

**MINUTES OF THE PROCEEDINGS OF THE THIRTY-FIRST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF EIH ASSOCIATED HOTELS LIMITED HELD AT 3.30 P.M. ON FRIDAY, 8<sup>TH</sup> AUGUST, 2014, AT TRIDENT, 1/24, G.S.T. ROAD, MEENAMBAKKAM, CHENNAI – 600 027**

**PRESENT**

Mr. S.S. Mukherji	-	Director (In the Chair)
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
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AND

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

**1. Chairperson**

In absence of Mr. P.R.S. Oberoi, the Chairperson of the Company, Mr. S.S. Mukherji, Director, with the consent of all Shareholders present, took the Chair.

**2. Quorum**

The quorum being present, the Chairperson of the Meeting called the Meeting to order.

It was noted that 2 proxies had been lodged for a total of 1351670 shares. These were in order.

He then introduced the Directors on the dais.

3. **Register of Directors' Shareholding**

The Chairperson advised 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 29<sup>th</sup> May, 2014, convening the Thirty-first Annual General Meeting, as read.

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

Addressing the Shareholders, the Chairperson explained that in the last few years, the Indian Hotel Industry has been facing weak demand and an excess supply of rooms caused by optimism about the Indian growth story prior to 2008. This had led to new hotel openings by Indian and International hospitality brands. However, due to the economic slowdown, supply outpaced demand, suppressing Average Room Rates (ARR) and reducing occupancies.

The Chairperson then emphasized the importance that the Travel and Tourism industry is well established as it makes a significant contribution to GDP and provides substantial employment to a wide spectrum of job seekers. The Travel and Tourism industry can play an important role in development of local infrastructure and thus promote "Brand India" to the world.

The Chairperson further explained to the Shareholders that the new government has announced its first budget where lot of importance is given on development of infrastructure.

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 has also summarised the Company's performance for the first quarter ended 30<sup>th</sup> June, 2014 and had mentioned that total income, profit before taxation and profit after tax for the quarter have increased compared to the same period last year.

The Chairperson concluded his opening remarks by expressing hope the performance of the Company will improve during the remaining

three quarters of the current year with the improvement in market conditions.

**6. Auditor's Report**

Upon completion of his opening remarks, the Chairperson informed the Shareholders that as there were no qualifications, observations or comments on the financial transactions or accounts of the Company by the Auditors, pursuant to Section 145 of the Companies Act, 2013, the Auditor's Report need not be read before the Annual General Meeting.

**7. E-Voting**

The Chairperson informed the Shareholders that under the Companies Act, 2013 and under revised Clause 35(B) of the Listing Agreement, e-voting had been made mandatory for all listed companies. Accordingly, e-voting process had been completed and the Scrutinizer appointed by the Board for conducting e-voting in a fair and transparent manner has given his report. The Chairperson further mentioned that for the benefit of those Shareholders who have not been able to do e-voting and were present at the Annual General Meeting, arrangements for Ballot Voting have been made for them to enable them to vote between 4.00 p.m. to 4.30 p.m. The combined results, based on the Scrutinizer's report for e-voting and ballot-voting of the Company on the Resolutions at the 31<sup>st</sup> Annual General Meeting would be displayed on the Company's website as well as on the Notice Board at the Registered Office at 1/24, G.S.T. Road, Meenambakkam, Chennai – 600 027 on 11<sup>th</sup> August, 2014.

**8. Shareholders queries on the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2014**

The Chairperson then invited comments from the attending Shareholders. The Chairperson stated that in accordance with Clause 49 of the Listing Agreement, Mr. L. Ganesh, Chairperson of the Audit Committee during the financial year 2013-14 was present at the Meeting to respond to Shareholder's queries.

Several shareholders from the floor including Mr. S. Padmanabhan, Mr. Abhishek J., Mr. R. Sivakumar, Mr. N. Prakash Chand Galada, Mr. L.V. Rajarathnam and Mr. S. Sreenivaasan, chose to make submissions on Annual Accounts. Amongst the most prominent observations made by the Shareholders were those relating to Return on Equity, dividend policy, unclaimed/unpaid dividend, delisting of the Company's shares from Madras Stock Exchange, distribution of

shareholding, issue of Bonus Shares, if any, minority shareholders' interest, 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 8<sup>th</sup> August, 2014 on e-voting as well as on the ballot voting conducted at the venue of the Annual General Meeting, the following resolutions have been passed with the requisite majority at the 31<sup>st</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 11<sup>th</sup> August, 2014 and were also displayed on the Notice Board at the Registered Office and in the Company's website [www.eihassociatedhotels.com](http://www.eihassociatedhotels.com) on even date.

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

##### **Adoption of the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2014 (Ordinary Resolution)**

“RESOLVED THAT the Audited Accounts of the Company for the year financial ended 31st March, 2014, 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	27143334	100	Nil	Nil
Ballot Voting	61042	100	Nil	Nil
Total	27204376	100	Nil	Nil

The Resolution was carried unanimously as per the votes cast in favour as above.

#### **Resolution No. 2**

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

“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 15.54

million as at 31<sup>st</sup> March, 2014, 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 24<sup>th</sup> July, 2014.”

Particulars	Votes cast			
	For	%	Against	%
E-Voting	24102223	100	Nil	Nil
Ballot Voting	61042	100	Nil	Nil
Total	24163265	100	Nil	Nil

The Resolution was carried unanimously as per the votes cast in favour as above.

### **Resolution No. 3**

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

“RESOLVED THAT Mr. P.R.S. Oberoi, 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	24102223	100	Nil	Nil
Ballot Voting	61042	100	Nil	Nil
Total	24163265	100	Nil	Nil

The Resolution was carried unanimously as per the votes cast in favour as above.

### **Resolution No. 4**

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

“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-first Annual General Meeting till the conclusion of the Thirty-

second 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	24102223	100	Nil	Nil
Ballot Voting	61042	100	Nil	Nil
Total	24163265	100	Nil	Nil

The Resolution was carried unanimously as per the votes cast in favour as above.

### **Resolution No. 5**

9. **Appointment of Mr. L. Ganesh as an Independent Director (Ordinary Resolution)**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under, Mr. L. Ganesh be and is hereby appointed as an “Independent Director” of the Company for a period of 5 (five) consecutive years, and shall not retire by rotation”.

Particulars	Votes cast			
	For	%	Against	%
E-Voting	24102023	100	Nil	Nil
Ballot Voting	61042	100	Nil	Nil
Total	24163065	100	Nil	Nil

The resolution was carried unanimously as per the votes cast in favour as above.

### **Resolution No. 6**

**Appointment of Mr. Anil Nehru as an Independent Director (Ordinary Resolution)**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under, Mr. Anil Nehru be and is

hereby appointed as an “Independent Director” of the Company for a period of 5 (five) consecutive years, and shall not retire by rotation”.

Particulars	Votes cast			
	For	%	Against	%
E-Voting	24102023	100	Nil	Nil
Ballot Voting	61042	100	Nil	Nil
Total	24163065	100	Nil	Nil

The Resolution was carried unanimously as per the votes cast in favour as above.

### **Resolution No. 7**

#### **Appointment of Mr. Sudipto Sarkar as an Independent Director (Ordinary Resolution)**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under, Mr. Sudipto Sarkar be and is hereby appointed as an “Independent Director” of the Company for a period of 5 (five) consecutive years, and shall not retire by rotation”.

Particulars	Votes cast			
	For	%	Against	%
E-Voting	24100580	99.994	1443	0.006
Ballot Voting	61042	100	Nil	Nil
Total	24161622	99.994	1443	0.006

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

### **Resolution No. 8**

#### **Appointment of Mr. Rajesh Kapadia as an Independent Director (Ordinary Resolution)**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under, Mr. Rajesh Kapadia be and is

hereby appointed as an “Independent Director” of the Company for a period of 5 (five) consecutive years, and shall not retire by rotation”.

Particulars	Votes cast			
	For	%	Against	%
E-Voting	24100580	99.994	1443	0.006
Ballot Voting	61042	100	Nil	Nil
Total	24161622	99.994	1443	0.006

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

### **Resolution No. 9**

#### **Approval for enhancement of Company’s overall Borrowing Limit (Special Resolution)**

“RESOLVED THAT in supersession of all Resolutions passed earlier in this regard and subject to the consent of the Shareholders at the General Meeting of the Company, the Board of Directors of the Company (“the Board”) be and is hereby authorised, pursuant to Section 180(1)(c) of the Companies Act, 2013 (“the Act”), to borrow monies for the purpose of the business of the Company, notwithstanding that the monies so borrowed, together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate for the time being of the Paid-up Capital of the Company and its Free Reserves, which expression is defined under Section 2(43) of the Companies Act, 2013, but such that the total amount of monies to be so borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not exceed Rs 400 crores (Rupees four hundred crores);

RESOLVED FURTHER that the Board be and is hereby also empowered and authorised to do all such acts, deeds and things as it may, in its absolute discretion, deem fit and proper to give effect to this Resolution, including if and where necessary, enabling creation of such mortgage(s) and/or charge(s) on the whole or substantially the whole of all or any of the undertaking(s) of the Company, as contemplated under Section 180(1)(a) of the Act and further, to perfect and execute all requisite documents or writings as are or may be required to give effect to this Resolution.”



Particulars	Votes cast			
	For	%	Against	%
E-Voting	24102173	99.999	50	0.001
Ballot Voting	61042	100	Nil	Nil
Total	24163215	99.999	50	0.001

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

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

Sd/-

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S.S. Mukherji  
[DIN: 00103770]  
**CHAIRPERSON**

Date: 5<sup>th</sup> September 2014

Place: Calcutta

Date of entry in Minutes Book: