

# Royal Orchid Hotels Limited

## Registered Office:

No.1 Golf Avenue, HAL Airport Road, Bengaluru - 560 008

Dear Shareholder,

### NOTICE PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956

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, to pass by Postal Ballot a Special Resolution under Section 372A of the Companies Act, 1956 (the "Act").

The Company is desirous of seeking your consent to the above proposal as contained in the attached resolution. An Explanatory Statement pertaining to this resolution, setting out the material facts and the reasons for the same, is also attached. The said Resolution and Explanatory Statement is being sent to you along with a Postal Ballot Form for your consideration. Mr. G Shanker Prasad, Practicing Company Secretary, Bangalore, has been appointed as Scrutinizer for conducting the postal ballot process.

You are requested to carefully read the instructions printed at the end of this Notice and return the enclosed Postal Ballot Form duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India), so as to reach the Scrutinizer at Hotel Royal Orchid, No. 1, Golf Avenue, Adjacent to KGA Golf Course, HAL Airport Road, Bangalore - 08, not later than 6.00 pm on December 17, 2012.

### E-Voting Option

We are pleased to offer e-Voting facility as an alternative for our Individual Shareholders (i.e. other than Corporates / FIs / FII's etc.), which would enable them to cast their votes electronically, instead of dispatching Postal Ballot. Please read and follow the instructions on e-Voting printed at the end of this Notice.

The Scrutinizer will submit his report to the Chairman of the Company or in his absence to any other Director / Officer authorized by the Chairman, upon completion of scrutiny of Postal Ballots in a fair and transparent manner and the result of the Postal Ballot will be announced on December 22, 2012, at 3.00 p.m. at the Company's Registered Office. The result of the Postal Ballot will also be displayed at the said address and posted on the Company's website [www.royalorchidhotels.com](http://www.royalorchidhotels.com), besides communicating it to the BSE Limited and National Stock Exchange of India Limited. The result of the voting by Postal Ballot will also be announced through Newspapers by December 24, 2012.

The date of declaration of the result of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.

### PROPOSED SPECIAL RESOLUTION

#### Special Business

#### Consent under section 372A of the Companies Act, 1956, to make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling

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

"**RESOLVED THAT** in terms of Section 372A and other applicable provisions, if any, of the Companies Act, 1956, (the Act), notwithstanding that the aggregate of the Loans and investments so far made, the amount for which the guarantee or security so far provided to or in all other bodies corporate, along with the guarantees given or proposed to be made, by the Board of Directors of the Company, exceeds the limits prescribed under the Act, the consent of the Shareholders of the Company, be and is hereby accorded to the following:

- a. Approval of the proposal of the Company to offer Corporate Guarantee to Amar Tara Hospitality Private Limited, Mumbai, towards security for the additional Credit Facilities to be availed by the said Company, amounting to Rs.30 Crores.
- b. Approval of the proposal of the Company to offer Corporate Guarantee to Maruti Comforts & Inn Private Limited, Bengaluru, towards security for the Credit Facilities to be availed by the said Company, amounting to Rs. 25 Crores.
- c. Approval of the proposal of the Company to make loan to Amar Tara Hospitality Private Limited, Mumbai, an amount not exceeding Rs.5 Crores.
- d. Approval of the proposal of the Company to make loan to Maruti Comforts & Inn Private Limited, Bengaluru, an amount not exceeding Rs.5 Crores.
- e. Approval of the proposal of the Company to make loan to Ksheer Sagar Developers Private Limited, Jaipur, an amount not exceeding Rs.15 Crores.

The Board of Directors of the company is also authorised to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

By Order of the Board,  
For Royal Orchid Hotels Limited,

Place : Bengaluru  
Date : 30.10.2012

K B Shyam Kumar  
Company Secretary

**Notes:**

1. Explanatory Statement for the proposed Special Businesses pursuant to Section 173(2) read with Section 192(2) of the Companies Act, 1956 is given hereunder.
2. The Notice is being sent under Book Post (or electronically, by email, to those members who have registered their email address with the Company) to all Members, whose names would appear in the Register of Members / Record of Depositories as on November 02, 2012.
3. A copy of the documents referred to in the Explanatory Statement is open for inspection at the Registered Office of the Company between 10.00 a.m. to 12.00 noon on any working day excluding Sunday till the last date of voting i.e. December 17, 2012.
4. Please see the instructions for voting by postal ballot (including e-Voting) which have been printed herein.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) AND 192A OF THE COMPANIES ACT, 1956**

Pursuant to Section 372A and other applicable provisions of the Companies Act, 1956, the consent of the Shareholders, by a special resolution to be passed by postal ballot, is sought, under Section 192A of the Act read the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, to make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of:

- i) Sixty percent of the aggregate of the paid up share capital and free reserves,

OR

- ii) One hundred percent of its free reserves, whichever is more,

It is anticipated that investments, loans and guarantees to be made or given by the company will exceed the aforementioned limits. Hence it is necessary to obtain the consent of the members through postal ballot by means of a special resolution authorizing the Board of Directors to make or give the said investments, loans or guarantees.

The consent of the shareholders is sought for the following:

1. Approve Corporate Guarantee for Rs.30 Cr., towards additional credit facilities to be availed by our Subsidiary Company, Amar Tara Hospitality Private Limited, Mumbai, in which the Company holds 74% of its total paid share capital.
2. Approve Corporate Guarantee for Rs.25 Cr., towards credit facilities to be availed by our Subsidiary Company, Maruti Comforts & Inn Private Limited, Bengaluru, in which the Company holds 51% of its total paid share capital.
3. Invest in the form of loan of Rs.5 Cr., to Amar Tara Hospitality Private Limited, Mumbai, in which the Company holds 74% of its total paid up share capital.
4. Invest in the form of loan of Rs.5 Cr., to Maruti Comforts & Inn Private Limited, Bengaluru, in which the Company holds 51% of its total paid up share capital.
5. Invest in the form of loan of Rs.15 Cr., to Ksheer Sagar Developers Private Limited, Jaipur, in which the Company holds 50% of its total paid up share capital.

In order to fund the construction/expansion of the hotels held by the subsidiary/JV companies, your company is intending to give loans to these subsidiary/JV companies, for which the approval of the shareholders is required. The company will meet the proposed obligations through its own sources.

You are requested to accord your assent or dissent in the enclosed Postal Ballot Form in accordance with the instructions set out in it.

Your directors recommend the special resolution as set out in the notice for your approval.

Mr. C K Baljee, Managing Director of the Company is deemed to be concerned and interested in the said Resolution.

By Order of the Board,  
**For Royal Orchid Hotels Limited,**

Place : Bengaluru  
Date : 30.10.2012

**K B Shyam Kumar**  
**Company Secretary**

## Royal Orchid Hotels Limited

Registered Office: No.1 Golf Avenue, HAL Airport Road, Bengaluru - 560 008

### POSTAL BALLOT FORM

Sl. No.

Please read the instructions printed overleaf carefully before completing this form.

- \*Name(s) and address of the Member(s) (in block letters) (including joint-holders, if any) :
- Registered Folio No. /  
DP ID No. / Client ID No. \* :  
*\*(Applicable to beneficiaries holding  
Shares in dematerialized form)*
- Number of Shares held :
- I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot as stated in the Postal Ballot Notice of the Company dated October 30,2012 by conveying my /our "assent" or "dissent" to the said Resolution by placing a tick (✓) at the appropriate box below:

Description	Number of Shares	I/We Assent to the Resolution	I/We Dissent to the Resolution
Special Resolution under Section 372A of the Companies Act, 1956 seeking the approval for the Loans and corporate guarantee(s) proposed to be given / issued.			

Place:

Date:

(Signature of the Member)

### ELECTRONIC VOTING PARTICULARS

*(Applicable for individual members only)*

EVSN (Electronic Voting Sequence Number)	USER ID	Password / PIN

Registered Folio No. / DP ID No. & Client ID No.

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

## INSTRUCTIONS FOR VOTING

### Voting in Physical form:

1. A Shareholder desiring to exercise vote by Postal Ballot may complete the Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer in the attached self-addressed envelope. The self-addressed envelope bears the address of the Scrutinizer. Postage will be borne and paid by the Company. However, the envelope containing the Postal Ballot Form, if sent by courier at the expense of the shareholder, will also be accepted.
2. Duly completed Postal Ballot Form should reach not later than 6.00 p.m. on December 17, 2012. All Postal Ballot Forms received thereafter will be strictly treated as if the reply from the shareholder has not been received.
3. Assent or dissent to the proposed resolution may be recorded by placing a tick mark (✓) in the appropriate column.
4. This form is to be completed and signed by the shareholder (as per signature registered with the Company). In case of joint holding, this form should be completed and signed by the first-named shareholder and in his/her absence, by the next named shareholder. There will be only one postal ballot form for every folio irrespective of the number of joint holder(s).
5. In case the form is signed by the Power of Attorney holder for and on behalf of the shareholder, it must be accompanied by a certified true copy of the power of attorney. If such power of attorney is already registered with the Company, the Power of Attorney holder should quote the registration number beneath his/her signature. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authority.
6. Unsigned Postal Ballot Form will be rejected.
7. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope since all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelopes would be destroyed by the Scrutinizer.
8. The attached self-addressed envelope is only for the limited purpose of this postal ballot process and the same should not be used by the shareholders for sending any other correspondence to the Company.
9. A Member may request for a duplicate Ballot Paper, if so required. The duly completed Ballot Paper should reach the Scrutinizer not later than the date and time as specified at Point 2 above.

### E-Voting Facility

The Company is pleased to offer **e-voting facility** as an alternate, for all its Individual Members (i.e. other than Corporates / FIs / FII's etc.), to enable them to cast their vote electronically instead of dispatching Postal Ballot. The procedure is given below:

- i. Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Now click on "Shareholders".
- iii. Now, select the "Electronic Voting Sequence Number (EVSN) alongwith ROYAL ORCHID HOTELS LIMITED" from the drop down menu and click on SUBMIT.
- iv. Now, fill up the following details in the appropriate boxes:

	For members holding shares in Demat Form	For members holding shares in Physical Form
User – ID	For NSDL- 8 Character DP ID + 8 Digits Client ID For CDSL - 16 digits beneficiary ID	Registered Folio Number with the Company
Password:		
• For shareholders whose email addresses are registered with the Company	Your unique password has been mentioned in the email vide which the Postal Ballot Notice has been emailed to you	your password has been mentioned in the email vide which the Postal Ballot Notice has been emailed to you
• For shareholders whose email addresses are not registered with the Company	Your unique password has been printed on the Postal Ballot Form	Kindly submit a written application to the Registrars, mentioning therein your email-id at which the password and the Default Number (referred to below) can be emailed to you. You may then use the Password that would be so emailed to you.
PAN or Default Number	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.	Enter the Default Number that would be emailed to you by the Registrars on your email ID as provided by you as aforesaid

After entering these details appropriately, click on "SUBMIT".

- v. The members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now be required to mandatorily change their password in the new password field and may enter their demographic details i.e. Date of Birth, Mobile number and email-id. Kindly remember that this password can be used by the demat shareholders for voting for resolution of any other Company in which they are eligible to vote, provided that Company opts for e-voting. However, for shareholders holding shares in physical form, the password and default number can only be used for e-voting on the resolution contained in this Postal Ballot Notice.
- vi. On the voting page, you will see Resolution Description and option for voting YES/NO against Resolution Description. The option YES implies that you assent to the Resolution and NO implies that you dissent with the Resolution.
- vii. Click on the Resolution File Link if you wish to view the entire resolution file.
- viii. Enter the number of shares (which represents number of votes) under YES/NO, but not exceeding your total holding.
- ix. After selecting the resolution you have decided to vote on, click on SUBMIT. A confirmation box will be displayed. If you wish to confirm your vote, click on OK, else to change your vote, click on CANCEL and accordingly modify your vote.
- x. Once you have confirmed your vote on the resolution, you will not be allowed to modify your vote.
- xi. Kindly note that the members can opt only one mode for voting i.e. either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case member(s) cast their vote both via Physical Ballot and e-voting, then voting validly done through Physical Ballot shall prevail and voting done by e-voting shall be treated as invalid.
- xii. If you are a shareholder holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and cast your vote for an earlier EVSN of any company, then you may use your existing log-in id and password.
- xiii. If you wish to provide feedback on the e-voting system click on Suggestions. In case you have any queries or issues regarding e-voting, please contact on the [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xiv. The Scrutinizers' decision on the validity of the Postal Ballot shall be final and binding.

### General

- a) Voting by Postal Ballot, both in physical form and e-Voting, can be exercised only by the shareholder or his/her duly constituted attorney or, in case of bodies corporate, the duly authorised person. It cannot be exercised by a proxy.
- b) Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders on the cut-off date fixed for the purpose i.e. November 02, 2012.
- c) Voting period commences on and from November 17, 2012 and ends on December 17, 2012.
- d) The date of declaration of results of the postal ballot (i.e. December 22, 2012) shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.