

**MINUTES OF THE PROCEEDINGS OF THE THIRTY-SECOND ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF EIH ASSOCIATED HOTELS LIMITED HELD AT 3.30 P.M. ON FRIDAY, 7<sup>TH</sup> AUGUST, 2015 AT TRIDENT, 1/24 G.S.T.ROAD, MEENAMBAKKAM, CHENNAI – 600 027**

**PRESENT**

Mr. S.S.Mukherji	–	Vice Chairman (In the Chair)
Mr. Vikram Oberoi	–	Managing Director
Mr. Anil Nehru	–	Director
Mr. L.Ganesh	–	Director
Mr. Akshay Raheja	–	Director
Mr. Rajesh Kapadia	–	Director
Mr. Sudipto Sarkar	–	Director
Ms. Radhika Haribhakti	–	Director

**BY INVITATION**

Mr. Anil K. Sharma	–	Partner, Ray & Ray, Chartered Accountants
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**IN ATTENDANCE**

Ms. Indrani Ray	–	Company Secretary
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AND

78 Other Shareholders present in person or by proxy as per separate List enclosed.

**1. Chairperson**

In accordance with the provisions of Article 71 of the Articles of Association of the Company, Mr. S.S. Mukherji, Vice Chairman of the Company, took the Chair.

## **2. Quorum**

The quorum as required under the Companies Act, 2013 being present, the Chairperson called the Meeting to order.

The Chairperson announced that 4 proxies totaling 8183047 shares were lodged with the Company. These were in order. The Chairperson explained to the Shareholders that Mr. P.R.S. Oberoi, Chairman of the Company, had given advance intimation about his inability to attend the Annual General Meeting due to his pre-occupation in some urgent work.

The Chairperson then introduced the Directors on the dais.

## **3. Register of Directors and Key Managerial Personnel and their Shareholding**

The Chairperson announced that the Register of Directors and Key Managerial Personnel and their Shareholding, maintained pursuant to Section 170 of the Companies Act, 2013 is available to the Shareholders for inspection, throughout the Meeting.

## **4. Notice of Meeting**

The Chairperson with the consent of the Shareholders present, took the Notice dated 28<sup>th</sup> May, 2015, convening the Thirty-second Annual General Meeting, as read.

## **5. The Chairperson's Opening Remarks**

Addressing the Shareholders, the Chairperson stated that globally, travel and tourism recorded a growth in 2014 with business and leisure spending growing by 3.4%. However, this growth was less than predicted the year before on account of weaker than anticipated macroeconomic performance and unexpected travel impacting developments such as the Ukraine-Russia conflict, Ebola in West Africa, political instability in Thailand, sectarian unrest in the Middle East and terror attacks in Nigeria and Kenya.

The Chairperson further mentioned that falling oil prices will bring significant improvements, ease upward pressure on inflation, increase disposable household incomes and domestic consumer spending as well as reduce air fares. Travel and Tourism expansion is forecast to continue at a stronger rate than last year.

The Chairperson further explained that positive measures undertaken by the Government were undermined by incidents affecting safety and security of women. Foreign visitor arrivals during the calendar year of 2014 exhibited an accelerated growth of 7.1% to 7.5 million, as compared to the foreign visitor arrivals of 7.0 million in the previous year.

Despite the recent positive aspects designed to stimulate demand, the Indian hotel industry has been facing increased supply of rooms in almost all locations across the country. The performance of the Indian hotel industry in 2014-15 remained subdued with a marginal increase in occupancies. Average Room Rates (ARRs) remained flat.

The Chairperson then summarized the Company's performance for the year that the revenue and profitability have increased compared to the previous year. The Chairperson also summarized the Company's performance for the quarter ended 30<sup>th</sup> June, 2015 and had mentioned that total revenue for the quarter has increased compared to the same period last year.

The Chairperson concluded his opening remarks by expressing hope that with the improvement in market conditions, the following three quarters of the current year's revenue and profitability are expected to be better.

## **6. Auditor's Report**

Upon completion of his opening remarks, the Chairperson informed the Shareholders that as there were no qualifications, observations or comments by the Auditors on the financial transactions or financial statements of the Company, pursuant to Section 145 of the Companies Act, 2015 and Clause 13.1 of Secretarial Standard – 2, the

Auditor's Report need not be read before the Annual General Meeting.

#### **7. E-voting and Ballot Voting**

The Chairperson informed the Shareholders that in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, all Shareholders have been provided e-voting facility through National Securities Depositories Limited ("NSDL") commencing from 4<sup>th</sup> August, 2015 to 6<sup>th</sup> August, 2015. The Chairperson further mentioned that for the benefit of the Shareholders who have not been able to exercise e-voting and are present at the Annual General Meeting, arrangements for ballot voting have been made to enable them vote between 4.00 P.M. to 5.00 P.M. Shareholders who have already cast their vote by electronic means shall not vote by way of ballot voting at the Meeting, and if voted, it will not be counted. The Chairperson further mentioned that the Scrutinizer appointed by the Board to conduct voting in a fair and transparent manner will submit his report. The combined results based on Scrutinizer's Report for e-voting and ballot voting of the Company on all Resolutions at the 32<sup>nd</sup> Annual General Meeting will be displayed on the Company's website [www.eihassociatedhotels.in](http://www.eihassociatedhotels.in) as well as on the Notice Board at the Registered Office of the Company at 1/24 G.S.T. Road, Meenambakkam, Chennai – 600 027 on or before 9<sup>th</sup> August, 2015.

#### **8. Shareholders' queries on the Annual Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015**

The Chairperson then invited comments from the attending Shareholders on the Annual Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2015. The Chairperson stated that in accordance with Clause 49 of the Listing Agreement, Mr. Anil Nehru, Chairperson of the Audit Committee during the financial year 2014-15 is present at the Meeting to respond to Shareholders' queries.

Several Shareholders from the floor including Mr. S. Padmanabhan, Mr. Prakash Chand Galada, Mr. Abhishek J.,

Mr. R. Sivakumar, Mr. Rajamani, Mr. Rajendran K., Mr. P.V. John and Mr. Balasubramanian R. had made submissions on Annual Financial Statements. Amongst the more prominent observations made by the Shareholders were those relating to Return on Equity, dividend policy, unclaimed/unpaid dividend, distribution of shareholding, prospects for issue of bonus shares, if any, minority shareholders' interest, settlement of outstanding tax liabilities and foreign exchange earnings.

Upon the Shareholders completing their submissions, Mr. S.S.Mukherji, Chairperson of the Meeting, responded to their observations and queries.

Based on separate Scrutinizer's Report dated 7<sup>th</sup> August, 2015 on e-voting as well as on ballot voting conducted at the venue of the Annual General Meeting, the following Resolutions have been passed with requisite majority at the 32<sup>nd</sup> Annual General Meeting. The results of combined voting on Resolutions were then sent to Stock Exchanges where the Company's shares are listed, on 7<sup>th</sup> August, 2015 and were also displayed on the Notice Board at the Registered Office, Corporate Office and in the Company's website [www.eihassociatedhotels.in](http://www.eihassociatedhotels.in) on 9<sup>th</sup> August, 2015.

#### **Resolution No. 1**

**Adoption of Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 together with the Directors' and Auditors' Report thereon (Ordinary Resolution)**

Proposed by : Mr. Balasubramanian K

Seconded by : Mr. S. Ravindran

“RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2015, together with the Directors' and Auditor's Reports thereon, as circulated to the Shareholders and laid before this Meeting, be and the same are hereby considered and adopted.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	1692150	99.99	4	0.01
Ballot Voting	22473583	99.99	40	0.01
Total	24165733	99.99	44	0.01

The Resolution was carried with the requisite majority as per the votes cast in favour as above.

### **Resolution No. 2**

#### **Declaration of Dividend (Ordinary Resolution)**

Proposed by : Mr. N. Prakash Chand Galada

Seconded by : Mr. Balasubramanian K.

“RESOLVED THAT a Dividend of Rs 3.00 per Share on the Company’s Share Capital of Rs 304.68 million, absorbing thereby Rs 91.40 million excluding Dividend Distribution Tax of Rs 18.61 million as at 31<sup>st</sup> March, 2015, be and the same is hereby declared for payment to those holders of Equity Shares whose names appear in the Register of Shareholders of the Company as on 23<sup>rd</sup> July, 2015.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	1692154	100	0	0
Ballot Voting	22473578	99.99	17	0.01
Total	24165732	99.99	17	0.01

The Resolution was carried with the requisite majority as per the votes cast in favour as above.

### **Resolution No. 3**

#### **Re-appointment of Mr. S.S. Mukherji as a Director (Ordinary Resolution)**

Proposed by : Mr. Rajamani R.

Seconded by : Mr. Ganesan P.

“RESOLVED THAT Mr. S.S. Mukherji, who retires by rotation at this Meeting, be and is hereby re-appointed a Director of the Company.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	1689370	99.84	2784	0.16
Ballot Voting	22473565	99.99	30	0.01
Total	24162935	99.92	2814	0.08

The Resolution was carried by requisite majority as per the votes cast in favour as above.

Mr. S.S.Mukherji did not participate in the discussion governing this item of business.

**Resolution No. 4**

**Appointment of Auditors and to fix their Remuneration (Ordinary Resolution)**

Proposed by : Mr. Viswanathan S.

Seconded by : Mr. Balachandran S.

“RESOLVED THAT Ray & Ray, Chartered Accountants, Kolkata (Firm’s Registration No. 301072E) be and are hereby re-appointed Auditors of the Company to hold office from the conclusion of the Thirty-second Annual General Meeting till the conclusion of the Thirty-third Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	1692150	99.99	4	0.01
Ballot Voting	22473555	99.99	40	0.01
Total	24165705	99.99	44	0.01

The Resolution was carried by requisite majority as per the votes cast in favour as above.

**Resolution No. 5**

**Re-appointment of Mr. Vikram Oberoi as the Managing Director of the Company for a term of 5 years, effective 23<sup>rd</sup> June, 2015**

Proposed by : Mr. Sivaprakasam K.C.

Seconded by : Mr. Viswanathan S.

“RESOLVED THAT the consent of the Company be and is hereby accorded to the re-appointment of Mr. Vikram Oberoi as the Managing Director of the Company for a further period of five years effective 23<sup>rd</sup> June, 2015. Mr. Vikram Oberoi will not receive any remuneration as the Managing Director of the Company.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	1692150	99.99	4	0.01
Ballot Voting	22473565	99.99	30	0.01
Total	24165715	99.99	34	0.01

The Resolution was carried with requisite majority as per the votes cast in favour as above.

Mr. Vikram Oberoi did not participate in the discussion governing this item of business.

There being no other business to transact, the Meeting concluded at 5.30 P.M. with a vote of thanks to the Chair.

**CHAIRPERSON**