

MINUTES OF THE PROCEEDINGS OF THE TWENTY-NINTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF EIH ASSOCIATED HOTELS LIMITED HELD AT 3.30 P.M. ON THURSDAY, 9THAUGUST, 2012, AT TRIDENT, 1/24, G.S.T. ROAD, MEENAMBAKKAM, CHENNAI – 600 027

PRESENT

Mr. P.R.S.Oberoi	-	Chairman
Mr. S.S. Mukherji	-	Director and Shareholder
Mr. Vikram Oberoi	-	Managing Director
Mr. L. Ganesh	-	Director
Mr. Anil Nehru	-	Director
Mr. Sudipto Sarkar	-	Director
Ms. Indrani Ray	-	Company Secretary

BY INVITATION

Mr. R. N. Roy, Partner, Ray & Ray, Chartered Accountants

AND

164 other Shareholders present in person or by proxy as per separate List.

1. Chairman

In accordance with the provisions of Article 71 of the Company's Articles of Association, Mr. P.R.S. Oberoi, the Chairman of the Company's Board of Directors, took the Chair.

2. Quorum

The quorum being present, the Chairman called the Meeting to order.

It was noted that 56 proxies had been lodged for a total of 7057630 shares. These were in order.

He then introduced the Directors on the dias.

3. **Register of Directors' Shareholding**

The Chairman advised that the Register of Directors' Shareholding maintained pursuant to Section 307 of the Companies Act, 1956, was on the table. It was thus open and accessible to Shareholders throughout the Meeting.

4. **Notice of Meeting**

The Chairman with the consent of the Shareholders present, took the Notice dated 28th May, 2012, convening the Twenty-ninth Annual General Meeting, as read.

5. **The Chairman's Opening Remarks**

Addressing the attending Shareholders, the Chairman stated that despite a promising start, 2011 was a year of slow and fragile recovery. The year 2012 started on a promising note amidst hopes that the global financial crisis was at a turning point. Unfortunately, events have proved otherwise. Europe continues to be plagued by persistent recession and high levels of unemployment. The economic upheaval in Europe could have dire consequences for most global economies.

The Chairman then highlighted that the hospitality industry's performance is correlated to economic growth and investor confidence. Unfortunately, the economies on which we depend are now beset with uncertainty. Business travelers which constitute an important segment for the Company's hotels and business sentiments have been on a progressive decline in India in the past year.

The Chairman then informed that the Company's proposed Rights Issue of Equity Shares was progressing well and expected completion in the following two months.

Referring to the proposed merger of Island Hotel Maharaj Limited with the Company, the Chairman stated that the merger was expected to improve operational synergies and cost efficiencies.

The Chairman then summarized the Company's performance during the Financial Year 2011-2012. He mentioned that the results of the first quarter of current financial year have improved in comparison to the corresponding quarter of the previous year.

In his concluding remarks, the Chairman emphasized that the Government must realise that the travel and tourism sector can play a

significant role in employment generation and foreign exchange earnings - thus contributing to GDP growth and improving the balance of payments. Therefore, the Government should give due importance to the Travel and Tourism Industry.

6. Auditor's Report

Upon completion of his opening remarks, the Company Secretary, Ms. Indrani Ray, upon being instructed by the Chairman read out the Auditor's Report.

7. Adoption of the Audited Accounts for the year ended 31st March, 2012

The Chairman proposed the following Ordinary Resolution for adoption of the Audited Accounts for the year ended 31st March, 2012, together with the Directors' and Auditor's Reports:

“ RESOLVED THAT the Audited Accounts of the Company for the year ended 31st March, 2012, 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 approved and adopted.”

Mr. R. Sivakumar seconded the Resolution.

Before putting the Resolution to vote, the Chairman invited comments from attending Shareholders. He stated that in accordance with Clause 49 of the Listing Agreement, Mr. L. Ganesh, Chairman of the Audit Committee, was available to respond to Shareholder queries.

Several Shareholders from the floor, viz. P. Srinivasan, Mr. Kesavan T.R., Mr. Ramamurthy R., Mr. Rajamannar, Mr. Gunashekharan, Mr. MKT Goptu, Mr. S. Ravindran, chose to make submissions on various aspects of Accounts and Secretarial matters. Amongst the most prominent observations were those relating to consideration of delisting the Company's Shares from Madras Stock Exchange, deciding upon the venue of the next Annual General Meeting 2013 at a more convenient location within the Chennai city, tabular presentation of physical and dematerialized shareholdings in the Company, unpaid/unclaimed dividend, Dividend policy, unpaid/outstanding sales tax liabilities, furnishing details of Land and Buildings in the Fixed Assets Schedule to the Accounts in 2012-2013, reasons for increase in Royalty income and rise in Salaries, Wages and Bonus during the Financial Year 2011-2012.

Upon the Shareholders completing their submissions, the Chairman responded to each Shareholder's observations/queries.

Upon all issues raised from the floor having been responded to, the Chairman put the Resolution to vote. On a show of hands, the Resolution was carried unanimously.

8. Declaration of Dividend

Mr. Kesavan T.R. proposed the following as an Ordinary Resolution:

THAT a Dividend @ ` 3.00 per share on Company's Share Capital of ` 195.86 million absorbing thereby ` 58.76 million, excluding Dividend Distribution Tax of ` 9.53 million as at 31st March, 2012, be and the same is hereby declared for payment to the respective holders of those Equity Shares whose names appear in the Register of Shareholders of the Company as on 26th July, 2012."

The Resolution was seconded by Mr. Guna Sekharan.

Upon being put to vote on a show of hands, the Resolution was carried unanimously.

9. Re-appointment of Mr. S. S. Mukherji as a Director

Mr. R. Sivakumar proposed the following as an Ordinary Resolution :

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

The Resolution was seconded by Mr. Kesavan T.R.

Upon being put to vote on a show of hands, the Resolution was carried unanimously.

10. Re-appointment of Mr. Anil Nehru as a Director

Mr. MKT Goptu proposed the following as an Ordinary Resolution:

"THAT Mr. Anil Nehru, who retires by rotation at this Meeting, be and is hereby re-appointed a Director of the Company."

The Resolution was seconded by Mr. S. Ravindran.

Upon being put to vote on a show of hands, the Resolution was carried unanimously.

11. **Appointment and Remuneration of Auditors**

Mr. Guna Sekharan proposed the following as an Ordinary Resolution:

“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 Twenty-ninth Annual General Meeting till the conclusion of the Thirtieth Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company.”

The Resolution was seconded by Mr. Kesavan T.R.

Upon being put to vote on a show of hands, the Resolution was carried unanimously.

There being no other business to transact, the Meeting terminated with a vote of thanks to the Chair.

Sd/-

P.R.S. Oberoi
[DIN: 00051894]
CHAIRMAN

Date: 31st August 2012

Place: Delhi