

HELD AT _____

ON _____

TIME _____

KAMAT HOTELS (INDIA) LIMITED

Minutes of the Twenty-Fifth Annual General Meeting of the members of the Company held on Saturday the 15th September, 2012 at 3.00 p.m. at "Shubham Hall", Landmark Building, Opposite Vile Parle Railway Station, Junction of Besant Road and V. P. Road, Vile Parle (West), Mumbai - 400 056.

DIRECTORS PRESENT:

| | |
|-------------------------|------------------------------------------|
| Dr. Vithal V. Kamat | Executive Chairman and Managing Director |
| Mr. S. S. Thakur | Director |
| Mr. Ved Prakash Khurana | Director and Chairman of Audit Committee |
| Mr. T. M. Mohan Nambiar | Director |
| Mrs. Rajyalakshmi Rao | Director |
| Mr. Ramesh N. Shanbhag | Whole-time Director |
| Mr. Vikram V. Kamat | Executive Director |

ALSO PRESENT

| | | |
|-----------------------------------------------------|-----------------------------------------------------------------|--------------------|
| Mr. J. G. Verma and Mr. Arun Verma (Partners) | : Representing M/s. J. G. Verma & Co., Chartered Accountants | Statutory Auditors |
| Mr. Kurian Chandy | : Chief Financial Officer | |
| Mr. Mahesh Kandoi | : Company Secretary | |
| Mr. Babu Devadiga | : Vice President - Finance | |

MEMBERS PRESENT:

102 members (including 5 members amongst above named persons and 12 representation under Section 187 of the Companies Act, 1956 from bodies corporate holding 87,68,596 shares) were present in person as per the Attendance Register. One proxy for one share was received by the Company.

CHAIRMAN:

Dr. Vithal V. Kamat, Executive Chairman and Managing Director took the Chair.

The Chairman welcomed the members to the 25th Annual General Meeting and introduced the Directors present on the dais.

The Chairman then announced that the Register of Directors' shareholdings and Proxy Register were open for inspection by the members and the same were kept open throughout the meeting.

QUORUM:

After ascertaining that the required quorum for the meeting was present, the Chairman called the meeting in order.

NOTICE:

With the permission of the members present, the notice convening the meeting was taken as read.



....2

CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

KAMAT HOTELS (INDIA) LIMITED

-2-

At the request of the Chairman, Mr. Mahesh Kandoi, Company Secretary read out the Auditors' Report.

The Chairman delivered his speech briefly enlightening the shareholders about overall economic environment, the ARR and Occupancy trend in the industry, reference made by the Company to Corporate Debt Restructuring Cell, conversion of entire FCCBs into equity shares and performance of the Company in the first quarter of financial year 2012-13.

1. **RESOLUTION FOR ADOPTION OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

The Chairman proposed the following resolution as an Ordinary Resolution.

"RESOLVED THAT the reports of the Directors and the Auditors, the Audited Balance-sheet as at 31st March, 2012 and Statement of Profit and Loss of the Company for the year ended on that date together with the cash flow statement and notes thereon and consolidated balance sheet as at 31st March, 2012 and the consolidated Statement of profit and loss for the year ended on that date together with the consolidated cash flow statement and notes thereon, be and are hereby approved and adopted."

Mr. Kirti Shah seconded the resolution.

Before putting the resolution to vote, the Chairman invited the members to raise their questions or queries and to offer comments or seek clarifications, if any, in respect of the audited accounts of the Company.

The following shareholders expressed their views:

- Mrs. Ashalata Maheshwari
- Mrs. Homayun Beruz Pouredehi
- Mr. Hiren A Vyas
- Mr. Amit Bagwe
- Mr. Joseph Benedict Martins
- Mr. Hasmukhlal T Vora
- Mr. Michael Martins
- Mr. Vinod M Agarwal
- Mr. Kirti Jayantilal Shah
- Mr. Kedar Arvind Kamat
- Mr. Yusuf Yunus Rangwala
- Mrs. Celestine E Mascarenhas
- Mr. Prakash C. Tamhane
- Mr. Rohinton Framroze Batiwala
- Mr. Dinesh Gopaldas Bhatia
- Mr. Ravindra Waman Patange
- Mr. Aspi Bamanshaw Bhesania

Some of the members named above raised queries regarding the occupancy, ARR level and expected growth in business, current status of Open Offer and expected date of its clearance by SEBI, reason for reduction in profit in spite of increase of income, initiatives taken by the management to improve performance of the Company, status of reference made to Corporate Debt Restructuring Cell. The members appreciated the informative, transparent, and exhaustive Annual Report which also adhered to corporate governance

...3



CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

KAMAT HOTELS (INDIA) LIMITED

-3-

requirements and complimented the Company Secretary and secretarial department for the same. The members congratulated the Company for continuing receipt of various awards.

Some of the shareholders named above expressed their disappointment for skipping dividend and requested to issue bonus shares or declare dividend atleast to non promoter shareholders. Few members requested to issue discount coupons to the shareholders for the hotel units of the Company. One of the members said that the Company was heavily geared and expressed concern over increase in financial cost, power expenses and loss on sale of fixed assets. The shareholders made the following suggestions also:

1. To use solar power to reduce the expenses on power,
2. Contacting travel agencies to increase occupancy, getting feedback from customers, promotion of Fort Hotels of the Company,
3. To hold the Annual General Meeting at the Hotel of the Company to save cost and
4. To hold the Annual General Meeting earlier than in the month of September.

The Chairman thanked all the members for their active participation and valuable suggestion and thereafter replied to all the queries of the members to their satisfaction.

The Chairman stated that due to increase in number of rooms in the vicinity, the ARR level has come down and ARR and occupancy keeps on fluctuating. He further said that profit has come down due to rise in interest and power and other operating cost though income was increased mainly due to expansion at The Orchid.

Regarding reduction of debts and initiatives taken by the Company to improve bottomline, the Chairman said that presently the Company has stopped all capex and sale of several non strategic assets of the Company is in progress, proceeds of which will be used to reduce the debts. The finance and interest cost will then come down.

As regards suggestion for use of solar power to reduce the energy cost, the Chairman said that solar power requires huge capex and that power audit is being done at 'The Orchid' to keep the energy cost in check.

Regarding the open offer, the Chairman said that the matter was with Securities Exchange and Board of India for its consideration and that he could not make further comment on it. He informed the members that the reference to Corporate Debt Restructuring mechanism was in process.

The Chairman thanked the shareholders for appreciating initiatives taken by the Company towards Corporate Social Responsibilities.

The Chairman stated that in future, whenever it is possible, the Company will consider to issue discount coupons to the members. Also, issue of bonus shares or recommendation of dividend will be considered at appropriate time.

The Chairman answered all other queries raised by the members to their satisfaction and acknowledged the valuable suggestions given by the members.

Thereafter, the Chairman put the resolution to vote on show of hands. All the members, except one voted in favor of the resolution.

The Chairman declared the resolution carried with requisite majority.

...4



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CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

KAMAT HOTELS (INDIA) LIMITED

-4-

2. RESOLUTION FOR RE-APPOINTMENT OF MRS. RAJYALAKSHMI RAO AS DIRECTOR

The following resolution was proposed as an Ordinary Resolution by Mrs. Asha Lata Maheshwari and seconded by Mrs. Celestine E Mascarenhas.

“RESOLVED THAT Mrs. Rajyalakshmi Rao who retires by rotation from the office of Director of the Company and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

Thereafter, the Chairman put the resolution to vote on show of hands and declared the same carried unanimously.

3. RESOLUTION FOR RE-APPOINTMENT OF MR. S. S. THAKUR AS DIRECTOR

The following resolution was proposed as an Ordinary Resolution by Mr. Joseph Benedict Martins and seconded by Mrs. Homayun Beruz Pouredahi.

“RESOLVED THAT Mr. S. S. Thakur who retires by rotation from the office of Director of the Company and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

Thereafter, the Chairman put the resolution to vote on show of hands and declared the same carried unanimously.

4. RESOLUTION FOR APPOINTMENT OF AUDITORS

The following resolution was proposed as an Ordinary Resolution by Mr. Yusuf Yunus Rangwala and seconded by Mr. Michael Martins.

“RESOLVED THAT M/s. J. G. Verma and Company, Chartered Accountants, Mumbai, registration number FRN: 111381W the retiring Statutory Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed to between the Auditors and Dr. Vithal V. Kamat, Executive Chairman and Managing Director of the Company plus reimbursement of actual out of pocket expenses.”

Thereafter, the Chairman put the resolution to vote on show of hands and declared the same carried unanimously.

5. VOTE OF THANKS:

The Meeting was terminated with a vote of thanks to the chair proposed by Mrs. Ashalata Maheshwari.

Dated: 1st October, 2012
Place: Mumbai



CHAIRMAN

CHAIRMAN'S INITIALS

