

**MINUTES OF THE PROCEEDINGS OF THE THIRTY-THIRD ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF EIH ASSOCIATED HOTELS LIMITED HELD AT 3.30 P.M. ON FRIDAY, 5<sup>TH</sup> AUGUST, 2016 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. Sudipto Sarkar	–	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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130 Shareholders were present at the Meeting 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 3 proxies totaling 68,82,197 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 indifferent health.

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 24<sup>th</sup> May 2016 convening the Thirty-third Annual General Meeting, as read.

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

Addressing the Shareholders, the Chairperson stated that the World Travel & Tourism Council (WTTC) recently released its Economic Impact 2016 Annual Update Summary on Travel and Tourism. According to the Annual Update Summary, the Travel and Tourism Industry added 7.2 million jobs to the global economy and contributed over US \$ 7.2 trillion to the global GDP. Despite global uncertainties, Travel and Tourism grew by 3.7% year on year, thereby contributing 9.8% to the global GDP. Travel and Tourism sector supports 1 in 11 jobs globally. Despite many challenges the sector continues to produce healthy performance globally.

The Chairperson further stated that insofar as India is concerned, we are emerging as one of the best performing economies across the globe with the GDP estimated to increase by 7.6% this year. The Indian Travel and Tourism Industry is a significant source of foreign exchange and is a major source of employment. In the year 2015, the contribution of the Travel and Tourism Industry to India's GDP was Rs. 8,309 billion which is 6.3% of India's GDP. As per WTTC's forecast, by 2026, India's Travel and Tourism Industry will increase to Rs.18,362 billion or 7.2% of GDP.

The Chairperson further stated that the Government has continually displayed a commitment towards augmenting the Indian tourism sector. The sector has registered prominent growth in recent years due to an expanding Indian middle class, increase in foreign tourist arrivals, a growing airline sector and momentum from Government-led initiatives. The 2016-17 Union Budget allocated Rs.15.9 billion to infrastructural development and promotion which is a 70% hike over the previous year. The "Clean India" campaign and development of inland waterways for transport and tourism are projects that have gained momentum over the previous year. Additionally, programmes such as "Make in India" and the

“Smart Cities” initiative have highlighted the Government’s support to skill development and investments in Hospitality and Tourism.

The Chairperson further stated that domestic travel spending has also witnessed impetus, attributing 82.5% to the direct Travel & Tourism GDP. Although a large portion of domestic travel has historically been for business purposes, an increasing number of Indians are now travelling for leisure. The appreciation of the US dollar has made international travel unattractive to many who are now seeking to travel within the country for holidays. Domestic tourism, therefore, is likely to gain traction, given the rising disposable incomes and abundance of low cost flights.

The Chairperson further stated that with reference to the Hospitality Industry, the supply of branded rooms has grown at a CAGR of 15.5% over the past five (2011-12 to 2014-15) years, with the demand for these rooms growing at a similar pace of 15.3% for the same period. The nationwide occupancies surpassed the 60% mark but were accompanied by a correction in average rates. The Food and Beverage department continued to be a major revenue generator for the Indian Hotel Industry.

The Chairperson further stated that the positive outlook for the Indian economy, coupled with the favourable external environment and emphasis on Travel & Tourism as well as related industries by the Government, points towards a steady upswing in the hospitality sector. As future supply dwindles concurrent with the increase in demand for quality branded accommodation, the Company is optimistic about the opportunities ahead.

The Chairperson then summarized the Company’s performance for the Financial Year 2015-2016 that the revenue and profitability have increased compared to the previous year. The Chairperson also summarized the Company’s performance for the first quarter ended 30<sup>th</sup> June 2016 in the current Financial Year 2016-2017.

The Chairperson concluded his opening remarks by expressing hope that the Company will improve its revenue and profitability in the current Financial Year.

## **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 Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all Shareholders have been provided e-voting facility through National Securities Depositories Limited ("NSDL") commencing from 2<sup>nd</sup> August 2016 to 4<sup>th</sup> August 2016. 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 33<sup>rd</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 7<sup>th</sup> August 2016.

## **8. Shareholders' queries on the Annual Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March 2016**

The Chairperson then invited comments from the attending Shareholders on the Annual Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2016.

The Chairperson stated that in accordance with Regulation 18(1)(d) of the Listing Regulations, Mr. Anil Nehru, Chairperson of the Audit Committee during the Financial Year 2015-2016 is present at the Meeting to respond to the Shareholders' queries.

From amongst the Shareholders present at the Meeting, Mr. R. Sivakumar, Mr. Rajeswari G.S. and Mr. R. Nagamallaiah, 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, expenses on Corporate Social

Responsibility, legal expenses for settling Taxation disputes and Investment in Other Bodies Corporate.

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 5<sup>th</sup> August 2016 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 33<sup>rd</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 5<sup>th</sup> August 2016 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).

### **Resolution No. 1**

#### **Adoption of Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March 2016 together with the Directors' and Auditors' Report thereon (Ordinary Resolution)**

Proposed by : Mr. S.S. Mukherji

Seconded by : Mr. Balachandran S.

“RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March 2016, 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	20357439	100.00	0	0.00
Ballot voting	6845537	100.00	0	0.00
Total	24165733	100.00	0	0.00

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

## **Resolution No. 2**

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

Proposed by : Mr. S.S.Mukherji

Seconded by : Mr. R.Sivakumar

“RESOLVED THAT in addition to the Interim Dividend of Rs 3.00 per Equity Share which was declared and paid by the Company in respect of the Financial Year 2015-2016, a further dividend of Re 1.00 per Equity Share of face value Rs 10 each on the Company’s Share Capital of Rs 304.68 million, absorbing thereby Rs 30.46 million, excluding Dividend Distribution Tax of Rs 6.20 million, in respect of the Financial Year 2015-2016 be and is hereby declared for payment as the “Final Dividend 2015-2016” to those shareholders whose names appear in the Register of Members of the Company as on 26<sup>th</sup> July 2016.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	20357439	100.00	0	0.00
Ballot Voting	6845537	100.00	0	0.00
Total	27202976	100.00	0	0.00

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)**

Proposed by : Mr. R. Sivakumar

Seconded by : Mr. R. Nagamallaiah

“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	20357439	100.00	0	0.00
Ballot Voting	6845537	100.00	0	0.00
Total	27202976	100.00	0	0.00

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)**

Proposed by : Mr. S.S.Mukherji

Seconded by : Mr. Kamal Shyamsunder Kabra

“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-third Annual General Meeting till the conclusion of the Thirty-fourth 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	20357435	99.99	4	0.01
Ballot Voting	6845537	100.00	0	0.00
Total	27202972	99.99	4	0.01

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

**Resolution No. 5 (Special Business)**

**Appointment of Mr. Akshay Raheja as a regular Director**

Proposed by : Mr. Viswanathan S.

Seconded by : Mr. Nagamallaiah

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Akshay Raheja (DIN: 00288397) who was appointed as a Director in the Company with effect from 28<sup>th</sup> May 2015 in the casual vacancy created due to the resignation of Mr. Rajan Raheja, and in respect of whom the

Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a shareholder proposing his candidature for the office of a director of the Company, be and is hereby appointed as a regular Director of the Company, being liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution.”

Particulars	Votes cast			
	For	%	Against	%
E-voting	20357459	100.00	0	0.00
Ballot Voting	6845537	100.00	0	0.00
Total	27202996	100.00	0	0.00

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

There being no other business to transact, the Meeting concluded at 4.10 P.M. with a vote of thanks to the Chair.

Sd/-

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

Date: 2<sup>nd</sup> September 2016

Place: Calcutta

Date of entry in Minutes Book: