

POSTAL BALLOT FORM

1. Name(s) of Member(s) including joint holders, if any : _____

2. Registered address of the sole / first named Member : _____

3. DP ID No. & Client ID No.* / Registered Folio No.** : _____
[* Applicable to Members holding shares in dematerialized form
**Applicable to Members holding shares in certificate form]

4. No. of Ordinary Shares held : _____

5. I / We hereby exercise my / our vote in respect of the following Resolutions to be passed through Postal Ballot and e-voting, by conveying my / our assent or dissent to the said Resolutions by placing tick mark in the appropriate box below :

Item No.	Brief Description of the Resolution	No. of Ordinary Shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Special Resolution for Approval of Reclassification of Authorised Share Capital.			
2.	Special Resolution for Approval of alteration in Memorandum of Association of the Company.			
3.	Special Resolution for Approval of alteration in Articles of Association of the Company.			
4.	Special Resolution for Approval of Issue of 10% Cumulative Non-Convertible Redeemable Preference Shares on Right Basis.			

Place :
Date :

Signature of Member

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password
As per instruction kit attached with the Postal Ballot Notice		

Note : Please read the instructions printed overleaf carefully before filling this Form and for e-voting, please refer to the instructions provided in the Postal Ballot Notice. E-voting will commence at 9.00 a.m. on 22nd May, 2019 and will end at 5.00 p.m. on 20th June, 2019.

INSTRUCTIONS

- (a) Members desiring to exercise vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the **Scrutinizer, Mr. Martinho Ferrao**, to the registered office of the Company at 401, Chartered House, 93/299, Dr. C H Street., Near Marine Lines Church, Mumbai 400002 or to the office of the Scrutinizer situated at Level 3, Office 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001 not later than by 5.00 p.m. (IST) on Thursday, June 20, 2019. The envelopes containing Postal Ballot Forms shall be sent by courier or registered / speed post or deposited personally at the address mentioned, at the expense of the Members. Expense bear by the Members will be reimbursed by the Company by appropriate means as decided by board, upon providing the evidence to the satisfactory of the Company for the same.
- (b) **The Shareholders are requested to fill in the details in the Postal Ballot Form i.e. the Name, Address, DP ID No. & Client ID No. / Registered Folio No. and the No. of ordinary shares held by them before sending the form.**
- (c) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his / her absence by the next named Member.
- (d) Assent must be accorded by placing a tick mark in the column 'I / We assent to the Resolution (FOR)' or dissent must be accorded by placing a tick mark in the column 'I / We dissent to the Resolution (AGAINST)'.
- (e) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / appropriate authorization, with the specimen signature (s) of the authorised signatory(ies) duly attested.
- (f) The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in the dematerialized form or in the certificate form, respectively. Unsigned Postal Ballot Forms will be considered invalid.
- (g) Postal Ballot Forms which are incomplete, defaced, torn, mutilated or defective in any other manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- (h) Members seeking duplicate Postal Ballot Forms should write to the Secretarial Department, Best Eastern Hotels Limited, 401, Chartered House, 93/299, Dr. C H Street, Near Marine Lines Church, Mumbai – 400002 or download the Postal Ballot Form from the Company's website, www.ushaascot.com or from the website of NSDL, www.evoting.nsdl.com.
- (i) Members are requested not to send any other paper along with this Postal Ballot Form.

Completed Postal Ballot Forms, as stated above, should reach the Scrutinizer no later than 5:00 P.M. on 20th June, 2019. Postal Ballot Forms received after this date will not be considered.

GENERAL INFORMATION

- (1) One Postal Ballot Form is being sent for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (2) **Members can opt for only one mode of voting i.e. either Postal Ballot or e-voting.** In case any Member votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid.
- (3) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member on **May 17, 2019**, being the cut-off date.

POSTAL BALLOT NOTICE

Dear Members,

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended from time to time that the resolutions appended below are proposed to be passed by the Members of Best Eastern Hotels Limited (the "Company") by way of Postal Ballot including voting by electronic means ("e-voting"):

1. Approval of Reclassification of Authorised Share Capital.
2. Approval for alteration in Memorandum of Association of the Company.
3. Approval for alteration in Articles of Association of the Company.
4. Approval of Issue of 10% Cumulative Non-Convertible Redeemable Preference Shares on Right Basis.

An Explanatory Statement pursuant to Section 102 of the Act and other applicable provisions of the Act, pertaining to the resolution setting out the material facts and the reasons thereof, is appended along with a postal ballot form ("Postal Ballot Form"). Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company, at its meeting held on May 20, 2019, has appointed Mr. Martinho Paul Ferrao of M/s. Martinho Ferrao and Associates, Practising Company Secretaries (Membership No. FCS 6221) as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

The Members are requested to carefully read the instructions indicated in the Notice and printed overleaf of the Postal Ballot Form and record their assent (for) or dissent (against) in the Postal Ballot Form and return the same, in original duly completed and signed, to the registered office of the Company situated at 401, Chartered House, 93/299, Dr. C H street., Near Marine Lines Church, Mumbai 400002 or to the office of the Scrutinizer situated at Level 3, Office 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001, so as to reach the Scrutinizer, on or before 5.00 P.M. (IST) on Thursday, June 20, 2019. Postal Ballot Forms received after that date will be strictly treated as if a reply from such Member has not been received.

In compliance with the provision of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also offering facility of e-voting to all its members to enable them to cast their votes electronically. Members are requested to follow the procedure as stated in the notes and printed overleaf of the Postal Ballot Form for casting of votes by e-voting.

Upon completion of the scrutiny of the Postal Ballot Forms and votes cast through e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman or any person authorized by him. The results of the Postal Ballot will be announced not later than 48 hours of conclusion of the voting through Postal Ballot. The said results would be displayed at the Registered Office of the Company, intimated to Bombay Stock Exchange Limited where the shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.ushaascot.com and on the website of National Securities Depository Limited (NSDL) www.evoting.nsdl.com.

RESOLUTIONS:

Item No. 1 – Reclassification of Authorised Share Capital to enable right issue of Redeemable Preference Shares.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for reclassification of the Authorised Share Capital of the Company from Rs. 6,00,00,000/- (Rupees six crores only) divided into 4,80,00,000 (Four crores and eighty lakhs only) equity shares of Rs. 1/- (Rupee one only) each and 12,00,000 (Twelve Lakhs) Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each to Rs. 6,00,00,000/- (Rupees six crores only) divided into 3,60,00,000 (Three crores and Sixty lakhs only) equity shares of Rs. 1/- (Rupee one only) each and 24,00,000 (Twenty four lakhs) Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution."

Item No. 2 - Alteration of Clause 5 of Memorandum of Association to reflect the reclassification of the authorized share capital proposed under Item no. 1 for the right issue of redeemable preference shares.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013, Clause 5 of the Memorandum of Association of the Company be and is hereby amended by the following:

(a) The Authorized Share Capital of the Company is Rs. 6,00,00,000/- (Rupees six crores only) divided into 3,60,00,000 (Three crores and Sixty lakhs only) equity shares of Rs. 1/- (Rupee one only) each and 24,00,000 (Twenty four lakhs) Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each with power to increase or reduce the capital. The shares forming the capital (original, increased or reduced) of the company may be sub-divided or consolidated or divided into such classes with any preferential, deferred, qualified, special or other rights, privileges or conditions, attached thereto and be held upon such terms as may be prescribed by the Articles of the Association and regulations of the company for the time being or otherwise.

(b) The Paid up Capital of the Company shall be minimum of Rs. 5,00,000/- (Rupees. Five Lakhs).

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution.”

Item No. 3 - Alteration of Clause 3 of Articles of Association to reflect the reclassification of the authorized share capital proposed under Item no. 1 for the right issue of redeemable preference shares.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 14 and 61 and other applicable provisions of the Companies Act, 2013, Clause 3 of the Article of Association of the Company be and is hereby amended by the following:

3. The Authorized Share Capital of the Company shall be as per Clause 5 (a) of Memorandum of Association of the Company. The Paid up Capital of the Company shall be minimum of Rs. 5,00,000/- (Rupees. Five Lakhs). .

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution.”

Item No. 4 – Issue of 10% Cumulative Non-Convertible Redeemable Preference Shares on Right Basis.

To consider and, if thought fit, to pass the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 55 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Share Capital and Debentures) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and subject to all applicable laws may be necessary and in accordance with the Memorandum and Articles of Association of the Company, consent of the shareholders be and is hereby accorded to offer, issue and allot 10% Cumulative Non-Convertible Redeemable Preference Shares (CNCRPS) to the extent of Rs. 1,20,00,000/- (Rupees One Crore Twenty Lakhs Only) divided into 12,00,000 (Twelve lakhs only) Preference shares of Rs.10/- each (Rupees Ten only), forming part of the authorised capital of the Company and be offered and issued to existing Preference Shareholders, in the ratio of 1:1 (One preference share for every one preference share held) on right basis, as identified by the Board of Directors, on such terms and conditions and manner as may be decided by the Board of Directors and/or Committee of the Board duly constituted and authorized (hereinafter referred to as “Board”), in its absolute discretion in the best interest of the Company for the purpose of redeeming the existing 12,00,000 (Twelve Lakhs only) 12% Non-Cumulative Redeemable Preference Shares (NCRPS) of Rs. 10 each, and on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening the meeting.”

“**RESOLVED FURTHER THAT** in accordance with the provisions of Section 43 of the Companies Act, 2013 and Companies (Share capital and Debentures) Rules, 2014:

- i) The CNCRPS shall be non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid;
- ii) The CNCRPS shall carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital;
- iii) The CNCRPS shall have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013.
- iv) The payment of dividend shall be on cumulative basis for the CNCRPS.
- v) The CNCRPS shall be Non-convertible.
- vi) The CNCRPS shall be redeemable on or before completion of 20 years from the date of allotment at par on the Face Value of the preference shares as per the terms and conditions decided between the Shareholders and the Company.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary or desirable and pay any fees and incur expenses in relation thereto to give, from time to time, such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto or as the Board in its absolute discretion may think fit.”

For and on behalf of Board of Directors
of Best Eastern Hotels Limited

Sd/-
Dilip Kothari
Managing Director
(DIN: 00011043)

Date: 20.05.2019
Place: Mumbai

NOTES

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (“Act”) setting out material facts relating to the proposed resolution is annexed hereto.
2. This Notice along with the Postal Ballot Form is being sent by electronic mode to those Members, whose e-mail addresses are registered with the Company/ Depositories, unless any Member has registered for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent to them by the permitted mode. Members may note that this Notice will be available on the Company’s website, www.ushaascot.com and on the website of National Securities Depository Limited (NSDL) www.evoting.nsdl.com.
3. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, May 17, 2019 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by Postal Ballot or e-voting.
4. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide voting by electronic means (“e-voting”) facility to the Members, to enable them to cast their votes electronically. The Company has engaged the services of NSDL to provide e-voting facility to its Members.
5. Members can opt for only one mode of voting i.e. either Postal Ballot Form or e-voting. In case any Member cast his votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot Form shall be considered invalid.
6. The Resolution, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Form or e-voting i.e. Thursday, June 20, 2019.
7. A member cannot exercise his vote by proxy on Postal Ballot.
8. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed overleaf on the Postal Ballot Form and return the said Form duly completed and signed, to the registered office of the Company situated at 401, Chartered House, 93/299, Dr. C H street., Near Marine Lines Church, Mumbai 400002 or to the office of the Scrutinizer situated at Level 3, Office 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001, so that it reaches the Scrutinizer not later than by 5.00 p.m. (IST) on Thursday, June 20, 2019. The envelopes containing Postal Ballot Forms shall be sent by courier or registered / speed post or deposited personally at the address mentioned, at the expense of the Members. Expense bear by the Members will be reimbursed by the Company by appropriate means as decided by board, upon providing the evidence to the satisfactory of the Company for the same. If any Postal Ballot Form is received after 5.00 p.m. (IST) on Thursday, June 20, 2019, it will be considered that no reply from the Member has been received. Additionally, please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/ or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/ or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolution set out herein or imposed any condition while exercising his vote.
9. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Physical Form may download the Postal Ballot Form attached in the e-mail or from the link www.evoting.nsdl.com or from the Company’s website www.ushaascot.com and send the duly completed and signed Postal Ballot Form to the Scrutinizer so as to reach on or before 5:00 P.M. (IST) Thursday, June 20, 2019.

10. In case a Member is desirous of obtaining duplicate Postal Ballot Form, the Member may write to the Company at its registered office or download the Postal Ballot Form from the Company's website, www.ushaascot.com or from the website of NSDL, www.evoting.nsdl.com.
11. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any other officer of the Company duly authorized and will be displayed on the website of the Company (www.ushaascot.com), besides being communicated to the stock exchanges, depository, registrar and share transfer agent on the said date.

e-Voting Process

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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 enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat 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 and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, kindly write us on dvk@ushaascot.com or contact to the Company on 022-22078191 or call on a toll free no.: 1800-222-990 to NSDL or send a request at evoting@nsdl.co.in.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

For and on behalf of Board of Directors
of Best Eastern Hotels Limited

Sd/-
Dilip Kothari
Managing Director
(DIN: 00011043)

Registered Office: 401, Chartered House, 93/299,
Dr. C H street, Near Marine Lines Church,
Mumbai 400002

Date: 20.05.2019
Place: Mumbai

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item Nos. 1, 2 and 3

The Board in its meeting held on May 20, 2019 proposed to reclassify the Authorised Share Capital of the Company from Rs. 6,00,00,000/- (Rupees six crores only) divided into 4,80,00,000 (Four crores and eighty lakhs only) equity shares of Rs. 1/- (Rupee one only) each and 12,00,000 (Twelve Lakhs) Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each to Rs. 6,00,00,000/- (Rupees six crores only) divided into 3,60,00,000 (Three crores and Sixty lakhs only) equity shares of Rs. 1/- (Rupee one only) each and 24,00,000 (Twenty four lakhs) Redeemable Preference Shares of Rs. 10/- (Rupees ten only) each as the Board has approved the issue of 12,00,000 10% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each (at par, to the existing preference shareholders in the ratio of 1:1 (One preference share for every one preference share held) on right basis.

The above right issue is approved by the Board to facilitate redemption of existing 12,00,000 12% Non – Cumulative Redeemable Preference Shares of Rs. 10/- each, to be redeemed on or before 27th June, 2019.

The Board seeks shareholder's approval for making alterations in Memorandum of Association and Articles of Association to re-classify the Authorised Share Capital of the Company.

No director, key managerial personnel or their relatives are directly or indirectly concerned or interested in the resolutions at Item nos. 1, 2 and 3 of the Notice except to the extent of their shareholding. The Board recommends the resolutions set forth in Item nos. 1, 2 and 3 for the approval of the members.

Item No. 4

The Company had issued 12,00,000 (Twelve Lakhs Only) 12% Non-Cumulative Redeemable Preference Shares (NCRPS) of Rs.10/- amounting to Rs. 1,20,00,000 (Rupees One Crore Twenty Lakhs Only) due for redemption on 27th June, 2019.

In terms of Section 55 of the Companies Act, 2013 and Clause 7 (a) of the Articles of Association of the Company, no preference shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption. Therefore, the Board approved the issue of 10% Cumulative Non-Convertible Redeemable Preference Shares (CNCRPS) on Rights Basis to the existing Preference Shareholders of the Company.

Section 55 of the Act read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 framed there under, inter alia, requires a company to obtain the approval of the members, by way of a Special Resolution for issuance of preference shares.

Accordingly, the approval of the members is being sought, by way of a Special Resolution, to offer and issue of CNCRPS on Rights Basis.

Disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of the CNCRPS are as under:

(a)	the size of the issue and number of preference shares to be issued and nominal value of each share	Rs.1,20,00,000/- (Rupees One Crore Twenty Lakhs Only) divided into 12,00,000 (Twelve lakhs only) Preference shares of Rs.10/- each (Rupees Ten only)
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(b)	the nature of such shares, i.e. cumulative or non-cumulative, participating or non-participating, convertible or non-convertible	Cumulative, Non-Convertible and Redeemable
(c)	the objectives of the issue	Redemption of existing 12,00,000 Preference Shares of Rs. 10 each, by utilizing the proceeds of fresh issue of Preference Shares as per Companies Act, 2013.
(d)	the manner of issue of shares	Offer on Right Basis
(e)	the price at which such shares are proposed to be issued	The preference shares are proposed to be issued at the face value of Rs.10/- per share.
(f)	the basis on which the price has been arrived at	The price has been arrived after considering the terms of redemption.
(g)	the terms of issue, including terms and rate of dividend on each share, etc.	The proposed Preference shares shall be issued to existing Preference Shareholders, in the ratio of 1:1 (One preference share for every one preference share held) on right basis. The rate of dividend shall be 10 % from the date of allotment. The preference shares shall be Cumulative and Non-Convertible. The preference shares shall have voting rights as per Section 47(2) of the Companies Act, 2013.
(h)	the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	The proposed preference shares shall be redeemable on or before completion of 20 years from the date of allotment at par on the Face Value of the preference shares as per the terms and conditions decided between the Shareholders and the Company.
(i)	the manner and modes of redemption / conversion	The proposed preference shares shall be redeemed in accordance with the provisions of Companies Act, 2013 read with relevant rules as amended from time to time
(j)	the expected dilution in equity share upon conversion of preference shares	Not applicable since the proposed preference shares to be issued are non-convertible.

(k) The current shareholding pattern of the Company:

(i) Equity Shareholding pattern as on 17.05.2019

	Category of Shareholders	No. of Equity Shares of Rs. 1/- each	Percentage of Shareholding
(A)	Promoters		
(1)	Indian		
a)	Individual / HUF		
	Neelam Kothari	6,00,000	3.561
	Dilip Kothari	21,90,530	13.000
	Meena Kothari	42,50,000	25.223
	Vinaychand Kothari	43,46,970	25.798
b)	Central Government	-	-
c)	State Government(s)	-	-
d)	Bodies Corporate		
	Vandeep Impex LLP (formerly known as Vandeep Holdings Private Limited)	12,50,000	7.418
e)	Banks/ Financial Institutions	-	-
f)	Any Other (Specify)	-	-
	Sub- Total (A)(1)	1,26,37,500	75.00
(2)	Foreign		
a)	NRI s - Individuals	-	-
b)	Other - Individuals	-	-
c)	Bodies Corporate	-	-
d)	Banks/ Financial Institutions	-	-
e)	Any Other	-	-
	Sub- Total (A)(2)	-	-
	Total shareholding of Promoters (A) = (A)(1)+(A)(2)	1,26,37,500	75.00
(B)	Public shareholding	42,12,500	25.00
	Grand Total (A+B)	1,68,50,000	100.00

(ii) Preference Shareholding Pattern as on 17.05.2019:

S. No.	Name of the Shareholder	No. of Equity Shares of Rs. 1/- each	Percentage of Shareholding
1.	Mr. Vinaychand Kothari Joint with Mrs. Meena V. Kothari	4,10,000	34.17
2.	Mrs. Meena V. Kothari Joint with Mr. Vinaychand Kothari	5,52,500	46.04
3.	Mr. Dilip V. Kothari Joint with Mrs. Meena V. Kothari	2,37,500	19.79

Accordingly, the Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

Except Mr. Dilip Kothari (Managing Director), Vinaychand Kothari (Joint Managing Director) and Meena Kothari (Promoter) and their relatives, none other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding interest, if any, in the Company, set out at Item No. 4 of the Notice.

For and on behalf of Board of Directors
of Best Eastern Hotels Limited

Sd/-

Dilip Kothari

Director

(DIN: 00011043)

Registered Office: 401, Chartered House, 93/299,
Dr. C H street., Near Marine Lines Church,
Mumbai 400002

Date: 20.05.2019

Place: Mumbai