

PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS

ROBUST HOTELS LIMITED (Formerly Known as Robust Hotels Private Limited)

Registered office: No: 365, Anna Salai, Teynampet, Chennai 600018 | Tel: +91 44 6100 1250 | Email: info@sarahotels.com | CIN: U55101TN2007PLC062085

Statutory adviser of Robust Hotels Limited (RHL) in compliance of sub-clause (5) of Clause A of PART-4 of Securities Exchange Board of India (SEBI) Master Circular No: SEBI/HRD/DO/1/ICDR/P/2012/100000665 dated 23.11.2021 Read with sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957/SCRR pursuant to grant of relaxation by SEBI from the applicability of Rule 19 (b) of SCRR.

A. Name of the Company: Robust Hotels Limited
B. Address of the Registered and corporate office: No: 365, Anna Salai, Teynampet, Chennai 600018.
C. Details of change of name and/or Object clause:

The company was incorporated on 19th January 2007 as Robust Hotels Private Limited with the Registrar of Companies, Chennai. The company was converted into a public limited company and the name of the company was changed to Robust Hotels Limited and a fresh certificate of incorporation was issued on 11th October 2022 by the Registrar of Companies, Chennai.
The Object clause of the Memorandum of Association (MOA) of the Company was altered on 21st September 2022 pursuant to the Scheme of Arrangement, Demerger and Reduction of Capital as 200 to 232 of the Companies Act, 2013, between Asian Hotels (East) Limited (AHEL) and Robust Hotels Private Limited (RHPL) and their respective shareholders and creditors (Scheme/Scheme of Arrangement) and latest MOA is available on the website of the company: <https://www.robusthotels.in>

D. Capital Structure – pre and post scheme of arrangement

Pre-Scheme of Arrangement:

Particulars	Aggregate nominal value (in ₹)
(A) Authorized Share Capital 22,50,00,000 Equity Shares of Rs.10/- each	2,25,00,00,000/-
(B) Issued, Subscribed and Paid-up Capital 22,41,83,829 Equity Shares of Rs.10/- each fully paid up	2,24,18,38,290/-

Post – Scheme of Arrangement:

Particulars	Aggregate nominal value (in ₹)
(A) Authorized Share Capital 22,50,00,000 Equity Shares of Rs.10/- each	2,25,00,00,000/-
(B) Issued, Subscribed and Paid-up Capital 17,291,696 Equity Shares of Rs.10/- each fully paid up	17,29,16,960/-

E. Shareholding pattern – pre and post Scheme of Arrangement:

Pre-Scheme shareholding pattern:

Category	Category of shareholder	No of shares	Percentage
(A)	Promoter & Promoter Group	-	-
	*Asian Hotels (East) Limited	22,41,83,829	100
	Total	22,41,83,829	100
(B)	Public	-	-
(C)	Non-Promoter- Non-Public	-	-
	Total	22,41,83,829	100.00

Post Scheme shareholding pattern as on 31st March 2023:

Category	Category of shareholder	No of shares	Percentage
(A)	Promoter & Promoter Group	-	-
	Saraf Industries Limited	72,45,945	41.90%
	Umesh Saraf	37,096	0.21%
	Arun Kumar Saraf	13,098	0.08%
	Rama Saraf	9,26,000	5.39%
	Rathe Shyam Saraf (Late)	31,27,000	18.08%
	Total	11,34,49,179	65.63%
(B)	Public	59,42,517	34.37%
(C)	Non-Promoter- Non-Public	-	-
	Total	1,72,91,696	100.00

F. Name of ten largest shareholders as on 04.04.2023:

Sl. No.	Name of Shareholder	No. of Shares	% of Total Capital
1.	Saraf Industries Limited	72,45,945	41.90
2.	Late Rathe Shyam Saraf	31,27,000	18.08
3.	Sachdeva Stocks Private Limited	16,50,000	9.07
4.	Rama Saraf	9,26,000	5.38
5.	LJK Pawanraj Ltd	8,02,494	4.64
6.	Whisper Tea Up Limited	7,23,007	4.18
7.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	2,87,500	1.32
8.	Kapil Ahuja	1,92,282	1.38
9.	Sunder Kumar Gupta	1,83,000	1.06
10.	Sama Importers Private Limited	1,57,380	0.91

(Note: for any other shareholding details please refer to the Information Memorandum available in the website: <https://www.robusthotels.in>)

G. Name and details of Promoters:

Sl. No.	Name of Promoter Shareholder	No. of Shares	% of Share-holding	Education	Address
1.	Late Rathe Shyam Saraf	31,27,000	18.08	High School with lifelong self-study	Flat D 20/F, Cante Mansion, 80-88 Caine Road, Hong Kong
2.	Rama Saraf	9,26,000	5.38	High School with lifelong self-study	Flat D 20/F, Cante Mansion, 80-88 Caine Road, Hong Kong
3.	Arun Kumar Saraf	13,098	0.08	Major in Economics and Business Administration from University of California, Los Angeles (UCLA) in 1981 London School of Economics, London A Levels in 1977	Grand Hyatt Residences Juniper Hotel, Vastika Pjwdr, Santacruz (E) Mumbai 400055.
4.	Umesh Saraf	37,096	0.21	Graduate, B.Sc. MBA from University of California	House No. 27-A, Green Avenue Lane, Vasant Kunj South West Delhi, Delhi-110070
5.	Varan Saraf	NIL	-	BA from Tufts University, USA	Grand Hyatt Residences, Vastika Pipe line Road, Santacruz East, Mumbai - 400 055
6.	Devesh Saraf	NIL	-	Graduate from Georgia Institute of Technology, USA. Industrial and System Engineering along with Economics from Emory University	House No. 27A, Green Avenue Lane, Vasant Kunj, Delhi - 110070
7.	Saraf Industries Limited	72,45,945	41.90	NA	Sama House Bank Street, Twenty Eight Cyber City, Ebene, Mauritius-72251
	TOTAL	1,13,49,179	65.63	NA	NA

H. Names and details of Board of Directors:

Sl. No.	Name of the Director	Designation	DIN	Date of Appointment
1.	Mr. Arun Kumar Saraf	Non-Executive Promoter Director	00329772	13.07.2007
2.	Mr. Umesh Saraf	Non-Executive Promoter Director	00017885	19.01.2007
3.	Mr. Varan Saraf	Non-Executive Promoter Director	01704717	24.08.2013
4.	Mr. Devesh Saraf	Non-Executive Promoter Director	07778585	28.07.2022
5.	Mr. Anil Shivanshi	Non-Executive Independent Director	00339828	21.09.2022
6.	Mrs. Rita Bhanani	Non-Executive Independent Director	07106969	13.01.2020
7.	Mr. Ramesh Kumar Chokkiam	Non-Executive Independent Director	00582100	21.09.2022
8.	Mr. Arun Kumar Ramnani Vethakumar	Non-Executive Independent Director	06991167	21.09.2022
9.	Mr. Damodar Tiwari	Manager	08628339	21.09.2022

* Mr. Damodar Tiwari resigned with effect from 28.02.2022.

(Note: for other details of Directors please refer to the Information Memorandum available in the website: <https://www.robusthotels.in>)

I. Business Model/ Business Overview and Strategy:

The Company was originally incorporated as Robust Hotels Private Limited on January 19, 2007, under the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu, Chennai. The Company was converted into a public limited company and subsequently the name was changed to Robust Hotels Limited w.e.f. 11.10.2022.
The Company owns and manages Hyatt Regency Chennai, a luxury 5 star hotel located at Anna Salai, Teynampet in Chennai, India and both a 72-ground (199,200 sq. ft.) hotel, the first Hyatt hotel in South India and has 325 rooms.
The Company classifies its business divisions by the quality of the property, the range of services, and the guests it focuses on. The Company derives the majority of its revenue from the Hyatt Regency Chennai. The Company is focused on the high end (five-star deluxe) hotel market.
The domestic hospitality industry which has been severely affected by the COVID-19 related disruptions, has witnessed a deep decline in FY 2020-21 & 2021-22 according to a report. But the industry has recovered and shown a sign of recovery since July 2022. The key elements of the Company's strategy are to strengthen its position as a leading hotel group in India, to migrate up the value chain by entering into joint ventures and management contracts, to expand selectively in international markets, to focus on shareholder value enhancement and to reorganize and rationalize its assets so as to improve returns.
(Note: For further details please refer to the Information Memorandum available in website: <https://www.robusthotels.in>)

J. Reason for scheme of Arrangement:

- (i) Unlocking the value of AHEL shares to its shareholders, which is presently getting subdued on account of subdued performance and balance sheet of RHL.
- (ii) Possible release of guarantees/ securities given by AHEL to the lenders of RHL. 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 RHL 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 RHL. Such shareholders would then be able to choose to remain invested in both or either of AHEL and RHL, giving them greater flexibility in managing / dealing with their investments in different companies, being AHEL and RHL in view of their respective businesses, and individual profiles;

- (iv) Improving the balance sheet of RHL 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 expansion programs for RHL, and assist RHL in supporting and potentially reducing its debt burden and cost of financing.
- (v) Enable unlocking of the true value of the RHL for the shareholders of AHEL, in a separate entity, being RHL, 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 RHL and provide better flexibility in pursuing long term growth plans and strategies for the separate companies AHEL and RHL, instead of RHL 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 RHL, thereby facilitating the separate managements to efficiently exploit opportunities for each of the said businesses.

K. Restated Audited Financials for the previous three financial years prior to the date of listing: Not Applicable

L. Latest audited financials along with notes to accounts and any audit qualifications:

ROBUST HOTELS LIMITED – STATEMENT OF BALANCE SHEET as at 31st March, 2022 & 31st December, 2022

Particulars	As at 31st December 2022	As at 31st March, 2022
ASSETS		
Non-current Assets		
(a) Property, Plant and Equipment	6,68,57,02,299	4,69,75,28,752
(b) Capital work-in-progress	-	-
(c) Other Intangible Assets	71,19,419	58,50,230
(d) Financial Assets	-	-
(i) Investments	3,52,28,896	2,65,57,365
(ii) Other Financial Assets	-	1,83,92,677
(e) Other Non-Current Assets	17,96,66,724	19,98,50,763
Total Non-Current Assets	6,90,77,17,868	5,14,81,79,707
Current Assets		
(a) Current Investments	92,51,90,137	-
(b) Inventories	87,50,559	2,00,82,241
(c) Financial Assets	-	-
(i) Trade Receivables	7,89,06,060	5,99,38,484
(ii) Cash and Cash Equivalents	7,61,91,808	81,17,818
(iii) Loans	1,11,800	4,489
(iv) Other Financial Assets	51,61,766	5,73,853
(d) Current Tax Assets	74,85,84,582	1,62,48,305
(e) Other Current Assets	3,69,92,783	1,61,82,222
Total Current Assets	1,87,89,98,703	12,11,07,821
Total Assets	8,78,67,15,772	5,26,92,87,407
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	17,29,16,960	2,24,18,38,290
(b) Other Equity	70,09,19,737	80,42,48,844
(c) Share Capital/Pending Allotment	-	-
Total Equity	72,38,36,697	3,04,66,87,234
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities	-	-
Borrowings	88,34,70,211	1,13,98,04,872
(b) Provisions	1,32,89,949	90,46,385
Total Non-current Liabilities	89,67,60,160	1,14,88,51,257
Current Liabilities		
(a) Financial Liabilities	-	-
(i) Trade Payables	38,24,46,286	76,69,08,680
(ii) Trade Receivables	-	-
Total outstanding dues of micro, small & medium enterprises	57,47,376	92,81,287
Total outstanding dues of creditors other than micro, small & medium enterprises	1,16,00,388	1,40,69,383
(iv) Other Financial Liabilities	25,79,70,320	28,61,29,689
(b) Other Current Liabilities	2,33,54,626	1,61,05,538
(c) Provisions	-	54,300
Total Current Liabilities	66,11,18,915	1,87,45,48,917
Total Equity and Liabilities	8,78,67,15,772	5,26,92,87,407

ROBUST HOTELS LIMITED – AUDITED STATEMENT OF PROFIT AND LOSS

Particulars	For Nine Months ended 31st December, 2022	For the year ended 31st March, 2022
Income		
(a) Revenue from Operations	76,22,99,481	40,59,59,163
(b) Other Income	3,61,25,968	3,25,20,335
Total	79,84,25,450	43,75,79,498
Expenditure		
(a) Consumption of Provisions, Beverages, Smokes & Others	9,58,96,723	5,47,27,889
(b) Employee Benefits Expense	11,56,13,910	10,740,053
(c) Finance Costs	13,56,84,637	17,41,54,564
(d) Depreciation and Amortization Expense	12,51,01,094	15,95,73,503
(e) Other Expenses	36,21,90,522	29,17,47,390
Total	83,50,86,686	78,78,03,489
Profit/(Loss) Before Exceptional Items and Tax	(3,66,61,496)	(35,00,24,000)
Exceptional Items	-	-
Profit/(Loss) Before Tax	(3,66,61,496)	(35,00,24,000)
Tax Expense	-	-
Current Tax	-	-
Deferred Tax	73,78,87,510	-
For Earlier Years	-	-
Profit/(Loss) for the year	70,12,26,013	(35,00,24,000)
Other Comprehensive Income	-	-
Items that will not be reclassified to profit or loss	-	-
Reassessment of defined benefit liability	-	6,84,979
Total Comprehensive Income for the year	70,12,26,013	(34,93,39,021)
Earnings per Equity Share (Nominal value per Equity Share Rs. 10/-)		
(a) Basic	40.55	(1.56)
(b) Diluted	40.55	(1.56)

Audit Qualifications: There has been no audit qualifications

(Note: for other details of the financial statement please refer to the website of the company: <https://www.robusthotels.in>.)

M. Change in accounting policies in the last three years and their effect on profits and reserves: There has been change in the accounting policies

N. Summary table of contingent liabilities as disclosed in the financial statements: (Figures in INR)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Rs.	Rs.
(i) Commitments Estimated amount of Capital Contracts pending to be executed (Net of Advances)	28,63,653	2,19,45,465
(ii) Claims against the Company not acknowledged as debt	-	40,440
(iii) Pending claims from ICG Limited for non-submission of % forms for purchase of diesel	4,00,000	4,00,000

O. Summary table of latest related party transactions as disclosed in the financial statements:

Name of Person	Nature of Transactions	For the Year ended	For the Year ended
		31st March, 2022	31st March, 2021
AHEL – Asian Hotels (East) Limited	Interest on Unsecured Loan (TDS deducted Rs. Nil (Previous Year-Rs.13,75,749))	-	1,83,98,645
	Interest on advance from STJ unit (TDS deducted Rs.25,02,296/-) (Previous Year-Rs.48,938)	2,56,22,959	6,25,809
	Receipt of service	-	6,31,242
	Loan taken	77,00,000	5,15,00,000
	Reimbursement of Expenses	15,78,215	3,73,970
JHPL – Juniper Hotels Private Limited	Receipt of Services	-	3,10,588
	Sale of Services	8,054	4,21,771
	Sales Promotion	-	58,588
*Mr. Rama Shankar Jhavar Ms. Rita Bhanani	Sitting Fee	-	15,000
	Sitting Fee	30,000	30,000
M. TN/Thakachalam	Remuneration as CFO	37,57,668	22,77,567
*Ms Annu Tiwari	Remuneration as Company Secretary	2,16,678	-
*Ms. Manisha Sharma	Remuneration as Company Secretary	3,01,221	4,01,203

* Mr. Rama Shankar Jhavar ceased to be director of the Company w.e.f. 14.10.2020 due to death.

* Ms. Manisha Sharma resigned as company secretary w.e.f. 02.11.2021

* Ms Annu Tiwari resigned as company secretary w.e.f. 15.07.2022

P. Details of its group companies including their capital structure and financial statements:

Not Applicable.

Q. Internal Risk factors:

1. ABILITY TO ANTICIPATE AND RESPOND TO CLIENT REQUIREMENTS

The company is in the hospitality sector and is driven by client's expectations of the service quality. We strive to keep up with evolving client requirements to enhance the staying business and level of customer service. In the event that we are unable to identify and understand contemporary and evolving customer tastes or to deliver quality service as compared to the competitors, it could adversely affect the business.

2. COMPLY WITH VARIOUS STANDARDS AS PRESCRIBED BY THE HRACC

In order to obtain and maintain a star classification for the hotel properties, the Company is required to fulfill and continually comply with certain standards as prescribed by the HRACC (Hotel Restaurant Approval and Classification Committee). Such standards may relate to the quality of facilities and services provided. The failure to successfully manage the need for personnel could adversely affect the business of the hotels and consequently, adversely affect the business.

3. LITIGATION RELATED RISKS

The Company may be involved in legal proceedings including disputes, litigations or other proceedings and which may be resulting in costs and diversion of efforts. In the ordinary course of the business, the Company uses ethical business practices to ensure minimum possible litigation including public interest litigation. The outcome of such proceedings is beyond the control of the Company and this is therefore a risk factor that could adversely affect the business, operations and financial condition. For the list of litigations involving the Company, please refer to page no.99 of information memorandum available on the company website: <https://www.robusthotels.in>

4. DEPARTURE OF THE SENIOR MANAGEMENT AND KEY PERSONNEL

The Hospitality industry requires quality of Key Managerial Personnel's in