

KAMAT HOTELS (INDIA) LIMITED

Registered Office : 70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East), Mumbai - 400 099
Phone: 26164000, Extn.: 4478; Fax: 26164115

POSTAL BALLOT FORM

1. Name and Registered
Address of the Sole / First
named Shareholder

2. Name(s) of the Joint holder(s), :
if any (in block letters)

3. Registered Folio No./ :
DP ID No. / Client ID No.*

4. No. of Shares held :

* Applicable to investors holding shares in a dematerialised form.

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through postal ballot for the business stated in the Notice dated 23rd March, 2013 of the Company by sending my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate places in the box below:

Resolution No.	Description	No. of Shares	I/We Assent to the Resolution (FOR)	I/We Dissent to the Resolution (AGAINST)
1.	Special Resolution under regulation 10(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulations, 2011 for approval of Corporate Debt Restructuring Package			
2.	Special Resolution under Section 81(1A) of the Companies Act, 1956			

Place :

Date :

(Signature of the Shareholder)

INSTRUCTIONS

- A member desirous of exercising his/her vote by Postal Ballot may complete this Postal Ballot Form and send it to the scrutinizer, Mr. V. V Chakradeo in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, any envelope containing postal ballot, if sent by courier or by Registered post at the expense of the Registered Member, will also be accepted.
- Please convey your assent or dissent in this Postal Ballot Form by placing the tick mark (✓) at the appropriate box. The assent or dissent received in any other form or on photo copy of Postal Ballot Form shall be considered invalid.
- The self - addressed postage pre-paid envelope bears the name of the Scrutinizer appointed by the Company.
- This Form must be completed and signed by the Member. In case of Joint-holding, this Form must be completed and signed (as per the specimen signatures registered with the Company) by the first named member and in his absence, by the second named member.
- The unsigned, incomplete or incorrectly ticked Postal Ballot Form shall be rejected.
- The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
- The Postal Ballot shall not be exercised by a proxy.
- Duly completed Postal Ballot Form should reach the scrutinizer not later than the close of working hours on 13th August, 2013. All Postal Ballot Forms received after this time and date will be strictly treated as if replies from such members have not been received.
- In case of shares held by Companies, Trusts, Societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of board resolution /authorization together with the specimen signature(s) of the duly authorized signatories.
- The voting rights shall be reckoned on the paid-up value of shares registered in the name of the members whose names would appear in the Register of Members/ Record of Depositories as on 5th July, 2013.
- Members are requested not to send any other paper alongwith the Postal Ballot Form in the enclosed self - addressed Postage pre-paid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- There will be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint holders.

KAMAT HOTELS (INDIA) LIMITED

Regd. Office:70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East), Mumbai-400 099
Phone: 26164000, Extn.: 4478; Fax: 26164115

Dear Members,

Notice pursuant to Section 192A(2) of the Companies Act, 1956

Notice is hereby given pursuant to Section 192A (2) of the Companies Act, 1956, read with The Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 as amended that the Special Resolution mentioned at Sr. No. 1 pertaining to approval and authorization of Corporate Debt Restructuring Package by the shareholders of the Company and Special Resolution mentioned at Sr. No. 2 pertaining to approval for issue of equity shares to Specified Promoter(s) / Promoter Group / Person(s) on preferential basis are proposed to be passed by Postal Ballot.

The Company is desirous of seeking your consent for the Special Resolutions attached herewith. An Explanatory Statement pertaining to the said Special Resolutions setting out the material facts and reasons therefore is annexed.

The said Special Resolutions and the Explanatory Statement are being sent to you by post along with postal ballot form for your consideration. The Company has appointed M/s. V. V. Chakradeo & Co, Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the form duly completed, in the enclosed self-addressed envelope to Scrutinizer at C/o Kamat Hotels (India) Ltd, 70-C, Nehru Road, Vile Parle (East) Mumbai- 400099 before close of the working hours on 13th August, 2013. Currently E-voting facility is not offered to the Shareholders of the Company.

The Scrutinizer will submit his report to the Executive Chairman and Managing Director after completion of the scrutiny of the postal ballot forms and the results of the postal ballot will be announced by the Executive Chairman and Managing Director or in his absence by any other person so authorized by the Executive Chairman and Managing Director at the Registered Office of the Company on 14th August, 2013 and will be placed on the Notice Board at the Registered Office of the Company. The result of the Postal Ballot shall be filed with Bombay Stock Exchange Ltd, National Stock Exchange of India Ltd. and other Stock Exchanges (s) where the equity shares of the Company are listed. The result will also be displayed on the website of the Company www.khil.com.

Resolution No. 1:

To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to regulation 10(2) and other applicable regulations, if any, of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulations, 2011, provisions of the Companies Act, 1956 including any statutory modification, amendment or re-enactment thereof and any other applicable law, rules, regulations, notifications, guidelines for the time being in force, provisions of Memorandum and Articles of Association of the Company and subject to such other sanction, consent, permission or approval from any appropriate authority(ies) as may be required or necessary, the Corporate Debt Restructuring (CDR) Package pursuant to the Corporate Debt Restructuring Scheme notified by the Reserve Bank of India vide circular no. B.P.BC 15/21.04, 114/2001 dated August 23, 2001, or any modification or re-notification thereto as approved by the CDR Empowered Group at its meeting held on 15th February, 2013 be and is hereby authorized and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee of Directors duly constituted by the Board be and are hereby severally authorized to do all acts deeds and things and to settle any question, difficulty or doubt that may arise in this regard."

Resolution No. 2:

To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulations, 2011 wherever applicable including any statutory modification, amendment or re-enactment thereof and any other applicable law, rules, regulations for the time being in force, provisions of Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, requirements, provisions, clauses of the Corporate Debt Restructuring (CDR) package as approved by the CDR Empowered Group at its meeting held on 15.02.13 and detailed in Annexure-I to Letter of Approval No 1146/2012-13 dated 12th March, 2013 under Corporate Debt Restructuring framework of Reserve Bank of India and subject to such other sanction, consent, permission or approval from any appropriate authority(ies) as may be required or necessary, consent of shareholders of the Company be and is hereby accorded to create, offer, issue and allot equity shares of ₹ 10/- each fully paid up in the Capital of the Company to the extent of ₹ 22 crores (Rupees Twenty Two Crores only) from time to time in one or more tranches, to the Specified Promoter(s) / Promoter Group / Person(s) on preferential basis as detailed in the Explanatory Statement annexed hereto, at a price which shall be not less than ₹ 135/- per share or price determined in accordance with Regulation 76 in Chapter VII of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, whichever is higher.

RESOLVED FURTHER THAT the relevant date for the issue of equity shares/securities pursuant to this resolution on preferential basis as per Chapter VII of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 shall be 15th February, 2013 i.e. the date of approval of the Corporate Debt Restructuring Package by the CDR Empowered Group at its meeting held on 15th February, 2013.

RESOLVED FURTHER THAT the Equity Shares allotted in terms of this resolution shall rank pari passu in all respects with the then existing equity shares of the Company and shall be in dematerialized form.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee of Directors duly constituted by the Board in this behalf be and are hereby authorized to do all acts deeds and things and to settle any question, difficulty or doubt that may arise in this regard."

**By order of the Board of Directors
FOR KAMAT HOTELS (INDIA) LIMITED**

Place : Mumbai.

Date: 23rd March, 2013

Registered Office:

70-C, Nehru Road,
Near Santacruz Airport,
Vile Parle (East),
Mumbai - 400 099.

**Dr. Vithal V. Kamat
Executive Chairman and Managing Director**

NOTES:

- a) An Explanatory Statement for the proposed Special Resolutions stated hereinabove, pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956 and Regulation 73 in Chapter VII of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 is given hereunder.
- b) The Company has appointed Mr. V. V. Chakradeo, Practicing Company Secretary, as Scrutinizer for the purpose of Postal Ballot exercise.
- c) The Notice is being sent to all the members whose names would appear in the Register of Members / Record of Depositories as on 5th July, 2013.
- d) Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

Explanatory Statement pursuant to Section 173 read with Section 192A(2) of the Companies Act, 1956 and Regulation 73 in Chapter VII of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009

Item No. 1:

As per Regulation 10 (2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI (SAST), Regulations, 2011) acquisition of shares of Company, not involving change of control over the Company, pursuant to a scheme of Corporate Debt Restructuring in terms of the Corporate Debt Restructuring Scheme notified by the Reserve Bank of India vide circular no. B.P.BC 15/21.04, 114/2001 dated August 23, 2001, or any modification or re-notification thereto shall be exempted from the obligation to make an open offer under regulation 3 of SEBI (SAST), Regulations, 2011 provided such scheme has been authorised by shareholders by way of a special resolution passed by postal ballot.

A copy of the said Corporate Debt Restructuring Scheme notified by RBI will be open for inspection at the Registered office of the Company between 10.00 A.M. to 1.00 P.M. on all working days from 15th July, 2013 to 13th August, 2013.

The Board of Directors recommends passing of Special Resolution at Sr. No. 1 in the accompanying notice.

None of the Directors of the Company is concerned or interested in the said resolution except to the extent of equity shares/ securities to be allotted to them / specified promoter(s) / Promoter Group/ person(s).

Item No. 2:

As per the terms and conditions of Corporate Debt Restructuring (CDR) Package detailed in Annexure-I of letter No1146/2012-13 dated March 12, 2013 and approved by the CDR Empowered Group under Corporate Debt Restructuring Mechanism of Reserve Bank of India, the Promoters have to infuse ₹ 5.50 crore upfront before implementation of the package, additional equity of ₹ 5.50 crore in financial year 2014 and ₹ 11 crore in 2018. Besides, the promoters have to infuse additional contribution of ₹ 8 crore over and above the contribution stipulated in the Package to be utilized in the manner mentioned in the said package.

The Company proposes to issue, on preferential basis, equity shares / securities to Specified Promoter(s) / Promoter Group / Person(s) to the extent of ₹ 22 crores.

The details of the issue and other particulars as required in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI (ICDR) Regulations) are as under:

Sr. No.	Particulars	
1	Objects of preferential issue	The object of the issue is to bring in promoters' contribution to the extent of ₹ 22 crores for business as per requirements of the CDR Scheme.
2	The proposal of the Promoters, Directors and Key Management personnel of the Company to subscribe to the proposed preferential offer	All the equity shares are to be allotted to the Specified Promoter(s) / Promoter Group/ Person(s) on preferential basis.
3	The shareholding pattern of the issuer before and after the preferential issue	As mentioned below
4	The time within which the preferential issue shall be completed.	The proposed equity shares on preferential basis will be allotted within the time limit specified in the CDR Package and as per the provisions of SEBI (ICDR) Regulations.
5	The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.	Identity of the Allottee: Specified Promoter(s) / Promoter Group/ Person(s) : 1. Nagpur Ecohotel Pvt. Ltd. 2. VITS Hotels (Bhubaneswar) Pvt. Ltd. Percentage of post preferential issue capital: 1. Nagpur Ecohotel Pvt. Ltd. - 10,00,000 equity shares at the rate of ₹ 135/- per share - 4.83% 2. VITS Hotels (Bhubaneswar) Pvt. Ltd. - 6,29,630 equity shares at the rate of ₹ 135/- per share - 3.04% There will be no change in control of the Company consequent to the preferential issue.

The price determined in accordance with Regulation 76 in Chapter VII of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 taking 15th February, 2013 as the relevant date is ₹ 123.13/- per share.

Shareholding pattern of the issuer before and after the preferential issue:

Category	Pre-issue shareholding		Post-issue shareholding	
	No of Shares	% of total Capital	No of Shares	% of total Capital
Total Promoters	9871296	51.70	11500926	55.50
Clearwater Capital Partners Singapore Fund III Private Limited	257431	1.35	257431	1.24
Clearwater Capital Partners (Cyprus) Limited	7628149	39.95	7628149	36.81
Others	1336518	7.00	1336518	6.45
Total	19093394	100.00	20723024	100.00

Note : 28,61,035 equity shares which are pending allotment under the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble Bombay High Court are not considered in the above shareholding pattern. After allotment of aforesaid equity shares, the shareholding of the promoters will change accordingly.

6. Undertakings:

The Company undertakes to re-compute the price of the equity shares / securities in terms of the provision of the SEBI (ICDR) Regulations where it is required to do so.

The Company further undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations, the equity shares / securities shall continue to be locked-in till the time such amount is paid by the allottees.

7. Certificate from Statutory Auditors:

M/s. J. G. Verma & Co. Chartered Accountants, Mumbai, Statutory Auditors of the Company have certified that the issue under consideration is as per SEBI (ICDR) Regulations.

8. Lock in period:

All the aforesaid equity shares/ securities of the Company to be issued and allotted on preferential basis to the Specified Promoter(s) / Promoter Group / Person(s) shall be locked-in for a period of three years from the date of receipt of trading approval as per provisions of SEBI (ICDR) Regulations.

A copy of the certificate by M/s. J. G. Verma & Co. Chartered Accountants, Mumbai, Statutory Auditors of the Company is open for inspection at the Registered office of the Company between 10.00 A.M. to 1.00 P.M. on all working days from 15th July, 2013 to 13th August, 2013.

The Board of Directors recommends your approval by way of Special Resolution pursuant to provisions of Section 81(1A) of the Companies Act, 1956 and provisions of SEBI (ICDR) Regulations through Postal Ballot in terms of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011.

None of the Directors of the Company is concerned or interested in the said resolution except to the extent of equity shares/ securities to be allotted to them / specified promoter(s) / Promoter Group/person(s).

By order of the Board of Directors
FOR KAMAT HOTELS (INDIA) LIMITED

Place : Mumbai.

Date: 23rd March, 2013.

Registered Office:

70-C, Nehru Road,
Near Santacruz Airport,
Vile Parle (East),
Mumbai - 400 099.

Dr. Vithal V. Kamat
Executive Chairman and Managing Director