



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING



### GUJARAT HOTELS LIMITED

CIN: L55100GJ1982PLC005408

Registered Office: Welcomhotel Vadodara, R C Dutt Road, Alkapuri, Vadodara-390 007

Tel: +91 0265 233 0033 ● E-mail: ghlinvestors@yahoo.co.in ● Website: www.gujarathotelsltd.in

## NOTICE OF 40<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fortieth Annual General Meeting of the Members of Gujarat Hotels Limited will be held on **Tuesday, 23<sup>rd</sup> August, 2022, at 11.00 a.m. (IST)** for the transaction of the following businesses, through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, Government of India:-

### ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend of ₹ 2/- per Equity Share of ₹ 10/- each for the financial year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in place of Ms. Benita Sharma (DIN: 08582861) who retires by rotation and, being eligible, offers herself for re-appointment.
4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, Messrs. K C Mehta & Co. LLP, Chartered Accountants (FRN 106237W/W100829), be and are hereby re-appointed as the Auditors of the Company from the conclusion of this Annual General Meeting to hold such office for a period of five years till the conclusion of the Forty-Fifth Annual General Meeting, at a remuneration of ₹ 85,000/- (Rupees Eighty Five Thousand Only) to conduct the audit for the financial year 2022-23, payable in one or more instalments plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.”

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Ashish Thakar (DIN: 09383474) be and is hereby appointed a Non-Executive Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

6. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), consent be and is hereby accorded to the Company for entering into and / or continuing to enter into contracts / arrangements / transactions with ITC Limited (‘ITC’), a related party under Regulation 2(1)(zb) of the Listing Regulations, in connection with renewal of the Operating License Agreement for the Company’s Hotel, Welcomhotel Vadodara and such other matters, as set out in the Explanatory Statement annexed to the Notice convening this Meeting and on the terms and conditions as may be mutually agreed between the parties.

Resolved further that the Board of Directors of the Company (‘the Board’, which term shall be deemed to include the Audit Committee) be and is hereby authorised to perform and execute all such acts, deeds, matters and things including delegation of all or any of the powers conferred herein, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto, and also to settle any issue, question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem fit or desirable, subject to compliance with the applicable laws and regulations, without the Board being required to seek any further consent / approval of the Members.”



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

The Record Date fixed for the purpose of determining entitlement of the Members to the Final Dividend for the financial year ended 31<sup>st</sup> March, 2022 is **Friday, 5<sup>th</sup> August, 2022**, and such Dividend, if declared, will be paid between **Wednesday, 24<sup>th</sup> August, 2022 and Monday, 29<sup>th</sup> August, 2022** to those Members entitled thereto.

By Order of the Board  
Gujarat Hotels Limited

Nakul Anand  
Chairman

Dated: 13<sup>th</sup> July, 2022  
Place: Gurugram

### NOTES:

- (i) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM'), is annexed. Additional information, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to re-appointment of the Statutory Auditors of the Company, as proposed under Item No. 4 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.
- (ii) Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), (a) Members will not be able to appoint proxies for this AGM, and (b) Attendance Slip & Route Map are not annexed to this Notice.
- (iii) Corporate Members are requested to send a certified copy (in PDF / JPG format) of the Board Resolution authorising their representative to attend this AGM, pursuant to Section 113 of the Act, through e-mail at [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in).
- (iv) In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of Central Depository Services (India) Limited ('CDSL'). The Board has appointed Ms. Pooja Bhatia (Membership No: F7673), Partner, Messrs. P B & Associates, Practising Company Secretaries, as the Scrutinizer to scrutinise the process of e-voting.
- (v) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **Tuesday, 16<sup>th</sup> August, 2022 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
- (vi) Remote e-voting will commence at **10:00 a.m. on Friday, 19<sup>th</sup> August, 2022** and will end at **5:00 p.m. on Monday, 22<sup>nd</sup> August, 2022**, when e-voting module will be disabled by CDSL. During this period, Members of the Company holding shares either in certificate form or in dematerialised form, as on the cut-off date i.e. Tuesday, 16<sup>th</sup> August, 2022, may cast their votes electronically.
- (vii) In case you have any queries / grievances or issues regarding attending this AGM or e-voting on the CDSL e-voting system, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Rakesh Dalvi, Sr. Manager, CDSL, at toll free no. 1800 22 55 33. You may also address your queries / grievances to the Company through e-mail at [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in) or call at 0124-4175260.
- (viii) Pursuant to the Income-tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing detailed information & instructions with respect to tax on the Final Dividend for the financial year ended 31<sup>st</sup> March, 2022 is being sent separately to the Members.
- (ix) Unclaimed dividend for the financial year ended 31<sup>st</sup> March, 2015 and the Equity Shares in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the Investor Education and Protection Fund of the Central Government on 5<sup>th</sup> November, 2022, pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members are requested to claim the said dividend, details of which are available on the Company's website [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in) under the section



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

'General Information' under 'Investor Relations'. The Company will not be able to entertain any claim received after 3<sup>rd</sup> November, 2022 in respect of the same.

- (x) In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2022 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.
- (xi) Members who hold shares in the certificate form or who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the AGM Notice and the Report and Accounts 2022, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the AGM, are required to register their e-mail addresses with the Company by accessing the section "Service of Documents through Electronic Mode" on the Company's website at <https://gujarathotelsltd.in/AnnualGeneralMeetingInformation.html>.

Members holding shares in dematerialised form are requested to register / update their e-mail addresses with the relevant Depositories.

- (xii) Members who would like to express their views or ask questions with respect to the agenda items of the AGM will be required to register themselves as speaker by sending e-mail to the Company at [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in) from their registered e-mail address, mentioning their name, DP ID and Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 5.00 p.m. on 16<sup>th</sup> August, 2022 will be able to speak at the AGM. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time, for smooth conduct of the AGM.

Further, Members who would like to have their questions / queries responded to during the AGM are requested to send such questions / queries in advance within the aforesaid time period.

- (xiii) The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act and the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act will remain available for inspection through electronic mode during the AGM, for which purpose Members are required to send an e-mail to the Company at [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in).

### I. Instructions for attending the AGM through VC / OAVM

- (a) Member who wish to attend this AGM through VC / OAVM are requested to login to the e- voting system of CDSL at [www.evotingindia.com](http://www.evotingindia.com) under "Shareholders / Members" login, under the EVSN of Gujarat Hotels Limited, by using their remote e-voting credentials. The procedure for attending the AGM is same as the steps enumerated under (II) below for remote e-voting.
- (b) The facility for the Members to join this AGM through VC / OAVM will be available from 30 minutes before the time scheduled for the AGM and may close not earlier than 30 minutes after the commencement of the AGM.
- (c) Members are requested to login to the CDSL e-voting system using their laptops / desktops / tablets with stable Wi-Fi or LAN connection for better experience. Members logging in from mobile devices or through laptops / desktops / tablets connecting via mobile hotspot or with low bandwidth, may experience audio / video loss due to fluctuation in their respective network.

### II. Instructions for remote e-voting

#### Step 1: Access to CDSL e-voting website

#### (A) For Individual Members holding shares in dematerialised form:

For Members holding shares in demat account with CDSL

- **If you are registered for CDSL 'Easi / Easiest' facility**, you are required to follow the below- mentioned steps:
  - (a) Login at [www.cdslindia.com](http://www.cdslindia.com) and select 'New System Myeasi', or launch internet browser by typing the URL: <https://web.cdslindia.com/myeasi/home/login>.
  - (b) Insert your existing user ID and password.
  - (c) After login, you will be able to view the e-voting menu.



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

- (d) Click on '**e-vote**' link available for Gujarat Hotels Limited or '**e-voting service provider - CDSL**' and proceed to Step 2 to cast your vote.
- **If you are not registered for CDSL 'Easi / Easiest' facility**, you can also directly access the '**e-voting**' tab on the home page of [www.cdslindia.com](http://www.cdslindia.com) or click on <https://evoting.cdslindia.com/Evoting/EvotingLogin> with your demat account number and PAN.
- After OTP based authentication, you will be provided link for '**e-voting**' for Gujarat Hotels Limited or '**e-voting service provider - CDSL**' and proceed to Step 2 to cast your vote.

For Members holding shares in demat account with 'National Securities Depository Limited' (NSDL)

- **If you are registered for NSDL 'IDeAS' facility**, you are required to follow the below-mentioned steps:
- (a) Launch internet browser by typing the URL: <https://eservices.nsdl.com> and click on '**Beneficial Owner**' tab under the '**IDeAS**' section.
- (b) Insert your existing user ID, password and the verification code as shown on the screen.
- (c) After login, click on '**Access to e-voting**' under e-voting services and you will be able to see the e-voting page.
- (d) Click on '**evote**' link for Gujarat Hotels Limited or '**e-voting service provider - CDSL**' and proceed to Step 2 to cast your vote.
- **If you are not registered for 'IDeAS'**, you are required to follow the below-mentioned steps:
- (a) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com> and click on '**Shareholder / Member - Login**'.
- (b) Insert your existing user ID, password / OTP and the verification code as shown on the screen, and agree to the terms and conditions by clicking the box.
- (c) After authentication, you will be re-directed to NSDL e-services website wherein you will be able to see the e-voting page.
- (d) Click on '**evote**' link for Gujarat Hotels Limited or '**e-voting service provider - CDSL**' and proceed to Step 2 to cast your vote.

For Members logging in through the websites of their Depository Participants

- (a) Login to your demat account, using the login credentials, through the concerned Depository Participant registered with NSDL / CDSL for e-voting.
- (b) Click on the option available for e-voting. You will be re-directed to CDSL e-voting website wherein you will be able to see the e-voting page.
- (c) Click on '**evote**' link for Gujarat Hotels Limited or '**e-voting service provider - CDSL**' and proceed to Step 2 to cast your vote.

Members who are unable to retrieve their user ID or password are advised to use '**Forgot User ID**' / '**Forgot Password**' option(s) available on the websites of the respective Depositories / Depository Participants. Once the vote is cast, the Member shall not be allowed to change it subsequently.

### **(B) For Non-Individual Members holding shares in dematerialised form and Members holding shares in certificate form:**

If you are holding shares in dematerialised form and are registered for CDSL 'Easi / Easiest' facility, you can login at [www.cdslindia.com](http://www.cdslindia.com) with your existing login and click on '**e-vote**' to proceed to Step 2 to cast your vote.



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

Other Members are required to follow the below-mentioned steps:

- Launch internet browser by typing the URL: **www.evotingindia.com** and click on 'Shareholder/ Member - Login'.
- Insert your existing user ID, password and the verification code as shown on the screen.

• **User ID:**

For Members holding shares in demat account with NSDL.	8 character DP ID followed by 8 digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12*****, then your user ID is IN300***12*****.
For Members holding shares in demat account with CDSL	16 digit Beneficiary ID. For example, if your Beneficiary ID is 12*****, then your user ID is 12*****.
For Members holding shares in certificate form.	EVSN followed by your folio number registered with the Company.

• **Password:**

- If you are already registered with CDSL for remote e-voting, you should use your existing password for login.

Members may also use OTP based login.

- If you are using CDSL e-voting system for the first time, you would need to enter your 10 digit alpha-numeric PAN and enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account.
- If you are unable to retrieve the password, or have forgotten your password, then enter the User ID and the image verification code, and click on Forgot Password & enter the details as prompted by the system.

You may also send an e-mail requesting for password at **helpdesk.evoting@cdslindia.com** mentioning your name, PAN, registered address and your DP ID & Client ID / folio number.

- Click on 'Submit'. Home page of remote e-voting opens.

### Facility for Non-Individual Members and Custodians – Remote e-voting

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which it wishes to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
- A scanned copy of the Board Resolution / appropriate authorisation should be uploaded in PDF format in the system for the Scrutinizer to verify the same. Alternatively, non-individual Members are required to send the said documents together with attested specimen signature of the duly authorised signatory who are authorized to vote, to the Scrutinizer at **pooja@aasthalaw.com** and to the Company at **ghlinvestors@yahoo.co.in**, if they have voted from the given tab & not uploaded the same in the CDSL e-voting system.

### Step 2: Cast your vote on CDSL e-voting website

- Click on 'e-voting' and select the EVSN of Gujarat Hotels Limited.
- Now you are ready for remote e-voting as 'Cast Vote' page opens.
- Cast your vote by selecting appropriate option and click on 'Submit'. Thereafter click on 'Confirm' when prompted; upon confirmation, your vote is cast.





## NOTICE OF ANNUAL GENERAL MEETING

### Other Instructions

- (a) In case of any query / grievance for any technical issues related to login through Depository i.e. CDSL and NSDL, you may contact the following:
- (i) For CDSL - by sending a request to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. **1800 22 55 33**;
- (ii) For NSDL- by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free nos. **1800 1020 990** and **1800 22 44 30**.
- (b) Those who become Members of the Company after sending the Notice but on or before **16<sup>th</sup> August, 2022 (cut-off date)** may write to CDSL at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or to the Company at [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in) requesting for user ID and password. On receipt of user ID and password, the steps stated above under 'Step 2: Cast your vote on CDSL e-voting website' should be followed for casting of vote.

### III. Instructions for e-voting during the AGM

- (a) The procedure for e-voting during the AGM is same as mentioned under (II) above for remote e-voting.
- (b) Only those Members who are present in the AGM through VC / OAVM and have not cast their votes on the Resolutions through remote e-voting, shall be eligible to vote through the e-voting system available during the AGM. Members who have cast their votes by remote e-voting may also attend the meeting, but they will not be entitled to cast their votes once again.

### IV. General Information

- (a) There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (b) **The Results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.** The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in) under the section 'Investor Relations' and on the website of CDSL; such Results will also be forwarded to BSE Limited, where the Company's shares are listed.

### EXPLANATORY STATEMENT

Annexed to the Notice convening the Fortieth Annual General Meeting to be held on Tuesday, 23<sup>rd</sup> August, 2022.

#### Item No. 4

The Members of the Company at the Thirty Fifth Annual General Meeting ('AGM') held on 8<sup>th</sup> August, 2017 approved the appointment of Messrs. K C Mehta & Co., Chartered Accountants ('KCM'), as the Auditors of the Company for a period of five years from the conclusion of the said AGM. KCM will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of KCM (name changed to Messrs. K C Mehta & Co. LLP effective 7<sup>th</sup> June, 2022) as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the Forty Fifth AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of KCM for the financial year 2022-23 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like experience, technical knowledge, audit team size etc., and found KCM to be best suited to handle the audit of the financial statements of the Company.

KCM was established in 1958 and headquartered in Vadodara with branches in Ahmedabad, Mumbai and Bengaluru. It has large client base spanning Indian businesses, listed companies and Multinationals in India across sectors.

KCM have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

### Item No. 5

The Board of Directors of the Company ('the Board') at the meeting held on 12<sup>th</sup> November, 2021, on the recommendation of the Nominations and Remuneration Committee, appointed in terms of Section 161 of the Companies Act, 2013 ('the Act') read with Article 130 of the Articles of Association of the Company, Mr. Ashish Thakar as an Additional Non-Executive Director of the Company with effect from 13<sup>th</sup> November, 2021.

Mr. Thakar will vacate office at this Annual General Meeting ('AGM') and is eligible for appointment as Director. The Board at the meeting held on 13<sup>th</sup> July, 2022, recommended for the approval of the Members, the appointment of Mr. Thakar as a Non-Executive Director of the Company, as set out in the Resolution relating to his appointment.

Mr. Thakar is not in receipt of any remuneration from the Company. He neither holds any share in the Company (in individual capacity or on a beneficial basis for any other person) nor is he related to any other Director or Key Managerial Personnel of the Company. Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Thakar has been received by the Company, and consent has been given by Mr. Thakar pursuant to Section 152 of the Act.

Additional information in respect of Mr. Thakar, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the section 'Your Directors'.

Mr. Thakar and his relatives are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

### Item No. 6

As the Members are aware, the Company's Hotel, Welcomhotel Vadodara, pursuant to a rehabilitation package dated 4<sup>th</sup> October, 1990 was licensed to ITC Limited ('ITC') vide an Operating License Agreement ('OLA') entered in September, 1992. The said OLA was signed for a period of 30 years and is due for renewal effective 1<sup>st</sup> October, 2022.

It is now proposed to renew the OLA for a period of 30 years on same commercial terms. ITC being the promoter of the Company, is a related party under Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In terms of Regulation 23 of the Listing Regulations, approval of the Members is required for entering into material related party transactions which, either individually or taken together with previous transaction(s) during a financial year, are likely to exceed ₹ 1,000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

Accordingly, the Board of Directors of the Company ('the Board') at the meeting held on 13<sup>th</sup> July, 2022, on the recommendation of the Audit Committee, recommended for the approval of the Members, entering into contracts / arrangements / transactions with ITC in connection with renewal of the OLA and such other matters, details of which, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22<sup>nd</sup> November, 2021, are given hereunder.

Sl. No	Particulars	Remarks
1	Name of the Related Party	ITC Limited ('ITC')
2	Nature of Relationship	ITC is a Promoter of the Company
3	Nature, tenure and material terms of the contract or arrangement	<ul style="list-style-type: none"> <li>➤ The Operating License Agreement ('OLA') with ITC for licensing of the Company's Hotel, Welcomhotel Vadodara, is proposed to be renewed for a period of 30 years with effect from 1<sup>st</sup> October, 2022, on same commercial terms.</li> <li>➤ In accordance with the terms of OLA, ITC will pay the following to the Company, for a period of 30 years:               <ol style="list-style-type: none"> <li>a. License Fees @ 15% of the Hotel's Net Operating Income or ₹ 60 lakhs per annum, whichever is higher.</li> <li>b. Reimbursement of salary and other expenses.</li> </ol> </li> </ul>



# GUJARAT HOTELS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

		<ul style="list-style-type: none"> <li>➤ In addition to the above, the Company reimburses the following to ITC -           <ol style="list-style-type: none"> <li>a. Cost of employees deputed by ITC to the Company.</li> <li>b. Cost of services availed.</li> </ol> </li> <li>➤ All revenue and expenses pertaining to the operation of the Hotel (including lease rent of land, property &amp; municipal tax) belong to ITC</li> </ul>
4	Nature of concern or interest	Financial
5	Estimated value of the proposed transaction and percentage of the Company's annual consolidated turnover for the immediately preceding financial year represented by such estimated value	<p>As stated above, the license fees is based on Net Operating Income and hence, the same would vary from year to year.</p> <p>The value of the said transactions for the financial year 2021-22 were as follows:</p> <p>Payments made by ITC to the Company:</p> <ul style="list-style-type: none"> <li>- License fees- ₹ 251.48 Lakhs; and</li> <li>- Reimbursements of salary and other expenses- ₹ 559.93 Lakhs.</li> </ul> <p>Reimbursements by the Company to ITC:</p> <ul style="list-style-type: none"> <li>- Cost of employees deputed from ITC- ₹ 69.86 Lakhs; and</li> <li>- Cost of services availed- ₹ 1.94 Lakhs.</li> </ul>
6	Justification as to why the proposed transaction is in the interest of the Company	<p>Under the existing model, the Company has been consistently earning profits and thereby declaring dividends to its shareholders. In case the OLA is not renewed, the Company will have to engage a hotel operator for Brand Licensing, selling / marketing and for operating the Hotel on a management contract basis and pay for management fees. Further, all expenses for operation of the Hotel, including lease rentals (being a considerable amount), annual capex and renovation/ upgradation charges, will have to be borne by the Company. Hence, the proposed renewal of OLA is in the best interest of the Company and will aid the growth of the Company's business.</p>
7	Details of valuation or other external party report, if such report has been relied upon	Not applicable
8	Any other information that may be relevant	Nil

The transactions with ITC, pursuant to the OLA, will be entered in the ordinary course business and on arm's length basis. Further, value limits for the individual transactions will be approved and reviewed by the Audit Committee of the Board at periodic intervals. The details of actual transactions entered into with ITC will be submitted to BSE Limited on a half-yearly basis and will also be disclosed in the Notes to the Financial Statements of the Company on an annual basis.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

Pursuant to the provisions of the Listing Regulations, all related parties of the Company (whether such related party is a party to the above-mentioned transaction or not) shall not vote to approve this Resolution.

The Board recommends this Resolution for your approval.

By Order of the Board  
Gujarat Hotels Limited

Dated: 13<sup>th</sup> July, 2022  
Place: Gurugram

Nakul Anand  
Chairman