number of Non Resident Shareholders	454	472
Number of Equity Shares held by Non Resident Shareholders	77,58,649	77,68,082
Amount of Dividend Paid	1,93,96,622	1,94,20,205
Year to which Dividend Relates	2018-2019	2017-2018

36. Leases:

The Company has entered into Operating lease agreements for letting out space. The lease agreements are made for specific period as per agreement. Lease payments received recognized in the Statement of Profit & Loss for the year ended amounted to Rs 18,08,967/-.

The future receipts for operating lease are as follows:

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Not Later than 1 year	13,64,910	22,81,230
Later than one year and not later than five years	17,00,490	33,20,080
Later than five years	-	-

Since, the lease is an operating lease and not a finance lease, the Company is duly accounting the rental income in their books as per the requirements of Ind AS 116 which says that the lease rental in case of an operating lease should be recorded in a systematic manner over the period of the lease term.

The Company has entered into leave & license agreement for premises. The lease agreements are made for specific period as per agreement. Lease payments paid are recognized in the Statement of Profit & Loss for the year ended amounted to Rs 180,00,000/-.

The future Payments for operating lease are as follows:

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Not Later than 1 year	-	30,00,000
Later than one year and not later than five years	-	-
Later than five years	-	-

The Company has terminated the leave and license agreement w.e.f 31st March 2020 and hence, there will not be impact due to Ind AS 116.

37. The operating segments (Ind AS 108) of the Company are as follows:

a) Hotel Business (East): The hotel Business (East) includes namely the operating hotel "Hyatt Regency" in Kolkata.

b) Investments including investments in Hotel (South): It consists of (i) Securities Trading Unit & (ii) Strategic Investment Unit.

Securities Trading Unit comprising of treasury/liquid investments which are being regularly traded, bonds, mutual funds, and shares of certain companies (Refer Note No 5A & Note No 5B)

Strategic Investment Unit includes the loan & investment in its wholly owned subsidiary (Robust Hotels Pvt. Ltd.) having an operating hotel namely Hyatt Regency, Chennai and the loans and Investment in its wholly owned subsidiary (GJS Hotels Ltd.)





**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

for exploring business opportunities in Hotel in Bhubaneswar, Odisha. (Refer Note No 5A & Note No 5B)

Sr No	ASIAN HOTELS ( EAST ) LTD				
	REGD OFFICE: HYATT REGENCY KOLKATA, JA -I, SECTOR III, SALT LAKE CITY, KOLKATA-700 098				
	CIN No. - L15122WB2007PLC162762				
STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER & YEAR ENDED 31st MARCH 2020					
(Rs in lakhs, except share and per share data)					
Particulars	Quarter Ended		Year Ended		
	31.03.2020 Audited	31.12.2019 Unaudited	31.03.2019 Audited	31.03.2020 Audited	31.03.2019 Audited
<b>1 Segment Revenue</b>					
Revenue from Operations					
Hotel Business (East)	2,288.23	2,532.52	2,984.28	9,210.27	10,344.25
Investments including investments in Hotel (South)	-	-	-	-	-
<b>Total ( A )</b>	<b>2,288.23</b>	<b>2,532.52</b>	<b>2,984.28</b>	<b>9,210.27</b>	<b>10,344.25</b>
Other Income					
Hotel Business (East)	50.12	45.64	7.91	275.27	311.67
Investments including investments in Hotel (South)	259.39	163.15	199.35	513.77	664.61
Other Unallocable Income	-	33.26	-	108.60	50.70
<b>Total ( B )</b>	<b>309.51</b>	<b>242.05</b>	<b>207.26</b>	<b>897.64</b>	<b>1,026.98</b>
<b>Total Revenue ( A+B )</b>	<b>2,597.74</b>	<b>2,774.57</b>	<b>3,191.54</b>	<b>10,107.91</b>	<b>11,371.23</b>
<b>2 Segment Results ( EBITDA )</b>					
Hotel Business (East)	636.78	736.87	619.69	2,358.15	2,648.74
Investments including investments in Hotel (South)	352.14	159.01	195.89	486.89	650.19
<b>Total Segment Profit before Interest , Tax, Depreciation &amp; Amortisation</b>	<b>988.92</b>	<b>895.88</b>	<b>815.58</b>	<b>2,845.04</b>	<b>3,298.93</b>
<b>3 Segment Result ( EBIT )</b>					
Hotel Business (East)	563.20	662.91	340.98	2,060.83	2,156.35
Investments including investments in Hotel (South)	352.14	159.01	195.89	486.89	650.19
<b>Total Segment Profit Before Tax</b>	<b>915.34</b>	<b>821.92</b>	<b>536.87</b>	<b>2,547.72</b>	<b>2,806.54</b>
i) Other Unallocable Cost	(118.59)	(103.90)	(100.15)	(442.28)	(413.54)
ii) Other Unallocable Income	-	33.26	-	108.60	50.70
<b>Profit Before Tax</b>	<b>796.75</b>	<b>751.28</b>	<b>436.72</b>	<b>2,214.04</b>	<b>2,443.70</b>
i) Current Tax (including previous years)	51.44	206.61	295.89	473.73	785.48
ii) Deferred Tax	(143.43)	14.78	(156.63)	(155.45)	(108.21)
iii) MAT	510.49	(1.68)	(11.64)	508.81	(11.64)
<b>Profit After Tax</b>	<b>378.25</b>	<b>531.57</b>	<b>309.10</b>	<b>1,386.95</b>	<b>1,778.07</b>
<b>4 Segment Assets</b>					
Hotel Business (East)	15,594.41	15,254.59	13,745.64	15,594.41	13,745.64
Investments including Investments in Hotel (South)	75,896.94	76,008.79	82,126.34	75,896.94	82,126.34
<b>Total Segment Assets</b>	<b>91,491.35</b>	<b>91,263.38</b>	<b>95,871.98</b>	<b>91,491.35</b>	<b>95,871.98</b>
<b>5 Segment Liabilities</b>					
Hotel Business (East)	3,718.82	3,459.02	3,700.65	3,718.82	3,700.65
Investments including Investments in Hotel (South)	2,300.33	2,300.16	0.29	2,300.33	0.29
<b>Total Segment Liabilities</b>	<b>6,019.15</b>	<b>5,759.18</b>	<b>3,700.94</b>	<b>6,019.15</b>	<b>3,700.94</b>



**ASIAN HOTELS (EAST) LIMITED****CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

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

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

ii. The disclosures relating to Micro and Small Enterprises are as under :-

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
The principal amount remaining unpaid to supplier as at the end of the accounting year.	11,43,890	4,09,811
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year.	NIL	NIL
The amount of interest paid in terms of Section 16 alongwith the amount of payment made to the Supplier beyond the appointed day during the year.	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	NIL	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	NIL	NIL

**39. Contingent Liabilities:**

Contingent Liabilities	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Corporate Guarantee to IDBI Bank for Robust Hotels Pvt. Ltd.	109,500,000`	109,500,000`
Corporate Guarantee to HDFC Limited for Robust Hotels Pvt. Ltd.	1,500,000,000	1,500,000,000
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	1,95,00,000	1,95,00,000
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05 (The Company has opted for SVLDRS and the application has been accepted)	-	4,379,735



**ASIAN HOTELS (EAST) LIMITED****CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	26,753,749	26,753,749
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2008-09 to F.Y. 2012-13	6,836,585	6,836,585
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2013-14 to F.Y. 2016-17	7,644,193	7,644,193
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2014-15 to F.Y. 2016-17 (Assistant Commissioner-Tech Kolkata Audit-I CGST & CX Commissionerate has dropped the demand vide Intimation dated 30th September 2019)	-	3,86,32,924
Income Tax under the Income Tax Act, 1961 for the F.Y. 2011-12 ((ITAT has passed an order in favour of the company vide order dated 10th June 2020)- For FY 2011-12, FY 2012-13 & FY 2013-14 )	-	1,68,41,387
Income Tax under the Income Tax Act, 1961 for the F.Y. 2012-13 ((ITAT has passed an order in favour of the company vide order dated 10th June 2020)	-	1,17,93,677
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (ITAT has passed an order in favour of the company vide order dated 10th June 2020 )	-	1,21,41,837
Income Tax under the Income Tax Act, 1961 for the F.Y. 2014-15 (CIT- Appeals has passed an order in favour of the company vide order dated 2nd August 2019)	-	69,76,470
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2012-13	5,683,418	5,683,418
Value Added Tax under West Bengal VAT Act, 2003 pertaining to F.Y. 2012-13 (Senior Joint Commissioner- Commercial Taxes has modified the Order of Joint Commissioner and for the balance amount payable, the Company has created a provision for it separately )	-	396,345
VAT Under WBVAT Act 2003 for the F.Y. 2014-15 Commercial Taxes has modified the Order of Joint Commissioner and a refund amounting to Rs 99,075 has been determined. The Company has made an application for the refund of the same).	-	1,81,216
VAT Under WBVAT Act 2003 for the F.Y. 2011-12 ((the Company has preferred an appeal against the demand)	Rs 3,69,75,792	-
The West Bengal Value Added Tax Rules, 2005 for the F.Y. 15-16 (Joint Commissioner- Commercial Taxes has issued a modified Order dated 19/12/2019 and a refund amounting to Rs 77,411 has been determined and it was received by us on 17/01/2020).	-	13,09,677
Foreign Trade Development Regulation Act. 1992.	3,96,36,944	3,96,36,944





**ASIAN HOTELS (EAST) LIMITED****CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

40. The Hon'ble Supreme Court (SC) of India by their order dated 28th February 2019 set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. The Company is awaiting the outcome of the review petition, and further clarification in the matter to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

**41. Payments to Auditors**

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Statutory Audit Fees	850,000	700,000
Tax Audit Fees	150,000	150,000
Fees for other services	65,000	20,000
Reimbursement of Expenses	85640	30,250

42. As far as the Regency Convention Centre and Hotels Limited (Regency)'s legal Suit No. 6846 of 1999 with the Airport Authority of India (AAI) & Ors in the High Court of Judicature at Bombay is concerned and its slow progress in more than last 20 years and pursuant to the discussion and understanding with Mumbai International Airport Limited (MIAL), the company considered the prospect of amicable settlement of the dispute through MIAL and accordingly Regency, the Company and MIAL have executed a Share Purchase Agreement dated 20th April 2019 (SPA) wherein MIAL has agreed to buy the Company's 100% investment in the Regency at a purchase consideration of Rs.64 crores against which the company has received an advance of Rs.23 crores from MIAL. The SPA is subject to fulfilment of certain conditions including withdrawal of the legal Suit by the RCC. However, the terms of the SPA could not be fulfilled by the Long Stop Date 30th June 2019 mentioned therein and now MIAL has extended the Long Stop Date to 31st March 2021 to pay the balance consideration of Rs.41 crores with an interest at the rate of 8.25% p.a. for the period commencing from 1st July 2019 till the revised Long Stop Date to complete the transaction. Further notwithstanding the above development, the company is always open to consider a hotel project in future at the CSI Airport, Mumbai subject to a suitable opportunity, terms, process, business and economic environment. The Regency shall pursue the legal case till the completion of the transaction.

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

**Related Party Disclosures****(i) List of Related Parties****(a) Subsidiaries:**

GJS Hotels Limited, wholly owned subsidiary  
 Regency Convention Centre & Hotels Limited  
 Robust Hotels Private Limited (w.e.f 24<sup>th</sup> July 2019, the direct wholly owned subsidiary of the Company)

**(b) Key Management Personnel:**

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

**(c) Independent Directors:**

Mr. A.C Chakrabortti  
 Mrs. Rita Bhimani  
 Mr. Rama Shankar Jhawar  
 Mr. Padam Kumar Khaitan

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

- i. Juniper Hotels Private Limited
- ii. Unison Hotels Private Limited



**ASIAN HOTELS (EAST) LIMITED**

**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

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

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



# ASIAN HOTELS (EAST) LIMITED

CIN No. – L15122WB2007PLC162762

Notes to Financial Statements for the year ended 31st March 2020

Asian Hotels (East) Limited								
Transactions with Related Parties for the period from 1st April 2019 to 31st March 2020								
Transaction during the period	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Dividend Paid</b>								
Radisson Indusiana Limited	-	-	-	-	92,76,375	90,98,113	90,76,571	90,76,571
Radisson Shreejani	-	-	82,81,700	82,11,700	-	-	87,81,700	82,11,700
<b>Traveling Expenses</b>								
Radisson Hotels Private Limited	-	95,443	-	-	-	-	-	95,443
Asian Hotel	-	-	11,71,854	11,71,854	-	-	21,71,854	12,51,854
Umesh Hotel	-	-	4,52,619	10,00,708	-	-	4,28,440	10,00,708
Radhacharan Hotel	-	-	78,158	-	-	-	78,158	-
A.C. Chakrabarty	-	-	-	7,449	-	-	-	7,449
Raja Shuman	-	-	-	8,051	-	-	-	8,051
Fama Shreejani Shreejani	-	-	-	8,667	-	-	-	8,667
Padma Kumar Khaitan	-	-	-	7,844	-	-	-	7,844
<b>Professional Expenses</b>								
Khaitan & Co	-	-	-	-	17,87,187	4,93,831	17,91,492	4,93,831
<b>Expenses Incurred (Reimbursement)</b>								
Radisson Hotels Private Limited	6,71,683	5,86,779	-	-	-	-	6,71,683	5,86,779
<b>Repayment Staff Income (Net)</b>								
Radisson Hotels Private Limited	20,48,190	-	-	-	-	-	20,48,190	-
Asian Hotels Private Limited	-	-	-	-	1,41,813	-	1,41,813	-
<b>Advance Given</b>								
QIS Hotels Limited	74,10,441	18,05,749	-	-	-	-	24,36,418	18,05,749
Regency Convention Centre and Hotels Limited	-	58,48,470	-	-	-	-	-	58,48,470
Radisson Hotels Pvt. Ltd.	99,00,000	11,00,00,000	-	-	-	-	90,00,000	11,00,00,000
<b>Conversion of Loan into Equity</b>								
Regency Convention Centre and Hotels Limited	7,83,17,860	-	-	-	-	-	7,83,17,860	-
<b>Effect of Scheme of Arrangement</b>								
3294 Preference Shares of Radisson Hotels Private Limited (₹1,00,000 12% Preference shares issued by Radisson Hotels Private Limited converted into 3,20,31,500 equity shares of ₹30 as per Clause 11.1 (i) & Clause 11.3 of Scheme of Arrangement)	41,53,74,000	-	-	-	-	-	41,53,74,000	-
Equity Shares of QIS Hotels Limited (Investment of 1,97,50,978 equity shares of QIS Hotels Ltd (Investment Division) @ ₹20 each has been cancelled after demerger of investment division of QIS Hotels Ltd into Asian Hotels (East) Ltd. as per clause 11.4 of Scheme of Arrangement)	2,30,71,00,270	-	-	-	-	-	2,30,71,00,270	-
Equity Shares of Radisson Hotels Private Limited (Due to scheme of Arrangement, Investment held by QIS Hotels Ltd in Equity Shares - 1% Unsecured Redeemable 700D 12% Preference Shares have been transferred to Asian Hotels (East) Ltd & Converted in Equity Shares)	5,77,34,42,528	-	-	-	-	-	5,77,34,42,528	-
Interest on Debentures Paid to Radisson Hotels Pvt Ltd as per Scheme of Arrangement	44,76,000	-	-	-	-	-	44,76,000	0
<b>Interest Income Received</b>								
Radisson Hotels Pvt. Ltd.	1,82,43,891	1,82,43,891	-	-	-	-	1,82,43,891	1,82,43,891
<b>Refund of Advance Given</b>								
QIS Hotels Limited	-	13,05,769	-	-	-	-	-	13,05,769
Regency Convention Centre and Hotels Limited	65,264	-	-	-	-	-	65,264	-
<b>Managerial Remuneration</b>								
Omish Hotel	-	-	2,00,77,188	1,80,62,278	-	-	2,00,77,188	1,80,62,278
Asian Hotel	-	-	1,86,68,019	1,87,79,000	-	-	2,06,08,000	1,87,79,000
<b>Living Fees</b>								
Radisson Shreejani	-	-	20,000	20,000	-	-	20,000	20,000
A.C. Chakrabarty	-	-	4,20,000	3,20,000	-	-	4,20,000	3,20,000
Raja Shuman	-	-	2,80,000	2,80,000	-	-	2,80,000	2,80,000
Fama Shreejani Shreejani	-	-	4,20,000	3,20,000	-	-	4,20,000	3,20,000
Padma Kumar Khaitan	-	-	2,20,000	2,20,000	-	-	2,20,000	2,20,000
<b>Closing Balance as on 31st March 2019</b>								
Amount Receivable								
QIS Hotels Limited	4,87,80,855	3,33,88,46,750	-	-	-	-	4,87,80,855	3,33,88,46,750
Regency Convention Centre and Hotels Limited	-	1,83,41,514	-	-	-	-	-	1,83,41,514
Omish Hotel Pvt. Ltd.	-	-	-	-	25,745	-	25,745	-
Radisson Hotels Pvt Ltd (Expense)	3,37,818	-	-	-	-	-	3,37,818	-
Radisson Hotels Pvt Ltd (Loan)	37,17,00,000	30,75,00,000	-	-	-	-	37,17,00,000	30,75,00,000
Amount Interest from Radisson Hotels Pvt Ltd	83,40,133	74,00,113	-	-	-	-	83,40,133	74,00,113
<b>Investments at year end</b>								
Equity Shares of QIS Hotels Limited	3,92,04,719	2,34,82,85,000	-	-	-	-	3,92,04,719	2,34,82,85,000
Equity Shares of Regency Convention Centre and Hotels Limited	20,88,74,741	22,70,81,724	-	-	-	-	20,88,74,741	22,70,81,724
Equity Shares of Radisson Hotels Private Limited	5,67,36,17,328	30,88,75,000	-	-	-	-	5,67,36,17,328	30,88,75,000
Preference Shares of Radisson Hotels Private Limited	-	41,53,74,000	-	-	-	-	-	41,53,74,000



**ASIAN HOTELS (EAST) LIMITED**

**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

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

**44. EFFECT OF THE SANCTIONED SCHEME OF ARRANGEMENT:**

The Scheme of Arrangement between the Company, GJS Hotels Limited (GJS) and Robust Hotels Private Limited (RHPL) and their respective shareholders and creditors under sections 230 and 232 of the Companies Act, 2013 for Demerger of investment division of GJS, a wholly-owned subsidiary into the Company and reorganization of share capital of RHPL has been sanctioned by the NCLT Benches, Kolkata and Chennai Bench vide its order dated 6th February, 2019 and 24th June, 2019 respectively.

The Scheme had become effective from 24th July, 2019 being the Effective Date with effect from 31st March, 2016 being the Appointed Date. Requisite steps have been taken by the Company to give effect to the Scheme.

The accounting effect of the scheme has been taken on 1st April 2019 and which effect is given below.



**ASIAN HOTELS (EAST) LIMITED****CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

The Net-impact of Scheme of Arrangement on the financials is tabulated as under:

Particulars	Amount in INR
<b>Assets</b>	
Non-Current Investments ( Refer Note No 1 below )	2,45,09,08,198
Loans/advance to subsidiary companies -Current Investment ( Refer Note No 2 below )	(3,19,20,63,861)
Other financial assets	90,000
Income Tax Assets	4,13,078
Cash and Bank Balances	1,63,440
	(74,04,89,145)
<b>Liabilities</b>	
Reserves and Surplus	(74,35,01,145.00)
Profit & Loss ( Refer Note No 3 below )	(13,08,518.00)
Deferred tax liabilities	(3,52,282.00)
Trade Payables	46,71,800.00
	(74,04,90,145.00)
<b>1) Non-Current Investments</b>	
i) Equity Shares of Robust Hotels Pvt Ltd ( RHPL ) a) 12,41,63,829 nos of Equity shares of RHPL of Rs 39,732.43 lakh has been transferred from GJS Hotels Ltd ( Investment Division ) as per Clause 11.2 of Scheme of Arrangement  b) 43,00,000 nos of 12% Preference shares issued by RHPL converted into 3,20,35,000 nos of equity shares of Rs 20/- worth Rs 6,40,700 lakh as per Clause 14.1(ii) & Clause 17.3 of Scheme of Arrangement  c) 1,55,00,000 nos of 0.1% Debentures issued by RHPL converted into 3,79,75,000 equity shares of Rs 20/- worth Rs 7,59,50,000 lakh as per Clause 14.1(ii) & Clause 17.3 of Scheme of Arrangement	5,37,34,42,528
ii) 12% Preference Shares of RHPL ( 43,00,000 nos of 12% Preference shares issued by RHPL converted into 3,20,35,000 nos of equity shares of Rs 20/- worth Rs 6,40,700 lakh as per Clause 14.1(ii) & Clause 17.3 of Scheme of Arrangement & difference of Rs ( 253.26 ) lakh has been adjusted with Reserve & Surplus	(61,53,74,060)
iii) Equity Shares of GJS Hotels Ltd -Investment in 1,07,30,978 nos of equity shares of GJS Hotels Ltd (Investment Division) @ Rs 215 each has been cancelled after demerger of investment division of GJS Hotels Ltd into Asian Hotels (East) Ltd. as per clause 11.4 of Scheme of Arrangement )	(2,30,71,60,270)
	2,45,09,08,198
<b>2) Loans/advance to Subsidiary Companies -Current Investment</b>	
i) All Assets and liabilities of Investment division of GJS Hotels Limited has been transferred to Asian Hotels (East) Limited as per Clause 11.2 of Scheme of Arrangement ).So advances given to GJS hotels ltd ( Investment Division ) adjusted in Scheme of Arrangement	(3,19,20,63,861)
<b>3) Profit &amp; Loss</b>	
Other Income	2,45,903
Employee Benefit Expense	(13,04,930)
Other Expenses	(2,49,491)
	(13,08,518)





**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

Consequent to giving effects of the Scheme, all the securities held by GJS in RHPL transferred to the Company and accordingly RHPL became a direct wholly owned subsidiary of the Company.

**45. STATUS OF ONGOING SCHEME OF ARRANGEMENT:**

On 14<sup>th</sup> November, 2019 the Board of Directors of the Company approved a Scheme of Arrangement, Demerger and Reduction of Capital between the Company and its wholly –owned subsidiary Robust Hotels Private Limited(RHPL) and their respective shareholders and creditors under Sections 230-232, 66 of the Companies Act, 2013 (“the Scheme”) for inter alia :

- i) demerger and transfer of the undertaking, business activities and operations of the Company pertaining to ‘Securities Trading Unit ’comprising of treasury/liquid investments which are being regularly traded, bonds, mutual funds, and shares of certain companies (which already are under an agreement of sale, part performance completed)(“Demerged Undertaking”) from the Company into RHPL, as a going concern in compliance with Section 2(19AA) of Income Tax Act, 1961
- ii) capitalization of reserves of the Company and issuance and allotment of fully paid-up bonus equity shares having face value of Rs. 10/- each (“Bonus Shares”) by the Company to its equity shareholders (as of the Record Date), in the ratio 2:1, meaning 1 (one) Bonus Share for every 2 (two) equity shares of the Company, ranking pari passu with the existing equity shares of the Company;
- iii) reorganization and reduction of shares of RHPL held by the Company (without any consideration) with ‘Appointed Date’ being the same as the Effective date or such other date as may be modified/fixd by the Tribunals;
- iv) upon effectiveness of the Scheme RHPL shall issue & allot equity shares to the shareholders of the Company in the ration of 1:1 i.e., 1(one) fully paid-up equity share of having a face value of Rs. 10/- each for every 1 (one) fully paid-up equity share of the Company having a face value of Rs. 10/- held by a shareholder of the Company as on the Record Date (to be determined in terms of the Scheme and the 2013 Act) and the shares of RHPL shall be listed and admitted for trading on all the stock exchanges where the equity shares of the Company are listed.

The Scheme along with necessary documents was filed by the Company on 28th January, 2020 with the stock exchanges where the equity shares of the Company are listed. The Company has received Observation Letters dated 21.05.2020 from BSE Limited (BSE), being the designated stock exchange of the Company and National stock Exchange of India Ltd (NSE) so as to file the Scheme with the Hon’ble National Company Law Tribunal Benches, Kolkata & Chennai.

In compliance with the requirement mentioned in the observation letters received from BSE and NSE dated 21st May, 2020, the Company Application has been filed through e-mode with the Hon’ble NCLT Bench, Kolkata on Tuesday, 21st July, 2020 having filing no. 1908134/00063/2020 for receiving necessary Directions/Orders in respect of convening the meeting of the equity shareholders and creditors for approval of the Scheme.

Further, RHPL is in the process of filing the application with the Hon’ble NCLT Bench, Chennai for receiving Orders in respect of convening/dispensing with the meeting of its equity shareholders and creditors for approval of the Scheme.

All stakeholders can see the Scheme documents including the observation letters dated 21.05.2020 in the Company’s website at [www.ahleast.com](http://www.ahleast.com) and website of the BSE at <https://www.bseindia.com/corporates/NOCUnder.aspx> and NSE at <https://www1.nseindia.com/corporates/corporateHome.html?id=schemeofarrangement>



**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**  
**Notes to Financial Statements for the year ended 31st March 2020**

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46. Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), Rs. 8,54,110/- and 14626 shares have been transferred to the IEPF for the dividend declared in the financial year ended 2011-12 and the respective shares whose dividend remained unpaid or unclaimed for seven consecutive years. Further, Rs. 18,599 of F.Y 2011-12 and its 4,130 shares of F.Y 2011-12 being restrained shares could not be transferred to the IEPF pursuant to Rule 6(3)(b) of the Rules, the due date of transfer of which was August 24, 2019 .
47. The Government of India vide Taxation Laws (Amendment) Ordinance, 2019 dated 20th September 2019 has inserted Section 115BAA in the Income Tax Act, 1961 which provides an option of reduced rate effective from April 1, 2019 subject to certain conditions. The Company has elected to exercise the option of lower tax rate of 25.168% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognized in tax expense in the current year ended 31st March, 2020. In view of the above, the MAT Credit Entitlement will not be available in future years, hence the same is reversed to the tune of Rs 5,10,48,965 lacs. The deferred tax expense has reduced by Rs 1,56,60,813 lacs due to exercise of aforementioned option of lower tax rate.
48. The spread of COVID-19 has severely impacted businesses around the globe, including India. There has been severe disruption of regular business operations due to lock-down, disruption in transportation, supply chain and other emergency measures. The company's offices are under lockdown since 24th March, 2020 and the Hotel is running with curtailed manpower as per requisite permission from local administration. As a result the Hotel Operations for the month of March 2020 and also the performance for the F.Y 2020-21 will be severely impacted due to Covid -19. The company is monitoring the situation closely and operations are being ramped up in a phased manner taking into account directives from the Government. The management has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company has already initiated action plans including control of fixed overheads to reduce the impact on the profitability.
49. Estimated amount of Capital Contracts pending to be executed (Net of Advances – Rs 75,93,124 (Previous Year – Rs. 13,81,699/-)
50. The Auditors have commented on the need for and necessity of carrying out an evaluation of impairment of the investment and loans given by the Company to its wholly owned subsidiary Robust Hotels Pvt. Ltd., Chennai (RHPL). Sometimes back RHPL had undertaken valuation of its assets which exceeded the Company's investments in and loans to it. During last 5 years, RHPL has improved its performance and also generated cash profits and as a result RHPL was able to fulfill its financial obligations to banks/financial institutions and accordingly the loan outstanding has come down from Rs.150 Cr. to Rs.114 Cr. as on 31st March 2020. Unfortunately, the entire Hotel industry is now devastated on account of Covid-19 pandemic and also long lockdown declared by the Government.

These events have created uncertainty and unpredictability in the future of the Hotel industry across the country. The entire Hotel industry is grappling with the situation and therefore in the present adverse circumstances it is difficult to carry out the impairment test.

However, the management is confident that the recoverable value of the investment and loans given to RHPL will not be less than the amount at which they have been stated in the balance sheet. The operating performance of the RHPL has been satisfactory and the management of the subsidiary has taken reasonable steps in reducing the overheads especially the manpower cost and utility cost to safeguard itself from huge operating losses on account of Covid-19. The present adverse business conditions due to outbreak of Covid pandemic is temporary and it has become difficult to have the future projections of revenue/cash flows from the business for the purpose of Impairment as this industry has been affected badly. The management is optimistic that the long term prospects/fundamentals of RHPL is good and it expects quick recovery in the performance after business conditions are restored to its prior position. Hence, the management does not anticipate any impairment to the carrying amount of the asset.



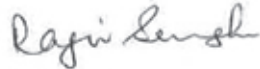
**ASIAN HOTELS (EAST) LIMITED**  
**CIN No. – L15122WB2007PLC162762**

Notes to Financial Statements for the year ended 31st March 2020

51. Previous Year figures have been regrouped / reclassified, wherever necessary

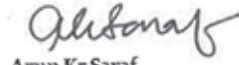
 Radhe Shyam Sengupta  
Chairman  
DIN 00017962

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

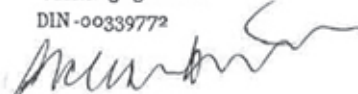


Rajiv Singhi  
Partner  
Membership No.: 053518

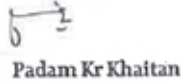
Place: Kolkata  
Date: 31st July 2020



Arun Kr Saraf  
Jt. Managing Director  
DIN - 00339772



A.C Chakrabortti  
Director  
DIN - 00015622



Padam Kr Khaitan  
Director  
DIN - 00019700



Bimal Kr Jhunjunwala  
CFO & Vice President- Corporate Finance



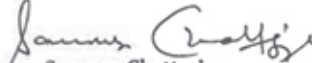
Umesh Saraf  
Jt. Managing Director  
DIN 00017985



Rama Shankar Jhwar  
Director  
DIN - 00023792



Rita Bhimani  
Director  
DIN - 07106069



Saumen Chatterjee  
Chief Legal Officer & Company Secretary





ASIAN HOTELS (EAST) LIMITED						
REGD OFFICE: HYATT REGENCY KOLKATA, JA -1, SECTOR III, SALT LAKE CITY, KOLKATA-700 098						
CIN No. - L15122WB2007PLC162762						
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER & HALF YEAR ENDED 30th SEPTEMBER 2020						
(Rs in lakhs, except share and per share data)						
Particulars	Standalone					
	Quarter Ended			Half Year Ended		Year Ended
	30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
<b>1 Income</b>						
a Net Sales/ Income from Operations	302.83	136.53	2,258.06	439.34	4,389.52	9,280.87
b Other Income	264.15	429.01	340.26	613.16	621.39	897.64
<b>Total Income</b>	<b>566.98</b>	<b>565.54</b>	<b>2,598.32</b>	<b>1,052.50</b>	<b>5,010.91</b>	<b>10,178.51</b>
<b>2 Expenses</b>						
a Cost of Materials Consumed	35.45	38.06	323.03	73.51	610.65	1,260.62
b Employee Benefit Expense	350.64	290.95	548.40	641.59	1,077.29	2,106.59
c Depreciation and Amortisation Expense	77.91	75.57	75.74	153.48	149.78	297.32
d Fuel, Power & Light	95.20	71.31	269.33	166.51	539.54	951.15
e Repairs, Maintenance & Refurbishing	42.70	35.72	133.36	78.42	228.11	418.30
f Operating and General Expenses	168.46	101.44	653.63	269.90	1,739.54	2,850.09
<b>Total Expenses</b>	<b>770.36</b>	<b>613.05</b>	<b>2,003.49</b>	<b>1,383.41</b>	<b>4,344.91</b>	<b>7,893.87</b>
<b>3 Profit/( Loss ) from ordinary activities before exceptional items and tax (1-2)</b>	<b>(203.38)</b>	<b>(47.53)</b>	<b>594.83</b>	<b>(310.91)</b>	<b>666.00</b>	<b>2,314.04</b>
<b>4 Exceptional Items</b>	-	-	-	-	-	-
<b>5 Profit/( Loss ) from ordinary activities before tax (3-4)</b>	<b>(203.38)</b>	<b>(47.53)</b>	<b>594.83</b>	<b>(310.91)</b>	<b>666.00</b>	<b>2,314.04</b>
<b>6 Tax Expense</b>						
- Current Tax (including previous years)	-	-	91.83	-	215.68	473.73
- Deferred Tax	(18.68)	7.44	-	(11.24)	-	(155.45)
- MAT	-	-	114.06	-	(26.80)	508.81
<b>7 Net Profit/( Loss ) for the period (5-6)</b>	<b>(244.70)</b>	<b>(54.97)</b>	<b>388.94</b>	<b>(299.67)</b>	<b>477.12</b>	<b>1,386.95</b>
<b>8 Other Comprehensive Income/(Loss) (OCI) (net of Tax)</b>						
<b>A (i) Items that will not be reclassified to profit or loss</b>						
Remeasurement of defined benefit liability	0.47	(0.86)	0.32	(0.39)	0.64	(3.46)
Equity instruments through other comprehensive income	(43.79)	(27.80)	3.41	(71.59)	(94.99)	(351.37)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.12)	0.22	(0.30)	0.10	(0.19)	64.56
<b>B (i) Items that will be reclassified to profit or loss</b>						
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>9 Total Comprehensive Income/(Loss) (7+8)</b>	<b>(288.14)</b>	<b>(83.41)</b>	<b>392.57</b>	<b>(371.55)</b>	<b>382.65</b>	<b>1,096.68</b>
<b>10 Paid-up Equity Share Capital (Face value Rs 10/-)</b>	<b>1,152.78</b>	<b>1,152.78</b>	<b>1,152.78</b>	<b>1,152.78</b>	<b>1,152.78</b>	<b>1,152.78</b>
<b>11 Other Equity</b>	-	-	-	-	-	<b>84,319.41</b>
<b>12 Earnings per equity share (Face Value of Rs 10/- each)</b>						
(a) Basic	(2.12)	(0.48)	3.37	(2.60)	4.14	12.03
(b) Diluted	(2.12)	(0.48)	3.37	(2.60)	4.14	12.03



*Q. J. J. J. J.*



**Notes:**

<sup>1</sup> The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10th November 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results.

<sup>2</sup> Regarding the ongoing Scheme of Arrangement, Demerger and Reduction of Capital between the Company and its wholly owned subsidiary Robust Hotels Private Limited (RHPL) and their respective shareholders and creditors under Sections 230-232, 66 of the Companies Act, 2013 ("the Scheme") and pursuant to the Observation Letters dated 21st May, 2020, issued by BSE and NSE, the Company had instituted an Application through e-mode with the Hon'ble NCLT Bench, Kolkata on 21st July, 2020 for receiving necessary direction/order for convening, holding and conducting of the meetings of the equity shareholders and creditors to agree to the Scheme. The Company has been following up the matter with the Hon'ble NCLT Bench, Kolkata regularly but due to the ongoing pandemic situations and restrictive working conditions, till date the matter has not been listed before it.

Further, the Company's wholly owned subsidiary, Robust Hotels Private Limited, Chennai (RHPL) has also instituted the scheme application with the Hon'ble NCLT Bench, Chennai on 25th August, 2020 through e-mail for receiving necessary direction/dispensation, as the case may be, for convening, holding and conducting of the meetings of the equity shareholders, secured creditors and unsecured creditors to agree to the Scheme. RHPL has also filed an urgency application on 17th September, 2020 where it has prayed before the Tribunal to list the above matter urgently and thereafter complied with the other conditions as prescribed by the Tribunal in this regard. The urgency application was listed before the Hon'ble NCLT Bench, Chennai on 12th October, 2020 wherein the Bench allowed the urgency application and reserved its order. The order is awaited.

<sup>3</sup> The Auditors have commented on the need for and necessity of carrying out an evaluation of impairment of the investment and loans given by the Company to its wholly owned subsidiary Robust Hotels Pvt. Ltd., Chennai (RHPL). Against this comment, it is hereby submitted that sometimes back RHPL had undertaken valuation of its assets which exceeded the Company's investments in and loans to it. During last 5 years, RHPL has improved its performance and also generated cash profits and as a result RHPL was able to fulfill its financial obligations to banks/financial institutions and accordingly the loan outstanding has come down from Rs.150 Cr. to Rs.121 Cr. as on 30th Sept 2020. Unfortunately, the entire Hotel industry is now devastated on account of Covid-19 pandemic and also long lockdown declared by the Government.

These events have created uncertainty and unpredictability in the future of the Hotel industry across the country. The entire Hotel industry is grappling with the situation and therefore in the present adverse circumstances it is difficult to carry out the impairment test.

However, the management is confident that the recoverable value of the investment and loans given to RHPL will not be less than the amount at which they have been stated in the balance sheet. The operating performance of the RHPL has been satisfactory and the management of the subsidiary has taken reasonable steps in reducing the overheads especially the manpower cost and utility cost to safeguard itself from huge operating losses on account of Covid-19. The present adverse business conditions due to outbreak of Covid pandemic is temporary and it has become difficult to have the future projections of revenue/cash flows from the business for the purpose of Impairment as this industry has been affected badly. The management is optimistic that the long term prospects/fundamentals of RHPL is good and it expects quick recovery in the performance after business conditions are restored to its prior position. Hence, the management does not anticipate any impairment to the carrying amount of the asset.

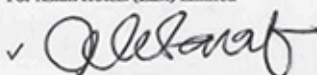
<sup>4</sup> The spread of COVID-19 has severely impacted businesses around the globe, including India. There has been severe disruption of regular business operations due to lock-down, disruption in transportation, supply chain and other emergency measures. The company's offices are under lockdown since 24th March, 2020 and the Hotel is running with curtailed manpower as per requisite permission from local administration. As a result the Hotel Operations for the month of March 2020 and also the performance for the F.Y 2020-21 will be severely impacted due to Covid -19. The company is monitoring the situation closely and operations are being ramped up in a phased manner taking into account directives from the Government. The management has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company has already initiated action plans including control of fixed overheads to reduce the impact on the profitability.

<sup>5</sup> This Statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statement of Assets and Liabilities as on 30th September 2020 and the Statement of Cash Flow for the period ended 30th September 2020 are annexed herewith.

<sup>6</sup> Figures of the previous periods are regrouped, wherever necessary, to correspond with the current period's classification / disclosure.

Kolkata  
10th November 2020

By order of the Board of Directors  
For Asian Hotels (East) Limited

  
Joint Managing Director



STATEMENT OF ASSETS AND LIABILITIES

(Rs in lakhs)

Sl. No.	Particulars	Standalone	
		As at 30th September 2020 Unaudited	As at 31st March 2020 Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	a) Property, plant and equipment	10,845.53	10,817.25
	b) Intangible Assets	34.32	29.41
	c) Capital work - in - progress	25.86	39.11
	d) Financial assets		
	(i) Investments	57,128.22	57,128.22
	(ii) Other Financial Assets	115.98	116.07
	e) Income tax assets (net)	314.83	297.12
	f) Other non current assets	16.92	35.47
	<b>Total Non-Current Assets</b>	<b>68,481.66</b>	<b>68,462.65</b>
<b>2</b>	<b>Current Assets</b>		
	a) Inventories	133.78	187.90
	b) Financial assets		
	(i) Investments	8,589.74	9,112.48
	(ii) Trade Receivables	149.21	459.48
	(iii) Cash & Cash Equivalents	28.82	169.59
	(iv) Other Bank Balances	3,390.66	3,150.18
	(v) Loans	4,386.53	4,456.59
	(vi) Other Financial Assets	93.99	161.38
	c) Other current assets	225.56	249.35
	d) Assets classified as held for sale	5,081.08	5,081.75
	<b>Total Current Assets</b>	<b>22,081.37</b>	<b>23,028.70</b>
	<b>TOTAL - ASSETS</b>	<b>90,563.03</b>	<b>91,491.35</b>
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	a) Equity Share Capital	1,152.78	1,152.78
	b) Other Equity	83,947.86	84,319.41
	<b>Total - Equity</b>	<b>85,100.64</b>	<b>85,472.19</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	a) Financial liabilities		
	(i) Other financial liabilities	15.38	9.81
	b) Provisions	117.28	134.88
	c) Deferred tax liabilities (net)	985.14	996.48
	<b>Total - Non Current Liabilities</b>	<b>1,117.80</b>	<b>1,141.17</b>
	<b>Current Liabilities</b>		
	a) Financial liabilities		
	(i) Trade Payables		
	- Total outstanding dues of Micro , Small and Medium Enterprise	11.44	11.44
	- Total outstanding dues of creditors other than Micro , Small and Medium Enterprise	413.17	621.60
	(ii) Other financial liabilities	247.70	499.43
	b) Provisions	105.39	118.13
	c) Other Current Liabilities	3,566.89	3,627.39
	<b>Total - Current Liabilities</b>	<b>4,344.59</b>	<b>4,877.99</b>
	<b>TOTAL - EQUITY &amp; LIABILITIES</b>	<b>90,563.03</b>	<b>91,491.35</b>



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Sr No	ASIAN HOTELS ( EAST ) LTD						
	REGD OFFICE: HYATT REGENCY KOLKATA, JA -1, SECTOR III, SALT LAKE CITY, KOLKATA-700 048						
	CIN No. - L51222WB2007PLC062769						
	STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2020						
Particulars	Quarter Ended			Half Year Ended		Year Ended	
	30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited	
1	<b>Segment Revenue</b>						
	<b>Revenue from Operations</b>						
	Hotel Business (East)	302.83	336.51	2,258.06	439.34	4,389.52	9,210.27
	Investments including investments in Hotel (South)	-	-	-	-	-	-
	<b>Total (A)</b>	<b>302.83</b>	<b>336.51</b>	<b>2,258.06</b>	<b>439.34</b>	<b>4,389.52</b>	<b>9,210.27</b>
	<b>Other Income</b>						
	Hotel Business (East)	51.25	64.58	8.44	117.83	129.50	275.27
	Investments including investments in Hotel (South)	150.90	364.43	256.60	525.23	366.55	535.77
	Other Unallocable Income	-	-	75.22	-	75.34	108.60
	<b>Total (B)</b>	<b>204.15</b>	<b>429.01</b>	<b>340.26</b>	<b>643.16</b>	<b>621.39</b>	<b>897.64</b>
	<b>Total Revenue (A+B)</b>	<b>506.98</b>	<b>765.52</b>	<b>2,598.32</b>	<b>1,072.50</b>	<b>5,010.91</b>	<b>10,107.91</b>
2	<b>Segment Results ( EBITDA )</b>						
	Hotel Business (East)	(57.61)	(77.02)	429.47	(434.66)	984.50	2,358.15
	Investments including investments in Hotel (South)	41.46	465.84	271.27	597.30	(24.26)	486.89
	<b>Total Segment Profit before Interest , Tax, Depreciation &amp; Amortisation</b>	<b>(16.15)</b>	<b>88.82</b>	<b>700.74</b>	<b>162.64</b>	<b>960.24</b>	<b>1,845.04</b>
3	<b>Segment Result ( EBIT )</b>						
	Hotel Business (East)	(115.53)	(412.50)	352.71	(588.14)	834.73	2,060.81
	Investments including investments in Hotel (South)	41.46	465.84	271.27	597.30	(24.26)	486.89
	<b>Total Segment Profit/( Loss ) Before Tax</b>	<b>(74.07)</b>	<b>153.34</b>	<b>623.98</b>	<b>(80.84)</b>	<b>810.47</b>	<b>2,547.70</b>
	(i) Other Unallocable Cost	(160.20)	(60.28)	(105.08)	(230.07)	(239.28)	(441.28)
	(ii) Other Unallocable Income	-	-	75.22	-	75.34	108.60
	<b>Profit/( Loss ) Before Tax</b>	<b>(234.27)</b>	<b>(110.52)</b>	<b>518.90</b>	<b>(310.91)</b>	<b>646.53</b>	<b>2,215.02</b>
	(i) Current Tax (including previous years)	-	-	91.81	-	215.68	473.73
	(ii) Deferred Tax	(18.08)	7.44	-	(11.24)	-	(155.43)
	(iii) MAT	-	-	14.06	-	(26.80)	508.28
	<b>Profit/( Loss ) After Tax</b>	<b>(252.35)</b>	<b>(103.08)</b>	<b>604.71</b>	<b>(332.15)</b>	<b>414.13</b>	<b>2,080.18</b>
4	<b>Segment Assets</b>						
	Hotel Business (East)	15,257.73	15,170.54	15,378.06	15,255.71	15,378.06	15,594.41
	Investments including Investments in Hotel (South)	75,307.29	75,140.75	75,605.31	75,307.80	75,035.31	75,896.94
	<b>Total Segment Assets</b>	<b>90,565.02</b>	<b>90,311.29</b>	<b>90,983.37</b>	<b>90,563.51</b>	<b>90,413.37</b>	<b>91,491.35</b>
5	<b>Segment Liabilities</b>						
	Hotel Business (East)	3,161.90	3,222.02	3,354.96	3,161.90	3,354.96	3,718.82
	Investments including Investments in Hotel (South)	2,300.49	2,300.49	2,300.05	2,300.49	2,300.05	2,300.33
	<b>Total Segment Liabilities</b>	<b>5,462.39</b>	<b>5,522.51</b>	<b>5,655.01</b>	<b>5,462.39</b>	<b>5,655.01</b>	<b>6,019.15</b>

**Notes**

1 The operating segments (Ind AS 108) of the Company are as follows:

a) Hotel Business (East): The hotel Business (East) includes namely the operating hotel "Hyatt Regency" in Kolkata.

b) Investments including investments in Hotel (South): It consists of (i) Securities Trading Unit & (ii) Strategic Investment Unit.

Securities Trading Unit includes all the investment of the Company in mutual funds, bonds, listed equity shares including equity shares of Asian Hotels (West) Limited & wholly owned subsidiary (Regency Convention Centre and Hotels Ltd.).

Strategic Investment Unit includes the loan & investment in its wholly owned subsidiary (Robast Hotels Pvt. Ltd.) having an operating hotel namely Hyatt Regency, Chennai and the loans and investment in its wholly owned subsidiary (GJS Hotels Ltd.) for exploring business opportunities in Hotel in Bhubaneswar, Odisha.

2 Other unallocable income for the quarter ended September 2019, half year ended September 2019 & for the year ended March 2020 represents interests on Income Tax refund.

Kolkata  
10th November 2020



By Order of the Board of Directors  
For Asian Hotels ( East ) Limited

*[Signature]*  
Joint Managing Director

ASIAN HOTELS (EAST) LIMITED  
 CIN: L15122WB2007PLC162762  
 CASH FLOW STATEMENT FOR THE PERIOD ENDED 30.09.2020

Particulars	(Rs in lakhs)	
	Period ended 30.09.2020 ( Unaudited )	Period ended 30.09.2019 ( Unaudited )
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(310.92)	666.00
Adjustment for :		
Depreciation/amortization	153.48	149.78
Provision for bad and doubtful debts	0.53	3.25
Excess provision written back	(9.11)	(164.36)
Provision for gratuity	(17.99)	(4.99)
Provision for leave encashment	(12.74)	5.87
Interest income	(198.20)	(212.12)
Dividend income	(2.67)	(75.80)
Assets written off (Non cash item)	-	0.71
Fair value loss (gain) on mutual funds	(417.51)	213.71
<b>Operating profit before working capital changes</b>	<b>(815.13)</b>	<b>582.05</b>
Movements in working capital :		
Increase/(decrease) in current trade payables	(208.43)	(53.20)
Increase/(decrease) in other current financial liabilities	(234.47)	(194.73)
Increase/(decrease) in other non-current financial liabilities	5.57	-
Increase/(decrease) in other current liabilities	(60.50)	2,381.70
Decrease/(increase) in trade receivables	309.75	85.98
Decrease/(increase) in inventories	54.12	(0.97)
Decrease/(increase) in non current assets	18.55	-
Decrease/(increase) in non-current financial assets	0.09	(0.11)
Decrease/(increase) in current financial assets	0.41	(2,268.85)
Decrease/(increase) in current loans	(0.25)	(0.60)
Decrease/(increase) in other assets	23.79	40.10
<b>Cash generated from/(used in) operations</b>	<b>(906.50)</b>	<b>571.37</b>
Less: Direct taxes paid (Net of Refunds)	17.72	(185.56)
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>(924.22)</b>	<b>756.93</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	(192.20)	(89.32)
Decrease/(Increase) in capital work in progress	13.25	-
Proceeds from sale of PPE	5.52	-
Investments in assets held for trading	(1.33)	(5,081.75)
Investment in Non Current Investment	-	5,830.12
Proceeds from sale/maturity of current investments	628.19	(1,769.83)
Non-current loans given/(repaid)	70.31	194.92
Interest received	265.18	402.26
Dividend received	2.67	75.80
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>791.59</b>	<b>(437.80)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	-	(22.51)
Dividend paid on shares	(8.14)	(292.93)
Tax on dividend paid	-	(59.24)
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>(8.14)</b>	<b>(374.68)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(140.77)</b>	<b>(55.55)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>169.59</b>	<b>201.43</b>
Add: Transfer In in the Scheme of Arrangement	-	1.63
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>28.82</b>	<b>147.51</b>

**Note:**

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".

Kolkata  
 10th November 2020



By Order of the Board of Directors  
 For Asian Hotels ( East ) Limited

Joint Managing Director



ASIAN HOTELS ( EAST ) LTD

REGD OFFICE: HYATT REGENCY KOLKATA, JA - 1, SECTOR III, SALT LAKE CITY, KOLKATA-700 098

CIN No. - L43102WB1007PLC162769

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER & HALF YEAR ENDED 30th SEPTEMBER 2020

(Rs in lakhs, except share and per share data)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
1 Income						
a Revenue from Operations	595.52	420.90	4,874.82	1,031.49	5,323.90	18,456.41
b Other Income	880.84	404.35	375.82	687.35	553.66	1,056.53
Total Income	873.48	825.25	5,250.64	1,698.84	5,877.56	19,512.94
2 Expenses						
a Cost of Materials Consumed	70.04	58.68	624.33	128.32	1,187.00	3,407.42
b Employee Benefit Expense	339.34	508.30	1,024.11	1,027.70	1,028.57	3,993.14
c Finance Cost	351.85	325.68	354.78	680.83	710.27	1,320.10
d Depreciation and Amortisation Expense	474.04	524.60	563.04	928.04	1,303.03	5,729.10
e Fuel, Power & Light	164.14	137.38	595.35	301.25	1,004.79	1,817.35
f Repairs, Maintenance & Refurbishing	74.96	67.82	355.91	141.99	466.04	862.90
g Other Expenses	320.47	350.10	1,669.46	590.55	3,732.02	6,474.98
Total Expenses	1,986.69	1,882.73	5,006.78	3,869.35	10,382.69	19,457.07
3 Profit/(Loss) from ordinary activities before exceptional items and tax (1-2)	(1,113.44)	(1,057.57)	173.86	(2,170.74)	(506.06)	76.87
4 Exceptional Items						
5 Profit/(Loss) from ordinary activities before tax (1-4)	(1,113.44)	(1,057.57)	173.86	(2,170.74)	(506.06)	76.87
6 Tax Expense						
- Current Tax (including previous years)	-	-	91.82	-	215.68	473.74
- Deferred Tax	(8.60)	7.44	114.95	(11.24)	-	(155.45)
- MAT Credit	-	-	-	-	(26.80)	508.81
7 Net Profit/(Loss) for the period from Continuing Operations (1-6)	(1,091.46)	(1,055.93)	(32.03)	(2,359.47)	(692.24)	(720.92)
8 Net Profit/(Loss) from Discontinued operations	(0.62)	(0.14)	(0.02)	(0.12)	(0.10)	(0.32)
9 Net Profit/(Loss) for the period (7+8)	(1,092.08)	(1,056.07)	(32.05)	(2,359.59)	(692.34)	(721.24)
10 Other Comprehensive Income/(Loss) (OCI) (net of Tax)						
A (i) Items that will not be reclassified to profit or loss						
Reassessment of defined benefit liability	0.47	(0.80)	0.30	(0.30)	0.04	(9.98)
Equity instruments through other comprehensive income	(43.79)	(27.80)	3.41	(71.53)	(94.92)	(332.37)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.12)		(0.10)			44.56
B (i) Items that will be reclassified to profit or loss						
(ii) Income tax relating to items that will be reclassified to profit or loss						
11 Total Comprehensive Income/(Loss) (9+10)	(1,137.95)	(1,093.59)	(28.43)	(2,331.54)	(789.54)	(1,048.00)
Profit Attributable to:						
Shareholders of the Company	(1,094.52)	(1,066.15)	(32.06)	(2,339.66)	(805.04)	(793.33)
Non Controlling Interest	-	-	-	-	-	-
Total Comprehensive Income for the period attributable to:						
Shareholders of the Company	(43.43)	(28.44)	3.51	(71.88)	(94.47)	(295.79)
Non Controlling Interest	-	-	-	-	-	-
Total Comprehensive Income for the period attributable to:						
Shareholders of the Company	(1,137.95)	(1,093.59)	(28.43)	(2,331.54)	(789.54)	(1,048.00)
Non Controlling Interest	-	-	-	-	-	-
12 Paid-up Equity Share Capital (Face value Rs 10/-)	1,152.78	1,152.78	1,152.78	1,152.78	1,152.78	1,152.78
13 Other Equity	-	-	-	-	-	74,799.68
14 Earnings Per Equity Share of Face value of Rs 10/- each						
(i) Basic	(9.42)	(9.24)	(0.28)	(18.72)	(6.93)	(6.43)
(ii) Diluted	(9.42)	(9.24)	(0.28)	(18.72)	(6.93)	(6.43)



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Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10th November 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results.
  
- 2 Regarding the ongoing Scheme of Arrangement, Demerger and Reduction of Capital between the Company and its wholly owned subsidiary Robust Hotels Private Limited(RHPL) and their respective shareholders and creditors under Sections 230-232, 66 of the Companies Act, 2013 ("the Scheme") and pursuant to the Observation Letters dated 21st May, 2020, issued by BSE and NSE, the Company had instituted an Application through e-mode with the Hon'ble NCLT Bench, Kolkata on 21st July, 2020 for receiving necessary direction/order for convening, holding and conducting of the meetings of the equity shareholders and creditors to agree to the Scheme. The Company has been following up the matter with the Hon'ble NCLT Bench, Kolkata regularly but due to the ongoing pandemic situations and restrictive working conditions, till date the matter has not been listed before it.  
  
Further, the Company's wholly owned subsidiary, Robust Hotels Private Limited, Chennai (RHPL) has also instituted the scheme application with the Hon'ble NCLT Bench, Chennai on 25th August, 2020 through e-mail for receiving necessary direction/dispensation, as the case may be, for convening, holding and conducting of the meetings of the equity shareholders, secured creditors and unsecured creditors to agree to the Scheme. RHPL has also filed an urgency application on 17th September, 2020 where it has prayed before the Tribunal to list the above matter urgently and thereafter complied with the other conditions as prescribed by the Tribunal in this regard. The urgency application was listed before the Hon'ble NCLT Bench, Chennai on 12th October, 2020 wherein the Bench allowed the urgency application and reserved its order. The order is awaited.
  
- 3 The Auditors have commented on the need for and necessity of carrying out an evaluation of impairment of the goodwill on consolidation.  
  
However, the management is confident that the realizable value of the goodwill on consolidation will not be less than the amount at which they have been stated in the balance sheet. The operating performance of the subsidiaries has been satisfactory. The present adverse business conditions due to outbreak of Covid pandemic is temporary and it has become difficult to have the future projections of revenue/cash flows from the business for the purpose of Impairment as this industry has been affected badly. The management is optimistic that the long term prospects/fundamentals of the subsidiaries is good and it expects quick recovery in the performance after business conditions are restored to its prior position. Hence, the management does not anticipate any impairment to the carrying amount of the intangible asset.  
  
Unfortunately, the entire Hotel industry is now devastated on account of Covid-19 pandemic and also long lockdown declared by the Government. These events have created uncertainty and unpredictability in the future of the Hotel industry across the country. The entire Hotel industry is grappling with the situation and therefore this is not the appropriate time to carry out the impairment test.
  
- 4 The spread of COVID-19 has severely impacted businesses around the globe, including India. There has been severe disruption of regular business operations due to lock-down, disruption in transportation, supply chain and other emergency measures. The company's offices are under lockdown since 24th March, 2020 and the Hotel is running with curtailed manpower as per requisite permission from local administration. As a result the Hotel Operations for the month of March 2020 and also the performance for the FY 2020-21 will be severely impacted due to Covid -19 .The company is monitoring the situation closely and operations are being ramped up in a phased manner taking into account directives from the Government. The management has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company has already initiated action plans including control of fixed overheads to reduce the impact on the profitability.
  
- 5 This Statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statement of Assets and Liabilities as on 30th September 2020 and the Statement of Cash Flow for the period ended 30th September 2020 are annexed herewith.
  
- 6 Figures of the previous periods are regrouped, wherever necessary, to correspond with the current period's classification / disclosure.

Kolkata  
10th November 2020

By order of the Board of Directors  
For Asian Hotels (East) Limited



Joint Managing Director



**ASIAN HOTELS (EAST) LIMITED**  
**REGD OFFICE: HYATT REGENCY KOLKATA, JA -1, SECTOR III, SALT LAKE CITY, KOLKATA-700 098**  
**CIN No. - L15122WB2007PLC162762**

**STATEMENT OF ASSETS AND LIABILITIES**

(Rs in lakhs)

Sl. No.	Particulars	Consolidated	
		As at 30th Sept 2020 Unaudited	As at 31st March 2020 Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	a) Property, plant and equipment	62,247.96	63,052.51
	b) Intangible Assets	96.87	85.63
	c) Capital work - in - progress	227.10	233.84
	d) Goodwill on Consolidation	9,991.04	9,991.04
	e) Financial assets		
	(i) Investments	321.60	418.72
	(ii) Other Financial Assets	348.66	370.47
	f) Income tax assets (net)	314.83	297.12
	g) Other non current assets	1,528.92	1,547.47
	<b>Total Non-Current Assets</b>	<b>75,076.98</b>	<b>75,996.80</b>
<b>2</b>	<b>Current Assets</b>		
	a) Inventories	252.13	311.65
	b) Financial assets		
	(i) Investments	8,589.74	9,112.48
	(ii) Trade Receivables	687.08	1,304.05
	(iii) Cash & Cash Equivalents	92.86	219.28
	(iv) Other Bank Balances	3,390.66	3,150.18
	(v) Loans	334.73	334.48
	(vi) Other Financial Assets	12.62	88.62
	c) Income tax assets	617.49	704.61
	d) Other current assets	430.64	530.95
	e) Assets classified as held for sale	5,083.08	5,081.75
	<b>Total Current Assets</b>	<b>19,491.03</b>	<b>20,838.05</b>
	<b>TOTAL - ASSETS</b>	<b>94,568.01</b>	<b>96,834.85</b>
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	a) Equity Share Capital	1,152.78	1,152.78
	b) Other Equity	72,561.33	74,792.68
	<b>Total - Equity</b>	<b>73,714.11</b>	<b>75,945.46</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	a) Financial liabilities		
	(i) Borrowings	10,356.46	9,681.00
	(ii) Other financial liabilities	15.38	9.81
	b) Provisions	197.41	233.93
	c) Deferres! tax liabilities (net)	985.14	996.48
	<b>Total - Non Current Liabilities</b>	<b>11,554.39</b>	<b>10,921.22</b>
	<b>Current Liabilities</b>		
	a) Financial liabilities		
	(i) Borrowings	156.92	15.53
	(ii) Trade Payables		
	- Total outstanding dues of Micro , Small and Medium Enterprise	217.77	238.37
	- Total outstanding dues of creditors other than Micro , Small and Medium Enterprise	1,247.45	1,414.63
	(iii) Other financial liabilities	3,806.12	4,227.08
	b) Provisions	105.92	118.73
	c) Other Current Liabilities	3,765.33	3,953.83
	<b>Total - Current Liabilities</b>	<b>9,299.51</b>	<b>9,968.17</b>
	<b>TOTAL - EQUITY &amp; LIABILITIES</b>	<b>94,568.01</b>	<b>96,834.85</b>



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**ASIAN HOTELS (EAST) LIMITED**

CIN: L15122WB20007PLC162762

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30th SEPTEMBER 2020**

Particulars	(Rs in lakhs)	
	Period ended 30.09.2020 ( Unaudited )	Period ended 30.09.2019 ( Unaudited )
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(2,170.72)	(506.06)
Adjustment for :		
Depreciation/amortization	998.64	1,303.03
Loss/(profit) on sale of fixed assets	-	404.84
Interest expense	587.33	710.27
Provision for bad and doubtful debts	0.53	3.25
Excess provision written back	(9.11)	(164.36)
Provision for gratuity	(16.68)	(5.37)
Provision for leave encashment	(10.74)	5.85
Interest income	(109.42)	(128.08)
Dividend income	(2.67)	(75.80)
Assets written off (Non cash item)	-	0.71
Fair value gain on mutual funds	(417.51)	213.71
Fair value gain on non current investments	69.92	-
<b>Operating profit before working capital changes</b>	<b>(1,080.43)</b>	<b>1,761.99</b>
Movements in working capital :		
Increase/(decrease) in current trade payables	(55.48)	(28.65)
Increase/(decrease) in other current financial liabilities	(538.14)	(334.57)
Increase/(decrease) in other non-current financial liabilities	5.57	
Increase/(decrease) in other current liabilities	(61.05)	2,380.82
Increase/(decrease) in Provisions	(144.94)	1.24
Decrease/(increase) in trade receivables	616.44	298.34
Decrease/(increase) in inventories	59.52	(15.68)
Decrease / (increase) in non-current financial assets	21.81	28.01
Decrease/(increase) in current financial assets	6.36	(2,262.09)
Decrease / (increase) in current loans	(0.25)	(0.72)
Decrease / (increase) in other assets	100.33	91.72
Decrease / (increase) in other non current assets	18.54	-
<b>Cash generated from/(used in) operations</b>	<b>(1,051.72)</b>	<b>1,920.41</b>
Less: Direct taxes paid	(69.40)	(156.72)
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>(982.32)</b>	<b>2,077.13</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	(217.35)	(391.16)
Decrease/(Increase) in capital work in progress	13.25	-
Proceeds from sale of fixed assets	5.52	23.90
Investments in assets held for trading	(1.33)	(5,081.75)
Proceeds from sale of National Saving Certificates	-	0.05
Purchase/Sale of current investments	655.39	(1,769.83)
Purchase of non current investments	-	5,830.12
Non-current loans repaid / (given)	(9.70)	194.92
Interest received	268.35	335.08
Dividend Received	2.67	75.80
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>716.80</b>	<b>(782.87)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	685.15	(554.00)
Proceeds from short term borrowings	141.39	304.54
Interest paid on borrowings	(679.30)	(801.14)
Dividend paid on shares	(8.14)	(292.93)
Tax on dividend paid	-	(59.25)
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>139.10</b>	<b>(1,402.78)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(126.42)</b>	<b>(108.52)</b>
Cash and Cash Equivalents at the beginning of the year	219.28	256.96
<b>Cash and Cash Equivalents at the end of the period</b>	<b>92.86</b>	<b>148.44</b>

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

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".

 Kolkata  
 30th November 2020

 By Order of the Board of Directors  
 For Asian Hotels (East) Limited


  
 Joint Managing Director



Sr No	ASIAN HOTELS ( EAST ) LTD						
	REGD OFFICE: HYATT REGENCY KOLKATA, JA-1, SECTOR III, SALT LAKE CITY, KOLKATA-700 098						
	CIN No. - L15222WB2007PLC162762						
	STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER & HALF YEAR ENDED 30TH SEPTEMBER 2020						
Particulars	Quarter Ended			Half Year Ended		Year Ended	
	30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited	
(Rs in lakhs, except share and per share data)							
1	<b>Segment Revenue</b>						
	<b>Revenue from Operations</b>						
	Hotel Business (East)	302.83	136.31	3,348.06	439.34	4,389.32	9,189.60
	Investments including investments in Hotel (South)	287.76	284.39	3,615.75	272.35	4,233.38	9,276.99
	<b>Total ( A )</b>	<b>590.59</b>	<b>420.90</b>	<b>4,874.81</b>	<b>1,011.49</b>	<b>9,322.90</b>	<b>18,466.61</b>
	<b>Other Income</b>						
	Hotel Business (East)	53.25	64.58	8.45	117.83	119.51	275.27
	Investments including investments in Hotel (South)	229.64	339.68	222.16	559.32	295.81	682.76
	Other Unallocable Income	-	-	75.23	-	75.34	108.60
	<b>Total ( B )</b>	<b>282.89</b>	<b>404.26</b>	<b>305.84</b>	<b>687.15</b>	<b>553.66</b>	<b>1,066.63</b>
	<b>Total Revenue ( A+B )</b>	<b>873.48</b>	<b>825.16</b>	<b>5,180.64</b>	<b>1,698.64</b>	<b>9,876.56</b>	<b>19,533.24</b>
2	<b>Segment Results ( EBITDA )</b>						
	Hotel Business (East)	(37.54)	(177.02)	426.11	(434.60)	978.43	2,337.20
	Investments including investments in Hotel (South)	(57.77)	231.66	784.69	773.29	673.35	3,050.33
	<b>Total Segment Profit before Interest , Tax, Depreciation &amp; Amortisation</b>	<b>(115.41)</b>	<b>(145.96)</b>	<b>1,210.70</b>	<b>(261.37)</b>	<b>1,651.58</b>	<b>4,400.83</b>
3	<b>Segment Result ( EBIT )</b>						
	Hotel Business (East)	(135.55)	(432.20)	(227.83)	(588.14)	-324.59	2,040.38
	Investments including investments in Hotel (South)	(454.20)	(217.36)	786.64	(671.80)	673.35	(238.50)
	<b>Total Segment Profit/( Loss ) Before Tax</b>	<b>(590.05)</b>	<b>(669.95)</b>	<b>558.78</b>	<b>(1,260.00)</b>	<b>348.57</b>	<b>1,801.68</b>
	i) Other Unallocable Cost	(169.29)	(60.78)	(105.38)	(230.07)	(219.80)	(442.28)
	ii) Other Unallocable Income	-	-	75.21	-	75.34	108.60
	iii) Finance Cost	(353.85)	(126.08)	(354.78)	(680.83)	(710.27)	(1,390.12)
	iv) Exceptional Items	-	-	-	-	-	-
	<b>Profit/( Loss ) Before Tax</b>	<b>(1,113.19)</b>	<b>(1,052.73)</b>	<b>473.83</b>	<b>(2,170.90)</b>	<b>(506.16)</b>	<b>75.88</b>
	i) Current Tax	-	-	91.83	-	215.68	473.73
	ii) Deferred Tax	(18.68)	7.44	-	(11.24)	-	(195.45)
	iii) MAT Credit Entitlement	-	-	114.00	-	(25.80)	508.81
	<b>Profit/( Loss ) After Tax</b>	<b>(1,094.51)</b>	<b>(1,055.13)</b>	<b>(38.00)</b>	<b>(2,179.66)</b>	<b>(695.04)</b>	<b>(751.81)</b>
4	<b>Segment Assets</b>						
	Hotel Business (East)	15,255.73	15,570.54	15,378.06	15,255.73	15,378.06	15,594.41
	Investments including Investments in Hotel (South)	79,335.94	80,002.30	80,665.24	79,335.94	80,665.24	81,240.44
	<b>Total Segment Assets</b>	<b>94,591.67</b>	<b>95,572.84</b>	<b>96,043.30</b>	<b>94,591.67</b>	<b>96,043.30</b>	<b>96,834.85</b>
5	<b>Segment Liabilities</b>						
	Hotel Business (East)	3,167.00	3,226.92	3,354.96	3,167.00	3,354.96	3,719.63
	Investments including Investments in Hotel (South)	18,881.28	17,544.78	17,106.24	18,881.28	17,106.24	17,168.16
	<b>Total Segment Liabilities</b>	<b>21,355.99</b>	<b>20,771.30</b>	<b>20,551.20</b>	<b>21,355.99</b>	<b>20,551.20</b>	<b>20,887.82</b>

**Notes**

The operating segments (Ind AS 108) of the Company are as follows:

- a) Hotel Business (East): The hotel Business (East) includes namely the operating hotel "Hyatt Regency" in Kolkata.  
b) Investments including investments in Hotel (South): It consists of (i) Securities Trading Unit & (ii) Strategic Investment Unit.

Securities Trading Unit includes all the investment of the Company in mutual funds, bonds, listed equity shares including equity shares of Asian Hotels (West) Limited & wholly owned subsidiary (Regency Convention Centre and Hotels Ltd.).

Strategic Investment Unit includes the loan & investment in its wholly owned subsidiary (Robust Hotels Pvt. Ltd.) having an operating hotel namely Hyatt Regency, Chennai and the loans and investment in its wholly owned subsidiary (GJS Hotels Ltd.) for exploring business opportunities in Hotel in Bhubaneswar, Odisha.

Other unallocable Income for the quarter ended September 2019, half year ended September 2019 & for the year ended March 2020 represents interests on Income Tax refund.

Kolkata  
10th Nov 2020



By Order of the Board of Directors  
For Asian Hotels (East) Limited

Joint Managing Director

**ROBUST HOTELS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2020**

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
<b>Non - current Assets</b>			
(a) Property, Plant and Equipment	3	5,170,694,293	5,392,096,305
(b) Other Intangible Assets	4	5,621,944	5,527,837
<b>(c) Financial Assets</b>			
(i) Investments	5	41,871,637	35,522,200
(ii) Other Financial Assets	6	25,407,060	28,410,770
(d) Other Non Current Assets	7	151,200,000	151,530,424
<b>Total Non-Current Assets</b>		<b>5,394,794,934</b>	<b>5,613,087,536</b>
<b>Current Assets</b>			
(a) Inventories	8	12,375,089	8,340,117
<b>(b) Financial Assets</b>			
(i) Trade Receivables	9	84,456,634	113,617,115
(ii) Cash and Cash Equivalents	10	4,676,392	5,389,670
(iv) Loans	11	-	49,400
(v) Other Financial Assets	12	964,475	948,356
(c) Current Tax Assets	13	70,460,519	59,813,728
(d) Other Current Assets	14	28,161,693	36,147,174
<b>Total Current Assets</b>		<b>201,094,802</b>	<b>224,305,560</b>
<b>Total Assets</b>		<b>5,595,889,736</b>	<b>5,837,393,096</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	2,241,838,290	1,541,738,290
(b) Other Equity	16	1,487,550,885	1,174,768,931
<b>Total Equity</b>		<b>3,729,389,175</b>	<b>2,716,507,221</b>
<b>Liabilities</b>			
<b>Non - current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
Borrowings	17	968,100,000	2,333,150,918
(b) Provisions	18	9,905,752	8,117,062
<b>Total Non-current Liabilities</b>		<b>978,005,752</b>	<b>2,341,267,980</b>
<b>Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	19	373,052,966	375,374,616
(ii) Trade Payables	20		
Total outstanding dues of micro enterprises & small enterprises		22,693,508	14,809,359
Total outstanding dues of creditors other than micro enterprises & small enterprises		79,302,556	58,905,491
(iii) Other Financial Liabilities	21	380,792,175	286,300,890
(b) Other Current Liabilities	22	32,593,644	44,169,431
(c) Provisions	23	59,960	58,108
<b>Total Current Liabilities</b>		<b>888,494,809</b>	<b>779,617,894</b>
<b>Total Equity and Liabilities</b>		<b>5,595,889,736</b>	<b>5,837,393,096</b>

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

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

*Pankaj Lunawat*

(Pankaj Lunawat)  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD

*[Signature]*  
Director

*[Signature]*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Vice President &  
Chief Financial Officer

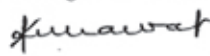
**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

*Amount in Rs.*

Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>Income</b>			
(a) Revenue from Operations	24	927,698,815	989,614,832
(b) Other Income	25	35,141,712	17,049,433
<b>Total</b>		<b>962,840,527</b>	<b>1,006,664,264</b>
<b>Expenditure</b>			
(a) Consumption of Provisions, Beverages, Smokes & Others	26	114,680,292	108,785,289
(b) Employee Benefits Expense	27	178,746,798	173,257,309
(c) Finance Costs	28	157,454,609	243,417,529
(d) Depreciation and Amortization Expense		230,183,675	230,266,246
(e) Other Expenses	29	494,541,645	476,977,209
<b>Total</b>		<b>1,175,607,019</b>	<b>1,232,703,582</b>
<b>Profit/(Loss) Before Exceptional Items and Tax</b>		<b>(212,766,492)</b>	<b>(226,039,318)</b>
Exceptional Items		(4,650,000)	-
<b>Profit/(Loss) Before Tax</b>		<b>(208,116,492)</b>	<b>(226,039,318)</b>
<b>Tax Expense</b>			
Current Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>(208,116,492)</b>	<b>(226,039,318)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		(652,472)	90,680
<b>Total Comprehensive Income for the year</b>		<b>(208,768,964)</b>	<b>(225,948,638)</b>
<b>Earnings per Equity Share (Nominal value per Equity Share Rs. 10/-)</b> (Refer Note No. 47)			
(a) Basic		(0.93)	(1.01)
(b) Diluted		(0.93)	(1.01)

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

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

  
 (Pankaj Lunawat)  
 Proprietor  
 Membership No.: 067104  
 Place: Kolkata  
 Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD

  
 Director

  
 Director

  
 Company Secretary

  
 Vice President &  
 Chief Financial Officer



**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020**

	Amount in Rs.
<b>A. EQUITY SHARE CAPITAL</b>	
Particulars	Equity Share Capital
Balance as at 1st April, 2018	1,541,738,290
Changes in equity share capital during the year	-
Balance as at 1st April, 2019	1,541,738,290
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited	700,100,000
Balance as at 31st March, 2020	2,241,838,290

Particulars	Other Equity				Total
	Capital Reserve	Share Premium	Retained Earnings	Other Comprehensive Income	
Balance as at 1st April, 2018	-	2,623,596,281	(1,219,160,727)	(3,717,985)	1,400,717,569
Remeasurement of the net defined benefit liability/assets	-	-	-	90,680	90,680
Profit/(Loss) for the year	-	-	(226,039,318)	-	(226,039,318)
Balance as at 1st April, 2019	-	2,623,596,281	(1,445,200,045)	(3,627,305)	1,174,768,931
Remeasurement of the net defined benefit liability/assets	-	-	-	(652,472)	(652,472)
Impact pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited	579,800,000	700,100,000	(758,349,082)	-	521,550,918
Profit/(Loss) for the period	-	-	(208,116,492)	-	(208,116,492)
Balance as at 31st March, 2020	579,800,000	3,323,696,281	(2,411,665,619)	(4,279,777)	1,487,580,885

**A. OTHER EQUITY**

Nature and Purpose of Reserves

1. Securities Premium:  
This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013

2. Capital Reserve:  
This Reserve represents the difference between value of the net assets transferred to the Company in the course of Scheme of arrangement and the consideration paid for such arrangement.

3. Retained Earnings:  
This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

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

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



*Pankaj Lunawat*  
(Pankaj Lunawat)  
Proprietor

Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020

FOR AND ON BEHALF OF THE BOARD

*[Signature]*  
Director

Director

*[Signature]*  
Company Secretary

Company Secretary

*[Signature]*  
Vice President &  
Chief Financial Officer

Vice President &  
Chief Financial Officer



**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020**

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	(208,116,492)	(226,039,318)
Adjustment for:		
Depreciation/amortization	230,183,675	230,266,246
Loss/(profit) on sale of fixed assets	46,970,492	21,339,043
Interest Expense on Borrowings	138,595,308	143,151,998
Provision for Gratuity	2,676,998	1,891,390
Provision for Leave Encashment	1,645,892	1,926,497
Interest income	(1,316,100)	(1,397,465)
Interest on Debentures	(4,650,000)	1,550,000
Sundry balances written back (net)	-	(689,133)
Fair value (Gain)/Loss on Investment	(4,630,437)	(3,829,320)
Interest on Debentures and Preference Shares	-	83,435,813
<b>Operating profit before working capital changes</b>	<b>201,359,335</b>	<b>251,605,750</b>
Movements in working capital:		
Increase/(decrease) in trade payables in Financial Liabilities	28,281,213	(778,829)
Increase/(decrease) in other current liabilities	(11,575,787)	(19,332,667)
Increase/(decrease) in other current financial liabilities	38,241,285	(42,679,707)
Increase/(decrease) in non current provisions	(3,186,672)	(3,589,313)
Increase/(decrease) in current provisions	1,852	(373,297)
Decrease/(increase) in trade receivables in Financial Assets	29,160,481	(26,450,361)
Decrease/(increase) in inventories in Current Assets	(4,034,972)	10,904,307
Decrease / (increase) in other Financial Assets	3,003,710	(3,047,707)
Decrease / (increase) in other Financial Assets under current asset	(16,119)	(239,497)
Decrease / (increase) in loans in Financial Assets	49,400	9,000
Decrease / (increase) in other Current Assets	7,985,481	(3,730,151)
Decrease / (increase) in other Non current asset	330,424	371,390
<b>Cash generated from/(used in) operations</b>	<b>289,599,631</b>	<b>162,668,919</b>
Less: Direct taxes paid (net of refunds)	10,646,791	13,326,503
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>278,952,840</b>	<b>149,342,416</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(58,402,761)	(24,040,665)
Proceeds from sale of fixed assets	2,556,500	5,501,000
Purchase of current investments	(1,724,000)	(3,575,000)
Sale of current investments	-	2,660,000
Purchase of National Saving Certificates	(5,000)	-
Sale of National Saving Certificates	10,000	-
Interest received	1,316,100	1,397,465
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>(56,249,161)</b>	<b>(18,057,200)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	(87,150,000)	(95,550,000)
Proceeds from Short Term Borrowings - CC	(11,321,650)	(33,003,090)
Proceeds from Short Term Borrowings - Unsecured Loan	9,000,000	140,000,000
Interest paid on borrowings	(138,595,308)	(143,151,998)
Interest paid on Debentures	4,650,000	(1,550,000)
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>(223,416,958)</b>	<b>(133,255,088)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(713,279)</b>	<b>(1,969,872)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>5,389,670</b>	<b>7,359,542</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>4,676,392</b>	<b>5,389,670</b>

**Note:**

- (1) The above Cash Flow Statement should be read in conjunction with the accompanying notes.
- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS- 7 on Statement of Cash Flows.
- (3) Figures for the previous year have been regrouped/rearranged wherever necessary.

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

*P. Lunawat*  
 (Pankaj Lunawat)  
 Proprietor  
 Membership No.: 067104  
 Place: Kolkata  
 Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD

*Shivani*  
 Director  
*Mishra*  
 Company Secretary  
*Vishalant*  
 Director  
 Vice President &  
 Chief Financial Officer

**Note 1: Significant Accounting Policies**

**1. Company Overview and Significant Accounting Policies**

**1.1 Company Overview**

The Company was incorporated in the year 2007 as a Private Limited Company under the provisions of the Companies Act, 1956 applicable in India and subsequently became a subsidiary of GJS Hotels Limited in the year 2012. GJS Hotels Limited is a wholly owned subsidiary of Asian Hotels (East) Limited, shares of which are listed in BSE Ltd., and National Stock Exchange Ltd. Asian Hotels (East) Limited holds directly 19% shares and GJS Hotels Limited holds 81% shares prior to the scheme of arrangement. Consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all the preference shares and debentures of the company stands converted in to equity shares and all shares held by GJS in RHPL stands transferred to AHEL. Hence, RHPL has become a wholly owned subsidiary of AHEL.

The Company is primarily engaged in the Hotel business and operating Hotel "Hyatt Regency Chennai" a five star deluxe premium hotel situated in the city of Chennai. The registered office of the Company is located at 365, Anna Salai, Teynampet, Chennai -600 018, India.

**1.2 Basis of Preparation of Financial Statement**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules there under, as amended from time to time.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency



**Note 1: Significant Accounting Policies (Contd.)**

**1.3 Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**1.4. Fair Value measurement**

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest





## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

#### 1.5. Property, Plant & Equipment

Property, Plant & Equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the Property, Plant & Equipment are ready for use as intended by management. The Company depreciates Property, Plant & Equipment over their estimated useful lives using the straight-line method.

The estimated useful lives of the assets are as follow:

▶ Building	-	60 years
▶ Plant and Equipment	-	15 years
▶ Intangibles	-	6 years
▶ IT Hardwares	-	3 years
▶ Office Equipment	-	5 years
▶ Furniture & Fixtures	-	8 years
▶ Motor Cars	-	8 years

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed periodically, including at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date is classified as capital advances and other non-current assets and the cost of assets not put to use before such date are disclosed under "Capital work-in-progress". Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and Maintenance costs are recognized in net profit / loss in the Statement of Profit and Loss when incurred. The cost and related





**ROBUST HOTELS PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**Note 1: Significant Accounting Policies (Contd.)**

accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of carrying value or the fair value less cost to sell.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**1.6. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the



**Note 1: Significant Accounting Policies (Contd.)**

indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

**1.7. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

**Financial Assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction cost that are directly attributable to the acquisition of financial asset measured at fair value through Profit or loss are recognized immediately in Statement of Profit or Loss.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- (i) Financial Assets at Amortized Cost
- (ii) Financial Assets at Fair Value through OCI
- (iii) Financial Assets at Fair value through P&L



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **Financial Asset at Amortized Cost**

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss.

#### **Financial Asset at fair value through profit or loss**

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

#### **Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.



**Note 1: Significant Accounting Policies (Contd.)**

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments in equity instruments.

**De-recognition of Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial Assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial Assets that are debt instruments and are measured as at FVTOCI.
- c) Lease receivables under Ind AS 116.
- d) Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'contractual revenue receivables')
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL





## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **Simplified Approach**

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### **General Approach**

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves, such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

#### **Financial Liabilities**

##### **Initial recognition and measurement**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial liabilities measured at fair value through profit or loss, transaction cost directly attributable to the acquisition of financial liabilities are recognised immediately in the statement of profit or loss.

The Company's Financial Liabilities include trade and other payables, loans and borrowings.



**Note 1: Significant Accounting Policies (Contd.)**

**Subsequent Measurement**

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

**Financial Liabilities at Amortized Cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**Financial Guarantee**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative income recognized in accordance with principles of Ind AS 115.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### **1.8 Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the Statement of Profit and Loss.

A contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible ;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

The Company does not recognise a contingent liability but discloses its existence in the financial statements. The Contingent Assets are neither recognised nor disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

#### **1.9 Revenue recognition**

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

- I. Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the Customers.
- II. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

However, Value Added Tax (VAT)/ Goods and Services Tax (GST) are not received by the Company on its own account. Rather, it is tax collected on behalf of the



51

**ROBUST HOTELS PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**Note 1: Significant Accounting Policies (Contd.)**

government on value added to the commodity by the seller. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

**a) Revenue from sale of goods and services**

Revenue including service charge, if any, from sale of goods and services is recognized when the significant risks and rewards of ownership have passed to the buyer, usually on delivery of the goods and services. Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable, net of returns, allowances and trade discounts.

**b) Interest Income**

For all Financial Assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss.

**c) Dividend**

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**1.10 Income Tax**

**A. Current Income Tax**

Income Tax expense is recognized in net Profit/(Loss) in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other Comprehensive Income.





**Note 1: Significant Accounting Policies (Contd.)**

Current Income Tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been substantively enacted, at the Balance Sheet date.

**B. Deferred Tax**

Deferred Income Tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Tax Assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred Income Tax Assets and liabilities are measured using tax rates and tax laws that have been substantively enacted, at the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effective changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. Deferred Income Tax Asset is recognized to the extent that future probable profits will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Income tax provision for the interim period is made based on the best estimate of the annual average tax rate applicable for the full financial year. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

**1.11 Borrowing Costs**

Borrowing costs 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 are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **1.12 Employee Benefits**

**Provident Fund:** The contribution to provident fund is in the nature of defined contribution plan. The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contribution paid or payable is recognized as an expense in the period in which services are rendered.

**Gratuity (Unfunded):** Gratuity is in the nature of defined benefit plan. The cost is determined using the projected unit credit method with actuarial valuation being carried at each Balance Sheet date by an independent actuary. The retirement benefits obligation recognized in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognized past service cost

Actuarial gains and losses are recognized in full in the other comprehensive income for the period in which they occur

All employee benefits payable wholly within twelve months are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

#### **1.13 Inventories**

Inventories are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **1.14. Cash and Cash Equivalents**

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and long-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



**Note 1: Significant Accounting Policies (Contd.)**

**1.15. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares considered for deriving basic earnings per equity share and also the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares. Dilutive potential Equity Shares are deemed converted as of the beginning of the period unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**1.16 . Foreign Currency Transaction**

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or loss resulting from such transactions are included in the net Profit/ (Loss) in the Statement of Profit and Loss. Non-monetary assets and monetary liabilities denominated in a foreign currency are measured at fair value or translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

**1.17 Hedging**

The Company has certain liabilities in Foreign Currencies. These are not hedged as the same is naturally hedged against foreign inward remittance from foreign guests. But, the Gain / Loss on such liabilities has been provided for in the books of accounts at the end of the financial year and the same has been credited / debited to the Statement of Profit and Loss of the Company.



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### 1.18 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **Leases as lessee (Assets taken on lease)**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### **Leases as lessor (assets given on lease)**

When the company acts as lessor, it determines at the lease commencement whether lease is finance lease or operating lease.

Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

#### 1.19 New Standard/amendments and other changes effective 1st April, 2019

##### **(a) Ind AS 116 , Leases**

The Company has adopted this Ind AS w.e.f, 1st April, 2019. However the company has not entered into any lease arrangements. Thus there is no impact of the amendment.



56



**Note 1: Significant Accounting Policies (Contd.)**

**(b) Amendment to Ind AS 12 — Income Taxes Appendix C – Uncertainty over Income Tax Treatment**

The Company has adopted the amendments w.e.f 1st April, 2019. The impact of this amendment is not material.

**(c) Amendment to Ind AS 19 — Employee Benefits relating to Plan amendment, curtailment or settlement**

The Company has adopted the amendments w.e.f 1st April, 2019. As there is no change in employee benefit plans, there is no effect of this amendment.

**(d) Amendment to Ind AS 23, Borrowing Costs**

The Company has adopted the amendments w.e.f 1st April, 2019. The Company has not incurred any borrowing costs during the year. Thus there is no effect of this amendment.

**2. Standards issued but not yet effective**

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, no new standards or modifications in existing standards has been notified which will be applicable from 1st April, 2020 or thereafter.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

3 Property, Plant and Equipments

(Amount in Rs.)

	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Total
<b>Carrying Amount:</b>							
As at 1st April, 2018	1,540,585,512	3,124,262,171	1,667,691,853	587,617,641	18,688,579	3,664,688	6,942,510,844
Additions	-	-	21,053,479	1,104,873	17,312	-	22,175,665
Deletions/Adjustments	-	-	43,301,258	-	-	-	43,301,258
As at 1st April, 2019	1,540,585,512	3,124,262,171	1,645,443,974	588,722,514	18,706,291	3,664,688	6,921,385,151
Additions	-	5,887,389	42,801,552	6,216,308	2,619,512	-	57,524,761
Deletions/Adjustments	-	-	91,064,370	-	-	-	91,064,370
As at 31st March, 2020	1,540,585,512	3,130,149,560	1,597,181,157	594,938,822	21,325,803	3,664,688	6,887,845,541
<b>Accumulated Depreciation and Impairment</b>							
As at 1st April, 2018	-	288,629,387	608,562,165	400,649,752	16,378,571	2,203,904	1,316,423,779
For the year	-	49,506,279	104,342,310	74,719,690	599,789	158,313	229,326,381
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	16,461,314	-	-	-	16,461,314
As at 1st April, 2019	-	338,135,666	696,443,161	475,369,442	16,978,360	2,362,217	1,520,288,846
For the year	-	49,535,651	103,929,522	75,102,431	673,865	158,313	229,999,782
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	41,537,380	-	-	-	41,537,380
As at 31st March, 2020	-	387,671,316	796,835,303	550,471,873	17,652,225	2,520,530	1,717,151,248
<b>Net Carrying Amount</b>							
As at 31st March, 2020	1,540,585,512	2,742,478,243	838,345,854	44,466,950	3,673,577	1,144,158	5,170,694,293
As at 31st March 2019	1,540,585,512	2,786,126,505	949,000,814	113,353,072	1,727,931	1,302,471	5,392,096,305

4 Intangible Assets

	Softwares
<b>Carrying Amount</b>	
As at 1st April 2018	40,078,334
Additions	1,865,800
Deletions/Adjustments	-
As at 1st April, 2019	41,943,334
Additions	878,000
Deletions/Adjustments	-
As at 31st March, 2020	42,821,334
<b>Accumulated Depreciation and Impairment</b>	
As at 1st April 2018	35,475,632
For the year	939,865
Impairment	-
Deletions/Adjustments	-
As at 1st April, 2019	36,415,497
For the year	783,893
Impairment	-
Deletions/Adjustments	-
As at 31st March, 2020	37,199,390
<b>Net Carrying Amount</b>	
As at 31st March, 2020	5,621,944
As at 31st March 2019	5,527,837

58



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
<b>5 Investments</b>		
<b>Unquoted Equity Shares</b>		
<b>Investments carried at fair value through Profit and Loss - fully paid</b>		
6,54,000 (Previous Year: 6,54,000) Class-A Equity Shares of Maple Renewable Power Private Limited of Rs. 10/- each	29,873,442	29,835,480
3,35,900 (Previous Year: 1,63,500) Class-A Equity Shares of Iris Ecopower Venture Private Limited of Rs. 10/- each	11,993,195	5,676,720
<b>In Government Securities</b>		
<b>Investments carried at cost</b>		
National Savings Certificate	5,000	10,000
	<b>41,871,637</b>	<b>35,522,200</b>
<b>6 Other Financial Assets</b>		
(Unsecured, considered good by the management)		
<b>Security Deposits with</b>		
- Government Department	17,617,420	17,064,880
- Others	3,792,000	3,302,000
Fixed Deposit with Bank*	3,997,640	8,043,890
	<b>25,407,060</b>	<b>28,410,770</b>
*Includes Margin Money deposit - NIL. (Previous Year: Rs. 80,43,890)		
<b>7 Other Non-Current Assets</b>		
Deposits with High Court	151,200,000	151,200,000
Balances with Statutory Authorities	-	330,424
	<b>151,200,000</b>	<b>151,530,424</b>
<b>8 Inventories</b>		
(As taken valued and certified by the management)		
(Valued at cost or Net Realisable Value, whichever is lower)		
Food, Beverages & Tobacco	11,721,879	6,980,363
General Stores, Spares & Other supplies	653,210	1,359,754
	<b>12,375,089</b>	<b>8,340,117</b>
<b>9 Trade Receivables</b>		
(Unsecured, considered good by the management)	84,456,634	113,617,115
(includes Rs.11,56,386/- (Previous Year Rs. 39,96,408) from Related Parties Refer Note 37)		
	<b>84,456,634</b>	<b>113,617,115</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Refer Note 37 for Trade or Other Receivables due from Subsidiaries or from firms or private companies respectively in which any director is a partner, a director or a member.



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
<b>10 Cash and Cash Equivalents</b>		
<b>Balance with Banks</b>		
- In Current Accounts	4,034,165	4,999,710
- Cheques on hand	142,376	-
Cash on hand (as certified by the management)	499,851	389,960
	<u>4,676,392</u>	<u>5,389,670</u>
<b>11 Loans</b>		
(Unsecured, considered good by the management)		
Advance to employees	-	49,400
	<u>-</u>	<u>49,400</u>
<b>12 Other Financial Assets</b>		
Interest accrued on Term deposits	25,104	30,009
Interest accrued on EB deposits	939,338	912,897
Interest accrued on NSC	33	5,450
	<u>964,475</u>	<u>948,356</u>
<b>13 Current Tax Assets</b>		
Income Tax Refundable	59,814,519	48,865,207
Tax Deducted at Source and Tax Collected at Source	10,646,000	10,948,521
	<u>70,460,519</u>	<u>59,813,728</u>
<b>14 Other Current Assets</b>		
Balances with Statutory Authorities	6,967,525	2,834,514
Prepaid Expenses	10,861,461	14,874,425
Advance to Suppliers	10,016,210	18,438,234
Other Receivables	316,497	-
	<u>28,161,693</u>	<u>36,147,174</u>



60



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
<b>15 Share Capital</b>		
<b>a) Authorised (Refer Note 46)</b>		
22,50,00,000 (Previous year: 15,50,00,000) Equity Shares of Rs. 10 each	2,250,000,000	1,550,000,000
NIL (Previous year: 43,00,000) Preference Shares of Rs. 100 each	-	430,000,000
NIL (Previous year: 1,40,00,000) Preference Shares of Rs. 10 each	-	140,000,000
	<u>2,250,000,000</u>	<u>2,120,000,000</u>
<b>Issued, Subscribed &amp; Paid Up</b>		
22,41,83,829 (Previous year: 15,41,73,829) Equity Shares of Rs. 10 each fully paid up	2,241,838,290	1,541,738,290
NIL (Previous year: 43,00,000) 12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	-	430,000,000
	<u>2,241,838,290</u>	<u>1,971,738,290</u>
<b>Paid up Equity Share Capital</b>		
22,41,83,829 (Previous year: 15,41,73,829) Equity Shares of Rs.10/- each fully paid up in cash	2,241,838,290	1,541,738,290
	<u>2,241,838,290</u>	<u>1,541,738,290</u>
<b>b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year</b>		
<b>Equity Shares</b>		
At the beginning of the year	154,173,829	154,173,829
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	70,010,000	-
At the end of the year	<u>224,183,829</u>	<u>154,173,829</u>
<b>Shares held by Holding/ultimate Holding Company and/or their subsidiaries/associates</b>		
Out of Equity Shares issued by the Company, shares held by its Holding Company are as below:		
<b>GJS Hotels Limited</b>		
NIL (Previous Year: 12,41,63,829) shares of Rs.10/- each fully paid	-	1,241,638,290
<b>Asian Hotels (East) Limited</b>		
22,41,83,823 (Previous Year: 3,00,10,000) shares of Rs.10/- each fully paid	2,241,838,230	300,100,000
<b>c) The Company has only one class of Equity Shares having a par value of Rs. 10/- each. Each shareholder is entitled to one vote per share.</b>		
<b>d) The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.</b>		
<b>e) The details of shareholders holding more than 5% shares</b>		
<b>Name of the shareholder</b>	<b>As at March, 2020</b>	<b>As at March, 2019</b>
<b>Equity Shares</b>	<b>No. of Shares % held</b>	<b>No. of Shares % held</b>
GJS Hotels Limited	- -	124,163,829 81
Asian Hotels (East) Limited	224,183,823 100	30,010,000 19
As per records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.		
<b>f) There are 6 more nominee shareholders holding 1 share each, as nominated by Asian Hotels (East) Private Limited</b>		



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	As at 31st March, 2020	(Amount in Rs.) As at 31st March, 2019
<b>16 Other Equity</b>		
<b>A. Reserves &amp; Surplus</b>		
<b>Capital Reserve</b>		
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	579,800,000	-
<b>Securities Premium</b>		
Opening Balance	2,623,596,281	2,623,596,281
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	700,100,000	-
Closing Balance	<u>3,323,696,281</u>	<u>2,623,596,281</u>
<b>Retained Earnings</b>		
Opening Balance	(1,445,200,045)	(1,219,160,727)
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	(758,349,082)	-
Profit/ (Loss) for the year	<u>(208,116,492)</u>	<u>(226,039,318)</u>
Closing Balance	<u>(2,411,665,619)</u>	<u>(1,445,200,045)</u>
<b>Total Reserves and Surplus</b>	<u>1,491,830,662</u>	<u>1,178,396,236</u>
<b>B. Other Comprehensive Income</b>		
Opening Balance	(3,627,305)	(3,717,985)
Remeasurement of Defined Benefit Liability	(652,472)	90,680
Closing Balance	<u>(4,279,777)</u>	<u>(3,627,305)</u>
	<u>1,487,550,885</u>	<u>1,174,768,931</u>
<b>17 Non-current Liabilities</b>		
<b>Borrowings (Refer Note 46)</b>		
NIL (Previous year: 43,00,000) 12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	-	430,000,000
<b>Term Loan (Secured) (Refer Note 'a' below &amp; Note 48)</b>		
From HDFC Limited	1,142,400,000	1,229,550,000
Less: Repayable within one year	<u>174,300,000</u>	<u>118,050,000</u>
	<u>968,100,000</u>	<u>1,111,500,000</u>
<b>Unsecured - Debentures (Refer Note 46)</b>		
NIL (Previous year: 1,55,00,000) 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each	-	791,650,918
	<u>968,100,000</u>	<u>2,333,150,918</u>

**a) Security Clause**

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

**Terms of Repayment**

The loan is repayable in 42 Quarterly Instalments being:

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



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
<b>18 Non Current Provisions</b>		
For Gratuity	5,641,926	4,310,717
For Leave Travel Allowance	3,011,992	2,374,091
For Leave Benefits	1,251,834	1,432,254
	9,905,752	8,117,062
<b>19 Borrowings</b>		
<b>Secured</b>		
Cash Credit Account with IDBI Bank Limited (Refer Note 'a' below)	1,552,966	12,874,616
<b>Unsecured</b>		
Loan from Holding Company repayable on demand (Refer Note 37)	371,500,000	362,500,000
	373,052,966	375,374,616
a) The above facility is secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumable stores and spare parts including book debts, bills whether documentary or clear, outstanding monies receivable, both present and future and second charge in favour of HDFC Limited for Term Loan granted to the Company. The above facility is further secured by a pari passu second charge by way of hypothecation of entire movable properties including movable machineries, tools & accessories present and future and Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 with HDFC Ltd for the Term Loan facility and Corporate Guarantee of Asian Hotels (East) Limited.		
<b>20 Trade Payables</b>		
- Total outstanding dues of micro enterprises & small enterprises	22,693,508	14,809,359
- Total outstanding dues of creditors other than micro enterprises & small enterprises (Includes Related Parties Rs.16,66,461 ;Previous Year : Rs.26,39,329 -Refer Note 37)	79,302,556	58,905,491
	101,996,064	73,714,850
<b>21 Other Current Financial Liabilities</b>		
Current Maturities of Long Term Debt (Refer Note 48)	174,300,000	118,050,000
Interest Accrued and due on Loan and Cash Credit (Refer Note No. 37)	19,363,125	7,414,911
Salary Payable	10,344,523	13,307,606
Contract Payroll Payable	1,731,539	1,966,788
Electricity Expenses Payable	3,209,278	6,754,448
Other Payables	171,843,710	138,807,137
	380,792,175	286,300,890
<b>22 Other Current Liabilities</b>		
Advance from Customers	11,531,103	19,966,118
Other Current Liabilities (Includes Related Parties Rs. 1,59,784 ; Previous Year Rs. 1,59,784- Refer Note 37)	3,724,499	4,406,695
Statutory Dues	17,338,042	19,796,618
	32,593,644	44,169,431
<b>23 Provisions</b>		
<u>For Employee Benefits</u>		
For Gratuity	48,752	42,825
For Leave Benefits	11,208	15,283
	59,960	58,108

63



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	Year ended 31st March, 2020	(Amount in Rs.) Year ended 31st March, 2019
<b>24 Revenue from Operations</b>		
<b>Sale of Products</b>		
Soft Beverages, Wines and Liquor	59,665,675	55,629,171
Food and Smokes	<u>332,322,702</u>	<u>331,801,379</u>
	<u>391,988,377</u>	<u>387,430,550</u>
<b>Sale of Services</b>		
Rooms Revenue	437,928,936	484,060,546
Banquet Income	45,469,926	58,242,014
Health & Spa Revenue	6,575,475	8,930,810
Laundry Revenue	4,923,826	5,431,400
Auto Rental Revenue	8,072,758	9,496,589
Communications	398,189	404,030
Equipment Revenue	1,175,981	3,706,637
Service Charge Revenue	10,043,554	10,509,478
Other Operating Revenue	<u>21,121,793</u>	<u>21,402,779</u>
	<u>535,710,438</u>	<u>602,184,282</u>
	<u>927,698,815</u>	<u>989,614,832</u>
<b>25 Other Income</b>		
Interest Income (Gross)		
(Tax deducted at source Rs. 10,099 (Previous Year Rs. 14,237))		
From Term Deposits	399,430	538,876
From Others	916,670	858,589
Miscellaneous Income	3,300,234	8,802,155
(Tax deducted at source Rs. 2,10,383 (Previous Year Rs. 3,02,896))		
Insurance claim received	25,894,941	
Fair value gain on Investment	4,630,437	6,160,680
Sundry Balances written Back (Net)	-	689,133
Total	<u>35,141,712</u>	<u>17,049,433</u>
<b>26 Consumption of Provisions, Beverages, Smokes &amp; Others</b>		
Opening Stock	6,980,363	11,237,572
Add : Purchases	<u>119,421,808</u>	<u>104,528,081</u>
	<u>126,402,171</u>	<u>115,765,652</u>
Less : Closing Stock	<u>11,721,879</u>	<u>6,980,363</u>
<b>Total Cost of Consumption</b>	<u>114,680,292</u>	<u>108,785,289</u>
<b>27 Employee Benefits Expense</b>		
Salaries, Wages & Bonus etc	146,129,791	142,658,141
Contribution to Provident & Other Funds	9,542,052	9,593,987
Staff Welfare Expenses *	20,337,139	18,733,188
Recruitment & Training	<u>2,737,816</u>	<u>2,271,993</u>
	<u>178,746,798</u>	<u>173,257,309</u>

\*Includes cost of provisions consumed in staff cafeteria





**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>28 Finance Costs</b>		
Interest		
- On Term Loan	136,283,111	141,110,693
- On Cash Credit	2,312,197	2,041,305
- On Unsecured Debentures	-	84,985,813
- On Unsecured Loan	18,243,033	13,814,041
- On Others	-	69,899
Other Borrowing Cost	616,268	1,395,778
	<u>157,454,609</u>	<u>243,417,529</u>
<b>29 Other Expenses</b>		
Contract Labour and Service	60,102,568	66,683,780
Linen, Room, Catering, other supplies	40,125,727	41,170,522
Operating Equipments Consumption	24,592,133	16,264,271
Fuel, Power & Light	85,620,682	98,655,020
Repairs & Maintenance		
- To Building	8,909,769	7,166,986
- To Plant & Equipment	33,495,575	34,236,464
- To Others	2,074,174	3,917,252
Equipment Hiring Charges	4,930,274	3,968,330
Rates & Taxes	33,865,467	20,288,512
Advertisement & Publicity	43,071,074	34,675,093
Insurance	2,949,615	5,030,261
Net Loss on Foreign Currency Transaction and Translation	4,809,264	8,853,342
Printing & Stationery	2,775,248	3,178,884
Directors' Sitting Fees	61,325	24,000
Travelling & Conveyance	11,666,046	11,941,912
Professional and Consultancy Fees	5,399,714	6,350,180
Filing Fees*	1,035,585	22,800
Communication Expenses		
Cost of Calls	1,958,676	3,360,884
Telephone Charges	41,183	39,523
Lease Line Rentals	107,153	800,866
Technical Services	28,359,020	32,730,030
Brokerage & Commission	41,842,448	48,794,655
Payment to Auditors		
- As Auditor	490,000	350,000
- For Tax Audit	100,000	100,000
- For Other Services	5,000	-
Loss on sale of Fixed Assets (net)	46,970,492	21,339,043
Loss on sale of Investments	-	2,331,360
Miscellaneous Expenses	9,183,433	4,703,239
	<u>494,541,645</u>	<u>476,977,209</u>

\* Filing fee includes Rs.10,14,000 paid towards increasing authorised share capital of the company

65



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

### Other Notes

#### 30. Contingent Liabilities and Commitments not provided for

	As at 31 <sup>st</sup> March, 2020 Rs.	As at 31 <sup>st</sup> March, 2019 Rs.
i) Bank Guarantees	-	34,67,373
ii) Commitments Estimated amount of Capital Contracts pending to be executed	1,04,69,898	1,81,47,271
iii) Claims against the Company not acknowledged as debt	34,680	82,180
iv) Disputed Excise Duty and Penalty from April 2012 to October 2015	-	49,30,507
v) Pending claims from IOC Limited for non-submission of 'C' forms for purchase of diesel	4,00,000	4,00,000

31. As 43,00,000 Preference shares of Rs,100/- each are covered into Equity shares under the scheme of arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and the company, the dividend on these preference shares is no more payable by the company. Hence the Company is not required to disclose Contingent liability as done till last year.
32. Rs.2,26,93,508 (Previous year- Rs.1,48,09,359) is due to Micro, Small and Medium enterprises (identified based on information made available during the year by such enterprises to the Company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.
33. Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation as on 31<sup>st</sup> March, 2020 and recognized in the financial statements in respect of Employee Benefit Scheme



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

		Gratuity Unfunded		Leave Encashment Unfunded		
		Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	
		Rs.	Rs.	Rs.	Rs.	
I	Components of Employer Expense					
	1	Current Service Cost	17,77,724	13,07,011	3,73,382	6,96,351
	2	Interest Cost	2,46,802	2,53,435	35,667	52,488
	3	Actuarial (Gains)/Losses	6,52,472	(90,680)	12,36,843	11,77,658
	4	Total expense recognised in the statement of Profit and Loss	20,24,526	19,82,070	16,45,892	19,26,497
II	Net Asset/(Liability) recognised in Balance Sheet as at 31 <sup>st</sup> March					
	1	Present Value of Defined Benefit Obligation	56,90,678	43,53,542	12,63,042	14,47,537
	2	Status (Surplus/ Deficit)	(56,90,678)	(43,53,542)	(12,63,042)	(14,47,537)
	3	Net Asset/(Liability) recognised in Balance Sheet	(56,90,678)	(43,53,542)	(12,63,042)	(14,47,537)
III	Change in Defined Benefit Obligation (DBO) during the year					
	1	Present Value of DBO at the beginning of the year	43,53,542	41,03,510	14,47,537	18,38,761
	2	Current Service Cost	17,77,724	13,07,011	3,73,382	6,96,351
	3	Interest Cost	2,46,802	2,53,435	35,667	52,488
	4	Actuarial (Gains)/Losses	6,52,472	(90,680)	12,36,843	11,77,658
	5	Benefits Paid	13,39,862	16,41,358	18,30,387	23,17,721
	6	Present Value of DBO at the end of the year	56,90,678	43,53,542	12,63,042	14,47,537
IV	Actuarial Assumptions					
	1	Mortality Table	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate
	2	Discount Rate (per annum)	6.70%	7.72%	6.70%	7.72%
	3	Rate of escalation in Salary ( per annum)	6.00%	6.00%	6.00%	6.00%
V	Amount Recognized in Other Comprehensive Income (OCI):					
		Actuarial (Gain) /Loss recognized during the year	6,52,472	(90,680)	-	-



## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation as on 31<sup>st</sup> March, 2020 and recognized in the financial statements in respect of Employee Benefit Scheme (Contd...)

Experience adjustment on account of actuarial assumption of Gratuity:	2019-20	2018-19	2017-18
	Rs.	Rs.	Rs.
1. Defined Benefit Obligation as at 31 <sup>st</sup> March	56,90,678	43,53,542	41,03,510
2. Plan Assets as at 31 <sup>st</sup> March			-
3. Surplus/(Deficit)	(6,52,472)	90,680	(8,62,800)
Experience adjustment of Obligation	(2,82,852)	(59,104)	10,05,479

Note:

1. The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimates term of obligations.
2. The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
3. The gratuity plan and earned leave is unfunded.
34. In the opinion of the Management, the value of realization of Current and Non Current Assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
35. The timing difference relating mainly to depreciation and unabsorbed losses result in net deferred tax asset as per IND AS 12 "Income Taxes". As a prudent measure, the net Deferred Tax Assets' relating to the above has not been recognized in the financial statements.
36. The Company does not have more than one reportable segment in accordance with the principle outlined in IND AS 108, the disclosure requirements on "Segment Reporting" is not applicable. The Company operates presently only in India.
37. Disclosure in respect of related parties as defined in Indian Accounting Standard 24 are given below:-
  - A. Key Managerial Personnel
    - a. Mr. Arun Kumar Saraf, Director
    - b. Mr. A. Srinivasan, Director
    - c. Mr. Umesh Saraf, Director
    - d. Mr. Varun Saraf, Director
    - e. Mr. Pawan Kumar Kakarania , Independent Director (resigned w.e.f 09.11.2019 )
    - f. Mr. Soumya Saha, Independent Director (resigned w.e.f 13.01.2020)





## ROBUST HOTELS PRIVATE LIMITED

**Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020**

- g. Mr. Rama Shankar Jhavar, Independent Director (appointed w.e.f 13.01.2020)
- h. Ms. Rita Bhimani, Independent Director (appointed w.e.f. 13.01.2020)
- i. Mr. T.N. Thanikachalam , Vice President & CFO
- j. Ms. N. Muthulakshmi (resigned w.e.f. 08.10.2018)
- k. Ms. T Ramyaa, Company Secretary (resigned w.e.f. 26.06.2019)
- l. Ms. Manisha Sharma, Company Secretary (appointed w.e.f. 29.06.2019)

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

### B. Holding Company:

- a. Asian Hotels (East ) Limited (AHEL)

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

- a. Asian Hotels (East) Limited (AHEL)
- b. GJS Hotels Limited (GJS)
- c. Juniper Hotels Private Limited (JHPL)
- d. Juniper Investments Limited (JIL)
- e. Chartered Hotels Private Limited (CHPL)
- f. Chartered Hampi Hotels Private Limited (CHHPL)
- g. Unison Hotels Limited (UHL)
- h. Taragaon Regency Hotels Limited (TRHL)
- i. Samra Importex Private Limited
- j. Blue Energy Private Limited
- k. Polygon Management Advisory Private Limited
- l. Bodhgaya Guest House Pvt. Ltd.
- m. Salkia Estate Development Pvt. Ltd.
- n. Yak & Yeti Hotel Ltd
- o. Nepal Travel Agency (P) ltd

### D. Disclosure of Transactions during the year

Name of Person	Nature of Transactions	Year Ended	Year Ended
		31st March, 2020	31st March, 2019
		Rs.	Rs.
AHEL	Reimbursement of Expenses(Net)	6,78,689	5,16,209
	Sales Promotion	-	15,116
	Sale of Services	1,69,584	36,88,243
	Interest on Unsecured Loan (TDS deducted Rs. 18,24,303/-)	1,82,43,033	1,38,14,041



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

Name of Person	Nature of Transactions	Year Ended	Year Ended
		31st March, 2020	31st March, 2019
		Rs.	Rs.
	Receipt of service	22,30,774	-
	Loan taken	90,00,000	14,00,00,000
JHPL	Reimbursement of Expenses	7,19,972	98,264
	Sale of Services	68,982	5,29,047
	Sales Promotion	53,017	1,83,600
	Reimbursement of Expenses	-	19,037
CHPL	Sale of Services	40,423	5,06,544
	Reimbursement of Expenses	42,280	17,702
TRHL	Reimbursement of Expenses	-	78,883
GJS	Interest on Debentures	-	15,50,000
	Debenture interest refunded as per scheme	46,50,000	-
Mr. A. Srinivasan	Legal Consultancy Fee	6,00,000	6,00,000
	Sitting Fee	1,000	4,000
Mr. Arun Kumar Saraf	Sitting Fee	5,000	5,000
Mr. Umesh Saraf	Sitting Fee	9,000	9,000
Mr. Soumya Saha	Sitting Fee	10,000	3,000
Mr. Pawan Kumar Kakarnia	Sitting Fee	5,000	1,000
Mr. Varun Saraf	Sitting Fee	1,000	2,000
Mr. Rama Shankar Jhavar	Sitting Fee	15,000	-
Ms. Rita Bhimani	Sitting Fee	15,000	-
Mr. T.N.Thanikachalam	Remuneration*	37,27,640	37,94,179
Ms. N. Muthulakshmi	Remuneration*	-	10,24,297
Ms. Ramyaa Thirumaran	Remuneration*	1,40,613	2,82,830
Ms. Manisha Sharma	Remuneration*	3,34,565	-

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

### E. Balances as at year end

Name of Person	Nature of Balances	Year Ended	Year Ended
		31st March, 2020	31st March, 2019
		Rs.	Rs.
AHEL	Corporate Guarantee	1,60,95,00,000	1,60,95,00,000
	Unsecured Loan	37,15,00,000	36,25,00,000
	Trade Payables	2,37,018	19,66,957
	Trade Receivables	0	28,29,236



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

	Interest accrued and due (net of TDS Rs. 8,22,260/-)	82,40,134	74,00,342
JHPL	Trade Payables	14,29,443	6,54,671
	Trade Receivables	6,05,038	5,72,188
UHL	Other Payables	1,59,784	1,59,784
	Trade Receivables	17,682	17,682
CHL	Trade Payables	-	17,702
	Trade Receivables	1,18,413	4,98,418
TRHL	Trade Receivables	78,883	78,883
GJS	0.1% Unsecured Cumulative Non- Convertible Debentures.	-	79,16,50,918

38. Earnings in Foreign Currency (Net):-

-On Receipt Basis*(Rs.)	24,08,90,789	29,30,92,674
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\*On the basis of Foreign Inward Remittance Certificates received.

39. The outbreak of Corona virus (COVID-19) globally and in India has impacted business and economic activities in general. The spread of COVID-19, along with nationwide lockdown starting from 25th March, 2020, has caused serious threat to human lives and resulted in reduction in global demand and disruption in supply chain, which has forced the business to restrict the operations in short term. The Company is engaged in Hotel business. The Hotel business is impacted due to COVID-19 since end of February 2020. Though this has impacted only the performance of 4<sup>th</sup> quarter in FY 2019-20, the performance for 2020-21 will be severely impacted due to COVID-19. The company has already initiated action plans including control of fixed overheads to reduce the impact on the profitability.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

40 FINANCIAL INSTRUMENTS

Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31st March, 2020 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	(Amount in Rs.)
					Total Fair Value
<b>ASSETS</b>					
<b>Non - current Assets</b>					
i) Investments	5,000	41,866,637	-	41,871,637	41,871,637
ii) Other Financial Assets	25,407,060	-	-	25,407,060	25,407,060
	<u>25,412,060</u>	<u>41,866,637</u>	<u>-</u>	<u>67,278,697</u>	<u>67,278,697</u>
<b>Current Assets</b>					
i) Trade Receivables	84,456,634	-	-	84,456,634	84,456,634
ii) Cash and Cash Equivalents	4,676,392	-	-	4,676,392	4,676,392
iii) Other Financial Assets	964,475	-	-	964,475	964,475
	<u>90,097,501</u>	<u>-</u>	<u>-</u>	<u>90,097,501</u>	<u>90,097,501</u>
<b>Total</b>	<u>115,509,561</u>	<u>41,866,637</u>	<u>-</u>	<u>157,376,198</u>	<u>157,376,198</u>
<b>LIABILITIES</b>					
<b>Non - current Liabilities</b>					
(i) Borrowings	968,100,000	-	-	968,100,000	968,100,000
	<u>968,100,000</u>	<u>-</u>	<u>-</u>	<u>968,100,000</u>	<u>968,100,000</u>
<b>Current Liabilities</b>					
(i) Borrowings	373,052,966	-	-	373,052,966	373,052,966
(ii) Trade Payables	101,996,063	-	-	101,996,063	101,996,063
(iii) Other Financial Liabilities	380,792,175	-	-	380,792,175	380,792,175
	<u>855,841,205</u>	<u>-</u>	<u>-</u>	<u>855,841,205</u>	<u>855,841,205</u>
	<u>1,823,941,205</u>	<u>-</u>	<u>-</u>	<u>1,823,941,205</u>	<u>1,823,941,205</u>





**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

**40 FINANCIAL INSTRUMENTS (Contd...)**

**Financial Instruments by category**

The carrying value and fair value of financial instruments by categories as on 31st March, 2019 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	(Amount in Rs.)
					Total Fair Value
<b>ASSETS</b>					
<b>Non - current Assets</b>					
i) Investments	10,000	35,512,200	-	35,522,200	35,522,200
ii) Other Financial Assets	28,410,770	-	-	28,410,770	28,410,770
	<u>28,420,770</u>	<u>35,512,200</u>	<u>-</u>	<u>63,932,970</u>	<u>63,932,970</u>
<b>Current Assets</b>					
i) Trade Receivables	113,617,115	-	-	113,617,115	113,617,115
ii) Cash and Cash Equivalents	5,389,670	-	-	5,389,670	5,389,670
iii) Loans	49,400	-	-	49,400	49,400
iv) Other Financial Assets	948,356	-	-	948,356	948,356
	<u>120,004,541</u>	<u>-</u>	<u>-</u>	<u>120,004,541</u>	<u>120,004,541</u>
<b>Total Assets</b>	<u>148,425,311</u>	<u>35,512,200</u>	<u>-</u>	<u>183,937,511</u>	<u>183,937,511</u>
<b>LIABILITIES</b>					
<b>Non - current Liabilities</b>					
i) Borrowings	1,111,500,000	-	-	1,111,500,000	1,111,500,000
ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000	430,000,000
iii) Unsecured Debentures	-	791,650,918	-	791,650,918	791,650,918
	<u>1,541,500,000</u>	<u>791,650,918</u>	<u>-</u>	<u>2,333,150,918</u>	<u>2,333,150,918</u>
<b>Current Liabilities</b>					
(i) Borrowings	375,374,616	-	-	375,374,616	375,374,616
(ii) Trade Payables	73,714,850	-	-	73,714,850	73,714,850
(iii) Other Financial Liabilities	286,300,890	-	-	286,300,890	286,300,890
	<u>735,390,356</u>	<u>-</u>	<u>-</u>	<u>735,390,356</u>	<u>735,390,356</u>
<b>Total</b>	<u>2,276,890,356</u>	<u>791,650,918</u>	<u>-</u>	<u>3,068,541,274</u>	<u>3,068,541,274</u>



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

**41 Fair value hierarchy**

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

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of 31st March, 2020:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>ASSETS</b>				
<b>Non - current Assets</b>				
i) Investments	41,871,637	-	41,866,637	5,000
ii) Other Financial Assets	25,407,060	-	-	25,407,060
	<u>67,278,697</u>	<u>-</u>	<u>41,866,637</u>	<u>25,412,060</u>
<b>Current Assets</b>				
i) Trade Receivables	84,456,634	-	-	84,456,634
ii) Cash and Cash Equivalents	4,676,392	-	-	4,676,392
iii) Other Financial Assets	964,475	-	-	964,475
	<u>90,097,501</u>	<u>-</u>	<u>-</u>	<u>90,097,501</u>
<b>Total</b>	<b>157,376,198</b>	<b>-</b>	<b>41,866,637</b>	<b>115,509,561</b>
<b>LIABILITIES</b>				
<b>Non - current Liabilities</b>				
i) Term Loan	968,100,000	-	-	968,100,000
	<u>968,100,000</u>	<u>-</u>	<u>-</u>	<u>968,100,000</u>
<b>Current Liabilities</b>				
(i) Term Loan	373,052,966	-	-	373,052,966
(ii) Trade Payables	101,996,063	-	-	101,996,063
(iii) Other Financial Liabilities	380,792,175	-	-	380,792,175
	<u>855,841,205</u>	<u>-</u>	<u>-</u>	<u>855,841,205</u>
<b>Total</b>	<b>1,823,941,205</b>	<b>-</b>	<b>-</b>	<b>1,823,941,205</b>



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

**41 Fair value hierarchy (Contd...)**

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of 31st of March 2019

Particulars	Fair Value	(Amount in Rs.)		
		Fair value measurement using		
		Level 1	Level 2	Level 3
<b>ASSETS</b>				
<b>Non - current Assets</b>				
i) Investments	35,522,200	-	35,512,200	10,000
ii) Other Financial Assets	28,410,770	-	-	28,410,770
	<u>63,932,970</u>	<u>-</u>	<u>35,512,200</u>	<u>28,420,770</u>
<b>Current Assets</b>				
i) Trade Receivables	113,617,115	-	-	113,617,115
ii) Cash and Cash Equivalents	5,389,670	-	-	5,389,670
iii) Loans	49,400	-	-	49,400
iv) Other Financial Assets	948,356	-	-	948,356
	<u>120,004,541</u>	<u>-</u>	<u>-</u>	<u>120,004,541</u>
<b>Total</b>	<u>183,937,511</u>	<u>-</u>	<u>35,512,200</u>	<u>148,425,311</u>
<b>LIABILITIES</b>				
<b>Non - current Liabilities</b>				
i) Term Loan	1,111,500,000	-	-	1,111,500,000
ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000
iii) Unsecured Debentures	791,650,918	-	791,650,918	-
	<u>2,333,150,918</u>	<u>-</u>	<u>791,650,918</u>	<u>1,541,500,000</u>
<b>Current Liabilities</b>				
(i) Term Loan	375,374,616	-	-	375,374,616
(ii) Trade Payables	73,714,850	-	-	73,714,850
(iii) Other Financial Liabilities	286,300,890	-	-	286,300,890
	<u>735,390,356</u>	<u>-</u>	<u>-</u>	<u>735,390,356</u>
<b>Total</b>	<u>3,068,541,274</u>	<u>-</u>	<u>791,650,918</u>	<u>2,276,890,356</u>

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

**42 FINANCIAL RISK MANAGEMENT**

**Financial risk factors**

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

**Liquidity risk**

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

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



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

**42 FINANCIAL RISK MANAGEMENT (Contd...)**

The table below provides details regarding the contractual maturities of financial liabilities as of 31st March, 2020

Particulars					Amount in Rs.
	less than 3 months	3 months to 1 year	1 - 5 years	5 to 20 years	Total
Term Loan	-	37,30,52,966	90,55,50,000	6,25,50,000	1,34,11,52,966
Trade payables	-	-	-	-	-
Other Financial Liabilities	-	38,07,92,175	-	-	38,07,92,175

The table below provides details regarding the contractual maturities of financial liabilities as of 31st March, 2019:

Particulars					Amount in Rs.
	less than 3 months	3 months to 1 year	1 - 5 years	5 to 20 years	Total
Term Loan	-	37,53,74,616	79,87,50,000	31,27,50,000	1,48,68,74,616
12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	-	-	-	43,00,00,000	43,00,00,000
Unsecured Debentures	-	-	-	79,16,50,918	79,16,50,918
Trade payables	-	-	-	-	-
Other Financial Liabilities	-	28,63,00,890	-	-	28,63,00,890

**Credit Risk**

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

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

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

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

Particulars	Amount in Rs.	
	31st March 2020	31st March 2019
Investments	4,18,71,637	3,55,22,200
Trade Receivables	8,44,56,634	11,36,17,115
Cash & cash equivalents	46,76,392	53,89,670
Loans	-	49,400
Other Financial Assets	2,63,71,535	2,93,59,126

**43 CAPITAL MANAGEMENT**

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

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

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

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

Gearing Ratio is as follows :

Particulars	Amount in Rs.	
	31st March 2020	31st March 2019
Net debt	96,81,00,000	2,33,31,50,918
Total net debt and equity	4,69,74,89,175	5,04,96,58,139
Gearing Ratio	20.61%	46.20%

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





## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

#### 44. C. I. F. Value of Capital Goods imported

Particulars	Year Ended 31 <sup>st</sup> March,2020	Year Ended 31 <sup>st</sup> March,2019
	Rs.	Rs.
C.I.F. Value of Capital Goods Imported	9,24,455	-

#### 45. Expenditure in Foreign Currency:-

Expenditure	Year Ended 31 <sup>st</sup> March,2020	Year Ended 31 <sup>st</sup> March,2019
	Rs.	Rs.
Fees for Technical Services	1,54,22,625	91,15,096
Travelling Expenses	-	2,38,555
Commission	2,47,61,425	2,69,21,806
Management Fee	2,33,93,469	32,730,031
Business Promotion & Advertisement	46,42,720	-
Professional & Consultancy	4,90,985	-
Others	4,59,453	250,075

46. Pursuant to Sections 230 and 232 of the Companies Act, 2013 the Board of Directors of the Company (RHPL) have approved a Scheme of Arrangement on 10th February, 2017 for (1) demerger of the investment division (Demerged Undertaking) of its holding company GJS Hotels Limited (GJS) for merger with Asian Hotels (East) Limited AHEL (the holding company of GJS) and (2) to reorganise the Share Capital and Debentures of RHPL with effect from the Appointed Date, being close of business hours on 31st March, 2016. The said scheme was approved by the Hon'ble National Company Law Tribunal (NCLT) Kolkata & Chennai Bench vide orders dated 6<sup>th</sup> February 2019 and 24<sup>th</sup> June 2019 respectively.

As per the sanction order of the scheme, all the preference shares and debentures of the company has been converted into equity shares. Also, consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all shares held by GJS in RHPL stand transferred to AHEL and RHPL has become a wholly owned subsidiary of AHEL.



## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

The accounting of this arrangement was done as per the Scheme and the same has been given effect to in the financial statements as under:

- a) Consequent to demerger of demerged undertaking of GJSHL to AHEL in terms of the Scheme, AHEL become the holder of all Preference Shares and Debentures of the Company.
- b) All shares held by GJSHL in the Company stand transferred to AHEL.
- c) Authorised Share Capital of the Company reorganized and increased to Rs. 2,25,00,00,000/- divided into 22,50,00,000 Equity Shares of Rs. 10/- each and Clause V (Capital Clause) of the Memorandum of Association altered accordingly.
- d) 43,00,000 12% Cumulative Redeemable Preference Shares of Rs. 100/- each (Specified Preference Shares) converted into 3,20,35,000 Equity Shares of Rs. 20/- each (Face value of Rs.10/- each & premium of Rs. 10/- each).
- e) 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs. 100/- each (Specified Debentures) converted into 3,79,75,000 Equity Shares of Rs. 20/- each (Face value of Rs.10/- each & premium of Rs. 10/- each).
- f) The above equity shares have been allotted to AHEL in full and final satisfaction of all claims in respect of Specified Preference Shares and Specified Debentures including in lieu of the amount paid up thereon and all arrears of dividends and interest thereon.
- g) Consequent to conversion of Specified Preference Shares and Specified Debentures balance sum of Rs. 57,98,00,000 had been credited to Business Reconstruction Reserve Account. Which is adjusted against Capital Reserve of the Company as per the Scheme.

#### 47. Earnings Per Share

<u>Numerator</u>		
Profit/(Loss) for the year (Rs.)	(20,81,16,492)	(22,60,39,318)
<u>Denominator</u>		
Weighted average number of Equity Shares	22,41,83,829	22,41,83,829
Face Value per Share (Rs.)	10	10
<b>Earnings Per Share (Rs.)</b>		
-Basic	(0.93)	(1.01)
-Diluted	(0.93)	(1.01)

EPS of the previous period re-instated accordance with the approved scheme.



## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

48. The company in pursuance of RBI circular DOR.No.BP.BC.47/ 21.04.048/2019-20 dated March 27, 2020 & Circular DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 giving relief to the Term Loan borrower across the nation on account of COVID-19 has opted for moratorium of interest and principal payments on the term loan taken from HDFC Limited which become due during March 2020 to August 2020.
49. The Board of Directors approved a Scheme of Arrangement, Demerger and Reduction of Capital between the Company and its holding Company, Asian Hotels (East) Limited (AHEL) and their respective shareholders and creditors under sections 230-232 and 66 of the Companies Act, 2013 (the Scheme) for inter alia:
- (i) demerger and transfer of the undertaking, business, activities and operations of AHEL pertaining to 'Securities Trading Unit' comprising of treasury/liquid investments from AHEL into the Company, as a going concern in compliance with Section 2(19AA) of Income Tax Act, 1961;
  - (ii) capitalization of reserves of the AHEL and issuance and allotment of fully paid-up bonus equity shares having face value of Rs. 10 (Indian rupees ten) by AHEL to its equity shareholders (as of the Record Date), in the ratio 2:1 that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10/- (Ten) each for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 /- (Ten) each held by a shareholder of AHEL as of the Record Date;
  - (iii) reorganization and reduction of shares of the Company held by AHEL (without any consideration) with 'Appointed Date' being the same as the Effective date or such other date as may be modified/fixed by the Tribunals; and
  - (iv) upon effectiveness of the Scheme the Company shall issue & allot 1(one) fully paid-up equity share of the Company having a face value of Rs. 10/- each for every 1 (one) fully paid-up equity share of the AHEL having a face value of Rs. 10/- held by a shareholder of AHEL as on the Record Date (as determined in terms of the Scheme and the 2013 Act) and the shares of the Company shall be listed and admitted for trading on all the stock exchanges where the equity shares of AHEL are listed.

AHEL has received Observation Letters from National stock Exchange of India Ltd (NSE) and BSE Limited (BSE) vide their letters dated 21.05.2020 so as to file the Scheme with the Hon'ble National Company Law Tribunal Benches, Kolkata & Chennai.



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

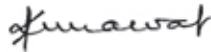
50. Derivative instruments and foreign currency exposures

- a. Foreign currency exposure outstanding as at the Balance Sheet date is Rs. 8,05,20,455/- (previous year Rs. 5,81,07,813)
- b. Particulars of un-hedged foreign currency exposures as at the Balance Sheet date is NIL (previous year NIL)

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

Signature to Notes 1 to 51

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



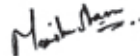
(Pankaj Lunawat )  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD



Director



Company Secretary



Director



Vice President &  
Chief Financial Officer



**ROBUST HOTELS PRIVATE LIMITED**  
**HYATT REGENCY CHENNAI, 365 ANNA SALAI, TEYNAMPET, CHENNAI - 600 018**

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER 2020**

(Rs. in lakhs, except share and per share data)

Particulars	STANDALONE					
	Quarter Ended			Half Year Ended		Year Ended
	30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
<b>A</b> Occupancy%	23.22%	18.08%	78.30%	20.67%	74.40%	68.2%
<b>B</b> Average Room rent (ARR)	2,368	3,209	5,345	2,734	5,346	5,400
<b>1</b> Revenue from Operations	287.76	284.39	2,616.75	572.15	4,933.38	9,276.99
<b>2</b> Other Income	124.56	21.40	11.24	145.96	23.14	351.42
<b>3</b> Total Income (1+2)	<b>412.32</b>	<b>305.79</b>	<b>2,627.99</b>	<b>718.11</b>	<b>4,956.52</b>	<b>9,628.41</b>
<b>4</b> Expenses						
a) Cost of Materials Consumed	34.59	20.02	301.11	54.61	576.36	1,146.80
b) Employee Benefits Expense	166.47	214.95	452.86	381.42	895.95	1,787.47
c) Finance Costs	399.66	373.14	400.47	772.80	801.14	1,574.55
d) Depreciation and Amortisation Expense	396.73	448.43	578.20	845.16	1,153.26	2,301.84
e) Fuel, Power & Light	68.94	66.07	235.81	135.01	465.25	856.21
f) Repairs, Maintenance & Refurbishing	31.47	32.10	121.85	63.57	237.93	444.80
g) Operating and General Expenses	161.87	158.07	955.34	319.94	1,992.65	3,644.41
<b>Total Expenses</b>	<b>1,259.73</b>	<b>1,312.78</b>	<b>3,045.64</b>	<b>2,572.51</b>	<b>6,122.54</b>	<b>11,756.07</b>
<b>5</b> Profit from operations before exceptional items and tax (3-4)	(847.41)	(1,006.99)	(417.64)	(1,854.40)	(1,166.02)	(2,127.66)
<b>6</b> Exceptional Item	-	-	(46.50)	-	(46.50)	(46.50)
<b>7</b> Profit/(Loss) from ordinary activities before tax (5-6)	(847.41)	(1,006.99)	(417.64)	(1,854.40)	(1,119.52)	(2,081.16)
<b>8</b> Tax Expense						
a) Current Tax	-	-	-	-	-	-
b) Deferred Tax	-	-	-	-	-	-
<b>9</b> Net Profit/(Loss) for the period/year (7-8)	(847.41)	(1,006.99)	(417.64)	(1,854.40)	(1,119.52)	(2,081.16)
<b>10</b> Other Comprehensive Income						
A. i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(6.52)
ii) Income tax relating to items that will not be reclassified to profit or loss						
B. i) Items that will be reclassified to profit or loss						
ii) Income tax relating to items that will be reclassified to profit or loss						
<b>11</b> Total Comprehensive Income for the period/year (9+10)	(847.41)	(1,006.99)	(417.64)	(1,854.40)	(1,119.52)	(2,087.69)
<b>12</b> Paid-up Equity Share Capital (Face Value Rs. 10/-)	2,241,838,290	2,241,838,290	2,241,838,290	2,241,838,290	2,241,838,290	2,241,838,290
<b>13</b> Reserves excluding Revaluation Reserves						1,487,550,885
<b>14</b> Basic Earnings per Share (in Rs.)	(0.38)	(0.45)	(0.19)	(0.83)	(0.50)	(0.93)
<b>15</b> Diluted Earning Per Share (in Rs.)	(0.38)	(0.45)	(0.19)	(0.83)	(0.50)	(0.93)

**Notes:**

- The above unaudited financial results for the quarter ended 30th September 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 09.11.2020.
- The limited review of the financial results for the quarter ended 30th September, 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors. The limited review report contains unmodified opinion.
- The financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

*Ullas Nair*

- 4 The Board of Directors approved a Scheme of Arrangement, Demerger and Reduction of Capital between the Company and its holding Company, Asian Hotels (East) Limited (AHEL) and their respective shareholders and creditors under sections 230-232 and 66 of the Companies Act, 2013. AHEL has received Observation Letters from National stock Exchange of India Ltd (NSE) and BSE Limited (BSE) vide their letters dated 21.05.2020 so as to file the Scheme with the Hon'ble National Company Law Tribunal Benches, Kolkata & Chennai. On 25th August, the Company instituted the scheme application with the Hon'ble NCLT, Chennai Bench through mail. An urgency application was also been filed on 17th September, 2020 where RHPL has prayed before the Tribunal to list the above matter urgently and thereafter complied with the other conditions as prescribed by the Tribunal in this regard. The urgency application was listed before the Tribunal on 12th October, 2020 wherein the Bench allowed the urgency application and reserved its order. The order is still awaited.
- 5 The outbreak of Coronavirus (COVID-19) globally and in India has impacted business and economic activities in general. The spread of COVID-19, along with nationwide lockdown starting from 25th March, 2020, has caused serious threat to human lives and resulted in reduction in global demand and disruption in supply chain, which has forced the business to restrict the operations in short term. The Company is engaged in Hotel business. Hotel business is impacted due to COVID-19 since end of February 2020. The performance for 2020-21 will be severely impacted due to COVID-19. The company has already initiated action plans including control of fixed overheads to reduce the impact on the profitability. Also, the company in pursuance of RBI circular DOR.No.BP.BC.47/ 21.04.048/2019-20 dated March 27, 2020 & Circular DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 giving relief to the Term Loan borrower across the nation on account of COVID-19 has opted for moratorium of interest and principal payments on the term loan taken from HDFC Limited which become due during March 2020 to August 2020.
- 6 Figures for the previous periods have been re-grouped/re-arranged wherever found necessary.

Kolkata  
Date: 09.11.2020

By Order of the Board of Directors  
For Robust Hotels Private Limited



Director

**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. In Lakhs)

Sl. No.	Particulars	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current Assets</b>		
	a) Property, Plant and Equipment	50,878.05	51,706.94
	b) Other Intangible Assets	62.55	56.22
	c) Financial Assets		
	i) Investment	321.60	418.72
	ii) Other Financial Assets	232.35	254.07
	d) Other non-current assets	1,512.00	1,512.00
	<b>Total - Non-current assets</b>	<b>53,006.56</b>	<b>53,947.95</b>
<b>2</b>	<b>Current assets</b>		
	a) Inventories	118.35	123.75
	b) Financial Assets		
	i) Trade receivables	537.88	844.57
	ii) Cash and Cash Equivalents	60.69	46.76
	iii) Loans	-	-
	iv) Other Financial Assets	3.70	9.64
	c) Current Tax Assets	617.49	704.61
	d) Other current assets	205.08	281.62
	<b>Total - Current assets</b>	<b>1,543.19</b>	<b>2,010.95</b>
	<b>TOTAL - ASSETS</b>	<b>54,549.74</b>	<b>55,958.90</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	a) Equity Share Capital	22,418.38	22,418.38
	b) Other Equity	13,021.11	14,875.51
	<b>Total-Equity</b>	<b>35,439.49</b>	<b>37,293.89</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	a) Financial Liabilities		
	Borrowings	10,356.46	9,681.00
	b) Provisions	80.13	99.06
	<b>Total - Non-current liabilities</b>	<b>10,436.60</b>	<b>9,780.06</b>
<b>3</b>	<b>Current Liabilities</b>		
	a) Financial Liabilities		
	i) Borrowings	3,791.92	3,730.53
	ii) Trade Payables	-	-
	total outstanding dues of micro enterprises and small enterprises	206.33	226.94
	total outstanding dues of creditors other than micro enterprises and small enterprises	834.28	660.72
	iii) Other Financial Liabilities	3,642.19	3,945.04
	b) Other Current Liabilities	198.41	321.13
	c) Provisions	0.53	0.60
	<b>Total - Current liabilities</b>	<b>8,673.66</b>	<b>8,884.95</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>54,549.74</b>	<b>55,958.90</b>

By order of the Board of Directors  
For Robust Hotels Private Limited

  
Director

Kolkata  
09.11.2020

**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020 (As per IndAS)**

(Amount in Rs.)

Particulars	Period ended 30th September, 2020	Year Ended 31st March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	(185,440,319)	(208,116,492)
Adjustment for :		
Depreciation/amortization	84,515,888	230,183,675
Loss/(profit) on sale of fixed assets	-	46,970,492
Interest Expense on Borrowings	67,929,506	138,595,308
Provision for Gratuity	131,107	2,676,998
Provision for Leave Encashment	199,305	1,645,892
Interest income	(317,797)	(1,316,100)
Interest on Debentures	-	(4,650,000)
Sundry balances written back (net)	-	-
Difference in Fair value of Investment in Maple Renewable Power Private Ltd & Iris Ecopower Venture Private Ltd	6,991,666	(4,630,437)
Interest on Debentures and Preference Shares	-	-
<b>Operating profit before working capital changes</b>	<b>(25,990,646)</b>	<b>201,359,335</b>
Movements in working capital :		
Increase/(decrease) in trade payables in Financial Liabilities	15,295,578	28,281,213
Increase/(decrease) in other current liabilities	(6,977)	(11,575,787)
Increase/(decrease) in other current financial liabilities	(30,285,116)	38,241,285
Increase/(decrease) in non current provisions	(2,222,840)	(3,186,672)
Increase/(decrease) in current provisions	(12,271,050)	1,852
Decrease/(increase) in trade receivables in Financial Assets	30,668,971	29,160,481
Decrease/(increase) in inventories in Current Assets	539,812	(4,034,972)
Decrease / (increase) in other Financial Assets	2,171,596	3,003,710
Decrease / (increase) in other Financial Assets under current asset	594,418	(16,119)
Decrease / (increase) in loans in Financial Assets	-	49,400
Decrease / (increase) in other Current Assets	7,653,892	7,985,481
Decrease / (increase) in other Non current asset	-	330,424
<b>Cash generated from/(used in) operations</b>	<b>(13,852,361)</b>	<b>289,599,631</b>
Less: Direct taxes paid (net of refunds)	(8,711,904)	10,646,791
<b>Net cash flow from/(used in) Operating Activities (A)</b>	<b>(5,140,458)</b>	<b>278,952,840</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,259,794)	(58,402,761)
Proceeds from sale of fixed assets	-	2,556,500
Purchase of current investments	-	(1,724,000)
Sale of current Investments	2,720,000	-
Purchase of National Saving Certificates	-	(5,000)
Sale of National Saving Certificates	-	10,000
Interest received	317,797	1,316,100
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>778,003</b>	<b>(56,249,161)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	67,516,236	(87,150,000)
Proceeds from Short Term Borrowings - CC	14,138,811	(11,321,650)
Proceeds from Short Term Borrowings - Unsecured Loan	(8,000,000)	9,000,000
Interest paid on borrowings	(67,929,506)	(138,595,308)
Interest paid on Debentures	-	4,650,000
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>5,755,542</b>	<b>(223,416,958)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>1,393,087</b>	<b>(713,279)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>4,676,392</b>	<b>5,389,670</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>6,069,479</b>	<b>4,676,392</b>

By order of the Board of Directors  
For Robust Hotels Private Limited

  
Director

Kolkata  
09.11.2020