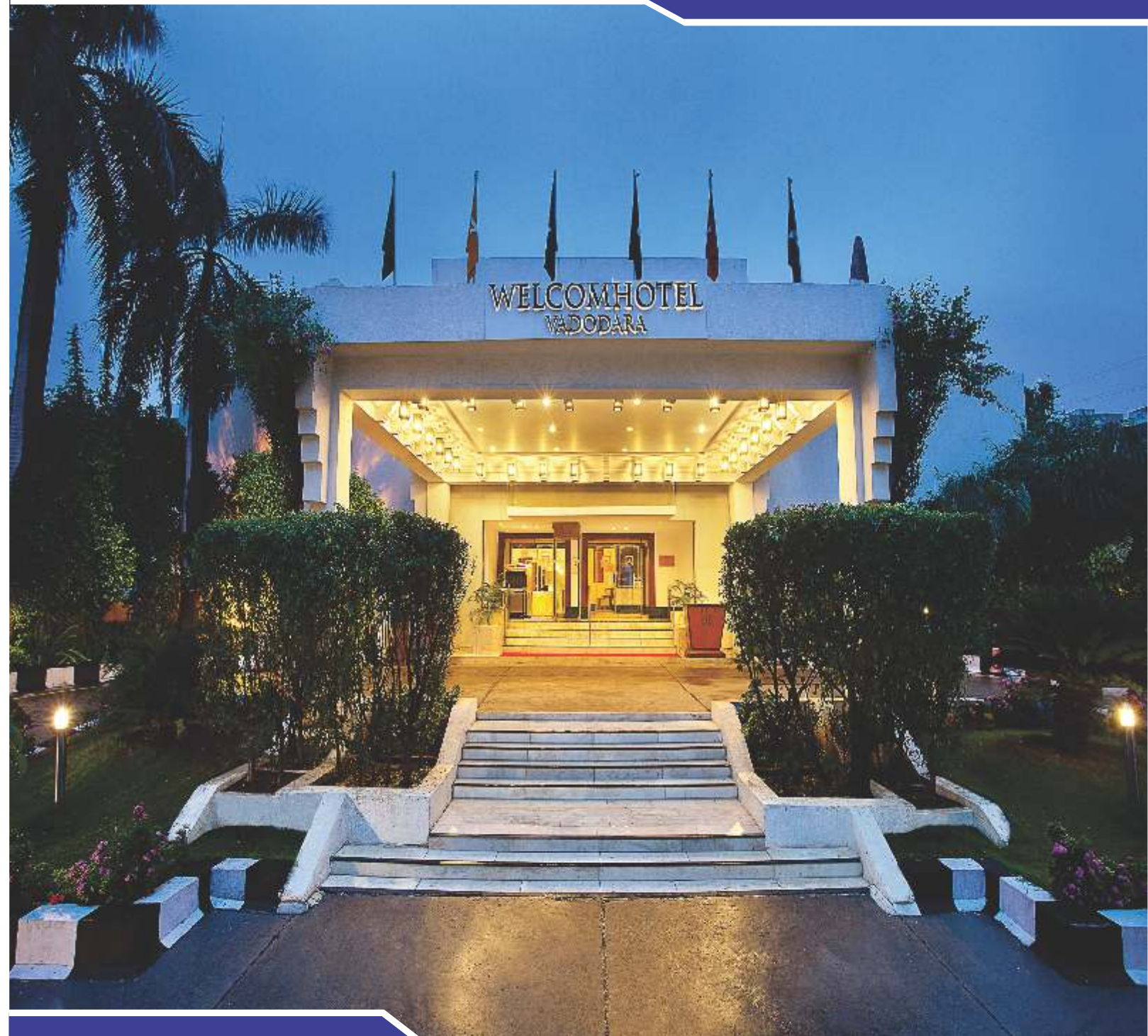




Gujarat Hotels Limited



REPORT AND ACCOUNTS 2020



Executive Club Exclusive room



Pool Side View



GUJARAT HOTELS LIMITED

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GUJARAT HOTELS LIMITED

BOARD OF DIRECTORS & COMMITTEES

Board of Directors

Chairman and Non-Executive Director

Nakul Anand

Non-Executive Directors

Mohan Swarup Bhatnagar
Cheruvettolil Kochukoshy Koshy
Mahalinga Narayanan
Jagdish Singh
Benita Sharma

Board Committees

Audit Committee

M Narayanan	Chairman
M Bhatnagar	Member
C K Koshy	Member
J Singh	Member
M Agarwal	Invitee
K Pahwa	Invitee
Representative of Statutory Auditors	Invitee
P Bhutani	Secretary

Nominations and Remuneration Committee

C K Koshy	Chairman
N Anand	Member
M Narayanan	Member
J Singh	Member
P Bhutani	Secretary

Stakeholders Relationship Committee

J Singh	Chairman
M Bhatnagar	Member
C K Koshy	Member
P Bhutani	Secretary

Key Managerial Personnel

Chief Executive Officer - Kunal Pahwa

Chief Financial Officer - Mayur Agarwal

Company Secretary - Parinita Bhutani

Registered Office

WelcomHotel Vadodara
R C Dutt Road, Alkapuri
Vadodara - 390 007
Tel : 0265-233 0033
CIN : L55100GJ1982PLC005408
Website : www.gujarathotelsltd.in
e-mail : ghlinvestors@yahoo.co.in

Statutory Auditors

K C Mehta & Co.
Chartered Accountants
Vadodara

Registrar and Share Transfer Agents

MCS Share Transfer Agent Limited
F-65, 1st Floor
Okhla Industrial Area, Phase - 1
New Delhi 110 020
Tel : 011-4140 6149-52, 4160 9386



GUJARAT HOTELS LIMITED

AGM NOTICE



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 38TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Eighth Annual General Meeting of the Members of Gujarat Hotels Limited will be held on Friday, the 18th day of September, 2020 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 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 31st March, 2020, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2020.
3. To appoint a Director in place of Mr Nakul Anand (DIN:00022279) who retires by rotation and, being eligible, offers himself 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 Section 142 of the Companies Act, 2013, the remuneration of ₹ 60,000/- (Rupees Sixty Thousand only) to Messrs. K C Mehta & Co., Chartered Accountants (FRN 106237W), Statutory Auditors of the Company, for conduct of the audit for the financial year 2020-21, plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred, be and is hereby approved."

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 161 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms Benita Sharma (DIN: 08582861) be and is hereby appointed as a Non-Executive Director of the Company with effect from 15th October, 2019, whose period of office shall be liable to determination by retirement of Directors by rotation."

The Register of Members of the Company will remain closed from Thursday, 10th September, 2020 to Friday, 18th September, 2020, both days inclusive. Share Transfers received in order at the Company's Registrar and Share Transfer Agents, Messrs. MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020 by 5.30 p.m. on Thursday, 9th September, 2020 will be processed for

payment of dividend, if declared, to the transferees or to their mandatees, and the dividend, if declared, will be paid on Thursday, 24th September, 2020 to those Members entitled thereto and whose names will appear in the Register of Members of the Company on 18th September, 2020, or to their mandatees, subject however to the provisions of Section 126 of the Companies Act, 2013. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 9th September, 2020, as per details to be furnished by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for this purpose.

By Order of the Board
Gujarat Hotels Limited

Place: New Delhi
Date: 14th July, 2020

P Bhutani
Company Secretary

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.
- (ii) Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
- (iii) Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorising their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at 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 (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 Mr Suresh Kabra (ACS 9711), Partner, Messrs. Samdani Kabra & Associates, Company Secretaries, Partner, as the Scrutinizer for this purpose.



GUJARAT HOTELS LIMITED

AGM NOTICE

- (v) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **12th September, 2020 (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. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
- (vi) Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended 31st March, 2020 has been sent separately by the Company to the Members.
- (vii) Unclaimed dividend for the financial year ended 31st March, 2013 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 19th September, 2020 pursuant to the provisions of 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 under the section 'General Information' under 'Shareholder Value'. The Company will not be able to entertain any claim received after 17th September, 2020 in respect of the same.
- (viii) In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2020 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.

Members who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the aforesaid documents are required to register their e-mail addresses with the Company by accessing the section- Annual General Meeting Information-2020 'Service of Documents through Electronic Mode' on the Company's website at <http://gujarathotelsltd.in/InvestorRelations.html>. Members holding shares in dematerialised form are requested to register / update their e-mail addresses with the relevant Depositories.

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 under Shareholder /

Member login, where the EVSN with name of the Company will be displayed, by using their remote e-voting credentials.

Members who do not have the user ID and password for remote e-voting or have forgotten the user ID and password may retrieve the same by following the remote e-voting instructions given under (II) below.

- (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 meeting and may close not earlier than 30 minutes after the commencement of the meeting.
- (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.
- (d) Members who would like to express their views or ask questions during the meeting will be required to register themselves as speaker by sending e-mail to the Company Secretary at 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 11.00 a.m. on Wednesday, 16th September, 2020 will be able to speak at the meeting.

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 date and time, by following similar process as stated above.

II. Instructions for remote e-voting

- (a) **The period for remote e-voting begins on Tuesday, 15th September, 2020 at 9.00 a.m. and ends on Thursday, 17th September, 2020 at 5.00 p.m. 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. Saturday, 12th September, 2020, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
- (b) The Members should log on to the e-voting website www.evotingindia.com.
- (c) Click on 'Shareholders/ Members'.
- (d) Now enter your user ID as under:
- For CDSL: 16 digits beneficiary ID;
 - For NSDL: 8 characters DP ID followed by 8 digits Client ID;



GUJARAT HOTELS LIMITED

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- Members holding shares in certificate form should enter Folio Number registered with the Company.
- (e) Thereafter enter the image verification code as displayed and Click on **'Login'**.
- (f) If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and casted your vote earlier for any company, then your existing password is to be used. If you have forgotten the password, then enter user ID and the image verification code and click on forgot password & enter the details as prompted by the system.
- (g) If you are a first time user, please follow the steps given below:

For Members holding shares either in dematerialised form or in certificate form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the sequence number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the Depository or the Company, please enter your member ID / folio number in the Dividend Bank details field as mentioned in instruction (d).

- (h) After entering these details appropriately, click on **'Submit'**.
- (i) Members holding shares in certificate form will then reach directly to the Company selection screen.
- (j) Members holding shares in dematerialised form will then reach the **'Password Creation'** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can be used for voting on resolutions of any other company on which you are eligible to vote, provided that the said company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (k) For Members holding shares in certificate form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (l) Click on the EVSN for Gujarat Hotels Limited.
- (m) On the voting page, you will see **'Resolution Description'** and against the same, the option **'Yes / No'** for voting. Select the option 'Yes' or 'No' as desired. The option 'Yes' implies that you assent to the Resolution and the option 'No' implies that you dissent to the Resolution.
- (n) Click on the **'Resolutions File Link'**, if you wish to view the entire Resolution details.
- (o) After selecting the Resolution you have decided to vote on, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Ok'**, else to change your vote, click on **'Cancel'** and accordingly modify your vote.
- (p) Once you **'Confirm'** your vote on the Resolution, you will not be allowed to modify your vote.
- (q) You can also take a print of the votes cast by clicking on **'Click here to print'** option on the Voting page.
- (r) Members can also cast their vote using CDSL's mobile App 'm-Voting' available on Android, Apple and Windows based mobiles. Members may log in to m-Voting using their e-voting credentials to vote on the Company Resolutions.
- (s) **Note for Non-Individual Members and Custodians**
- Non-Individuals Members (i.e. other than HUF, Individuals, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves under "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed 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 they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (t) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions and e-voting manual available under the help section of CDSL's e-voting website www.evotingindia.com or write an e-mail to helpdesk.evoting@cdslindia.com or contact Mr Rakesh Dalvi at telephone no. 18002005533 (toll free). You may also address your queries / grievances relating to remote e-voting or e-voting during the



GUJARAT HOTELS LIMITED

AGM NOTICE

meeting to the Company Secretary and Compliance Officer, at e-mail ghlinvestors@yahoo.co.in or at telephone no. 0124-4175260.

- (u) Those who become Members of the Company after sending of the Notice but on or before **12th September, 2020 (cut-off date)** may follow the steps from Sl. Nos. (b) to (s) mentioned above for casting of vote.

III. Instruction for e-voting during the AGM

- (a) The procedure for e-voting during the AGM is the same as mentioned above remote e-voting.
- (b) The aforesaid facility will be available only to those Members who participate in the AGM and who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, will not be entitled to cast their votes once again.

IV. Instruction for the Members whose e-mail IDs are not registered with the Company or with the Depositories

Members who hold shares in certificate form or who have not registered their e-mail addresses with the Company and wish to participate in the AGM or cast their votes through remote e-voting or e-voting during the meeting, are requested to provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN Card), AADHAR (self attested scanned copy of Aadhar Card) by email to ghlinvestors@yahoo.co.in or helpdeskdelhi@mcsregistrars.com.

Members who hold shares in dematerialised form are requested to provide Demat account details (CDSL-16 digits beneficiary ID or NSDL-16 digits DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to ghlinvestors@yahoo.co.in or helpdeskdelhi@mcsregistrars.com.

V. General Information

- (a) There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (b) In case the Members require any technical assistance with respect to attending the meeting or voting during the meeting, they may contact the helpline numbers mentioned above under Clause (t).
- (c) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts with related party, and contract and bodies etc. in which

Directors are interested under Section 189 of the Act, and the relevant documents referred to in the Notice will remain available for inspection during the meeting, on the CDSL e-voting system after login.

- (d) **The Results of voting will be declared within 48 hours 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 ghlinvestors@yahoo.co.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 Thirty Eighth Annual General Meeting to be held on Friday, 18th September, 2020.

Item No. 5

The Board of Directors of the Company ('the Board') at the meeting held on 15th October, 2019, on the recommendation of the Nominations and Remuneration Committee ('the Committee'), approved the appointment of Ms Benita Sharma as Additional Non-Executive Director of the Company with effect from 15th October, 2019, and subject to the approval of the Members, also as a Non-Executive Director of the Company, whose office is liable to retire by rotation with effect from the said date, in terms of Section 161 of the Companies Act, 2013 ('the Act').

Requisite Notice under Section 160 of the Act proposing the appointment of Ms Sharma has been received by the Company, and consent has been filed by Ms Sharma pursuant to Section 152 of the Act.

Additional information in respect of Ms Sharma, pursuant to the Listing Regulations and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'. Ms Sharma does not hold any share in the Company, either in her individual capacity or on a beneficial basis for any other person.

Ms Sharma and her 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.

By Order of the Board
Gujarat Hotels Limited

Place : New Delhi
Date : 14th July, 2020

P Bhutani
Company Secretary



GUJARAT HOTELS LIMITED

YOUR DIRECTORS

N Anand

Nakul Anand (63), DIN: 00022279, a Non-Executive Director of the Company since 10th March, 1998, was appointed as the Chairman of the Company effective 21st March, 2009. He is an Executive Director on the Board of ITC Limited and holds responsibility for the Hospitality, Travel & Tourism and Lifestyle Retailing businesses of ITC.

An Economics Honours Graduate from the Delhi University with an AMP degree from the Bond University, Australia, Anand joined ITC Hotels' Management Training Programme in 1978. He has also served as the Managing Director of erstwhile ITC Hotels Limited during the period 2003-05.

In a career that spans more than four decades, Anand has been acknowledged in the hotels and tourism industry for his vision and commitment. Leveraging the significant learning of sustainable excellence within ITC, he led the team at ITC Hotels to pioneer the concept of 'Responsible Luxury' in the hospitality industry, securing LEED® Platinum certifications for all ITC premium luxury hotels. He has formulated value-based strategies to create a unique quality control model. His dynamic leadership and passion for the business is recognised and acknowledged by his peers. He has been a past President of the Hotel Association of India and past Chairman of the CII National Tourism Committee. Anand is presently a Member of the National Tourism Advisory Council constituted by the Ministry of Tourism, Government of India, ex-Chairman of the Federation of Associations in Indian Tourism & Hospitality, and a Member of the Executive Committee of the Hotel Association of India. He is also a Member of the India – Sri Lanka CEOs Forum, Council Member & Executive Committee Member of the National Culture Fund, Ministry of Culture, Government of India, and a Member on the Board of the International Tourism Partnership.

Other Directorships

Name of the company	Position
International Travel House Limited [#]	Chairman & Non- Executive Director
Landbase India Limited	Chairman & Non- Executive Director
Fortune Park Hotels Limited	Chairman & Non- Executive Director
WelcomHotels Lanka (Private) Limited [*]	Chairman & Non- Executive Director
Srinivasa Resorts Limited	Vice Chairman & Non- Executive Director
ITC Limited [#]	Executive Director
Bay Islands Hotels Limited	Non-Executive Director
Maharaja Heritage Resorts Limited	Non-Executive Director

Committee Membership of other companies

Name of the company	Committee	Position
International Travel House Limited	Nominations & Remuneration Committee	Member
Landbase India Limited	Audit Committee	Member
Fortune Park Hotels Limited	Corporate Social Responsibility Committee	Chairman

C K Koshy

Cheruvettolil Kochukoshy Koshy (75), DIN: 01478704, was appointed as an Independent Non-Executive Director on the Board of the Company on 1st May, 2007. He is a Master of Arts in Political Science and Public Administration. He joined the Indian Administrative Service in 1968 from the Gujarat Cadre and superannuated in February 2005.

In a long career spanning over 38 years, he has held several eminent positions including those of Additional Chief Secretary - Department of Revenue, Industries and Mines, Tourism and Civil Aviation and Finance and Principal Secretary to the Chief Minister. He served the Government of India as Joint Secretary & Financial Advisor to the Department of Atomic Energy, and as Executive Director of Nuclear Power Corporation of India Limited. He has held the posts of Managing Director of the Tourism Corporation of Gujarat, Sardar Sarovar Narmada Nigam, Gujarat State Small Industries Corporation, and Girinar Scooter Limited. He was also the Joint Managing Director of the Gujarat Industrial Investment Corporation and Chairman of Gujarat State Petroleum Corporation Limited, Gujarat State Petronet Limited and Gujarat Energy Research and Management Institute.

Post retirement, he has been a consultant to the Department for International Development- UK, the World Bank and to the Department of Personnel and Administrative Reforms, Govt. of India. He was appointed Professor Emeritus in the faculty of Planning and Public Policy at CEPT University. Currently, he is an Advisor at CEPT Research and Development Foundation at CEPT University.

Koshy does not hold directorship of any other company.

M Narayanan

Mahalinga Narayanan (75), DIN: 00159288, was appointed as an Independent Non-Executive Director on the Board of the Company on 10th January, 2008. He is a post graduate in Commerce, Graduate in Law, Diploma Holder in Business Management and holds certified Associated Membership of the Indian Institute of Bankers. He has rich experience of over four decades in Banking, Project Finance, Administration and related areas.

Narayanan started his career with the Reserve Bank of India in 1964 and moved over to the Bank of Baroda in 1969 and continued till March, 1985. During his tenure in Bank of Baroda, he worked in all departments of commercial banking operation and was in-charge of large branches of the Bank. In April, 1985 he joined Industrial Finance Corporation of India and held senior management positions. In October, 1997 he joined Tourism Finance Corporation of India Limited as Managing Director and rose to the position of Chairman and Managing Director which position he held till his retirement in September, 2006. He was conferred with "Udyog Rattan Award" in the year 2005 by the Institute of Economic Studies, New Delhi.

Other Directorships

Name of the company	Position
Cox & Kings Limited [#]	Independent Director
Tulip Star Hotels Limited [#]	Independent Director



GUJARAT HOTELS LIMITED

YOUR DIRECTORS

Committee Membership of other Companies

Name of the company	Committee	Position
Cox & Kings Limited	Audit Committee	Chairman
	Remuneration Committee	Member
Tulip Star Hotels Limited	Audit Committee	Chairman

J Singh

Jagdish Singh (54), DIN: 00042258, was appointed as a Non-Executive Director on the Board of the Company on 16th April, 2016. A Commerce Graduate and a Chartered Accountant, Singh joined ITC Limited in the year 1990. During these 30 years, he has held various positions in the finance function. He started his career in Treasury and moved as Corporate Accountant, Commercial Manager at Cigarette factory at Munger, and Head of Finance at ITC Essentra Limited. He was then the Head of Treasury between 2005 and 2015 and is presently the Head of Finance at ITC's Hotels Division.

Other Directorships

Name of the company	Position
International Travel House Limited [#]	Non-Executive Director
Fortune Park Hotels Limited	Non-Executive Director
Bay Islands Hotels Limited	Non-Executive Director
Srinivasa Resorts Limited	Non-Executive Director
Maharaja Heritage Resorts Limited	Non-Executive Director
Mimec (India) Limited	Non-Executive Director
Landbase India Limited	Non-Executive Director
Logix Developers Private Limited	Non-Executive Director

Committee Membership of other companies

Name of the company	Committee	Position
International Travel House Limited	Stakeholders Relationship Committee	Member
	Audit Committee	Member
	Nominations & Remuneration Committee	Member
	Corporate Social Responsibility Committee	Member
Fortune Park Hotels Limited	Corporate Social Responsibility Committee	Member
Srinivasa Resorts Limited	Audit Committee	Chairman
	Corporate Social Responsibility Committee	Member

* Denotes foreign company

Denotes listed Indian company whose equity shares or preference shares or debt securities are listed on a recognised stock exchange

Notes:

- Other Directorships and Committee Memberships of Directors are as on 6th June, 2020.
- Committee Memberships cover Committees under the Companies Act, 2013 viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee of Indian Companies.

M Bhatnagar

Mohan Swarup Bhatnagar (68), DIN: 00834857, was appointed as an Independent Non-Executive Director on the Board of the Company on 28th June, 2019. A post graduate with Master of Business Administration in Finance, he joined ITC Limited in the year 1975.

In a long career spanning of over 39 years, he held various job positions in Finance for hotels division before taking over as the Head of Finance in 1997, with responsibility for Audit, Project Finance, Purchasing / Material Management and Information Technology. Subsequently, he held charge of Growth and Development for the Hotels Business as Executive Vice President. He was also a Member of the Management Committee of the ITC Hotels Division and was on the Board of Joint Venture and Subsidiary companies of ITC. He retired from ITC in September, 2013.

Post retirement, he is actively involved in angel investing and in mentoring select start-up ventures.

M Bhatnagar does not hold directorship of any other company.

B Sharma

Benita Sharma (56) DIN: 08582861, was appointed as a Non-Executive Director on the Board of the Company on 15th October, 2019. An economics graduate from Allahabad University, she started her career with ITC Hotels as a HMI (Hotel Management Institute) trainee in 1987 and then she moved to various managerial positions in ITC Limited in the areas of Sales, Reservations and Marketing. Since then, she has held senior management positions at several ITC Hotels in various locations. Earlier, she was posted as an Area Manager Leisure Hotels and General Manager with WelcomHotel Sheraton New Delhi.

ITC Hotels in 2012, entrusted her with the portfolio of Area Manager - Golden Triangle, which include leisure hotels in Agra (ITC Mughal), Jaipur (ITC Rajputana), Manesar (ITC Grand Bharat), WelcomHotel Sheraton New Delhi, WelcomHotel Dwarka, WelcomHotel Khimsar, WelcomHotel Bella Vista, WelcomHotel Jodhpur and WelcomHotel The Savoy. She employed innovative strategies, which fructified 'Golden Triangle' hotels being top performers in the chain in terms of guest satisfaction indices, which is determined by quality parameters through guest feedback. Driven by creativity and quality of new inspirational up market trends, her endeavor has always been to cultivate and maintain the finest hotel operation. Currently she is the Area Manager for North, Luxury Hotels and General Manager of the flagship Hotel-ITC Maurya.

Benita does not hold directorship of any other company.



GUJARAT HOTELS LIMITED

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

THE COMPANY'S GOVERNANCE PHILOSOPHY

The Company firmly believes in good Corporate Governance and has made it a practice and a continuous process of development right across the Company. The Company's philosophy on Corporate Governance envisages attainment of a high level of transparency and accountability in the functioning of the Company and conduct of business, and places due emphasis on regulatory compliance. It has empowered the Executive Management to take decisions with regard to day-to-day operations and has also created checks and balances that such decisions are taken with care and responsibility to meet stakeholders' aspirations and societal expectations.

The Company's corporate philosophy is focused on its people who are its most important asset and it values its employees' integrity, creativity, ability, judgement and opinions, who in turn demonstrate the highest ethical standards and responsibility towards the shareholders. This has helped the Company take rapid strides in its pursuit of excellence.

The Company is committed to enhance shareholder value in a fair and transparent manner and has been in the forefront for benchmarking itself with the best business practices globally.

BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant material information are placed before the Board of Directors ('the Board') to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders.

Composition

As on 31st March, 2020 the strength of the Board is six, including three Non-Executive Independent Directors and one Non-Executive Woman Director.

The Governance Policy of the Company, inter alia, requires that Non-Executive Directors be drawn from amongst eminent professionals, with experience in business / finance / law / public administration and enterprises. The Board Diversity Policy of the Company requires the Board to have balance of skills, experience and diversity of perspectives appropriate to the Company. The skills, expertise and competencies of the Directors as identified by the Board, along with those available in the present mix of the Directors of the Company, are provided in the Annexure forming part of this Report.

Composition of the Board as on 31st March, 2020

Category	No. of Directors	Percentage to total no. of Directors
Non-Executive Independent Directors	3	50
Other Non-Executive Directors	3	50
Total	6	100

Ms Devkanya Roy Choudhury resigned as Non-Executive Director of the Company with close of work on 15th July, 2019, due to personal reasons.

For other changes in the composition of the Board during the year and upto the date of the Report of the Board of Directors, please refer to the 'Directors' section of the 'Report of the Board of Directors & Management Discussion and Analysis' in the Reports and Accounts.

Meetings and Attendance

The Company's Governance Policy requires the Board to meet at least four times in a year. The intervening period between two Board meetings was well within the maximum gap of 120 days prescribed under the Listing Regulations.

Board Agenda

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated seven days prior to the Board meeting.

Information placed before the Board

In addition to matters required to be placed before the Board under the Listing Regulations and other statutes, the following matters are also tabled for the Board's periodic review / information:

- Annual operating plans & budgets and periodic review of the Company's businesses.
- Quarterly performance.
- External Audit Management Reports.
- Status of legal compliance.
- Status and effectiveness of risk management plans.
- Succession to senior management (through the Nominations and Remuneration Committee).
- Statutory compliance reports.
- Show cause / demand / prosecution / adjudication notices, if any, from revenue authorities which are considered materially important, including any exposure that exceeds 1% of the Company's net worth, and their outcome.



GUJARAT HOTELS LIMITED

REPORT ON CORPORATE GOVERNANCE

- Write-offs / disposals (fixed assets, receivables, advances etc.) on a half-yearly basis.
- Significant development in Human Resources / Industrial Relations.
- Material non-compliance of any regulatory or listing requirements and in relation to shareholders' services.

Post-meeting follow-up system

The Governance processes in the Company include an effective post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board and the Board Committees.

Details of Board Meetings during the financial year

During the financial year ended 31st March, 2020, six meetings of the Board were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	15th April, 2019	5	4
2	28th June, 2019	6	5
3	15th July, 2019	6	4
4	15th October, 2019	6	6
5	6th December, 2019	6	6
6	20th January, 2020	6	6

Directors' attendance at the Board Meetings during the financial year and at the last Annual General Meeting (AGM) and also their other Directorships and Committee Memberships are given below:

Sl. No.	Director	Category	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorship(s)*	No. of Membership(s) / Chairmanship(s) of Audit Committee / Stakeholders Relationship Committee of other Indian public limited companies
1.	N Anand	Chairman & Non-Executive Director	5	Yes	8	1
2.	M Bhatnagar ¹	Non-Executive Independent Director	4	Yes	Nil	Nil
3.	C K Koshy	Non-Executive Independent Director	5	No	Nil	Nil
4.	M Narayanan	Non-Executive Independent Director	6	Yes	2	2 (all as Chairman)
5.	DR Choudhury ²	Non-Executive Director	2	N.A.	Nil	Nil
6.	B Sharma ³	Non-Executive Director	3	N.A.	Nil	Nil
7.	J Singh	Non-Executive Director	6	Yes	8	3 (including 2 as Chairman)

1. Appointed as Non-Executive Independent Director w.e.f. 28th June, 2019.

2. Ceased to be Non-Executive Director with close of work on 15th July, 2019.

3. Appointed as Additional Non-Executive Director w.e.f. 15th October 2019.

* Details with respect to other Directorships of the Directors are provided under the section 'Your Directors' in the Report and Accounts.

COMMITTEES OF THE BOARD

Currently, there are three Committees of the Board – the Audit Committee, the Stakeholders Relationship Committee and the Nominations and Remuneration Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of Board Committees are normally convened by the respective Committee Chairman. Matters requiring the Board's attention / approval, as emanating

from the Board Committee Meetings, are placed before the Board with clearance of the Committee Chairman. All the recommendations made by Board Committees during the year were accepted by the Board. Minutes of Board Committee Meetings are placed before the Board for its information. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.



GUJARAT HOTELS LIMITED

REPORT ON CORPORATE GOVERNANCE

A. AUDIT COMMITTEE

The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations.
- safeguarding of assets and adequacy of provisions for all liabilities.
- reliability of financial and other management information and adequacy of disclosures.
- compliance with all relevant statutes.

The role of the Committee includes the following:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors;
- To approve transactions of the Company with related parties;
- To evaluate the Company's internal financial controls and risk management systems;
- To review with the management the following:
 - Annual financial statements and Auditor's Report thereon before submission to the Board for approval;
 - Quarterly financial statements before submission to the Board for approval;
- To review the following:
 - Management discussion and analysis of financial condition & results of operations, and matters required to be included in the Directors' Responsibility Statement;
 - Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
 - Adequacy of internal control systems laid down in the Company for compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - Internal Audit Reports and discussion with Internal Auditors on any significant findings and follow-up thereon;
 - Statutory Auditors' independence and performance, and effectiveness of the audit process;

- System for storage, retrieval, security etc. of books of account maintained in the electronic form;
- Functioning of Whistleblower mechanism in the Company.

Composition

The Audit Committee presently comprises four Non-Executive Directors, three of whom are Independent Directors. The Chairman of the Committee is an Independent Director. The Chief Executive Officer, the Chief Financial Officer and the representative of Statutory Auditors are Invitees to meetings of the Audit Committee. The Company Secretary is the Secretary to the Committee. All members of the Committee are financially literate; two members, including the Chairman of the Committee, have accounting and financial management expertise.

The names of the members of the Audit Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Meetings and Attendance

During the financial year ended 31st March, 2020, four meetings of the Audit Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th April, 2019	3	3
2	15th July, 2019	3	2
3	15th October, 2019	3	3
4	20th January, 2020	4	4

Attendance at Audit Committee Meetings during the financial year:

Member	No. of meetings attended
M Narayanan	4
M Bhatnagar ¹	1
C K Koshy	3
J Singh	4

¹ Appointed as a Member w.e.f. 15th October, 2019.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board oversees redressal of shareholder & investor grievances and, inter alia, approves transmission of shares, sub-division / consolidation / renewal of share certificates, issue of duplicate share certificates etc.



GUJARAT HOTELS LIMITED

REPORT ON CORPORATE GOVERNANCE

Composition

The Stakeholders Relationship Committee presently comprises three Non-Executive Directors including two Independent Directors. The Chairman of the Committee is a Non-Executive Director. The Company Secretary is the Secretary to the Committee.

The names of the members of the Stakeholders Relationship Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Meetings and Attendance

During the financial year ended 31st March, 2020, three meetings of the Stakeholders Relationship Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th April, 2019	3	2
2	9th October, 2019	3	2
3	16th December, 2019	3	2

Attendance at Stakeholders Relationship Committee Meetings during the financial year:

Member	No. of meetings attended
J Singh	3
M Bhatnagar ¹	2
D R Choudhury ²	1
C K Koshy	0

1. Appointed as a Member w.e.f. 7th September, 2019.

2. Ceased to be Member with close of work on 15th July, 2019.

C. NOMINATIONS AND REMUNERATION COMMITTEE

The Nominations and Remuneration Committee of the Board, inter alia, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Directors and the Board as a whole. The Committee's role includes recommending to the Board the appointment, remuneration and removal of Directors and senior management.

Composition

The Nominations and Remuneration Committee presently comprises four Non-Executive Directors, two of whom are Independent Directors. The Chairman of the Committee is an Independent Director. The Company Secretary is the Secretary to the Committee.

The names of the members of the Nominations and Remuneration Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Meetings and Attendance

During the financial year ended 31st March, 2020, five meetings of the Nominations and Remuneration Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th April, 2019	4	4
2	28th June, 2019	4	3
3	15th October, 2019	4	4
4	6th December, 2019	4	4
5	20th January, 2020	4	4

Attendance at Nominations and Remuneration Committee Meetings during the financial year:

Member	No. of meetings attended
C K Koshy	5
N Anand	4
M Narayanan	5
J Singh	5

Remuneration Policy

The Company's Remuneration Policy aims at attracting and retaining high calibre talent. The Remuneration Policy, therefore, is market-led and takes into account the competitive circumstance of each business so as to attract and retain quality talent and leverage performance significantly.

The Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees, as approved by the Board, may be accessed on Company's website at <http://www.gujarathotelsltd.in/Policies.html>. There has been no change in the Policy during the year.

Remuneration of Directors

Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and its Committees, the quantum of which is determined by the Board. The sitting fees to Non-Executive Directors as determined by the Board are ₹ 20,000/- and ₹ 10,000/- for each meeting of the Board and its Committees respectively.

Details of sitting fees paid to the Directors during the financial year ended 31st March, 2020:

Director	Sitting Fees (₹)
C K Koshy	2,00,000/-
M Narayanan	2,20,000/-
M Bhatnagar	1,20,000/-

Note: Disclosure with respect to Non-Executive Directors – Pecuniary relationship or transaction: None



GUJARAT HOTELS LIMITED

REPORT ON CORPORATE GOVERNANCE

Performance Evaluation

Performance evaluation of the Board, the Board Committees and the individual Directors was carried out by the Board in accordance with the Policy approved by the Nominations and Remuneration Committee in this regard, synopsis of which is provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

Directors' Shareholding

Details of Shareholding of the Directors in the Company as on 31st March, 2020 are given below:

Director	No. of Equity Shares of ₹ 10/- each held singly / jointly
M Bhatnagar	2,500
N Anand	Nil
C K Koshy	Nil
M Narayanan	Nil
B Sharma	Nil
J Singh	Nil

OTHER DISCLOSURES

- Details of non-compliances, penalties and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years:

None

- Inter-se relationships between Directors and Key Managerial Personnel of the Company:

None

- Materially significant related party transactions which may have potential conflict with the interests of the Company at large:

None

- Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large:

None

- Details of utilisation of funds raised through preferential allotment or qualified institutions placement:

Not Applicable

- Credit rating(s) obtained by the Company for any debt instrument, fixed deposit programme or any other scheme involving mobilisation of funds:

None

- None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. PB & Associates, Practising Company Secretaries.

- Details with respect to Secretarial Audit of the Company and confirmation by the Board with respect to the Independent Directors are provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

- Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities':

None

- The total fees paid during the year by the Company to Messrs. K C Mehta & Co., Statutory Auditors, and all other entities forming part of the same network, aggregate ₹ 1,90,000/-.

- Compliance Officer under the Listing Regulations:

Parinita Bhutani, Company Secretary*

**Appointed w.e.f. 6th December, 2019. Mr. Deepak Kumar Gulati ceased to be Company Secretary & Compliance officer with close of work on 7th June, 2019.*

MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, the quarterly financial results of the Company were announced within forty five days from the end of the quarter. Audited annual results for the financial year ended 31st March, 2019 along with the results for the fourth quarter were announced within sixty days from the end of the financial year. Extract of these results were published, inter alia, in 'The Financial Express' (all editions) and in its Gujarati edition as vernacular newspaper. Further, quarterly results, shareholding pattern and other material events & important information relating to the Company were submitted to BSE Limited through BSE Listing Centre, for dissemination on its website. The Company publishes its quarterly, half-yearly and annual financial results and also posts such results on its website www.gujarathotelsltd.in.



GUJARAT HOTELS LIMITED

REPORT ON CORPORATE GOVERNANCE

The Report of the Board of Directors, forming part of the Report and Accounts, includes all aspects of Management Discussion and Analysis as required under the Listing Regulations .

GHL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING – 2019

The GHL Code of Conduct for Prevention of Insider Trading - 2019, approved by the Board, inter alia, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

GHL CODE OF CONDUCT

The GHL Code of Conduct, adopted by the Board, is applicable to Directors, senior management and employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct in relation to the Company's business and reputation. The Code covers GHL's commitment to sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by personal example. The Code is available on the Company's website.

Declaration as required under the Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the GHL Code of Conduct for the financial year ended 31st March, 2020.

New Delhi
6th June, 2020

K Pahwa
CEO

WHISTLEBLOWER POLICY

Synopsis of the Whistleblower Policy of the Company is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' forming part of the Report and Accounts. The Whistleblower Policy is also available on the Company's website at <http://www.gujarathotelsltd.in/Policies.html> .

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Company believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations & economic environment and on matters

affecting the Company, to enable them to take well informed and timely decisions.

Further details may be accessed on the Company's website at <http://www.gujarathotelsltd.in/Policies.html> .

POLICY ON RELATED PARTY TRANSACTIONS

The Policy, as approved by the Board, may be accessed on the Company's website at

<http://www.gujarathotelsltd.in/Policies.html> .

DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS

The status of compliance with the discretionary requirements under the Listing Regulations is provided below:

1. Chairman's Office:

The Company has a Non-Executive Chairman but he does not maintain any separate office, and hence no expense in this regard is being incurred by the Company.

2. Shareholder Rights:

The quarterly, half-yearly and annual financial results of the Company are posted on the Company's website and extract of these results are published in newspapers on an all India basis. The complete Report and Accounts is sent to the Shareholders of the Company.

3. Audit Opinion:

It has always been the Company's endeavour to present financial statements with unmodified audit opinion i.e. without any qualification. The Statutory Auditors have issued an unmodified audit opinion on the Company's financial statements for the year ended 31st March, 2020.

4. Internal Auditors:

The Internal Auditor of the Company Messrs. Shah & Talati, Chartered Accountants, provide their report to the Audit Committee of the Board.

GENERAL SHAREHOLDER INFORMATION

Provided in the 'Shareholder Information' section of the Report and Accounts.

CONFIRMATION OF COMPLIANCE

- It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Listing Regulations.



- The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is annexed to the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

SKILLS, EXPERTISE AND COMPETENCIES OF DIRECTORS

The Company believes that Board members should have a balance of skills, experience and diversity of perspectives appropriate to the Company. Accordingly, the Directors should possess one or more of the following skills, expertise and competencies:

1. Leadership

Leadership experience in a commensurate-sized organisation with understanding of organisational systems and processes, strategic areas and emerging business trends.

2. Strategic Insight

Ability to evaluate competitive corporate and business strategies and, based thereon, contribute towards

progressive refinement of the Company's strategies for fulfillment of its goals.

3. Industry Knowledge and Experience

Domain knowledge of Hotel business and its dynamics, long-term strategies and regulatory & competitive environment.

4. Finance and Accounting

Ability to understand financial policies, accounting statements and disclosure practices to contribute to the financial / risk management policies and practices of the Company.

5. Corporate Governance

Commitment, belief and experience in setting governance practices to support the Company's legal compliance systems and governance policies / practices.

6. Risk Management

Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management.

The Directors of the Company possess the skills, expertise and competencies, as stated above.



GUJARAT HOTELS LIMITED

SHAREHOLDER INFORMATION

AGM Details

Date	Friday, 18th September, 2020
Venue	Not applicable as the AGM will be held on electronic platform
Time	11.00 a.m.
Book Closure Dates	10th September, 2020 to 18th September, 2020 (both days inclusive)
Dividend Payment Date	24th September, 2020

Registrar and Share Transfer Agents

Messrs. MCS Share Transfer Agent Limited are the Registrar and Share Transfer Agents (RTA) of the Company for carrying out share registration and other related activities of the Company.

Address for Correspondence

MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area
Phase – I, New Delhi - 110 020
Telephone Nos. : 011 4140 6149-52, 4160 9386
Facsimile No. : 011 4170 9881
e-mail : helpdeskdelhi@mcsregistrars.com

Shareholders holding shares in the dematerialised form should address their correspondence, except those related to dividend, to their respective Depository Participants.

Share Transfer Committee

The Share Transfer Committee of the Company generally meets once in ten days for approving share transfers. The processing activities with respect to requests received for share transfers are completed within fifteen days from the date of receipt of request. The Committee met 5 times during the financial year ended 31st March, 2020 to approve share transfers. There were no share transfers pending as on 31st March, 2020.

The Share Transfer Committee presently comprises the following:

J Singh – Director	Member
M Agarwal – Chief Financial Officer	Member
K Pahwa- Chief Executive Officer	Member
P Bhutani- Company Secretary*	Member

* Appointed w.e.f. 6th December, 2019.

Dematerialisation of Shares and Liquidity

The shares of the Company are available for trading in the dematerialised form under both the Depository Systems in India - NSDL and CDSL. The International Securities Identification Number ('ISIN') allotted to the Company's shares under the Depository System is INE621C01011.

As on 31st March, 2020, a total of 35,49,081 Equity Shares of the Company, which translates to 93.71% of the Share Capital, stood dematerialised. The processing activities with respect to requests received for dematerialisation are completed within fifteen days.

Shareholder / Investor Complaints

The Company attends to Shareholder / Investor complaints, queries and other correspondence generally within fifteen days, except where constrained by disputes or legal impediments.

The Company did not receive any complaint during the financial year ended 31st March, 2020.

The e-mail ID earmarked by the Company for this purpose: ghlinvestors@yahoo.co.in.

Distribution of Shareholding as on 31st March, 2020

No. of Shares Slab	No. of Shareholders		No. of Equity Shares	
	Total	% to Share holders	Total	% to Share Capital
1 - 500	4,907	94.56	5,49,870	14.52
501 - 1000	134	2.58	1,08,336	2.86
1001 - 2000	65	1.25	96,436	2.55
2001 - 3000	24	0.46	58,065	1.53
3001 - 4000	13	0.25	45,740	1.21
4001 - 5000	10	0.20	45,910	1.21
5001 - 10000	23	0.44	1,56,968	4.14
10001 - 50000	6	0.12	1,10,247	2.91
50001 - 100000	1	0.02	88,867	2.35
100001 & Above	6	0.12	25,27,076	66.72
Total	5,189	100.00	37,87,515	100.00

Categories of Shareholders as on 31st March, 2020

Sl. No.	Category	No. of Shares held	% to Share holding
A	Promoter Holding		
1	Promoter and Promoter Group		
	ITC Limited	17,33,907	45.78
	Russell Investments Limited	3,00,056	7.92
	Sub-Total	20,33,963	53.70
B	Non Promoter Holding		
2	Institutional Investors		
a	Mutual Funds	NIL	NIL
b	Banks	100	0.00
c	Foreign Institutional Investors and Foreign Portfolio Investors	NIL	NIL
	Sub-Total	100	0.00
3	Others		
a	Private Corporate Bodies	1,74,918	4.62
b	Indian Public	13,45,585	35.52
c	NRIs	98,918	2.62
d	Others	1,34,031	3.54
	Sub Total	17,53,452	46.30
	Grand Total	37,87,515	100.00



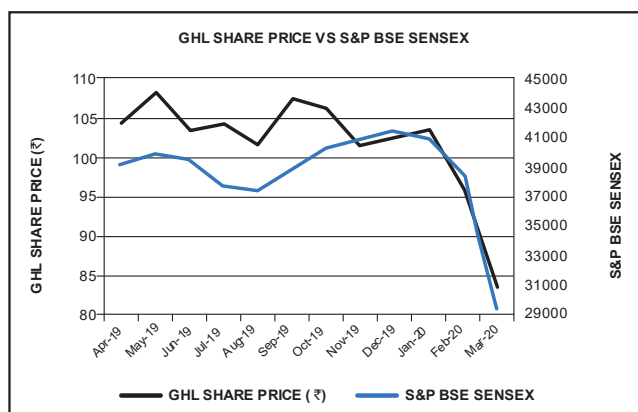
GUJARAT HOTELS LIMITED

SHAREHOLDER INFORMATION

Monthly High and Low Quotes and Volume of Shares traded on BSE Limited

Year	Month	High (₹)	Low (₹)	Volume (Nos.)	
2019	April	114.85	101.40	37,593	
	May	108.90	100.55	27,958	
	June	112.35	99.00	7,768	
	July	111.00	99.50	10,146	
	August	109.85	99.45	23,165	
	September	107.00	100.10	25,349	
	October	112.85	98.35	20,342	
	November	112.00	100.25	6,594	
	December	110.40	98.00	9,784	
	2020	January	109.85	99.35	16,432
		February	108.75	93.00	8,529
		March	97.85	73.20	17,909

Performance in comparison to broad based indices such as S&P BSE SENSEX



Note - Indicates monthly closing positions.

Listing of Shares on Stock Exchange (with Stock Code)

BSE Limited (507960)
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
 Telephone Nos. : 022-2272 1233 / 34
 Facsimile No. : 022-2272 1919
 e-mail : is@bseindia.com
 Website : www.bseindia.com

The Listing Fee for the financial year 2020-21 has been paid to BSE Limited.

Financial Calendar

Financial Year 2020-21 (1st April - 31st March)

1	First Quarter Results	July 2020
2	Second Quarter and Half-Year Results	October / November 2020
3	Third Quarter Results	January / February 2021
4	Fourth Quarter and Annual Results	May 2021

Particulars of past three AGMs

AGM	Financial Year	Venue	Date	Time	Special Resolution Passed
37th	2018-19	WelcomHotel Vadodara R C Dutt Road Alkapuri Vadodara	07-09-2019	11.00 a.m.	Re-appointment of Mr Cheruvettolil Kochukoshy Koshy and Mr Mahalinga Narayanan as an Independent Directors of the Company from 29th September, 2019 to 28th September, 2024.
36th	2017-18	390 007	07-08-2018		None
35th	2016-17		08-08-2017		None

Postal Ballot

Neither any special resolution was passed by postal ballot last year nor is any special resolution presently proposed to be passed by Postal Ballot.

SHAREHOLDER REFERENCER

Transfer of unclaimed dividend and corresponding Equity Shares to the Investor Education and Protection Fund

During the financial year 2019-20, unclaimed dividend for the financial year 2011-12 aggregating ₹ 7,06,072/- and 12,228 Equity Shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more, were transferred by the Company to the Investor Education and Protection Fund established by the Central Government ('IEPF'), pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Shareholders may claim their unclaimed dividend for the years prior to and including the financial year 2011-12 and the shares from the IEPF Authority by applying in the prescribed Form No. IEPF- 5. This Form can be downloaded from the website of the IEPF Authority <http://www.iepf.gov.in/IEPF/corporates.html>.

The due date for transfer of unclaimed dividend and the shares to the IEPF for the subsequent financial years are given in the table below. Attention in particular is drawn that the unclaimed dividend for the financial year 2012-13 and the shares in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the IEPF on 19th September, 2020, for which purpose communication has been sent to the concerned shareholders advising them to write to the Company to claim their dividend. Notices in this regard have also been published in newspapers. Details of such unclaimed dividend and shares are available on the Company's website at www.gujarathotelsltd.in under the section 'General Information' under 'Shareholder Value'.



GUJARAT HOTELS LIMITED

SHAREHOLDER INFORMATION

Financial Year	Date of declaration of Dividend	Due date for transfer to IEPF
2012-13	13th August, 2013	19th September, 2020*
2013-14	29th September, 2014	5th November, 2021
2014-15	29th September, 2015	5th November, 2022
2015-16	20th September, 2016	26th October, 2023
2016-17	8th August, 2017	14th September, 2024
2017-18	7th August, 2018	12th September, 2025
2018-19	7th September, 2019	12th September, 2026

* The Company will not be able to entertain any claim received after 17th September, 2020.

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested apply for duplicate warrant(s) by writing to the Company and confirming non-encashment / non-receipt of dividend warrant(s).

Service of Documents

The Company generally sends Notices, Report and Accounts and other communications in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Shareholders.

In view of the prevailing circumstances and also in conformity with the regulatory requirements, the Notice of the 38th Annual General Meeting of the Company and the Report and Accounts 2020 are being sent this year only through electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories.

Depository Services

Shareholders may write to the respective Depository or to the RTA for guidance on depository services.

The contact details of the Depositories are given below:

National Securities Depository Limited

Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Telephone No. : 022-2499 4200
Facsimile No. : 022-2497 6351
e-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited

Marathon Futurex, 'A' Wing, 25th Floor
Mafatlal Mill Compound, N M Joshi Marg
Lower Parel, Mumbai 400 013
Telephone No. : 022-2302 3333
Facsimile No. : 022-2300 2035
e-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

Remittance of Dividend through Electronic Mode

The Company provides the facility for remittance of dividend to Shareholders through RTGS ('Real Time Gross Settlement') / NACH ('National Automated Clearing House') / NEFT ('National Electronic Funds Transfer').

Shareholders who have not opted for remittance of dividend through electronic mode and wish to avail the same, are required to provide their bank details, including IFSC ('Indian Financial System Code') and MICR ('Magnetic Ink Character Recognition'), to their respective Depository Participants ('DPs') or to the RTA, where shares are held in the dematerialised form and in the certificate form, respectively.

Shareholders holding shares in the certificate form may use the Mandate Form for this purpose, which can be downloaded from the Company's website www.gujarathotelsltd.in under the section 'General Information' under 'Shareholder Value'.

Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended 31st March, 2020 is being sent separately by the Company to the Shareholders.

Address and Bank Details

Shareholders holding shares in the certificate form are requested to advise the RTA of any change in their address / mandate / bank details to facilitate better servicing.

Shareholders are advised that as a measure of protection against fraudulent encashment, their bank details or address as available with the RTA, will be printed on the dividend warrants or demand drafts where dividend cannot be remitted through electronic mode.

Permanent Account Number (PAN)

Shareholders holding shares in the certificate form are requested to send copies of their PAN Cards to the RTA to facilitate better servicing.

Furnishing of PAN Card is mandatory as follows:

- Legal heirs' / Nominees' PAN Cards for transmission of shares,
- Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
- Joint holders' PAN Cards for transposition of shares.

Nomination Facility

Shareholders who hold shares in the certificate form and wish to make any nomination / change nomination made earlier in respect of their shareholding in the Company, should submit to the RTA the prescribed Form; this Form can be downloaded from the Company's website under the section 'Investor Relations' under 'Shareholder Value' or can be furnished by RTA on request.



GUJARAT HOTELS LIMITED

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

Your Directors submit their Report for the financial year ended 31st March, 2020.

BUSINESS ENVIRONMENT

The global economy witnessed a marked slowdown in 2019 with growth softening to 2.9% in 2019 from 3.6% in 2018 and 3.9% in 2017 due to drop in global industrial activity and trade. To boost demand, large central banks had to cut policy rates during the year.

The Global Economy already facing the slowdown is projected to contract sharply by 3% in 2020 due to the ongoing COVID-19 pandemic and its severe impact on economic activity.

In a baseline scenario which assumes that as the pandemic fades with containment efforts gradually unwinding, the global economy is expected to grow in 2021 as economic activity normalizes, helped by policy support.

As per Ministry of Statistics & Programme Implementation's (MSPI) provisional estimate, the Indian economy registered GDP growth of 4.2% in 2019-20 as compared to 6.1% in 2018-19.

The operating environment in the hospitality sector showed improvement with foreign tourist arrivals. The Indian tourism market is fast-growing with immense potential due to the country's rich cultural and geographical diversity. During 2019, foreign tourist arrivals (FTAs) in India stood at 10.89 million, achieving a growth rate of 3.20% year-on-year.

Due to outbreak of COVID-19 pandemic, nation-wide lockdowns were implemented basis which Indian economy is expected to contract over 4% in year 20-21 on account of sharp slump in consumer spending and fixed investment. Hotel and tourism sector business has declined sharply as demand has declined to an all-time low.

FINANCIAL PERFORMANCE

During the year under review, your Company earned license fees of ₹ 374.57 lakhs (previous year ₹ 369.87 lakhs). The other income at ₹ 217.35 lakhs showed an increase mainly due to improvement in return on current investment. Pre and post-tax profits increased to ₹ 549.13 lakhs (previous year ₹ 518.22 lakhs) and ₹ 429.71 lakhs (previous year ₹ 407.88 lakhs) respectively.

Your Directors are pleased to recommend a dividend of ₹ 2.50 per Equity Share of ₹ 10/- each for the year ended 31st March, 2020, involving a cash outflow of ₹ 94,68,787.50/-. DDT on dividend will be NIL (PY: ₹ 27 Lakhs)

PROFITS, DIVIDEND AND RETAINED EARNINGS

The financial results of your Company, summarised, are as under:

	For the year ended 31st March, 2020 (₹)	For the year ended 31st March, 2019 (₹)
Profits		
a. Profit Before Tax	5,49,13,330	5,18,22,363
b. <u>Tax Expense</u>		
Current Tax	92,93,502	1,16,53,499
Deferred Tax	26,49,316	(6,18,755)
c. Profit for the year	<u>4,29,70,512</u>	<u>4,07,87,619</u>
d. Other Comprehensive Income	-	-
e. Total Comprehensive Income	<u>4,29,70,512</u>	<u>4,07,87,619</u>
Statement Of Retained Earnings		
a. At the beginning of the year	23,80,17,533	21,32,11,090
b. Add: Total Comprehensive Income	4,29,70,512	4,07,87,619
c. Less: Dividend paid including		
Income Tax on Dividend paid	1,59,81,176	1,59,81,176
d. At the end of the year	<u>26,50,06,869</u>	<u>23,80,17,533</u>

Details of changes in Key Financial Ratio & Return on Net Worth

Pursuant to Schedule V (B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'):

- There has been no significant change (25% or more) in any of the key financial ratio of the Company.
- Change in Return on Net Worth is summarized below:

Financial Ratio	2019-20	2018-19	Change %	Reason for change
Return on Net Worth	12.9%	13.3%	(3%)	Due to lower rate of growth in profit after tax on account of increase in Tax expense.

HOTEL OPERATIONS

Your Hotel, WelcomHotel Vadodara, licensed to ITC Limited recorded an income of ₹ 2521.27 lakhs during the year as compared to ₹ 2494.43 lakhs in the previous year. There has been marginal improvement in Hotel performance. While room occupancy showed some improvement, average room rates remained under pressure.

The Food and Beverage segment registered a growth and both Peshawri Restaurant and the Welcom Café Cambay retained their premium leadership positions.

Due to outbreak of COVID-19 pandemic, the ripple effects in the form of decline in demand started towards the



GUJARAT HOTELS LIMITED

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

beginning of March, which worsened by the end of the month.

With global travel advisories, suspension of Visas, India like most other countries was under lockdown which has adversely affected the Hotel and Tourism sector.

The Company's hotel had suspended its operations and appropriate measures were taken to ensure safety of all its stakeholders and is gearing up to re-open with strong focus on safety, health and hygiene protocols.

As reported earlier your Company has filed a writ petition in the Gujarat High Court seeking that the Gujarat State Government be directed to take action on your Company's application to have the leasehold land of the Hotel converted to freehold and transferred to your Company as per the existing government policy in this regard. The Honourable High Court passed an Order on 24th December, 2014 restraining the State Government from disturbing the peaceful and actual possession of the Company over the hotel property in any manner including construction thereon. The writ petition is pending.

Your Company is also making all efforts for expeditious conversion of land from leasehold to freehold or in the alternative extension of Lease. For further details, please refer to Note no. 20A of the Financial Statement.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

INTERNAL FINANCIAL CONTROLS

Your Company is managed by the Board of Directors and the Executive Management with clearly defined roles, responsibilities and authorities. The Executive Management is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. Your Company also has a Code of Conduct which requires management to conform to the required financial and accounting policies, systems and processes, conduct business ethically and ensure strict compliance with all applicable laws and regulations. Ongoing Review Processes and the Risk Management Framework create a control environment in the Company and provide the cornerstones for Internal Financial Controls with reference to your Company's Financial Statements.

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by the management and approved by the Audit Committee and the Board. These Policies are reviewed and updated from time to time and audited by the Internal Auditor whose findings and recommendations are reviewed by the Audit Committee and tracked through to implementation.

Your Company maintains its Books of Account in electronic form. Your Company has in place adequate internal financial controls with reference to the Financial Statements. The Internal Auditors of the Company evaluates the adequacy and efficacy of such internal financial controls. Such controls have been assessed during the year by the management. Based on the results of this assessment, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed. Nonetheless your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

RISK MANAGEMENT

Your Company continues its emphasis on a systems-based approach to business risk management. Backed by strong internal control systems, the current Risk Management framework consists of the following key elements:

- The Board of Directors ('The Board') has clearly laid down the roles and responsibilities of the Company in relation to risk management covering a range of responsibilities, from strategic to operational. These role definitions provide the foundation for your Company's Risk Management Policy that is endorsed by the Board and is aimed at ensuring formulation of appropriate risk management procedures, their effective implementation and independent monitoring and reporting by the Internal Auditors.
- Management of risks vest with the Executive Management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board.
- A combination of policies and procedures which are regularly reviewed and updated in the light of changing business and regulatory environment, brings robustness to the process of ensuring that business risks are effectively addressed.
- Appropriate structures are in place to proactively monitor and manage the inherent risks in business with unique / relatively high risk profiles.
- Internal Audit, an independent and external function, carries out risk focused audits across all businesses, enabling identification of areas where risk management processes may need to be strengthened. These audits are conducted by M/s Shah & Talati, Chartered Accountants, who are the Internal Auditors of the Company. The Audit Committee of the Board reviews the Internal Audit findings and provides strategic guidance on internal controls. The Chief Executive Officer closely monitors the internal control environment within your Company including implementation of the action plans emerging out of internal audit findings.



GUJARAT HOTELS LIMITED

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

- A framework of strategic planning and performance management ensures realisation of business objectives based on effective strategy implementation. The annual planning exercise requires identification of top risks and sets out a mitigation plan with agreed timelines and accountability. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented.

The combination of policies and processes as outlined above adequately address the various risks associated with your Company's business including those that have arisen due to the still unfolding COVID-19 pandemic.

AUDIT AND SYSTEMS

Your Company believes that internal control is a necessary adjunct to the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance and comfort on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds / errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Your Company's independent and robust Internal Audit processes provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies and regulatory requirements.

M/s Shah & Talati is the Internal Auditor of the Company and have assured the Company that they are adequately resourced to deliver high standards of audit assurances.

The Audit Committee of your Board met four times during the year. The Terms of Reference of the Audit Committee included reviewing the adequacy and effectiveness of the internal control environment, monitoring implementation of the action plans emerging out of Internal Audit findings including those relating to strengthening of your Company's risk management systems and discharge of statutory mandate.

HUMAN RESOURCE DEVELOPMENT

Your Company firmly believes that employees are the vital and most valuable assets and hence has created a favorable work environment that encourages innovation and meritocracy. Your Company continues to innovate in the way human resources are managed and developed, striking a balance between business needs and individual aspirations.

With an undying commitment to render delightful services, your Company's employees consistently work towards

delivering flawless performance and are continuing to delight customers.

The Company provides a safe, secure, inclusive and gender friendly workplace. The Company has put in place Grievance Redressal Procedures and adopted a Policy on Sexual Harassment as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. The Company has an Internal Complaints Committee to ensure that grievances in this regard, if any, are effectively addressed. During the year under review, no complaint relating to sexual harassment has been received.

In these unprecedented times of the pandemic, your Company has placed Employee well-being and safety as its primary objective. Your Company has ensured due adherence to - Sanitization, Hygiene Amenities, Social Distancing & all other guidelines prescribed by the Central Government and respective the State Governments.

WHISTLEBLOWER POLICY

The Company's Whistleblower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud, actual or suspected instances of leak of unpublished price sensitive information or violation of the GHL Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no complainant is victimised or harassed for bringing such incidents to the attention of the Company.

The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee was denied access to the Committee during the year. The Whistleblower Policy is available on the Company's website at <http://www.gujarathotelsltd.in/Policies.html>.

DEPOSITS

Your Company has not accepted any deposits from the public / members under Section 73 of the Companies Act, 2013 (the Act') read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

Directors

Changes in Directors

Mr C K Koshy and Mr M Narayanan, who have the required integrity, expertise and experience, were re-appointed by the Members as Non-Executive Independent Directors of the Company with effect from 29th September, 2019, for another term of five years, under Section 149 of the Companies Act, 2013 ('the Act').



GUJARAT HOTELS LIMITED

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors of the Company ('the Board'), on the recommendation of the Nominations and Remuneration Committee ('the Committee') at the Meeting held on 28th June, 2019, appointed Mr Mohan Swarup Bhatnagar as an Additional Director, and with the approval of Members at the 37th Annual General Meeting of the Company, also as an Independent Director of the Company for a period of five years with effect from 28th June, 2019.

The Board on recommendation of the Committee at the Meeting held on 15th October, 2019, appointed Ms Benita Sharma as an Additional Director, and subject to the approval of the Members, also as a Non-Executive Director of the Company with effect from 15th October, 2019. Your Board recommends her appointment at the ensuing Annual General Meeting ('AGM') of your Company.

Requisite Notice under Section 160 of the Act has been received from Ms Sharma who has filed her consent to act as Director of the Company, if appointed.

Appropriate resolution seeking your approval to the above is appearing in the Notice convening the Thirty Eight AGM of your Company.

Ms Devkanya Roy Choudhury stepped down as a Non-Executive Director of the Company with close of work on 15th July, 2019, due to personal reasons. Your Directors would like to record their appreciation for the services rendered by Ms Choudhury.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with Article 147 of the Articles of Association of the Company, Mr Nakul Anand will retire by rotation at the ensuing AGM of your Company and being eligible, offers himself for re-election. Your Board recommends his re-election.

Number of Board Meetings

During the year ended 31st March, 2020, six meetings of the Board were held.

Attributes, Qualifications & Independence of Directors and their Appointment

The Nominations and Remuneration Committee have stipulated the criteria for determining qualifications, positive attributes and independence of Directors, including Independent Directors. The criteria, inter- alia, requires that Non-Executive Directors, including Independent Directors, be drawn from amongst eminent professionals with experience in business / finance / law / public administration and enterprises.

The Board Diversity Policy of the Company requires the Board to have a balance of skills, experience and diversity of perspectives appropriate to the Company. The skills,

expertise and competencies of the Directors as identified by the Board, along with those available in the present mix of the Directors of the Company, are provided in the 'Report on Corporate Governance', forming part of the Report and Accounts. The Articles of Association of the Company provide that the strength of the Board shall not be fewer than three nor more than twelve.

Directors are appointed / re-appointed with the approval of the Members. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise approved by the Members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

The Independent Directors of your Company have, inter alia, confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and (b) they are not aware of any circumstance or situation which could impair or impact their ability to discharge duties with an objective, independent judgement and without any external influence. In the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act and the Listing Regulations and are independent of the management of the Company.

The Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees, as approved by the Board, may be accessed on its website at <http://www.gujarathotelsltd.in/Policies.html>. There has been no change in the Policy during the year.

Board Evaluation

The Nominations and Remuneration Committee has approved the Policy on Board Evaluation, Evaluation of Board Committees' functioning and individual Director Evaluation and also specified that such evaluation will be done by the Board. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Listing Regulations. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfil expectations of other stakeholders through strategic supervision of the Company. Evaluation of functioning of Board Committees is based on discussions amongst Committee members and shared by the respective Committee Chairman with the Board. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings and in assisting the Board in realising its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals.



While the Board evaluated its performance against the parameters laid down by the Nominations and Remuneration Committee, the evaluation of individual Directors was carried out anonymously in order to ensure objectivity. The Board was briefed on functioning of Board Committees by the respective Committee Chairmen after discussion with the other Committee Members.

Key Managerial Personnel

Mr. Deepak Kumar Gulati ceased to be Company Secretary and Compliance Officer of the Company with close of work on 7th June, 2019.

The Board at the meeting held on 6th December, 2019, on the recommendation of the Nominations and Remuneration Committee, appointed Ms. Parinita Bhutani as Company Secretary and Compliance Officer of the Company with effect from the said date.

Audit Committee & Auditors

The composition of the Audit Committee is provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Statutory Auditors

The Statutory Auditors, Messrs. K C Mehta & Co., Chartered Accountants, ('KCM'), were appointed with your approval at the Thirty Fifth AGM to hold such office till the conclusion of the Fortieth AGM.

On the recommendation of the Audit Committee, the Board recommended for the approval of the Members, payment of remuneration of KCM for the financial year 2020-21. Appropriate resolution for this purpose is appearing in the Notice convening the Thirty Eight AGM of the Company.

Secretarial Auditors

Your Board appointed Messrs. PB & Associates, Company Secretaries, as the Secretarial Auditors of the Company for the financial year ended 31st March, 2020. The Report of the Secretarial Auditors pursuant to Section 204 of the Act, is provided in the Annexure forming part of this Report.

Related Party Transactions

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Act and the Listing Regulations. All such contracts or arrangements were entered in the ordinary course of business and on arm's length basis, and have been approved by the Audit Committee.

Further, the details of material related party transactions of the Company in prescribed Form No. AOC-2, in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure to this Report. Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website at <http://www.gujarathotelsltd.in/Policies.html> .

Directors' Responsibility Statement

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that period;
- taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis;
- laid down internal financial controls to be followed by your Company and that such internal financial controls were adequate and operating effectively; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER INFORMATION

Compliance with the conditions of Corporate Governance

The certificate of the Statutory Auditors, Messrs. K C Mehta & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Listing Regulations, is annexed.

Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

Cost Records

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit), Rules, 2014.

Going Concern Status

There is no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of the Company or its future operations.

Extract of Annual Return

The information required under Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is provided in the Annexure forming part of this Report.



GUJARAT HOTELS LIMITED

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

Particulars of Loans, Guarantees or Investments

During the year ended 31st March, 2020, the Company has neither given any loan or guarantee nor has it made any investment under the provisions of Section 186 of the Act.

Particulars relating to Conservation of Energy and Technology Absorption

Particulars as required under Section 134 of the Act relating to Conservation of Energy and Technology Absorption are provided below:-

Conservation of Energy:

Steps taken on conservation of energy and impact thereof:

Sl. No.	Description
1.	Installation of energy efficient hot water generator and steam boiler.
2.	Improvement in energy usage efficiency in lighting system by changing over to efficient lighting solutions such as Light Emitting Diodes
3.	Replacement of existing motors and pumps with more energy efficient equipment.
4.	Process improvement to enhance productivity and reduce specific energy consumption.

Steps taken by the Company for utilising alternate sources of energy: NIL

Capital investment on energy conservation equipment: NIL

Technology Absorption:

i) Efforts, in brief, made towards technology absorption and benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.:

Sl. No.	Description	Benefits
1.	Induction of new Explosive Vapour Detector (EVD).	For Safety and Security
2.	Upgradation of main Kitchen Gas Ranges.	For Product Upgradation
3.	Installation of Hydroneumatic System.	For Product Improvement
4.	Upgradation of Steam Boiler.	For Product Upgradation
5.	Installation of Guest Elevator.	For Product Improvement

ii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

- Details of technology imported - NIL
- Year of import - NIL
- Whether the technology has been fully absorbed - NIL
- If not fully absorbed, areas where absorption has not taken place, and the reasons therefor - NIL

iii) Expenditure incurred on research and development - NIL

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the financial year 2019-20, foreign exchange earnings of the Hotel aggregated ₹ 1,074.44 lakhs (previous year ₹ 1,117.54 lakhs) while expenditure in foreign currency aggregated ₹ 53.52 lakhs (previous year ₹ 55.14 lakhs).

EMPLOYEES

The total number of employees of the Company as on 31st March, 2020 stood at 181.

There were no employees who were employed throughout the year and were in receipt of remuneration aggregating ₹ 1.02 crores or more or were employed for part of the year and were in receipt of remuneration aggregating ₹ 8.50 lakhs per month or more during the financial year ended 31st March, 2020.

The information pursuant to Section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing the names of top 10 employees in terms of remuneration drawn is provided in the Annexure forming part of this Report.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and / or its Businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

CONCLUSION

Your Directors and employees look forward to the future with confidence and stand committed to creating an even brighter future for all stakeholders.

On behalf of the Board of the
Gujarat Hotels Limited

M Bhatnagar J Singh
Director Director

Place : Gurugram Date : 6th June, 2020
DIN: 00834857 DIN:00042258



GUJARAT HOTELS LIMITED

ANNEXURE

FORM NO. MR – 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Gujarat Hotels Limited
WelcomHotel Vadodara
R C Dutt Road, Alkapuri
Vadodara, Gujarat
390007

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gujarat Hotels Limited**, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Welcomhotel Vadodara, R C Dutt Road, Alkapuri, Vadodara, Gujarat – 390007 (hereinafter referred to as the '**Company**') for the period commencing from 1st April, 2019 till 31st March, 2020 (hereinafter referred to as the '**Audit Period**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinions thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also based on management representation and the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit 2019-20, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act'), and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

We have also examined compliance with the applicable clauses of the following:

- (i) The mandatory Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board Meetings and General Meetings.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Period under Review were carried out in compliance with provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings and Committees Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and where the meeting was held in shorter notice due compliance was made, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific events / actions that have a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

This Certificate is issued within the limited available resources under the situation of National Lockdown due to COVID-19 pandemic.

For P B & Associates
Company Secretaries

Place : New Delhi
Dated : 6th June, 2020

Pooja Bhatia
FCS: 7673 CP: 6485

Note : This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



GUJARAT HOTELS LIMITED

ANNEXURE

To
The Members
Gujarat Hotels Limited
WelcomHotel Vadodara
R C Dutt Road, Alkapuri
Vadodara, Gujarat
390007

Annexure: A

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards etc. is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P B & Associates
Company Secretaries

Place : New Delhi
Dated : 6th June, 2020

Pooja Bhatia
FCS: 7673 CP: 6485



GUJARAT HOTELS LIMITED

ANNEXURE

FORM NO. AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, of which the Company is an Associate.
b)	Nature of contracts / arrangements / transactions	Agreement for operating the Company's Hotel.
c)	Duration of the contracts / arrangements / transactions	Operating License Agreement (OLA) dated 24th September, 1992 for an initial period of 30 years and renewable for another period of 30 years. The OLA emanated from the rehabilitation package agreed amongst Gujarat State Govt., Financial Institutions viz. IFCI & SBI and ITC in the year 1990.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company receives Licence fees @ 15% of Net Operating Income. Value of transaction during the year ₹ 3.75 crores.
e)	Date(s) of approval by the Board, if any	24th September, 1992
f)	Amount paid as advances, if any	Nil

On behalf of the Board of
Gujarat Hotels Limited

Place: Gurugram
Date : 6th June, 2020

M Bhatnagar
Director
DIN: 00834857

J Singh
Director
DIN:00042258



GUJARAT HOTELS LIMITED

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF GUJARAT HOTELS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Gujarat Hotels Limited ("the Company") for the year ended on 31st March, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the

Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI Listing Regulations, as applicable for the year ended March 31, 2020.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on Use

9. This Certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner

Place : Gurugram
Date : 6th June, 2020

Membership No. 101533
UDIN: 20101533AAAABL9615



GUJARAT HOTELS LIMITED

ANNEXURE

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L55100GJ1982PLC005408
- ii) Registration Date : 7th August, 1982
- iii) Name of the Company : Gujarat Hotels Limited
- iv) Category / Sub-Category of the Company : Public company - Limited by shares
- v) Address of the Registered office and contact details : WelcomHotel Vadodara
R C Dutt Road, Alkapuri
Vadodara 390 007
Tel No.: 0265-233 0033
e-mail : ghlinvestors@yahoo.co.in
- vi) Whether Listed Company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : MCS Share Transfer Agent Limited
F - 65, Okhla Industrial Area, Phase - I
New Delhi - 110 020
Tel. Nos.: (011) 4140 6149-52, 4160 9386
e-mail: helpdeskdelhi@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the Company
1.	Hotel Services	55101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL



GUJARAT HOTELS LIMITED

ANNEXURE

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as Percentage of Total Equity)

(i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	20,33,963	0	20,33,963	53.70	20,33,963	0	20,33,963	53.70	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	20,33,963	0	20,33,963	53.70	20,33,963	0	20,33,963	53.70	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	20,33,963	0	20,33,963	53.70	20,33,963	0	20,33,963	53.70	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	100	100	0	0	100	100	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	100	100	0	0	100	100	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,91,626	2,100	1,93,726	5.11	1,72,818	2,100	1,74,918	4.62	(0.49)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	7,97,094	2,03,602	10,00,696	26.43	7,49,934	1,83,034	9,32,968	24.64	(1.79)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3,34,765	0	3,34,765	8.84	4,12,617	0	4,12,617	10.90	2.06
c) Others (specify)									
i) Non Resident Individuals	45,662	56,700	1,02,362	2.70	45,718	53,200	98,918	2.60	(0.10)
ii) Investor Education and Protection Fund Authority, Ministry of Corporate Affairs	1,21,903	0	1,21,903	3.22	1,34,031	0	1,34,031	3.54	0.32
Sub-total (B)(2)	14,91,050	2,62,402	17,53,452	46.30	15,15,118	2,38,334	17,53,452	42.76	(3.54)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	14,91,050	2,62,502	17,53,552	46.30	15,15,118	2,38,434	17,53,552	46.30	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	35,25,013	2,62,502	37,87,515	100	35,49,081	2,38,434	37,87,515	100	0



GUJARAT HOTELS LIMITED

ANNEXURE

(ii) Shareholding of Promoters (including Promoter Group):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	
1.	ITC Limited	17,33,907	45.78	Nil	17,33,907	45.78	Nil	Nil
2.	Russell Investments Limited	3,00,056	7.92	Nil	3,00,056	7.92	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	No Change during the year			
	Increase / Decrease in Promoters Shareholding during the year				
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	VIREN SHANTILAL SHAH				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 24/01/2020	1,32,272	3.50		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 24/01/2020:				
	31/03/2020	3,339	0.88	1,35,611	3.58
	At the end of the year			1,35,611	3.58
2.	SAVI PORTFOLIO MANAGEMENT SERVICES LIMITED				
	At the beginning of the year	1,22,218	3.23		
	Increase / Decrease in Shareholding during the year:	0	0.00	0	0.00
	At the end of the year			1,22,218	3.23
3.	MUKTILAL GANULAL PALDIWAL				
	At the beginning of the year	90,620	2.40		
	Increase / Decrease in Shareholding during the year:				
	05/04/2019	600	0.02	91,220	2.41
	10/05/2019	907	0.02	92,127	2.43
	17/05/2019	200	0.01	92,327	2.44
	24/05/2019	390	0.01	92,717	2.45
	31/05/2019	725	0.02	93,442	2.47
	05/07/2019	677	0.02	94,119	2.48
	19/07/2019	10	0.00	94,129	2.49
	06/09/2019	108	0.00	94,237	2.49
	13/09/2019	60	0.00	94,297	2.49
	20/09/2019	1,000	0.03	95,297	2.52
	04/10/2019	250	0.01	95,547	2.53
	11/10/2019	740	0.02	96,287	2.54



GUJARAT HOTELS LIMITED

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	01/11/2019	150	0.00	96,437	2.55
	08/11/2019	1,422	0.04	97,859	2.58
	13/12/2019	300	0.01	98,159	2.60
	20/12/2019	100	0.00	98,259	2.60
	10/01/2019	188	0.00	98,447	2.60
	17/01/2019	125	0.00	98,572	2.60
	24/01/2019	346	0.01	98,918	2.61
	31/01/2019	681	0.02	99,599	2.63
	07/02/2020	630	0.02	1,00,229	2.65
	14/02/2020	625	0.02	1,00,854	2.66
	28/02/2020	399	0.01	1,01,253	2.67
	At the end of the year			1,01,253	2.67
4.	TARADEVI MUKTILAL PALDIWAL				
	At the beginning of the year	73,229	1.95		
	Increase / Decrease in Shareholding during the year:				
	05/04/2019	260	0.01	73,489	1.94
	12/04/2019	77	0.00	73,566	1.94
	19/04/2019	51	0.00	73,617	1.94
	03/05/2019	200	0.01	73,817	1.95
	10/05/2019	200	0.01	74,017	1.95
	17/05/2019	265	0.01	74,282	1.96
	31/05/2019	164	0.00	74,446	1.97
	07/06/2019	630	0.02	75,076	1.98
	05/07/2019	23	0.00	75,099	1.98
	12/07/2019	345	0.01	75,444	1.99
	26/07/2019	680	0.02	76,124	2.01
	02/08/2019	573	0.02	76,697	2.02
	09/08/2019	550	0.01	77,247	2.04
	16/08/2019	700	0.02	77,947	2.06
	23/08/2019	168	0.00	78,115	2.06
	06/09/2019	370	0.01	78,485	2.07
	20/09/2019	315	0.01	78,800	2.08
	30/09/2019	1,300	0.03	80,100	2.11
	11/10/2019	242	0.01	80,342	2.12
	01/11/2019	119	0.00	80,461	2.12
	08/11/2019	1,136	0.03	81,597	2.15
	15/11/2019	1,131	0.03	82,728	2.18
	22/11/2019	484	0.01	83,212	2.20
	20/12/2019	880	0.02	84,092	2.22
	27/12/2019	363	0.01	84,455	2.23
	14/02/2020	200	0.01	84,655	2.24
	21/02/2020	182	0.00	84,837	2.24
	28/02/2020	488	0.01	85,325	2.25
	06/03/2020	1,222	0.03	86,547	2.29
	13/03/2020	955	0.03	87,502	2.31
	31/03/2020	1,365	0.04	88,867	2.35
	At the end of the year			88,867	2.35
5.	CHIRAYUSH PRAVIN VAKIL				
	At the beginning of the year	27,482	0.73		
	Increase / Decrease in Shareholding during the year:	0	0.00	0	0.00
	At the end of the year			27,482	0.73



GUJARAT HOTELS LIMITED

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6.	CLASSIC REALTIES PRIVATE LIMITED				
	At the beginning of the year	23,161	0.61		
	Increase / Decrease in Shareholding during the year:				
	28/02/2020	200	0.01	23,361	0.62
	At the end of the year			23,361	0.62
7.	DHEERAJ KUMAR LOHIA				
	At the beginning of the year	20,000	0.53		
	Increase / Decrease in Shareholding during the year:	0	0.00	0	0.00
	At the end of the year			20,000	0.53
8.	NAND KISHORE RADHE SHYAM SHARMA				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 25/10/2019	3750	0.10	15750	0.42
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 25/10/2019:				
	15/11/2019	300	0.01	16,050	0.42
	22/11/2019	200	0.01	16,250	0.43
	At the end of the year			16,250	0.43
9.	DINESH MUKILAL PALDIWAL				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 12/04/2019	12,943	0.34		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 12/04/2019:	0	0.00	0	0.00
	At the end of the year			12,943	0.34
10.	ARCHANA RAJESH PALDIWAL				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 08/11/2019	10,211	0.34		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 08/11/2019	0	0.00	0	0.00
	At the end of the year			10,211	0.27
11.	SHAH VIREN SHANTILAL				
	At the beginning of the year	63,105	1.66		
	Increase / Decrease in Shareholding during the year:				
	12/04/2019	17,748	0.47	80,853	2.13
	21/06/2019	22,928	0.61	1,03,781	2.74
	11/10/2019	1,202	0.03	1,04,983	2.77
	08/11/2019	27,289	0.72	1,32,272	3.49
	24/01/2020 [#]	(1,32,272)	(3.49)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
12.	KARVY STOCK BROKING LIMITED				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 01/11/2019	20,270	0.54		
	Increase / Decrease in Shareholding during the year:				
	08/11/2019 [#]	(20,270)	(0.54)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
13.	KARVY STOCK BROKING LIMITED (CLIENT ACCOUNT - BSE CM)				
	At the beginning of the year	16,815	0.43		
	Increase / Decrease in Shareholding during the year:				



GUJARAT HOTELS LIMITED

ANNEXURE

Sl. No.	For each of the top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	05/04/2019	1,916	0.05	18,731	0.49
	12/04/2019 [#]	(17,748)	(0.47)	0	0.00
	03/05/2019 ^{##}	*3038	0.08	13,088	0.35
	10/05/2019	10,000	0.26	23,088	0.61
	17/05/2019	202	0.01	23,290	0.61
	24/05/2019	918	0.02	24,208	0.64
	31/05/2019	200	0.01	24,408	0.64
	07/06/2019	(80)	0.00	24,328	0.64
	14/06/2019	(417)	(0.01)	23,911	0.63
	21/06/2019 [#]	(22,928)	(0.61)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
	^{##} Became part of the top ten Shareholders of the Company.				
	* Include shares acquired during the period when not part of the top ten Shareholders of the Company.				
14.	GEPL CAPITAL PRIVATE LIMITED				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 18/10/2019	12,000	0.32		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 18/10/2019:				
	25/10/2019 [#]	(12,000)	(0.32)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
15.	FALGUNI NILESH DEDHIA				
	At the beginning of the year	23,175	0.62		
	Increase / Decrease in Shareholding during the year:				
	26/04/2019	(3,075)	(0.08)	20,100	0.53
	03/05/2019 [#]	(10,625)	(0.28)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
16.	SONAL LOHIA				
	At the beginning of the year	14,000	0.37		
	Increase / Decrease in Shareholding during the year:				
	26/04/2019	(3,411)	(0.09)	10,589	0.28
	06/09/2019	(10,185)	(0.27)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				
17.	KARVY STOCK BROKING LIMITED (CLIENT ACCOUNT NSE CM)				
	At the beginning of the year	N.A.	N.A.		
	Became part of the top ten Shareholders of the Company with effect from 06/09/2019	12,527	0.33		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 06/09/2019:				
	13/09/2019	208	0.01	12,735	0.34
	20/09/2019	10,200	0.27	22,935	0.61
	30/09/2019	4,142	0.11	27,077	0.71
	25/10/2019	(50)	0.00	27,027	0.71
	01/11/2019 [#]	(20,270)	(0.54)	0	0.00
	At the end of the year			N.A.	N.A.
	[#] Ceased to be part of the top ten Shareholders of the Company.				



GUJARAT HOTELS LIMITED

ANNEXURE

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares held singly / jointly	% of total Shares of the Company	No. of Shares held singly / jointly	% of total Shares of the Company
1.	M Bhatnagar				
	At the beginning of the year	2,500	0		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			2,500	0

Messrs. C K Koshy, M Narayanan, J Singh, Directors, Messrs. M Agarwal and K Pahwa, Key Managerial Personnel, did not hold any Shares of the Company, either at the beginning or at the end of the year or at any time during the year.

Mr. N Anand, Director held 200 shares at the beginning of the year which was transferred to IEPF on 15th October, 2019.

Ms. P Bhutani, Company Secretary and Ms. B Sharma, Director also did not hold any Shares of the Company either at the time of their appointment or at the end of the year or at any time during the year.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and / or Manager: NOT APPLICABLE

B. Remuneration to the other Directors: (Amount in ₹)

Sl. No.	Directors	Particulars of Remuneration			
		Fee for attending Board / Board Committee Meetings	Commission	Independent Directors' Meeting Fees	Total Amount
1.	Independent Directors				
	C K Koshy	1,90,000	0	10,000	2,00,000
	M Bhatnagar *	1,10,000	0	10,000	1,20,000
	M Narayanan	2,10,000	0	10,000	2,20,000
	Total (B)(1)	5,10,000	0	30,000	5,40,000
2.	Other Non-Executive Directors				
	N Anand	0	0	0	0
	D R Choudhury #	0	0	0	0
	B Sharma ##	0	0	0	0
	J Singh	0	0	0	0
	Total (B)(2)	0	0	0	0
	Total (B) = (B)(1) + (B)(2)				5,40,000
	Total Managerial Remuneration (A+B)				5,40,000
	Overall ceiling as per the Act (Being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)				37,64,046

* Appointed as Non-Executive Independent Director w.e.f. 28th June, 2019.

Ceased to be Non-Executive Director with close of work on 15th July, 2019.

Appointed as Non-Executive Director w.e.f. 15th October, 2019.



GUJARAT HOTELS LIMITED

ANNEXURE

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		K Pahwa Chief Executive Officer	M Agarwal Chief Financial Officer	P Bhutani* Company Secretary	
1.	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	26,25,208	36,95,818	2,36,108	65,57,134
	b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	5,54,381	1,11,441	0	6,65,822
	c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total Amount	31,79,589	38,07,259	2,36,108	72,22,956

* Appointed as Company Secretary w.e.f. 6th December, 2019.

Note:

Mr K Pahwa and Mr M Agarwal are on deputation from ITC Limited (ITC) and Mr Agarwal has been granted Employee Stock Appreciation Linked Reward Units (ESAR Units) by ITC under its Employee Cash Settled Stock Appreciation Linked Reward Plan. Since such ESAR Units are not tradeable, no perquisite or benefit is immediately conferred upon him by grant of such ESAR Units, and accordingly the said grants have not been considered as remuneration.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

against the Company, Directors and other Officers in Default under the Companies Act, 2013: NONE

On behalf of the Board of the
Gujarat Hotels Limited

Place : Gurugram
Date : 6th June, 2020

M Bhatnagar
Director
DIN: 00834857

J Singh
Director
DIN:00042258



GUJARAT HOTELS LIMITED

ANNEXURE

A. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all employees	Increase in Remuneration over LY (%) [#]
N Anand	Non-Executive Chairman	-	-
M Bhatnagar ¹	Independent Director	0.47:1	-
D R Choudhury ²	Non-Executive Director	-	-
C K Koshy	Independent Director	0.79:1	33 ^{##}
M Narayanan	Independent Director	0.87:1	47 ^{##}
B Sharma ³	Non-Executive Director	-	-
J Singh	Non-Executive Director	-	-
K Pahwa	Chief Executive Officer	12.88:1	1*
M Agarwal	Chief Financial Officer	15.53:1	25*
D K Gulati ⁴	Company Secretary	0.82:1	(77)
P Bhutani ⁵	Company Secretary	0.96:1	-

[#] Based on Annualised remuneration.

^{##} Based on actual Board and Committee meetings held during the year.

* Reflects revision in remuneration effective 01.10.2019.

¹ Appointed with effect from 28.06.2019.

² Ceased to be Non-Executive Director with close of work on 15.07.2019.

³ Appointed with effect from 15.10.2019.

⁴ Ceased to be Company Secretary with close of work on 07.06.2019.

⁵ Appointed with effect from 06.12.2019.

Notes

- The number of permanent employees as on 31st March, 2020 was 181.
- Compared to the financial year 2018-19, the figures for the financial year 2019-20 reflects that:
 - Median remuneration of employees - Increased by 23.26% with increase in salary and performance linked bonus.
 - Average remuneration of employees excluding Key Managerial Personnel (KMPs) - Increased by 28.26% mainly with increase in salary and salary of certain employees processed for full year vis-a-vis part of the last year.
 - Remuneration of KMPs - Increased by 5.02% due to revision in remuneration during the year.
- Remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Company's Remuneration Policy.



GUJARAT HOTELS LIMITED

INFORMATION U/S 197 OF THE COMPANIES ACT, 2013

B. Information pursuant to Section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment / deputation	Previous Employment / Position Held	
1	2	3	4	5	6	7	8	9	
Top ten employees in terms of remuneration drawn.									
Mayur Agarwal*	34	Chief Financial Officer	39,49,258	27,82,370	B.Com., A.C.A., C.S.	10	25.01.2017	ITC Limited, Manager Finance	
Kunal Pahwa*	38	Chief Executive Officer	32,73,854	17,97,458	Diploma in Hotel Mgmt.	16	01.02.2019	ITC Limited, General Manager	
Roshan Jacob Rajan	32	Assistant Manager	8,44,966	7,32,757	B.B.A., P.G.D.M. (Marketing)	6	01.03.2018	The Fern Hotel, Sales Manager	
Mitul Shah	31	Assistant Manager	6,26,729	5,57,889	B.Com	7	06.08.2018	BayWood Hotels India Pvt Ltd	
Saikat Sengupta	48	Executive	4,53,759	3,93,496	B.Com.	27	13.05.1995	Assistant Manager Sales Jindal Hotels Limited, Front office Assistant	
Rajaram Kashiram Babar	53	Senior Executive	4,48,994	3,91,840	B.Com.	23	01.12.2016	Hotel Kaviraj, Executive	
Vasundhara Sonawane	53	Executive	4,26,827	3,28,335	HSC, Certificate Course in Cookery	30	01.04.1993	Nil	
Manish Singh	32	Executive	4,01,227	3,52,296	B.A., PG Diploma in Aviation and Hospitality	8	01.11.2017	InterGlobe Hotels Pvt. Ltd. Duty Manager	
Neeru Singh	56	Executive	3,92,218	3,38,273	5th Standard	39	25.10.1986	Nil	
Pravin Makwana	57	Supervisor	3,88,538	2,90,665	8th Standard	35	10.04.1986	Dodsal Company, Welder	

* On deputation from ITC Limited (ITC).

Notes:

- Gross remuneration includes salary, variable pay, Company's contribution to provident fund, allowances & other benefits / applicable perquisites except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Mr M Agarwal has been granted Employee Stock Appreciation Linked Reward Units (ESAR Units) by ITC under its Employee Cash Settled Stock Appreciation Linked Reward Plan. Since such ESAR Units are not tradeable, no perquisite or benefit is immediately conferred upon him by grant of such ESAR Units, and accordingly the said grants have not been considered as remuneration.
- Net remuneration comprises cash income less income tax & education cess deducted at source and employee's own contribution to provident fund.
- All appointments (except in case of employees on deputation) are contractual in accordance with terms and conditions as per Company's rules.
- The aforesaid employees are/were neither relative of any Director of the Company nor hold any equity share in the Company.

On behalf of the Board of
Gujarat Hotels Limited

Place : Gurugram
Date : 6th June, 2020

M Bhatnagar
Director
DIN: 00834857

J Singh
Director
DIN: 00042258



GUJARAT HOTELS LIMITED

CEO AND CFO COMPLIANCE CERTIFICATE

We, Kunal Pahwa, Chief Executive Officer and Mayur Agarwal, Chief Financial Officer, certify that:

- a) We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) The changes in the Significant Accounting Policies arising from the adoption of the Indian Accounting Standards have been discussed with the auditors and have been approved by the Audit Committee; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Gurugram
Date : 6th June, 2020

M Agarwal
Chief Financial Officer

K Pahwa
Chief Executive Officer



GUJARAT HOTELS LIMITED

BALANCE SHEET

As at 31st March, 2020

Particulars	Note	Amount in ₹	
		As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2	1,42,07,403	1,46,95,652
b) Other Non-Current Assets	3	46,35,646	66,72,434
Total Non-Current Assets		1,88,43,049	2,13,68,086
Current Assets			
a) Financial Assets			
(i) Investments	4	31,36,01,946	28,02,94,894
(ii) Trade Receivables	5	1,45,02,020	1,63,10,661
(iii) Cash and Cash Equivalents	6	13,66,343	7,63,039
(iv) Other Bank Balances	7	53,13,983	54,89,856
(v) Other Financial Assets	8	51,99,423	47,24,316
b) Other Current Assets	3	4,53,154	4,37,564
Total Current Assets		34,04,36,869	30,80,20,330
Total Assets		35,92,79,918	32,93,88,416
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	9	3,78,75,150	3,78,75,150
b) Other Equity		29,52,64,373	26,82,75,037
Total Equity		33,31,39,523	30,61,50,187
LIABILITIES			
Non-Current Liabilities			
a) Provisions	10	16,10,442	13,99,224
b) Deferred Tax Liabilities (Net)	11	1,33,94,563	1,07,45,247
Total Non-Current Liabilities		1,50,05,005	1,21,44,471
Current Liabilities			
a) Financial Liabilities			
(i) Trade Payables			
a) total Outstanding dues of micro enterprises and small enterprises.		-	-
b) total Outstanding dues of creditors other than micro enterprises and small enterprises.		6,72,886	4,83,074
(ii) Other Financial Liabilities	12	94,39,721	92,72,344
b) Other Current Liabilities	13	8,68,275	12,64,039
c) Provisions	10	1,54,508	74,301
Total Current Liabilities		1,11,35,390	1,10,93,758
Total Equity And Liabilities		35,92,79,918	32,93,88,416

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report of even date

On behalf of the Board

For K C Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
M.No. 101533

M Bhatnagar
Director

J Singh
Director

Place : Gurugram, India
Date : 06th June, 2020

K Pahwa
Chief Executive Officer

M Agarwal
Chief Financial Officer

P Bhutani
Company Secretary



GUJARAT HOTELS LIMITED

STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2020

Particulars	Note	Amount in ₹	
		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
I Revenue From Operations	14	3,74,56,606	3,69,86,948
II Other Income	15	2,17,34,809	1,96,25,544
III Total Income (I+II)		5,91,91,415	5,66,12,492
IV EXPENSES			
Employee Benefits Expense	16	7,97,571	12,08,580
Depreciation and Amortization Expense		4,69,458	4,73,636
Other Expenses	17	30,11,056	31,07,913
Total Expenses (IV)		42,78,085	47,90,129
V Profit Before Tax (III- IV)		5,49,13,330	5,18,22,363
VI Tax Expense:			
Current Tax	18	92,93,502	1,16,53,499
Deferred Tax	18	26,49,316	(6,18,755)
VII Profit for the Year(V-VI)		4,29,70,512	4,07,87,619
VIII Other Comprehensive Income		-	-
X Total Comprehensive Income for the Year (VII+VIII)		4,29,70,512	4,07,87,619
X Earnings per Equity Share (Face Value ₹ 10/- each):	19		
Basic (in ₹)		11.35	10.77
Diluted (in ₹)		11.35	10.77

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report of even date

On behalf of the Board

For K C Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
M.No. 101533

M Bhatnagar
Director

J Singh
Director

Place : Gurugram, India
Date : 06th June, 2020

K Pahwa
Chief Executive Officer

M Agarwal
Chief Financial Officer

P Bhutani
Company Secretary



GUJARAT HOTELS LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2020

A. Equity Share Capital

	Amount in ₹		
	Balance as at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March 2019	3,78,75,150	-	3,78,75,150
For the year ended 31st March 2020	3,78,75,150	-	3,78,75,150

B. Other Equity

	Reserves & Surplus		Total
	General Reserve	Retained Earnings	
Balance as at April 01, 2018	3,02,57,504	21,32,11,090	24,34,68,594
Total Comprehensive Income for the year	-	4,07,87,619	4,07,87,619
Dividend	-	1,32,56,303	1,32,56,303
Income Tax on Dividend Paid	-	27,24,873	27,24,873
Balance as at March 31, 2019	3,02,57,504	23,80,17,533	26,82,75,037
Balance as at April 01, 2019	3,02,57,504	23,80,17,533	26,82,75,037
Total Comprehensive Income for the year	-	4,29,70,512	4,29,70,512
Dividend	-	1,32,56,303	1,32,56,303
Income Tax on Dividend Paid	-	27,24,873	27,24,873
Balance as at March 31, 2020	3,02,57,504	26,50,06,869	29,52,64,373

The Board of Directors of the Company recommended a dividend of ₹ 2.50 per share (for the year ended 31st March, 2019 - dividend ₹ 3.50 per share) be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting. The total equity dividend to be paid ₹ 94,68,788/- (for the year ended 31st March, 2019 - dividend ₹ 1,32,56,303/-). Income tax on proposed dividend will be NIL (for the year ended 31st March, 2019 - ₹ 27,24,873/-).

General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report of even date

On behalf of the Board

For K C Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
M.No. 101533

M Bhatnagar
Director

J Singh
Director

Place : Gurugram, India
Date : 06th June, 2020

K Pahwa
Chief Executive Officer

M Agarwal
Chief Financial Officer

P Bhutani
Company Secretary



GUJARAT HOTELS LIMITED

CASH FLOW STATEMENT

For the year ended 31st March, 2020

Amount in ₹

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	5,49,13,330	5,18,22,363
Adjustments for:		
Depreciation & Amortisation expense	4,69,458	4,73,636
Interest Income	(1,58,700)	(13,17,822)
Dividend Income	(1,32,834)	(1,59,984)
(Gain)/Loss on sale of property, plant and equipment - Net	(1,70,098)	4,45,778
Net (gain)/loss on investments mandatorily measured at fair value through profit or loss	(2,10,64,632)	(1,80,05,340)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,38,56,524	3,32,58,631
Adjustments for:		
Trade Receivables , Financial Assets and Other Assets	13,31,084	(28,15,198)
Trade Payables, Other Liabilities and Provisions	4,28,723	(15,68,800)
CASH GENERATED FROM OPERATIONS	3,56,16,331	2,88,74,633
Income Tax Paid(Net)	(72,56,714)	(1,04,07,981)
NET CASH FROM OPERATING ACTIVITIES	2,83,59,617	1,84,66,652
B. Cash Flow from Investing Activities		
Sale of Property Plant and Equipment	1,88,889	8,661
Purchase of Current Investments	(19,97,32,741)	(22,43,40,000)
Sale/Redemption of Current Investments	18,74,90,321	17,05,32,754
Dividend Income	1,32,834	1,59,984
Interest Received	1,45,560	32,62,318
NET CASH USED IN INVESTING ACTIVITIES	(1,17,75,137)	(5,03,76,283)
C. Cash Flow from Financing Activities		
Dividend Paid	(1,32,56,303)	(1,32,56,303)
Income Tax on Dividend Paid	(27,24,873)	(27,24,873)
NET CASH USED IN FINANCING ACTIVITIES	(1,59,81,176)	(1,59,81,176)
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,03,304	(4,78,90,807)
OPENING CASH AND CASH EQUIVALENTS	7,63,039	4,86,53,846
CLOSING CASH AND CASH EQUIVALENTS	13,66,343	7,63,039
CASH AND CASH EQUIVALENTS COMPRISE :		
Cash & Cash equivalents	13,66,343	7,63,039
	13,66,343	7,63,039

NOTES:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report of even date

On behalf of the Board

For K C Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
M.No. 101533

M Bhatnagar
Director

J Singh
Director

Place : Gurugram, India
Date : 06th June, 2020

K Pahwa
Chief Executive Officer

M Agarwal
Chief Financial Officer

P Bhutani
Company Secretary



1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies below. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, Plant & Equipment – Tangible Assets

Property, plant & equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP).

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. Subsequent costs are included in the asset's carrying amount only when it meets the recognition criteria are met as per component accounting. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the statement of Profit & Loss.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of Property, Plant and Equipment are depreciated in a manner that depreciates the cost of the assets after commissioning (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

Property, plant and equipment's residual values and useful lives are reviewed at each balance sheet date and changes, if any, are treated as changes in accounting estimate.



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Useful lives of different class of PPE are as follows:

Particulars	Useful Life as per Schedule II
Building	60 Years
Plant and Equipment	15 Years
Furniture's and fixtures	8 years
Office equipment	5 Years

Impairment of Assets

Impairment loss is provided, if any, to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Financial instruments, Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets and financial liabilities .Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets:

Recognition: Financial assets includes Investments, Trade receivable, Advances, Security Deposits, Cash and cash equivalents. Such Assets are initially recognized at transaction price when the company becomes party to contractual obligations. The transaction price includes transaction cost unless the assets is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and /or interest.
- Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decision based on fair value of such assets. Such



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NOTES TO THE FINANCIAL STATEMENTS

assets are subsequently measured at fair value, with unrealized gain and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivable, Advances, Security Deposits, Cash and Cash equivalents etc., are classified for measurement at amortised cost while Investment have been classified for measurement at Fair value through profit or loss (FVTPL),

Impairment: The Company assesses at each reporting date whether a financial asset (or group of financial assets) such as investment, trade receivable, advances and security deposit held at amortised cost are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through profit or loss without restating the previously recognized gains or losses and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset.

Financial Liabilities

Trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

Financial liabilities are derecognized when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Revenue

1. Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of discounts to customers and excludes taxes such as Goods and Services Tax. Revenue from the sale of services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. Income from operating license fees are recognized on accrual basis in accordance with Operating License agreement. The timing of such revenue recognition is in the periods in which such services are rendered.
2. Interest Income is booked in the Statement of Profit and Loss using the effective interest method.
3. Dividend Income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Employee Benefits

The Company makes contributions to both defined benefit and defined contribution schemes.

Contributions to Provident Fund are in the nature of defined contribution scheme and such paid/payable amounts are recognised as expense. The contributions in respect of provident fund and family pension are statutorily deposited with the Government.

The Company also makes contribution to defined benefit gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. The Company has taken a Policy with Life Insurance Corporation of India (LIC) to cover the gratuity liability with respect to the employees and the premium paid to LIC is charged to Statement of Profit & Loss. The difference between the actuarial valuation of the gratuity with respect to employees at the year-end and the contribution paid to LIC is further adjusted in the books of accounts.



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NOTES TO THE FINANCIAL STATEMENTS

Employees Benefit w.r.t. Leave Encashment is considered as Employees Long Term Benefit, for which the Company records the liability based on actuarial valuation computed under projected unit credit method. These benefits are unfunded.

All such Employee Benefit expenditure/provisions are reimbursed by the Licensee as per the Operating License Agreement.

Taxes on Income

Taxes on income comprises of current tax and deferred tax. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the financial statements in the period in which in which the interim dividends are approved by the Board of Directors or, in respect of the Company's final dividend for the year, when the same are approved by shareholders of the Company.

Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount so recognized is the best estimate of the consideration required to settle the obligation at the reporting date, taking in to account the risks and uncertainties surrounding the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Use of Estimates and Judgements

The key estimates and assumption used in the preparation of financial statements are set out below:

Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

Comparatives

Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification/disclosure.

Estimation uncertainty relating to the global health pandemic on COVID-19

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of its assets. Based on its review and current indicators of the future economic conditions, there is no significant impact on its Financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2. Property, Plant and Equipment

Particulars	Gross Block				Depreciation / Amortisation				Net Block		
	April 1, 2018	Additions	Withdrawal and Adjustment	March 31, 2019	March 31, 2020	Withdrawal and Adjustment	For the year	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019
Tangible Assets											
Building	1,61,88,565	-	2,66,883	1,59,21,682	14,32,140	4,73,636	29,055	18,76,721	4,69,458	23,46,179	1,40,44,961
Plant and Equipment*	7,42,985	-	2,04,793	5,38,192	-	-	-	-	-	-	5,38,192
Furniture and Fixtures*	1,22,300	-	11,818	1,10,482	-	-	-	-	-	-	1,10,482
Office Equipment*	2,017	-	-	2,017	-	-	-	-	-	-	2,017
Total	1,70,55,867	-	4,83,494	1,65,72,373	14,32,140	4,73,636	29,055	18,76,721	4,69,458	23,46,179	1,46,95,652

* Fully depreciated assets



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NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount in ₹			
	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non-Current	Current	Non-Current
3 OTHER ASSETS				
Advances other than capital advances				
Security Deposit				
- With Others		23,28,947		23,28,947
- Statutory Authorities		2,00,000		2,00,000
Other Advances (prepaid expenses)	4,53,154	-	4,37,564	-
Advance Tax (Net of Provisions)		21,06,699		41,43,487
TOTAL	4,53,154	46,35,646	4,37,564	66,72,434

4 Current investments (at fair value through profit or loss, unless otherwise stated) Amount in ₹

Sl. No.	Investments in Mutual Funds	As at 31st March, 2020		As at 31st March, 2019	
		Unquoted		Unquoted	
1	ICICI Prudential Banking & PSU Debt Fund 11,24,750.948 Units (2019 - 11,24,750.948) of ₹ 10.00 each	2,60,51,819		2,38,72,614	
2	ICICI Prudential Corporate Bond Fund 12,41,451.718 Units (2019 - 12,41,451.718) of ₹ 10.00 each	2,58,54,473		2,37,12,100	
3	UTI Floating Rate Fund Short Term Fund 7749.911 Units (2019-7,749.911) of ₹ 1000.00 each	2,40,59,005		2,34,74,167	
4	Aditya Birla Sun Life Floating Rate Fund 2,74,475.933 Units (2019-2,74,475.933) of ₹ 100.00 each	6,88,17,488		6,36,14,941	
5	Aditya Birla Sunlife Saving Fund 1,37,924.934 Units (2019-1,37,924.934) of ₹ 100.00 each	5,51,54,654		5,11,71,946	
6	Kotak Savings Fund 17,35,775.133 Units (2019-11,28,273.230) of ₹ 10.00 each	5,57,07,099		3,38,16,154	
7	HDFC Ultra Short term Fund 47,69,604.927 Units (2019- Nil) of ₹ 10.00 each	5,34,45,808		-	
8	Axis Liquid Fund 3470.921 Units (2019- Nil) of ₹ 1000.00 each	45,11,600		-	
9	Nippon India Liquid Fund (Formerly known as Reliance Liquid Fund) Nil (2019- 11416.769) of ₹ 1000.00 each	-		5,18,23,115	
10	ICICI Prudential Liquid Fund Nil (2019- 57413.509) of ₹ 100.00 each	-		88,09,857	
	Aggregate amount of unquoted Investments	31,36,01,946		28,02,94,894	
	TOTAL	31,36,01,946		28,02,94,894	

	Amount in ₹	
	As at 31st March, 2020	As at 31st March, 2019

5 TRADE RECEIVABLES		
Unsecured, Considered Good	1,45,02,020	1,63,10,661
TOTAL	1,45,02,020	1,63,10,661

6 CASH AND CASH EQUIVALENTS @		
Balances with Banks		
Current Accounts	13,51,465	7,60,024
Cash on Hand	14,878	3,015
TOTAL	13,66,343	7,63,039

@ Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

7 OTHER BANKS BALANCES		
Earmarked balances	53,13,983	54,89,856
TOTAL	53,13,983	54,89,856



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount in ₹	
	As at 31st March, 2020	As at 31st March, 2019
8 OTHER FINANCIAL ASSETS		
Interest accrued on Deposits	1,71,140	1,58,000
Others - Unsecured, considered good	50,28,283	45,66,316
TOTAL	51,99,423	47,24,316

Particulars	As at 31st March, 2020 (No. of Shares)	As at 31st March, 2020 ₹	As at 31st March, 2019 (No. of Shares)	As at 31st March, 2019 ₹
	9 EQUITY SHARE CAPITAL			
Authorised				
Equity Shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10/- each, fully paid	37,87,515	3,78,75,150	37,87,515	3,78,75,150

A) Reconciliation of the number of Equity Shares outstanding

	31st March, 2020	31st March, 2019
As at the beginning of the year	37,87,515	37,87,515
Add - Shares issued during the year	-	-
Less -Shares bought back during the year	-	-
As at the end of the year	37,87,515	37,87,515

B) Shareholders holding more than 5% of the Equity Shares in the Company

	As at 31st March, 2020 (No. of Shares)	As at 31st March, 2020 %	As at 31st March, 2019 (No. of Shares)	As at 31st March, 2019 %
ITC Limited	17,33,907	45.78%	17,33,907	45.78%
Russell Investments Limited	3,00,056	7.92%	3,00,056	7.92%

C) Rights, Preferences and Restrictions attached to the Equity Shares

The Equity Shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

D) There are no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non-Current	Current	Non-Current
10 PROVISIONS				
Provision for Long Term Employee Benefits	1,54,508	16,10,442	74,301	13,99,224
TOTAL	1,54,508	16,10,442	74,301	13,99,224



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Amount in ₹

Particulars	As at 31st March, 2020	As at 31st March, 2019
11 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities	1,33,94,563	1,07,45,247
Total	1,33,94,563	1,07,45,247

Movement in Deferred Tax Liabilities/Assets Balances

For the year 2019-20	Balance as on 1st April, 2019	Recognized in profit or loss	Balance as on 31st March, 2020
Deferred Tax Liabilities in relation to:			
Other timing differences			
On Depreciation on PPE	40,40,950	(5,03,808)	35,37,142
On Gain on Investment at FVTPL	75,43,945	23,13,476	98,57,421
Total Deferred Tax Liabilities	1,15,84,895	18,09,668	1,33,94,563
Deferred tax liabilities before MAT credit entitlement	1,15,84,895	18,09,668	1,33,94,563
MAT credit entitlement	8,39,648	8,39,648	-
Total Deferred Tax Liabilities (Net)	1,07,45,247	26,49,316	1,33,94,563
For the year 2018-19	Balance as on 1st April, 2018	Recognized in profit or loss	Balance as on 31st March, 2019

Deferred Tax liabilities/assets in relation to:

Other timing differences			
On Depreciation on PPE	42,93,876	(2,52,926)	40,40,950
On Gain on Investment at FVTPL	70,70,126	4,73,819	75,43,945
Total Deferred Tax Liabilities (Net)	1,13,64,002	2,20,893	1,15,84,895
Deferred tax liabilities before MAT credit entitlement	1,13,64,002	2,20,893	1,15,84,895
MAT credit entitlement	-	8,39,648	8,39,648
Total Deferred Tax Liabilities (Net)	1,13,64,002	(6,18,755)	1,07,45,247

	As at 31st March, 2020	As at 31st March, 2019
12 OTHER FINANCIAL LIABILITIES		
Unpaid Dividend	53,13,983	54,89,856
Employee Related	41,25,738	37,82,488
TOTAL	94,39,721	92,72,344
13 OTHER CURRENT LIABILITIES		
Statutory Liabilities	8,68,275	12,64,039
TOTAL	8,68,275	12,64,039



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount in ₹	
	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
14 REVENUE FROM OPERATIONS		
Operating License Fees	3,74,56,606	3,69,86,948
TOTAL	<u>3,74,56,606</u>	<u>3,69,86,948</u>
15 OTHER INCOME		
Interest Income		
- Deposit with Banks- Carried At Amortised Cost	13,700	11,78,600
- Deposit Others	1,45,000	1,39,222
Dividend Income on Investment measured at FVTPL	1,32,834	1,59,984
Net gain / (loss) on financial assets mandatorily measured at FVTPL*	2,10,64,632	1,80,05,340
Net Gain / (Loss) on Disposal of Fixed Assets	1,70,098	-
Other Non-Operating Income	2,08,545	1,42,398
TOTAL	<u>2,17,34,809</u>	<u>1,96,25,544</u>
* Includes ₹ 14,22,752/- (2019 - ₹ 11,20,976/-) being net gain/(loss) on sale of investments.		
16 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	4,99,34,385	4,24,61,991
Contribution to Provident and Other Fund	48,96,787	45,64,892
	5,48,31,172	4,70,26,883
Less: Recoveries made/Reimbursements received	(5,40,33,601)	(4,58,18,303)
TOTAL	<u>7,97,571</u>	<u>12,08,580</u>
17 OTHER EXPENSES		
Advertising / Sales Promotion	1,60,776	1,59,768
Consultancy/Professional fees	2,58,163	2,14,842
Travelling & Conveyance	8,45,863	8,10,746
Postage, Telephone, Stationery etc.	2,29,840	3,66,042
Miscellaneous Expenses	15,16,414	15,56,515
TOTAL	<u>30,11,056</u>	<u>31,07,913</u>
Miscellaneous expenses includes Auditors remuneration and expenses :		
Audit Fees	60,000	60,000
Fees for other services	1,30,000	40,000
18 INCOME TAX EXPENSES		
A. Amount recognised in profit or loss		
Current Tax		
Income Tax for the Year	92,93,502	1,15,04,441
Adjustments/(Credits) related to previous year	-	1,49,058
Total Current Tax	<u>92,93,502</u>	<u>1,16,53,499</u>
Deferred Tax		
Deferred tax for the year	18,09,668	2,20,893
Mat Credit Entitlement	8,39,648	(8,39,648)
Total Deferred Tax	<u>26,49,316</u>	<u>(6,18,755)</u>
TOTAL	<u>1,19,42,818</u>	<u>1,10,34,744</u>



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount in ₹	
	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
B. Reconciliation of effective tax rate		
Profit before tax	5,49,13,330	5,18,22,363
Indian tax rate	25.168%	27.82%
Income Tax expense calculated at 25.168% (2019 27.82%)	1,38,20,587	1,44,16,981
Effects of:		
– Different tax rate on certain items	(19,50,232)	(29,22,098)
– Difference in taxable income/deductible expense	8,598	9,697
– Incomes that are not taxable in determining taxable profit	(33,432)	(44,508)
Adjustments recognised in the current year in relation to Current tax of prior years	-	(4,25,328)
MAT credit entitlement reversed on exercise of option under section 115BAA	8,39,648	-
Effect on deferred tax balances due to the change in income tax rate	(7,42,351)	-
Income Tax recognised in profit or loss	1,19,42,818	1,10,34,744

The tax rate of 25.168% (22% + surcharge @ 10% and cess @ 4%) used for the year 2019-20 and 27.82% (25% + surcharge @ 7% and cess @ 4%) used for the year 2018-19 is the corporate tax rate payable on taxable profits under the Income Tax Act, 1961.

19 EARNINGS PER EQUITY SHARE

Profit for the year	4,29,70,512	4,07,87,619
Number of equity shares outstanding	37,87,515	37,87,515
Basic and diluted earnings per share in (Face value ₹ 10/- per share)	11.35	10.77

20. ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

A. The Company was allotted 8200 sq mtrs of land at Vadodara in 1984 and an additional land of 2548 sq mtrs in 1988 at R C Dutt Road, Alkapuri, Vadodara through GIC (Gujarat Industrial Investment Corporation) on sub-lease for a period 30 years on which the hotel Welcomhotel Vadodara was constructed. Lease term of land admeasuring 8200 Sq mtrs expired on 30.09.2014 and of land admeasuring 2548 sq mtrs expired on 30.11.2018.

The High Court of Gujarat in pursuance of Writ petition filed by Company in April 2013, passed an Order on December 24, 2014 restraining the State Government from disturbing the peaceful and actual possession of the Company over the hotel property in any manner. The writ petition is pending for hearing.

The Company have made necessary application to State Government for Conversion of land from Leasehold to Freehold or Extension of Lease, which is in process.

B. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

C. The Company operates in one segment i.e. Hoteliering and within one geographical segment i.e. India.

D. Defined Benefit Plan:

The Company has taken a Policy with Life Insurance Corporation of India (LIC) to cover the gratuity liability with respect to the employees and the premium paid to LIC is charged to Statement of Profit & Loss. The difference between the actuarial valuation of the gratuity with respect to employees at the year-end and the contribution paid to LIC is further adjusted in the books of accounts.

The accounting charge for benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method.

All such Employee Benefit expenditure/provisions are reimbursed by the Licensee (ITC Limited) as per the Operating License Agreement, hence no effect Statement on Profit & Loss and Other Comprehensive Income.



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Risk Management

The defined Benefit Plan expose the company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risks: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

These Plans have a relatively balanced mix of investments in order to manage the above risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of investment as prescribed under various statutes.

(Amount in ₹)

Particulars	Gratuity	
	2019-20	2018-19
I Components of Defined Benefit Cost Recognised in Profit or Loss	31-03-2020	31-03-2019
a. Current Service Cost	6,14,439	6,41,829
b. Past Service Cost		
c. Net Interest Cost	(2,47,257)	(1,84,109)
Remeasurements		
a. Effect of changes in demographic assumptions	-	(2,108)
b. Effect of changes in financial assumptions	10,12,132	-
c. Effect of experience adjustments	(3,03,485)	(1,42,950)
d. (Return) on plan assets (excluding interest income)	16,52,575	24,103
e. Changes in asset ceiling (excluding interest income)	-	-
f. Total remeasurements included in OCI	(9,43,927)	(1,69,160)
Total defined benefit cost recognized in P&L	(5,76,745)	2,88,560
II Net Assets /(Liabilities) recognised in Balance Sheet	31-03-2020	31-03-2019
1. Defined benefit obligation at end of period	1,23,91,806	1,11,12,243
2. Fair value of plan assets at end of period	1,49,14,530	1,30,58,222
3. Net defined benefit liability (asset)	(25,22,724)	(19,45,979)
III Change in Defined Benefit Obligation	31-03-2020	31-03-2019
1. Defined benefit obligation at beginning of period	1,11,12,243	1,02,97,864
2. Current service cost	6,14,439	6,41,829
3. Interest expenses	8,01,722	7,55,904
4. Remeasurements gains /(losses):		
a. Effect of changes in demographic assumptions	-	(2,108)
b. Effect of changes in financial assumptions	10,12,132	-
c. Effect of experience adjustments	(3,03,485)	(1,42,950)
5. Benefits Paid	(8,45,245)	(4,38,296)
6. Present Value of DBO at end of the year	1,23,91,806	1,11,12,243



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

	31-03-2020	31-03-2019
IV Change in Fair Value of Plan Assets		
1. Fair value of plan assets at beginning of period	1,30,58,222	1,20,08,773
2. Interest income	10,48,978	9,40,012
3. Actual Company Contributions	-	5,23,630
4. Benefits Paid	(8,45,245)	(4,38,296)
5. Remeasurements Gains /(Losses) on plan assets	16,52,575	24,103
6. Fair value of Plan Assets at end of period	1,49,14,530	1,30,58,222
V Significant Actuarial Assumptions	31-03-2020	31-03-2019
1. Discount rate (%)	6.25%	7.50%
2. Salary increase rate	7.0%	7.0%
3. Attrition rate	2.0%	2.0%
4. Retirement age	58	58
5. Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
6. Disability	Nil	Nil

VI. Sensitivity Analysis

The below sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

	DBO as at 31-03-2020	DBO as at 31-03-2019
1. Discount rate +100 basis points	1,16,15,287	1,04,84,869
2. Discount rate -100 basis points	1,32,56,387	1,18,04,923
3. Salary Increase Rate +1%	1,31,80,161	1,17,46,789
4. Salary Increase Rate -1%	1,16,68,202	1,05,25,722
5. Attrition Rate +1%	1,22,74,501	1,11,27,835
6. Attrition Rate -1%	1,25,22,441	1,10,95,064
Maturity Analysis of the Benefit Payments	31-03-2020	31-03-2019
Year 1	14,48,424	8,04,294
Year 2	5,55,269	11,17,591
Year 3	23,83,803	5,58,914
Year 4	11,20,664	22,04,073
Year 5	18,90,500	13,03,903
Next 5 years	33,66,441	43,23,660

- E. Amount towards Defined Contribution Plans have been recognized under Contribution to Provident and Other Funds in Note 16: ₹ 48,96,787/- (2019- ₹ 45,64,892/-).
- F. The financial statements were approved for issue by the Board of Directors on 06th June, 2020.
- G. Effective April 1, 2019, the company adopted Ind AS 116 "Leases" using the modified retrospective method. There were no lease contracts which were required to be accounted for under Ind AS 116 as on transition date.



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

21 Financial Instruments and Related Disclosures

I. Capital Management

The Company does not have borrowing and aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

II. Categories of Financial Instruments

Amount in ₹

Particulars	Note	As at March 31, 2020		As at March 31, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets					
a) Measured at Amortised Cost					
i) Cash and cash equivalents	6	13,66,343	13,66,343	7,63,039	7,63,039
ii) Other bank balances	7	53,13,983	53,13,983	54,89,856	54,89,856
iii) Trade receivables	5	1,45,02,020	1,45,02,020	1,63,10,661	1,63,10,661
iv) Other financial assets	8	51,99,423	51,99,423	47,24,316	47,24,316
Sub - total		2,63,81,769	2,63,81,769	2,72,87,872	2,72,87,872
b) Measured at Fair Value through Profit or Loss					
i) Investment in mutual funds	4	31,36,01,946	31,36,01,946	28,02,94,894	28,02,94,894
Sub - total		31,36,01,946	31,36,01,946	28,02,94,894	28,02,94,894
Total Financial Assets		33,99,83,715	33,99,83,715	30,75,82,766	30,75,82,766
B. Financial Liabilities					
Measured at Amortised Cost					
i) Trade Payables		6,72,886	6,72,886	4,83,074	4,83,074
ii) Other Financial Liabilities	12	94,39,721	94,39,721	92,72,344	92,72,344
Total Financial Liabilities		1,01,12,607	1,01,12,607	97,55,418	97,55,418

The carrying amounts of trade payables, other financial liabilities, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short term nature.

Fair value in Mutual fund has been considered as Level 1 as Hierarchy for the same are based on unadjusted prices in active market.

III. Financial Risk Management Objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Liquidity Risk

The company has current assets aggregate to ₹ 34,04,36,869/- (2019- ₹ 30,80,20,330) including Current Investments, Cash and cash equivalents and Other bank balances of ₹ 32,02,82,272/- (2019- ₹ 28,65,47,789/-) against an aggregate Current liability of ₹ 1,11,35,390/- (2019- ₹ 1,10,93,758/-) on the reporting date. Further, while the Company's total equity stands at ₹ 33,31,39,523/- (2019- ₹ 30,61,50,187/-) and it has no borrowings. In such circumstances, liquidity risk or the risk that the company may not be able to settle or meet its obligations as they become due does not exist.

Market Risk

The company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such



GUJARAT HOTELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

investments .However,given the relatively short tenure of the underlying portfolio of the mutual fund schemes in which the company has invested , such price risk is not significant.

Credit Risk

Company's deployment in financial instruments such as mutual funds and fixed deposit are made in high quality papers/counterparties .The company has receivable balances with ITC Limited under the Operating Service Agreement, which are generally short term in nature .Accordingly , the Company has concluded that no provision for expected credit loss is required.

22 Related Party Disclosures

Related Party Transactions

i) Name of related parties and nature of relationships.

ITC Limited, of which the Company is an Associate.

ii) Key Management Personnel :

Board of Directors

N Anand	Chairman & Non-Executive Director
J Singh	Non-Executive Director
C K Koshy	Non-Executive Director
M Narayanan	Non-Executive Director
D R Choudhury	Non-Executive Director (Upto 15.07.2019)
M S Bhatnagar	Non-Executive Director (W.e.f 28.06.2019)
B Sharma	Non-Executive Director (W.e.f 15.10.2019)

iii) Summary of transactions during the year :

Amount in ₹

Particulars	ITC Limited		Key Management Personnel	
	2020	2019	2020	2019
License Fees Received	4,41,98,795	4,36,44,599	-	-
Purchase of Services	3,52,766	3,64,514	-	-
Remuneration of Managers on Deputation Reimbursed	66,62,570	59,16,468	-	-
Recoveries of Contractual Remuneration (Including Mangers on Deputation)	6,28,44,598	5,30,58,539	-	-
Expenses Recovered	25,35,127	21,68,155	-	-
Expenses Reimbursed	-	-	-	-
Dividend Payments	60,68,675	60,68,675	700	700
Remuneration to Key Management Personnel			-	-
- Director's Sitting Fees			5,40,000	3,70,000
Balance amount recoverable	2,01,14,680	2,08,65,894	-	-
Balance amount payable	19,381		-	-

On behalf of the Board

M Bhatnagar
Director

J Singh
Director

K Pahwa
Chief Executive Officer

M Agarwal
Chief Financial Officer

P Bhutani
Company Secretary



GUJARAT HOTELS LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of
Gujarat Hotels Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Gujarat Hotels Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>Evaluation of uncertain legal position of leasehold land.</p> <p>(Refer note no. 20A to the financial statements)</p> <p>The lease period of land held by the Company has expired. The Company has filed necessary writ petition with High Court of Gujarat in April, 2013 which is still pending for adjudication. The Company has also made necessary application to State Government for Conversion of land from Leasehold to Freehold or Extension of Lease, which is in process. This matter being sub judice, essentially involves significant judgement to determine the possible outcome and therefore, we have considered it as a key audit matter.</p>	<p>We performed the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained details of application made to State Government. • Obtained details of writ petition filed to the High Court of Gujarat and order copy passed by the High Court of Gujarat restraining the State Government from disturbing the actual possession over the property. • Obtained details of progress in the matter. • Read the minutes of the board meetings. <p>Based on the procedures described, management's evaluation on the same is acceptable.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Corporate Governance Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



INDEPENDENT AUDITOR'S REPORT

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical



GUJARAT HOTELS LIMITED

INDEPENDENT AUDITOR'S REPORT

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: the Company has neither paid nor provided for, any remuneration to its directors during the year; and
 - h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts as at March 31, 2020;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Place: Gurugram
Date: 6th June 2020

Vishal P. Doshi
Partner
Membership No. 101533
UDIN: 20101533AAAABB3943



GUJARAT HOTELS LIMITED

INDEPENDENT AUDITOR'S REPORT

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our Independent Auditor's Report to the members of **Gujarat Hotels Limited** ("the Company") on the financial statements for the year ended March 31, 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. With respect to land, the Company has filed a writ petition with Gujarat High Court seeking that the Gujarat State Government be directed to take action on Company's application to have the leasehold land of the Hotel Converted to freehold and transferred to Company as per the existing government policy in this regard.
- ii. The Company does not have any inventory and therefore, reporting under clause (ii) of the Order is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, reporting under clause (iii) of the Order is not applicable to the Company.
- iv. The Company has not given any loans, guarantees or security. In respect of the investments made, in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, reporting under clause (v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income tax, value added tax, goods and service tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, value added tax, goods and service tax, cess and any other statutory dues were in arrears, as at March 31, 2020, for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, sales tax, value added tax and goods and service tax which have not been deposited on account of any dispute.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures and therefore, reporting under clause (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans during the year and therefore, reporting under clause (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid or provided any managerial remuneration during the year and therefore, reporting under clause (xi) of the Order is not applicable to the Company.
- xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.



GUJARAT HOTELS LIMITED

INDEPENDENT AUDITOR'S REPORT

- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not

entered into any non cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.

- xvi. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act 1934.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Place: Gurugram
Date: 6th June 2020

Vishal P. Doshi
Partner
Membership No. 101533
UDIN: 20101533AAAABB3943



ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Gujarat Hotels Limited** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of **Gujarat Hotels Limited** ("the Company") as of March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of



GUJARAT HOTELS LIMITED

INDEPENDENT AUDITOR'S REPORT

any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the

Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Place: Gurugram
Date: 6th June 2020

Vishal P. Doshi
Partner
Membership No. 101533
UDIN: 20101533AAAABB3943



Cambay Pavilion - 24x7 Fine Dining restaurant



Peshawri - Speciality restaurant catering to North-West Frontier cuisine



Gujarat Hotels Limited

