

HELD AT _____ ON _____ TIME _____

KAMAT HOTELS (INDIA) LIMITED

Minutes of the Twenty-Eighth Annual General Meeting of the members of the Company held on Saturday, the 12th September, 2015 at 3.30 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 and Member
Mr. D. D. Jadhav	Director – Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee
Mr. Vikram V. Kamat	Director and Member
Ms. Himali H. Mehta	Director

ALSO PRESENT

Mr. J. G. Verma (Partner)	: Representing M/s. J. G. Verma & Co., Chartered Accountants - Statutory Auditors
Kurian Chandu	: Chief Financial Officer
Mr. Mahesh Kandoi	: Company Secretary
Mr. Babu Devadiga	: Vice President – Finance
Mr. V. V. Chakradeo	: Secretarial Auditor

MEMBERS PRESENT:

94 members (including 2 member directors mentioned above and 17 representation pursuant to Section 113 of the Companies Act, 2013 from bodies corporate holding 1,09,93,868 shares) were present in person as per the Attendance Register. No proxy 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 28th Annual General Meeting. All the directors of the Company were present at the meeting. The Chairman introduced the Directors present on the dais.

The Chairman then announced that the Register of Directors' and Key Managerial Personnel maintained under Section 170 of the Companies Act, 2013, Register of Contracts and Arrangement maintained under Section 189 of the Companies Act, 2013, Auditors' Report, Secretarial Report 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. The quorum was present throughout the meeting.

NOTICE:

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

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

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The Chairman, in his speech, spoke about current economic situation and uncertainties and apprehensions caused in the global economies due to Greece debt crisis, and concern over further downfall on account of weakness in Chinese economy. He informed the members that India's GDP during the first quarter ended June, 2015 had slowed down to 7% as compared to 7.5% in the previous quarter on account of various reasons including contraction of prices of commodities.

He briefed the members about the current scenario of the hotel industry which was operating in unfavorable business environment viz. the supply of room being outpaced by the demand leading to cut throat competition and lower ARR and occupancies. All the above factors had badly hit the revenue earnings and profitability of the Company. He further said that the Company could have sustained the adverse external factors to a certain extent, had it not been for the high interest burden on the Company. Moreover, financial assistance to a subsidiary Company, in the past, had considerably tightened its cash flow.

He informed the members that many players in the hotel industry which is capital intensive, were facing tremendous pressure with high leverage and resultant high interest outgo. He urged the Government that Infrastructure status given to the hotel industry be extended to the existing debt ridden hotels, which would give such hotels a longer repayment period of debt and lower rate of interest. He also said that the shortfall in rain across the Country, in the current year, might further restrict the economic growth and consequent slow down resulting in lower room bookings and eventually lower profitability.

He informed the members that as per ICRA predictions, growth in Hotel Industry was expected to strengthen to 9 - 11% in 2015-16, thereby offering some optimism in the Industry.

The Chairman elucidated about the CSR activities of the Company and the awards, so far, bagged by it.

Thereafter, the Chairman informed the members present at the meeting that the Company had provided facility of e-voting through NSDL to all the members pursuant to the provisions of Section 108 of the Companies Act, 2013 and rules made there under. The e-voting commenced from 9.00 a. m. on 9th September, 2015 and ended at 5.00 p.m. on 11th September, 2015. The Chairman announced that those members who could not cast their vote through e-voting and who were present at the meeting could cast their vote on all the resolutions proposed to be passed at the 28th Annual General Meeting through poll.

The Chairman announced that M/s. V. V. Chakradeo & Co., Practicing Company Secretary, has been appointed as scrutinizer to scrutinize the poll process and votes given on the poll at the meeting in fair and transparent manner and said that the Scrutinizer would submit his report within two days.

The Chairman, thereafter, moved the following resolution No 1 as an Ordinary Resolution which was proposed by Mr. Dharmesh Gosalia and seconded by Ms. Homayun Beruz Pouredehi.

1. ADOPTION OF ANNUAL ACCOUNTS.

"RESOLVED THAT the reports of the Directors and the Auditors and the standalone and consolidated financial statements of the Company as at 31st March, 2015 be and are hereby approved and adopted."

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Before putting the resolution to vote by poll, the Chairman welcomed queries, if any, from the members on the Company's Annual Accounts, its performance and on the proposed resolution.

The following shareholders expressed their views:

1. Mrs. Smita Bharat Shah
2. Mrs. Hodayun Beruz Pouredahi
3. Mr. Beruz Feramroz Pouredahi
4. Mrs. Asha Lata Maheshwari
5. Mr. Michael Philip John Baptist Martins
6. Mr. Suresh Anant Khanolkar
7. Mr. Vinod M Agarwal
8. Mr. Dharmesh Gosalia
9. Mr. Parekh
10. Mr. Aloysius Mascarenhas

Some of the members appreciated the simple and transparent Annual Report of the Company and also the CSR activities undertaken by the Company.

Some members raised queries about the reason for loss incurred by the Company, ARR, room occupancy, progress on sale of assets, prospects of business growth, working of the restaurants on the highways as well as status of CDR package.

Commenting on the performance of the Company, one member observed that the reserves of the Company had turned negative. Another member raised concern over the fact that the revenues of the Company had gone down while the expenses of the Company had increased.

One of the members asked as to how losses have increased despite increase in ARR and average occupancy. Simultaneously, the member congratulated the Company for the awards bagged by the flagship hotel "The Orchid" and wished that the Company continued its hard efforts in winning such milestones. Further, a query was raised relating to the future business plan of the Company to cope up with the current situation. The member welcomed Ms. Himali H. Mehta on the Board and recognized that the new director with her professional background would help the Company to recoup its glorious past. He also inquired about business of a subsidiary of the Company i.e. Kamats Restaurants (India) Private Limited. He also suggested to undertake destination weddings to increase the revenue of the Company as the trend of the same was increasing rapidly as well as to hire an independent agency for valuation of the Assets of the Company.

A member pointed out that on page no. 1 of the Annual Report, names of Chief Executive Officer and Chief Financial Officer were not mentioned by the Company which was in violation of the Company Law. A query was also raised relating to pending disputes with the tax Authorities and the time frame by which the same shall be resolved.

A member expressed satisfaction over the prompt response given by the Company, in particular the Company Secretary and his team, to his request to re-send the Annual Report of the Company. He suggested that the Annual Report should have colorful pictures of the hotel properties of the Company located all over the country.

A member inquired about the financial infusion by the Promoters of the Company and asked whether the same was interest free.

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Most of the members of the Company extended their support to the management of the Company and wished that soon the Company would be able to recoup its past glory.

To come out of the current situation, few members suggested that the Company should take corrective measures, like sale of non performing assets, cost control, restructuring, tie ups, provide innovative offers etc.

Few members complained about non payment of dividend by the Company for past few years and expressed hope that the Company would earn profit and declare dividend in future. Some members acknowledged the current financial situation of the Company and justified the skipping of dividend.

The Chairman thanked all the members for their active participation, suggestion, guidance and support. He mentioned that tourism sector has very high potential, which the government has not yet recognized. He said that stringent and obsolete rules and multiple taxes act as obstacles in the smooth functioning of hotels and restaurants. Moreover, 140 hotels were stranded incomplete and could not resume operations because of several reasons. In view of these factors and considering the current financial position, the Company has decided not to start any new projects, instead to concentrate on the existing hotels. He also informed the members that although the hotel industry had got the Infrastructure status by the Government, benefits such as longer repayment period and lower interest rate for existing hotels, Electricity at lower rate were not available, and hence business environment was not so conducive to the Industry.

In reply to the query about negative networth, the Chairman informed that it was mainly on account of provision for doubtful loan to a Subsidiary Company in the year 2013-14 and also on account of additional depreciation as per the Companies Act, 2013. Moreover, the revenue of the Company declined as the interest on loan to subsidiary was not credited, since the recovery of loan had become doubtful.

As regards CDR scheme, he informed the members that the CDR Scheme was no more in operation and the Company was dealing with the lenders appropriately as advised legally and that it would take 3-5 years for the Company to restructure the debts and come back on the track. The Chairman informed that though there was marginal increase in occupancy ARR was very low which, coupled with increased overhead cost, has led to declined profits. As regards Promoters funds infused in the Company, the Chairman said that the same were by way of equity shares and hence no interest was paid or payable thereon.

About the suggestion of colorful Annual Report, the Chairman informed that simple Annual Report was printed considering cost control and that colorful annual report with photographs of hotel properties of the Company is posted on the website of the Company for the members of the Company as well as public at large. As regard to Kamats Restaurants (India) Private Limited, a wholly owned subsidiary, the Chairman informed that currently there was business activity in that Company.

In reply to a query about appointment of CEO and CFO, the Chairman informed that he was the Executive Chairman and Managing Director and Mr. Kurian Chandy, who was sitting on the dais, was CFO of the Company in terms of Section 203 of the Companies Act, 2013.

The Chairman also stated that the Company has adopted various cost cutting measures, but there was no short cut or compromise in standard of service. The Chairman answered all the queries raised by the members to their satisfaction.


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The Chairman was also pleased to announce that last week Dalai Lama had visited and stayed at the Orchid, Mumbai.

Thereafter the Chairman moved the resolutions at Sr. No. 2 to 4 and requested the members to propose and second the resolutions.

Resolutions at Sr. No. 2 to 4 were as follows:

Resolution No. 2

APPOINTMENT OF A DIRECTOR IN PLACE OF MR. VIKRAM V. KAMAT, WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.

“RESOLVED THAT Mr. Vikram V. Kamat 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.”

Resolution No. 3

RE-APPOINTMENT OF AUDITORS.

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), as amended from time to time, M/s. J. G. Verma & Co, Chartered Accountants, Mumbai, registration number FRN: 111381W, who have given written consent for their re-appointment and a certificate that their appointment, if made, will be in accordance with the conditions of Section 141 of the Act and Rule 4 of the Rules, be and are hereby re - appointed as Statutory Auditors of the Company for the Financial Year 2015 - 2016; to hold the office from the conclusion of this Annual General 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 the Board of Directors of the Company plus reimbursement of actual out of pocket expenses in connection with the audit of books of accounts of the Company.”

Resolution No.4

APPOINTMENT OF MS. HIMALI H. MEHTA AS AN INDEPENDENT DIRECTOR OF THE COMPANY TO HOLD THE OFFICE FROM THE DATE OF HER APPOINTMENT UPTO 31ST MARCH, 2019.

“RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed, Ms. Himali H. Mehta (DIN: 07037244), who was appointed as an Additional Director of the Company with effect from 20th December, 2014 by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office as such upto the date of 28th Annual General Meeting and in respect of whom a notice in writing along with requisite deposit under Section 160 of the Companies Act, 2013 has been received by the Company from a member proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a term commencing from the date of her

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appointment to 31st March, 2019, not liable to retire by rotation as per the explanation to Section 152(6) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, expedient or desirable to give effect to this resolution.”

Resolutions at Sr. No. 2 to 4 were proposed and seconded by the members as follows:

Sr. No.	ITEM	PROPOSED BY	SECONDED BY
2.	Appointment of a Director in place of Mr. Vikram V. Kamat, who retires by rotation and being eligible offers himself for re-appointment.	Mrs. Asha Lata Maheshwari	Mr. Suresh Anant Khanolkar
3.	Re-appointment of Auditors.	Mr. Vinod M Agarwal	Rajendraprasad Devprasad Joshi
4.	Appointment of Ms. Himali H. Mehta as an Independent Director of the Company to hold the office from the date of her appointment upto 31 st March, 2019	Mr. Michael Philip John Baptist Martins	Mr. Aloysius Mascarenhas

The Chairman further announced that all the resolutions contained in the notice convening the 28th Annual General Meeting shall now be put to vote by way of poll and requested the members who were present at the meeting and who had not voted through e-voting facility to cast their votes through poll.

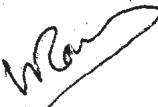
Upon the request of the Chairman, Mr. V. V. Chakradeo, Practising Company Secretary came forward and showed the empty Ballot Box and locked the same.

Thereafter the process of putting Poll Paper in the Ballot Box was conducted.

The Chairman thanked all the members for attending the meeting and announced that the results will be declared in two working days.

The meeting was concluded at 5.35 p.m. with a vote of thanks to the chair proposed by Mrs. Smita Bharat Shah.

M/s. V. V. Chakradeo & Co., Practicing Company Secretary, the scrutinizer, submitted the report on the results of voting conducted through poll at the Annual General Meeting and e-voting through platform provided by NSDL on 14th September, 2015 i.e. with in two days of the conclusion of the 28th Annual General Meeting to the Chairman. The said report is displayed on the Website of the Company. According to the scrutinizer's report, all the resolutions contained in the notice of the 28th Annual General Meeting and mentioned above were passed with requisite majority. Detailed result of the Resolutions put to vote through remote e-voting and Poll at the AGM was as follows:



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Results:

Resolution No. 1	Votes cast in favor	Votes cast Against	Invalid votes
Remote E-voting	14364091	0	0
Poll	2652	1	342
Total	14366743	1	342

Resolution No. 2	Votes cast in favor	Votes cast Against	Invalid votes
Remote E-voting	14363886	205	
Poll	2652	1	
	14366538	206	342

Resolution No. 3	Votes cast in favor	Votes cast Against	Invalid votes
Remote E-voting	14363986	105	0
Poll	2652	1	342
	14366638	106	342

Resolution No. 4	Votes cast in favor	Votes cast Against	Invalid votes
Remote E-voting	14363986	105	0
Poll	2652	1	342
	14366638	106	342

Dated: 3rd October, 2015
 Date of Entry: 26th September, 2015
 Place: Mumbai

W. Ravi
 Chairman