

MINUTES OF THE PROCEEDINGS OF THE THIRTY-FOURTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF EIH ASSOCIATED HOTELS LIMITED HELD AT 3.30 P.M. ON FRIDAY, 4TH AUGUST 2017 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
Mr. Surin Shailesh Kapadia	–	Director
Ms. Radhika Haribhakti	–	Director

BY INVITATION

Mr. Robin Roy	–	Partner, Ray & Ray Chartered Accountants
Mr. Anil K. Sharma	–	Partner, Ray & Ray, Chartered Accountants

IN ATTENDANCE

Ms. Indrani Ray	–	Company Secretary
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107 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 4 proxies totaling 81,36,789 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 prior commitment.

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 29th May 2017 convening the Thirty-fourth Annual General Meeting, as read.

5. The Chairperson's Opening Remarks

Addressing the Shareholders, the Chairperson stated that the Year 2016 was an eventful year for the Travel and Tourism industry. He informed that the World Travel & Tourism Council (WTTC) recently released its Economic Impact Study 2017 which shows global tourism grew by 3.3% in 2016. This is a remarkable achievement despite significant challenges facing the global economy. Other serious challenges are terrorism, protectionist postures by several nations, geo-political uncertainties and currency fluctuations. Terrorist attacks are increasing due to misplaced ideologies. It is no longer the bane of traditionally turbulent parts of the globe but is now increasingly prevalent in the heart of the western world. Geo-political uncertainties such as Brexit may have a destabilising effect on the European Travel and Tourism industry.

The Chairperson further stated that the United States (US), a major contributor to Global Travel and Tourism saw its economy grow at a modest 1.6% in 2016. The US economy is forecast to grow at 2.2% in 2017 and 2.1% in 2018. This is of significance as the United States is the second largest source of market for hotels of the Company.

The Chairperson then proceeded to mention that year 2016-17 also witnessed a major policy initiative that will positively impact the economy—the Constitutional Amendment leading to the implementation of the Goods & Services Tax (GST) from 1st July 2017. The goal of the GST is to create a common Indian marketplace, improve tax compliance and governance, and increase investments and growth. The Chairperson added that the GST will have an adverse impact on the Luxury Hotel segment of the Travel and Tourism industry. The announcement that hotels charging over Rs 7,500 in room charges will attract 28% GST will be detrimental to tourism and employment in the hospitality industry.

The Chairperson then analysed that the Travel and Tourism industry contributes approximately 33% of India's foreign exchange earnings and has the highest employment potential as compared to other sectors. In the past year, Travel and Tourism employed more than 40 million people, thus contributing to 9.3% of total employment in the country which is expected to rise to 50 million jobs by the year 2027 (9.6% of total). The industry plays a very important role in not only employment but integrates society and drives development. As regards hotel industry, the branded supply grew at a Compounded Annual Growth Rate (CAGR) of 11.1% over the past five years while demand outpaced supply growth at 13.0% for the same period. As a consequence, hotel occupancy in India crossed 60% in 2016-17. However, in a number of primary and secondary cities, hotel room inventories increased substantially with new hotel openings. This was not offset with a corresponding increase in demand, putting pressure on both occupancy levels and room rates in these cities. With GDP forecast to grow annually at 7.5% over the next five years and limited hotels under construction, the industry will benefit with improved occupancy levels and higher room rates.

The Chairperson then summarized the Company's performance for the Financial Year 2016-17 that the revenue and profitability have both increased in comparison to the previous year. The Chairperson also summarized the Company's performance for the first quarter ended 30th June 2017 in the current Financial Year 2017-18.

The Chairperson concluded his opening remarks by expressing the hope that the revenue and profitability at the Company's hotels will improve 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 1st August 2017 to 3rd August 2017. 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 4.30 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 34th Annual General Meeting will be displayed on the Company's website 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 6th August 2017.

8. Shareholders' queries on the Annual Financial Statement of the Company for the Financial Year ended 31st March 2017

The Chairperson then invited comments from the attending Shareholders on the Annual Audited Financial Statements of the Company for the Financial Year ended 31st March 2017.

The Chairperson stated that in accordance with Regulation 18(1)(d) of the Listing Regulations, Mr. Sudipto Sarkar, Chairperson of the

Audit Committee during the Financial Year 2016-17 is present at the Meeting to respond to the Shareholders' queries.

From amongst the Shareholders present at the Meeting, Mr. R. Rajamani, Mr. S. Gowrishankar, Mr. T.R. Kesavan and Mr. K. Srinivasan, 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, Debt reduction and borrowings, Price/Earnings ratio and the impact of Goods and Services Tax Act 2016 ("GST") on Room Revenue etc.

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 4th August 2017 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 34th Annual General Meeting. The results of combined voting on Resolutions were then sent to Stock Exchanges where the Company's shares are listed, on 4th August 2017 and were also displayed on the Notice Board at the Company's Registered Office and hosted on its website www.eihassociatedhotels.in.

Resolution No. 1

Adoption of the Audited Financial Statement of the Company for the Financial Year ended 31st March 2017 together with the Directors' and Auditors' Report thereon (Ordinary Resolution)

Proposed by: Mr. S.S. Mukherji

Seconded by: Mr. Ganesan P.

“RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended 31st March 2017, 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			
	No. of votes cast in favour	% of votes cast in favour	No. of votes cast against	% of votes cast against
E-voting	8755694	100.00	10	0.00
Ballot voting	11602753	100.00	0	0.00
Total	20358447		10	

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. Rajamani R.

“RESOLVED THAT a Dividend of Rs 4.50 per Equity Share on the Company’s Paid-up Equity Share Capital of Rs 304.68 Million, absorbing thereby Rs 137.11 Million excluding Dividend Distribution Tax of Rs 27.91 Million as at 31st March 2017, be and is hereby declared as for payment to those holders whose names appear in the Register of Members of the Company as on 27th July 2017.”

Particulars	Votes cast			
	No. of votes cast in favour	% of votes cast in favour	No. of votes cast against	% of votes cast in favour
E-voting	8755693	100.00	10	0.00
Ballot Voting	11602753	100.00	0	0.00
Total	20358446		10	

The Resolution was carried unanimously 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. S. Gowrishankar

Seconded by : Mr. Rajamani R.

“RESOLVED THAT Mr. S.S. Mukherji (DIN 00103770), who retires by rotation at this Meeting, be and is hereby re-appointed a Director of the Company.”

Particulars	Votes cast			
	No. of votes cast in favour	% of votes cast in favour	No. of votes cast against	% of votes cast against
E-voting	8755643	100.00	60	0.00
Ballot Voting	11602753	100.00	0	0.00
Total	20358396		0	

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

Resolution No. 4

Appointment of Auditors and fixing their Remuneration (Ordinary Resolution)

Proposed by : Mr. S.S.Mukherji

Seconded by : Mr. K. Srinivasan

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof), M/s. Deloitte, Haskins & Sells LLP, Chartered Accountants (FRN 117366 W/W 100018) be and is hereby appointed as the Statutory Auditors of the Company to hold office for 5 (five) consecutive years from the conclusion of the 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting, subject to ratification at every Annual General Meeting, at a remuneration as may be decided by the Board of Directors of the Company every year.”

Particulars	Votes cast			
	No. of votes cast in favour	% of votes cast in favour	No. of votes cast against	% of votes cast against
E-voting	8755643	100.00	60	0.00
Ballot Voting	11602753	100.00	0	0.00
Total	20358396		60	

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

Resolution No. 5 (Special Business)

Approve the appointment of Mr. Surin Shailesh Kapadia as an Independent Director

Proposed by : Mr. S.S. Mukherji.

Seconded by : Mr. Rajendran K.

“RESOLVED THAT pursuant to Sections 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Surin Shailesh Kapadia (DIN 00770828) be and is hereby appointed as an Independent Director of the Company for a term up to 5 (five) consecutive years with effect from 5th August 2016.”

Particulars	Votes cast			
	No. of votes cast in favour	% of votes cast in favour	No. of votes cast against	% of votes cast against
E-voting	8755434	100.00	10	0.00
Ballot Voting	11602753	100.00	0	0.00
Total	20358197		10	

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 about 4.30 P.M. with a vote of thanks to the Chair.

Sd/-

S.S. Mukherji
[DIN: 00103770]
CHAIRPERSON

Date: 29th August 2017

Place: Kolkata

Date of entry in Minutes Book: