



ASIAN HOTELS (NORTH) LIMITED
Regd. Office : Bhikaiji Cama Place, M. G. Marg, New Delhi-110066

Notice of Postal Ballot
(Pursuant to Section 192A of the Companies Act, 1956)

To

The Member(s),

Notice is hereby given, pursuant to Section 192A of the Companies Act, 1956 (the Act) read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, as amended from time to time, that the following businesses are proposed to the shareholders of Asian Hotels (North) Limited (the Company) to be passed by way of Postal Ballot process:

1. To give guarantees or provide security for amounts exceeding the limits specified under Section 372A;
2. To commence the activities and/or the businesses as specified in sub-clause 35 of the 'Other Objects' under the 'Objects Clause' of the Memorandum of Association of the Company;
3. To increase the borrowing limits pursuant to Section 293(1)(d) of the Act; and
4. To create charge, mortgage, hypothecation or any other form of encumbrance(s) on the assets of the Company pursuant to Section 293(1)(a) of the Act, to secure the increased borrowings.

Accordingly, the Company seeks your approval for such proposals as are contained in the resolutions appended below.

An Explanatory Statement pursuant to Section 173(2) of the Act, pertaining to the resolutions setting out the material facts and reasons thereof along with the Postal Ballot Form is enclosed for your consideration and requisite action.

You are requested to carefully read the instructions mentioned in the Postal Ballot Form before filling the same. The duly completed and signed form should be mailed/dispatched in the attached pre-addressed Business Reply envelope.

The assent/dissent of the shareholder should reach the Scrutinizer before the close of working hours of Wednesday, the 18th September, 2013, at the Company's registered office at Bhikaiji Cama Place, M. G. Marg, New Delhi-110 066.

The Company has appointed Dr. S. Chandrasekaran, Senior Partner, M/s. Chandrasekaran Associates, Company Secretaries, as the Scrutinizer for conducting the postal ballot process. The Scrutinizer shall scrutinize the ballots and submit his report to the Chairman of the Board of Directors on Friday, the 20th September, 2013.

The Chairman & Managing Director, and in his absence by the person authorized by him, shall announce the results of the Postal Ballot at the registered office of the Company on Friday, the 20th September, 2013 at 5.00 p.m.

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

"RESOLVED THAT in pursuance of Section 372A, Section 192A read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, and other applicable provisions, if any, of the Companies Act, 1956 (the Act), as amended or restated from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to provide security and/or to give guarantee in connection with a loan made to **Leading Hotels Limited**, from time to time, in one or more tranches, provided that the securities so provided and/or guarantees so given shall not exceed an amount of Rs. 250,00,00,000/- (Rupees two hundred fifty crore).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to provide security and/or give guarantees as aforesaid notwithstanding the fact that the security and/or guarantees being contemplated to be provided or given together with the investments and loans already made along with the securities provided and guarantees so given may exceed the limits prescribed under Section 372A of the Act at any given point of time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution and to seek and obtain requisite consents and/or approvals as the Board of Directors may deem fit and appropriate to give effect to the same."

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

"RESOLVED THAT pursuant to Section 149(2A), Section 192A read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, and other applicable provisions, if any, of the Companies Act, 1956 (the Act), as amended or restated from time to time, consent of the Company be and is hereby accorded to commence the activities and/or the businesses as delineated in sub-clause 35 of the 'Other Objects' under the 'Objects Clause' of the Memorandum of Association of the Company, as reproduced herein below:

35. To acquire by purchase, lease, exchange, hire or otherwise, lands, plots, estates, buildings and property or any interests or rights in the same, develop and turn the same to account as may seem expedient and in particular by laying out and preparing the same for constructing, reconstructing, building, re-building, altering, redesigning, improving, decorating, furnishing and maintaining hotels, motels, clubs, commercial buildings, office blocks, flats and apartments, residential houses and flats, showrooms, shopping arcades, cinemas, factories, farm houses, warehouses, wharves and conveniences of all kinds and consolidate, connect, subdivide, lease, exchange, hire, sell or dispose of the same.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto to commence and carry on the activities and/or the businesses as delineated in sub-clause 35 of the 'Other Objects' under the 'Objects Clause' of the Memorandum of Association of the Company."

3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in modification of an earlier resolution passed at the Extra Ordinary General Meeting held on 12th July, 2010, and in pursuance of Section 293(1)(d), Section 192A read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, and other applicable provisions, if any, of the Companies Act, 1956 (the Act), as amended or restated from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow, from time to time, such moneys as they may deem requisite or appropriate for the purposes of the business of the Company provided that the aggregate amount up to which the moneys may be borrowed by the Board of Directors, and remaining outstanding at any point in time, shall not exceed:

- a) a sum of Rs. 1,250,00,00,000/- (Rupees one thousand two hundred fifty crore), exclusive of interest, notwithstanding that the moneys to be borrowed, together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; or
- b) aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

whichever is higher.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, things and matters, as it may at its discretion deem appropriate, necessary or desirable for the purposes of the business of the Company while exercising the powers conferred upon it herein under this resolution and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution."

4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in modification of an earlier resolution passed by the shareholders through Postal Ballot, the result of which was declared on 9th October, 2010, and in pursuance of Section 293(1)(a), Section 192A read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, and other applicable provisions, if any, of the Companies Act, 1956 (the Act), as amended or restated from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to

create such charges, mortgages, hypothecation or any other form of encumbrance on such movable or immovable properties, where so ever situated, both present and future, or the whole or substantially the whole of the undertaking of the Company and with such ranking as to priority and for such time and in favour of such lenders, agents, trustees and other agencies to secure the borrowings availed by the Company by way of loans (whether in Indian Currency or foreign currency) and/or working capital facilities, and/or securities issued/to be issued by the Company from time to time, as the Board may deem fit and appropriate and that such charges, mortgages, hypothecation or encumbrances to secure the said loans/borrowings, which apart from temporary loans obtained from the company's bankers in the ordinary course of business, shall not exceed a sum of Rs. 1,250,00,00,000/- (Rupees one thousand two hundred fifty crore), exclusive of interest or a sum not exceeding the aggregate of the paid up capital of the Company and its free reserve, that is to say, reserves not set apart for any specific purpose, whichever is higher, being the limits approved under Section 293 (1)(d) of the Act, for the time being, together with interest, compound interest, additional interest, liquidated damages, costs, charges, expenses and any other moneys payable by the Company to such lenders in terms of the loan agreements / subscription agreements entered/ to be entered into by the Company in respect of the said borrowing/securities.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, things and matters, as it may at its discretion deem appropriate, necessary or desirable for the purposes of the business of the Company while exercising the powers conferred upon it herein under this resolution and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution."

By the order of the Board
For Asian Hotels (North) Limited

Sd/-

Dinesh Kumar Jain

Vice President (Corporate) & Company Secretary

Place: New Delhi

Date: 7th August, 2013

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, FORMING PART OF THE ACCOMPANYING POSTAL BALLOT NOTICE

Item no. 1

Fineline Hospitality and Consultancy Pte. Ltd., Mauritius (FHCPL), the overseas subsidiary in which the Company initially had 53% equity participation, controlled 79% equity stake in Magus Estates and Hotels Limited (Magus). Magus, which owned Four Seasons, Mumbai, had planned construction of a 60 storey tower comprising of commercial (office) block, hotel rooms, serviced apartments and private residential condominiums as part of its expansion plan. Due to apparent change in the Maharashtra State Policy with regard to FSI available in case of mixed use projects, the expansion plan had to be shelved. The rollback of the expansion plan raised the apprehension of an imminent impairment in the value of Company's investment in its subsidiary, namely FHCPL which could have significantly reduced the enterprise value of your Company.

To avoid such an eventuality, and to preserve and protect the interest of the minority shareholders, FHCPL, at the instance of the promoters, implemented the rearrangement of its underlying assets by replacing Leading Hotels Limited (Leading) in place of Magus. The impairment impact caused in the financial statements of FHCPL on account of Magus was set-off against the capital reserves to the tune of US\$ 79.69 million created as a result of buy back of entire shareholding of, and write-off of loans due to Fineline Holdings Limited (FHL), which held the balance 47% equity in FHCPL and is one of the promoter entities of your Company.

Consequent to the above, with effect from 29th January, 2013, your Company holds 100% equity in FHCPL, which in turn holds 80% equity stake in Lexion Hotel Ventures Ltd., Mauritius (Lexion); and Lexion in turn holds 99.76% equity stake in Leading.

Thus FHCPL is your Company's wholly owned subsidiary with 79.81% economic interest in Leading.

Leading is developing an All Villa Hotel Complex, including residential Villas and a 18 hole, 72 par Championship Golf Course in Goa, and has acquired 190 acres of land and is in the process of obtaining various governmental consents and approvals. Your Directors expect construction of sample villas to commence early next year. The said project will be under the management of Four Seasons, a world famed hotel chain and Hospitality Management Company.

Once the development activity commences on the Goa project, Leading will need a constant flow of funds for which requisite project financing would be applied for from the banks/financial institutions against an expected project cost of Rs. 1030 crore. In view of the above, your Company, being the holding company may be expected to provide security or give guarantees for the proposed loans.

In the light of the foregoing, your Directors as an anticipatory and enabling measure seek your approval for the proposed Special Resolution at Item No. 1 of the accompanying Postal Ballot Notice.

Mr. Amrutesh Jatia, Director has 20% interest in Lexion, the immediate holding company of Leading, through Glenever Private Holdings Limited, Mauritius and therefore, Mr. Amrutesh Jatia and Mr. Shiv Kumar Jatia may be considered to be concerned or interested in this resolution. None of the other directors is directly or indirectly concerned or interested in this resolution.

Item no. 2

Your Directors are pleased to inform completion of the Hotel Suites (Serviced Apartments) as a separate tower within the existing facilities at Hyatt Regency Delhi. The feasibility of such hotel suites being let out, transfer and/or leasing on a long-term basis is being evaluated for commercial and/or residential usage to optimise revenue generation.

Further, the Company is exploring the possibilities of forging a joint venture for development of Kolkata Hotel Project with suites and residential apartments.

In view of the above, it is considered appropriate to seek shareholders' approval for adopting activities and businesses detailed in sub-clause 35 of 'Other Objects' under the 'Objects Clause' of the Memorandum of Association of the Company, and has been reproduced as part of the resolution at Item no. 2 of the accompanying Postal Ballot Notice.

Your directors seek your approval for the proposed Special Resolution at Item no. 2 of the accompanying Postal Ballot Notice.

None of the directors is directly or indirectly concerned or interested in the said resolution.

Item no. 3&4

In the Extra-ordinary General Meeting held on 12th July, 2010, the shareholders had accorded their consent pursuant to Section 293(1)(d) of the Act, to the Board of Directors of the Company to borrow, from time to time, for the purposes of the business of the Company such moneys which together with funds already borrowed may in the aggregate not exceed a sum of Rs. 900 crore or the aggregate of the paid up capital of the Company and its free reserves, whichever is higher.

In the intervening period, the Company has undertaken major expansion and renovation projects. Further, the Company has made strategic investments in acquiring over its subsidiaries which recently underwent restructuring and as a result thereof the Company is now controlling Leading Hotels Limited (Leading), as detailed herein above under Item No. 1.

In view of the above, it is now proposed to seek approval of the shareholders under Section 293(1)(d) of the Act for the increased borrowing powers, as fully detailed in the resolution at serial no. 3.

Further, to enable the Board to exercise powers to borrow up to the increased limits, it would also be essential to obtain shareholders' approval pursuant to Section 293(1)(a) of the Act authorizing the Company to secure the increased borrowings by creating pledge, mortgage, hypothecation or any other kind of encumbrance on the assets of the Company.

Your directors seek your approval for the proposed Ordinary Resolutions at Item Nos. 3 & 4 of the accompanying Postal Ballot Notice.

None of the directors is directly or indirectly concerned or interested in the above resolutions.

By the order of the Board
For Asian Hotels (North) Limited

Sd/-

Dinesh Kumar Jain

Vice President (Corporate) & Company Secretary

Place: New Delhi

Date: 7th August, 2013

INSTRUCTIONS

General Instructions:

1. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011, assent or dissent of the shareholders in respect of the resolutions contained in the accompanying Notice dated 7th August, 2013 is being taken through postal ballot in physical form.
2. The Company has appointed Dr. S. Chandrasekaran, Senior Partner, M/s. Chandrasekaran Associates, Company Secretaries as the Scrutinizer for conducting the postal ballot.
3. The Company has designated Mr. Shiv Kumar Jatia, Chairman & Managing Director and Mr. Dinesh Kumar Jain, Vice President (Corporate) and Company Secretary as the persons responsible for the entire postal ballot process.
4. The notice of postal ballot is being sent to the members, whose names appear in the Register of Members as at the close of business hours on 9th August, 2013 and voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders as on the same date.
5. The last date of receipt for the Postal Ballot Forms shall be Wednesday, the 18th September, 2013. The Scrutinizer will submit his report on Friday, the 20th September, 2013.
6. The Chairman & Managing Director, and in his absence by the person authorized by him, will announce the results of the postal ballot at the Registered Office of the Company at Bhikaiji Cama Place, M. G. Marg, New Delhi-110 066 on Friday, the 20th September, 2013 at 5.00 p.m. The date of declaration of the results of postal ballot will be taken to be the date of passing of the resolutions.
7. The result of the postal ballot will be published in the newspapers within 48 hours of the declaration of the results and will also be placed at the website of the Company at www.asianhotelsnorth.com
8. There will be one Postal Ballot Form for every folio/client id irrespective of the number of joint holders.
9. Voting rights in the postal ballot cannot be exercised by a proxy.
10. The Scrutinizer's decision on the validity of a postal ballot will be final.

Process and manner for members for voting:

1. A shareholder desiring to exercise voting right by postal ballot may complete the Postal Ballot Form (no other form or photo copy thereof is permitted to be used for the purpose) and send it in the attached self addressed Business Reply Envelope, so as to reach the Scrutinizer at the Registered office of the Company at **Bhikaiji Cama Place, M. G. Marg, New Delhi-110 066**, before the close of working hours of 18th September, 2013. The Postal Ballot Forms received after this date will be treated as if the reply from the shareholder has not been received. However, envelopes containing Postal Ballot Form, if sent by courier or by registered post or by speed post at the expense of the registered member will also be accepted. The Postal Ballot Form(s) may also be deposited personally.
2. A shareholder need not use all his votes nor does he need to cast all his votes in the same way.
3. The vote should be casted either in favour or against the resolution by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing tick (✓) mark in respect of the same vote in both the columns will render the form invalid.
4. The Postal Ballot Form should be completed and signed by the shareholder. In case of joint shareholding, this Form should be completed and signed by the first named shareholder and/or his attorney provided the Power of Attorney has been earlier registered with the Company. In the absence of the first named shareholder, the Form may be completed and signed by the next named shareholder. However, where the Form is sent separately by the first named shareholder and the joint holder(s), the vote of the first named shareholder would be valid.
5. The person signing the Postal Ballot Form should sign as per the specimen signature registered with the Company.
6. In case of shares held by the companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/ Authorization, together with the specimen signature(s) of the duly authorized signatories.
7. Incomplete, unsigned or incorrectly filled Postal Ballot Forms will be subject to rejection by the Scrutinizer.
8. Shareholders are requested to fill the Form in indelible ink and not in any erasable writing mode.
9. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed pre-addressed Business Reply envelope as all such envelopes will be sent to the Scrutinizer, and any extraneous paper found in such envelope may not reach the Company.
10. A shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified in Point No. 1.



ASIAN HOTELS (NORTH) LIMITED
Regd. Office : Bhikaiji Cama Place, M. G. Marg, New Delhi-110066

POSTAL BALLOT FORM

As enclosed with Notice for Postal Ballot dated 7th August, 2013

Sl. No.:

1. Name & Registered address of the :
sole/first named shareholder

2. Name(s) of the joint shareholder(s), :
if any

3. Registered Folio No./DPID No. & :
Client ID No.

4. No. of shares held :

5. I/We hereby exercise my/our vote in respect of the following resolutions to be passed through postal ballot for the businesses stated in the Postal Ballot Notice dated 7th August, 2013 by sending my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Resolution No.	Description of the Resolution	No. of Shares	I/ We assent to the Resolution (FOR)	I/ We dissent to the Resolution (AGAINST)
1.	Special Resolution pursuant to Section 372A of the Companies Act, 1956, enabling the Company to provide security and/or give guarantees in excess of the limits specified under the said Section.	All/ _____		
2.	Special Resolution pursuant to Section 149(2A) of the Companies Act, 1956, enabling the Company to commence activities / businesses detailed in sub-clause 35 of the 'Other Objects' under the 'Objects Clause'	All/ _____		
3.	Ordinary Resolution pursuant to Section 293(1)(d) of the Companies Act, 1956, to increase the borrowing powers of the Company.	All/ _____		
4.	Ordinary Resolution pursuant to Section 293(1)(a) of the Companies Act, 1956, enabling the Company to create charge, mortgage, hypothecation or other encumbrance on the assets / undertaking of the Company to secure increased borrowings.	All/ _____		

Note : Please read carefully the instructions printed overleaf before exercising your vote.

Place :

Date :

Signature of the Shareholder(s)