

**Minutes of the proceedings of the Thirty-fifth Annual General Meeting of the Shareholders of EIH Associated Hotels Limited held at 3.30 PM on Friday, 3<sup>rd</sup> August 2018 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**

Ms. Alka Chadha	}	Partner, Deloitte, Haskins & Sells LLP Chartered Accountants
Mr. Arvind Kumar		Manager, Haskins & Sells LLP Chartered Accountants

**IN ATTENDANCE**

Ms. Indrani Ray	–	Company Secretary
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175 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 for the Meeting as required under the Companies Act, 2013 being present, the Chairperson called the Meeting to order.

The Chairperson announced that 9 proxies totaling 124,75,544 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 indisposition.

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 2018 convening the Thirty-fifth Annual General Meeting, as read.

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

Addressing the Shareholders, the Chairperson stated that the Travel and Tourism industry has completed an uncertain year. In spite of several challenges, the industry has shown remarkable resilience. He stated that globally, the industry generated 10.4% of the world's GDP which is a growth of 8.6% over the previous year. In the year 2017, India's Travel and Tourism total contribution to GDP was 9.4%. This is forecast to rise to 9.9% by 2028.

The Chairperson expressed concern that geopolitical instability has become more mainstream in Europe as evidenced in recent unpredictable electoral outcomes in Germany and Italy. Brexit uncertainty and the possibility of trade wars amongst the world's leading economies will impact investment confidence. Negative outlook for Travel and Tourism industry could be a natural follow on.

The Chairperson then proceeded to mention that in 2017, the total contribution of Travel & Tourism to Employment (including indirect jobs) was 42 million. This is expected to rise to 52 million jobs by 2028 and will represent 8.4% of total employment. He also mentioned that international travel to India contributes significantly to the country's foreign exchange earnings. This grew in 2017 by 20.8% over 2016 and reached to US\$ 27.2 billion based on provisional estimates by the Ministry of Tourism. The Chairperson analysed that 2017 also saw 10.2 million Foreign Tourist Arrivals (FTAs) to the country, a growth of 15.6% over 2016. Of these, 1.7 million FTAs were on e-Tourist visas as compared to 1.1 million in 2016, representing a growth of 57.1%. He further analysed that Domestic tourist visits (DTVs) to the States and Union Territories grew by 15.5% to reach 1.6 billion during 2016. With disposable incomes increasing and people's appetite for travel, domestic tourism will play an increasingly important role for the Travel & Tourism industry.

The Chairperson expressed concern that the GST at 28% being charged for Hotel Room Tariffs of Rs 7500 and above will undoubtedly affect travel and tourism to India. He stated that the comparative GST rate in other Asian countries are much lower. The Chairperson informed that the Hospitality Industry has made several representations to the Government in this regard to the appropriate authorities. He added, it is hoped that there will be reduction in GST for hotels in the immediate future. However, the Government has decided to levy GST on the “transaction value” of hotel rooms instead of the “declared tariff” w.e.f. 27<sup>th</sup> July 2018. This would substantially ease off the tax burden on guests and contribute to the overall growth of the Tourism sector, the Chairperson also added.

The Chairperson then summarised the Company’s Financial Results for the First Quarter of the current Financial Year 2018-19, which had been approved by the Board at their Meeting held on 3<sup>rd</sup> August 2018, immediately preceding the AGM.

The Chairperson concluded his opening remarks by expressing the hope that 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 31<sup>st</sup> July 2018 to 2<sup>nd</sup> August 2018. 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 35<sup>th</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 5<sup>th</sup> August 2018.

#### **8. Shareholders' queries on the Annual Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March 2018**

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 2018.

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 2017-18 is present at the Meeting to respond to the Shareholders' queries.

From amongst the Shareholders present at the Meeting, Mr. R. Rajamani, Mr. S. Ravindran, Mr. P. Ganesan, Mr. S. Viswanathan, Mr. Avishek, Mr. R. Balasubramanian, Mr. R. Srinivasan and Mr. P. Nagamani, 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 and shares transferred to Investor Education and Protection Fund, compulsory dematerialization of shares, Debt-Equity ratio, pending Taxation cases, recurring cost of Building Repairs & Maintenance, increase in Miscellaneous Expenses, Bad Debts 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 3<sup>rd</sup> August 2018 on e-voting as well as on ballot voting conducted at the venue of the Annual General Meeting, the following Resolutions were passed with requisite majority at the 35<sup>th</sup> Annual General Meeting.

The results of combined voting on Resolutions were then sent to Stock Exchanges where the Company's shares are listed within stipulated timelines and were also displayed on the Notice Board at the Company's Registered Office and hosted on its website [www.eihassociatedhotels.in](http://www.eihassociatedhotels.in).

## **Resolution No. 1**

### **Adoption of the Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March 2018 together with the Directors' and Auditors' Report thereon (Ordinary Resolution)**

Proposed by: Mr. S.S. Mukherji

Seconded by: Mr. R. Rajamani

“RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March 2018, 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.”

<b>Particulars</b>	<b>Votes cast</b>			
	<b>No. of votes cast in favour</b>	<b>% of votes cast in favour</b>	<b>No. of votes cast against</b>	<b>% of votes cast against</b>
E-voting	20397171	100.00	0	0.00
Ballot voting	6785328	100.00	0	0.00
Total	27182499		0	

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. S.Ravindran.

“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 31<sup>st</sup> March 2018, be and is hereby declared as for payment to those holders whose names appear in the Register of Members of the Company as on 26<sup>th</sup> July 2018.”

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	20397171	100.00	0	0.00
Ballot Voting	6785328	100.00	0	0.00
Total	27182499		0	

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. S.S. Mukherji

Seconded by : Mr. S.Viswanathan

“RESOLVED THAT Mr. P.R.S. Oberoi (DIN 00051894), 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	20397171	100.00	1508	13.53
Ballot Voting	6785328	100.00	0	0.00
Total	27182499		1508	

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

#### **Resolution No. 4**

#### **Re-appointment of Mr. Akshay Raheja as a Director (Ordinary Resolution)**

Proposed by : Mr. S.S. Mukherji

Seconded by : Mr. R.Balasubramanian

“RESOLVED THAT Mr. Akshay Raheja (DIN 00288397), who retires by rotation at this Meeting, be and is hereby re-appointed a Director of the Company.”

<b>Particulars</b>	<b>Votes cast</b>			
	<b>No. of votes cast in favour</b>	<b>% of votes cast in favour</b>	<b>No. of votes cast against</b>	<b>% of votes cast against</b>
E-voting	20397125	100.00	46	0.41
Ballot Voting	6785328	100.00	0	0.00
Total	27182453		46	

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

There being no other business to transact, the Meeting concluded at about 4.45 P.M. with a vote of thanks to the Chair.

Sd/-

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

Date: 31<sup>st</sup> August 2018

Place: Calcutta

Date of entry in Minutes Book: