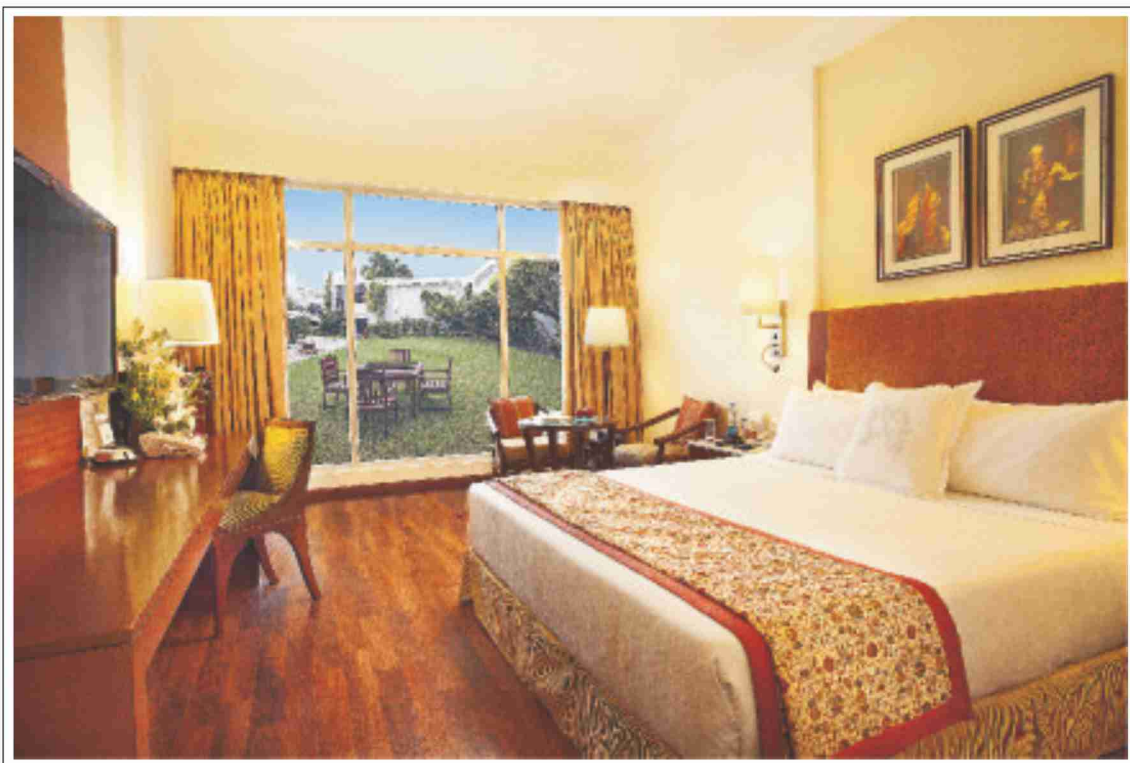




**Gujarat Hotels Limited**



**REPORT AND ACCOUNTS 2016**



Executive Club Exclusive room



Pool Side View



# GUJARAT HOTELS LIMITED

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# GUJARAT HOTELS LIMITED

## BOARD OF DIRECTORS & COMMITTEES

### Chairman and Non-Executive Director

Nakul Anand

### Non-Executive Directors

Devkanya Roy Choudhury  
Cheruvettolil Kochukoshy Koshy  
Rohitbhai Chinubhai Mehta  
Mahalinga Narayanan  
Jagdish Singh

## BOARD COMMITTEES

### Audit Committee

R C Mehta	Chairman
C K Koshy	Member
M Narayanan	Member
J Singh	Member
R Singh	Invitee
Representative of Statutory Auditors	Invitee
D K Gulati	Secretary

### Nominations and Remuneration Committee

C K Koshy	Chairman
N Anand	Member
R C Mehta	Member
M Narayanan	Member
J Singh	Member
D K Gulati	Secretary

### Stakeholders Relationship Committee

J Singh	Chairman
D R Choudhury	Member
D K Gulati	Secretary

### Chief Executive Officer

Muckth Dograa

### Chief Financial Officer

Rohan Singh

### Company Secretary

Deepak Kumar Gulati

### Registered Office

WelcomHotel Vadodara  
R C Dutt Road, Alkapuri  
Vadodara - 390 007  
Tel : 0265-233 0033  
CIN : L55100GJ1982PLC005408  
Website: [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in)  
E-mail ID: [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in)

### Auditors

Messrs Talati & Talati  
Chartered Accountants  
Vadodara

### Registrars and Share Transfer Agents

MCS Share Transfer Agent Limited  
F-65, 1st Floor  
Okhla Industrial Area, Phase - 1,  
New Delhi 110 020  
Tel : 011-41406149-52, 011-41609386



# GUJARAT HOTELS LIMITED



## GUJARAT HOTELS LIMITED

CIN : L55100GJ1982PLC005408

Registered office : WelcomHotel Vadodara, R C Dutt Road, Alkapuri, Vadodara-390 007  
Tel.: 026 5233 0033 • E-mail : ghlinvestors@yahoo.co.in • Website : www.gujarathotelsltd.in

**NOTICE IS HEREBY GIVEN** that the Thirty Fourth Annual General Meeting of the Members of Gujarat Hotels Limited will be held at the Registered Office of the Company at WelcomHotel Vadodara, R C Dutt Road, Alkapuri, Vadodara – 390 007 on Tuesday, the 20th day of September, 2016, at 11:00 a.m. for the transaction of the following businesses:-

### ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2016, and the Reports of the Board of Directors and the Auditors.
2. To declare dividend for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Ms Devkanya Roy Choudhury (DIN: 07066556), who retires by rotation and, being eligible, offers herself for re-election.
4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, the appointment of Messrs Talati & Talati, Chartered Accountants (Registration No. 110758W), as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the Thirty Fifth Annual General Meeting be and is hereby ratified, and remuneration of ₹ 30,000/- to Messrs Talati & Talati to conduct the audit for the financial year 2016-17 plus service 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 the Companies Act, 2013, or any amendment thereto or modification thereof, Mr Jagdish Singh (DIN: 00042258) be and is hereby appointed a Non-Executive Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

The Register of Members of the Company will remain closed from Saturday, 10th September, 2016 to Tuesday, 20th September, 2016, both days inclusive. Share Transfers received in order at the Company's Registrars 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 Friday, 9th September, 2016 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 Wednesday, 28th September, 2016 to those Members entitled thereto and whose names will appear on the Register of Members of the Company on 20th September, 2016 or to their mandatees, subject however to the provisions of Section 126 of the Companies Act, 2013, or any amendment thereto or modification thereof. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 9th September, 2016, 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 : 11th August, 2016

D K Gulati  
Company Secretary



# GUJARAT HOTELS LIMITED

## NOTICE OF 34TH ANNUAL GENERAL MEETING

### NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on his behalf. A proxy need not be a Member of the Company.** Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM i.e. by 11:00 a.m. on 18th September, 2016.

2. Corporate Members are required to send to the Registered Office of the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 ('the Act'), authorising their representatives to attend and vote at the AGM.

3. Explanatory Statement, pursuant to Section 102 of the Act, relating to the Special Business to be transacted at this AGM, is annexed.

4. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions placed at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) for which purpose the Board of Directors of the Company ('the Board') have engaged the services of CDSL.

The facility for voting through ballot paper will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, may attend the meeting but will not be entitled to cast their votes once again. The Board has appointed Mr. Suresh Kabra (Membership No.: A9711), Partner, Samdani Kabra & Associates, Company Secretaries, as the Scrutinizer to scrutinize the process of remote e-voting and voting through ballot paper at the AGM venue.

5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **13th September, 2016 (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 voting through ballot paper at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.

6. Unclaimed dividend for the financial year ended 31st March, 2009 will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF') on 3rd September, 2016, pursuant to the provisions of Section 205A of the Companies Act, 1956 / Section 124 of the Companies Act, 2013, once notified. In respect of the said unclaimed dividend, it will not be possible to entertain claims received by the Company after 31st August, 2016.

Details of unclaimed dividend in respect of the financial year ended 31st March, 2009 and up to and including the financial year ended 31st March, 2015 are available on the Company's website **[www.gujarathotelsltd.in](http://www.gujarathotelsltd.in)** under the section 'Investor Relations'.

Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2009 or any subsequent financial year(s), are requested to lodge their claims with the Company.

7. Members who wish to update or register their e-mail addresses with the Company or with the Depositories may use the Form for updation / registration which can be downloaded from the Company's website **[www.gujarathotelsltd.in](http://www.gujarathotelsltd.in)** under the section 'Investor Relations'.

8. Members are required to bring their admission slips to the AGM. Duplicate admission slips or copies of the Report and Accounts will not be made available at the AGM venue.

## NOTICE OF 34TH ANNUAL GENERAL MEETING

9. Members may visit the Company's website to view the Financial Statements or access information pertaining to the Company. Queries, if any, should be sent atleast 10 days before the AGM to the Company Secretary at the Registered Office of the Company.
10. The procedure with respect to remote e-voting is provided below:
  - (i) **The period for remote e-voting begins on Friday, 16th September, 2016 at 9.00 a.m. and ends on Monday, 19th September, 2016 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. 13th September, 2016, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
  - (ii) The Members should log on to the e-voting website **www.evotingindia.com**.
  - (iii) Click on '**Members**'.
  - (iv) Now enter your user ID as under:
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 character DP ID followed by 8 digit Client ID,
    - (c) Members holding shares in certificate form should enter Folio Number registered with the Company.
  - (v) Thereafter enter the image verification code as displayed and Click on '**Login**'.
  - (vi) If you are holding shares in dematerialised form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for any company, then your existing user ID and password are 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.
  - (vii) If you are a first time user, follow the steps given below:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable to shareholders holding shares in both certificate form and dematerialised form).</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use first two letters of their name in CAPITAL letters and the 8 digits of the sequence number in the PAN field as provided in the Admission Slip or on email.</li> <li>In case the sequence number is less than 8 digits, enter the applicable number of 0s before the number and after the first two characters of the name, e.g. if your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the PAN field.</li> </ul>
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> <p>If both the details are not recorded with the Depository or Company, please enter your user ID in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on '**Submit**'.
- (ix) Members holding shares in certificate form will then reach directly to the Company selection screen. The above details can be used by them only for remote e-voting on the resolutions contained in this Notice.
- (x) Members holding shares in dematerialised form will then reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. Kindly note that this password can be used for voting for resolutions of any other company on which you are eligible

## NOTICE OF 34TH ANNUAL GENERAL MEETING

to vote, provided that 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.

- (xi) Now select the 'Company Name' on which you choose to vote.
- (xii) 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 option 'No' implies that you dissent to the Resolution.
- (xiii) Click on the '**Resolutions File Link**' if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you '**Confirm**' your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on '**Click here to print**' option on the Voting page.
- (xvii) Members can also cast their vote using CDSL's mobile app 'CDSL m-Voting' available for Android, Apple and Windows based mobiles. This app can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non-Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and

register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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.
- (xix) Those who become Members of the Company after despatch of the Notice but on or before **13th September, 2016 (cut-off date)** may follow the steps from Sl. Nos. (ii) to (xviii) mentioned above for casting of vote.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or at telephone no. 18002005533. You may also address your queries / grievances relating to remote e-voting or voting at the meeting to Mr D K Gulati, the Compliance Officer of the Company at e-mail ID [ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in).
  - (xxi) **General Information**
    - (a) There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.



## GUJARAT HOTELS LIMITED

### NOTICE OF 34TH ANNUAL GENERAL MEETING

- (b) **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, alongwith the Scrutinizer's Report, will be available forthwith on the Company's website **[www.gujarathotelsltd.in](http://www.gujarathotelsltd.in)** under the section 'Investor Relations' and on the website of CDSL; such Results will also be forwarded to BSE Limited.

#### EXPLANATORY STATEMENT

Annexed to the Notice convening the Thirty Fourth Annual General Meeting to be held on Tuesday, 20th September, 2016.

##### Item 5

The Board of Directors of the Company ('the Board') at the meeting held on 16th April, 2016, on the recommendation of the Nominations and Remuneration Committee, have approved appointment of Mr Jagdish Singh as an Additional Director of the Company with effect from 16th April, 2016. In terms of Section 161(1) of the Companies Act, 2013 ('the Act') Mr Singh will vacate office at this Annual General Meeting.

Notice under Section 160 of the Act proposing the appointment of Mr Singh has been received. Requisite consent, pursuant to Section 152 of the Act, has been filed by Mr Singh.

Mr Singh is not in receipt of any remuneration from the Company. Mr Singh does not hold any share in the Company in his individual capacity or on a beneficial basis for any other person. Additional information in respect of Mr Singh, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the section 'Your Directors'.

Mr Singh and his relatives are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. Mr Singh is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board recommends this Resolution for your approval.

By Order of the Board  
Gujarat Hotels Limited

Place : New Delhi  
Date : 11th August, 2016

D K Gulati  
Company Secretary

## YOUR DIRECTORS

### N Anand

Nakul Anand (59), DIN: 00022279, a Non-Executive Director of the Company since 10th March, 1998, was appointed 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 Delhi University with an AMP degree from Bond University, Australia, he joined ITC Hotels' Management Training Programme in 1978 and also served as the Managing Director of erstwhile ITC Hotels Limited during the period 2003-05.

In a career that spans close to 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 super premium luxury hotels, making it the 'Greenest Luxury Hotel Chain in the world'. 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 is the Chairman of the Federation of Associations in Indian Tourism & Hospitality. Anand is also a past President of the Hotel Association of India and Chairman of the CII National Tourism Committee.

### Other Directorships

Name of the Company	Position
International Travel House Limited	Chairman & Director
Landbase India Limited	Chairman & Director
Fortune Park Hotels Limited	Chairman & Director
Srinivasa Resorts Limited	Vice Chairman & Director
ITC Limited	Executive Director
Bay Islands Hotels Limited	Director
Maharaja Heritage Resorts Limited	Director

### Committee Membership of other Companies

Name of the Company	Committee	Position
Fortune Park Hotels Limited	CSR Committee	Chairman
Srinivasa Resorts Limited	Nominations & Remuneration Committee	Chairman
International Travel House Limited	Nominations & Remuneration Committee	Member
Landbase India Limited	Nominations & Remuneration Committee	Member

### C K Koshy

Cheruvettolil Kochukoshy Koshy (71), DIN: 01478704, was appointed as an Independent Non-Executive Director of the Company on 1st May, 2007. He is 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 37 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 the 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 DFID, the World Bank and to the Department of Personnel and

# GUJARAT HOTELS LIMITED

## YOUR DIRECTORS

Administrative Reforms, Govt. of India. He was appointed Professor Emeritus in the faculty of Planning and Public Policy at CEPT University, Ahmedabad and is an Advisor to both Indian School of Petroleum and Energy, New Delhi and University of Petroleum and Energy Studies, Dehradun. Currently, he is the Chief Executive of the Centre for Heritage Management, Ahmedabad University and on the Board of Trustees of Alliance Francaise, Gujarat and GIAN, an NGO which encourages innovation at the grass root level.

### Other Directorships

Name of the Company	Position
Sanmarg Projects Private Limited	Director

### Committee Membership of other Companies: Nil R C Mehta

Rohitbhai Chinubhai Mehta (85), DIN: 00050173, was appointed as an Independent Non-Executive Director of the Company on 28th March, 2003. He is a Law Graduate from Bombay University. Mehta is a prominent and successful Industrialist with a wide and varied experience in the management of business and industry. He was the President of Federation of Indian Chambers of Commerce and Industry and has been on the Boards of various reputed companies. He was associated with a number of industries, associations and federations including social, educational, sports and charitable organisations. He has also been the International President of Lions Club International and is an active promoter of Lionism in India and a recipient of various awards.

### Other Directorships

Name of the Company	Position
Rampion Eyetech Private Limited	Chairman & Director
C.C Chokshi Advisors Private Limited	Chairman & Director
Rampion Technologies Private Limited	Chairman & Director
GRUH Finance Limited	Director
Universal Trustees Private Limited	Director
Follow Your Dreams Foundation India	Director

### Committee Membership of other Companies

Name of the Company	Committee	Position
GRUH Finance Limited	Shareholders' / Investors' Grievance Committee	Chairman
	Audit Committee	Member
	CSR Committee	Member

### M Narayanan

Mahalinga Narayanan (71), DIN: 00159288, was appointed as an Independent Non-Executive Director 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 had 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
Pride Hotels Limited	Chairman & Director
Cox & Kings Limited	Director
Royale Indian Rail Tours Limited	Director
Tulip Star Hotels Limited	Director

# GUJARAT HOTELS LIMITED

## YOUR DIRECTORS

### Committee Membership of other Companies

Name of the Company	Committee	Position
Pride Hotels Limited	Audit Committee	Chairman
Cox & Kings Limited	Audit Committee	Chairman
	Remuneration Committee	Member
Royale Indian Rail Tours Limited	Audit Committee	Chairman
Tulip Star Hotels Limited	Audit Committee	Chairman

### J Singh

Jagdish Singh (50), DIN: 00042258, was appointed as an Additional Director of the Company on 16th April, 2016. A Commerce graduate and a Chartered Accountant, Singh joined ITC Limited in the year 1990. During these 25 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 Filtrona Limited. He was then the Head of Treasury between 2005 and 2015 and presently is Head of Finance at ITC's Hotels Division.

### Other Directorships

Name of the Company	Position
International Travel House Limited	Additional Director
Fortune Park Hotels Limited	Additional Director
Bay Islands Hotels Limited	Additional Director
Srinivasa Resorts Limited	Additional Director
Maharaja Heritage Resorts Limited	Additional Director
Mimec (India) Limited	Director
Classic Infrastructure & Development Limited	Director
BFIL Finance Limited	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
Srinivasa Resorts Limited	Audit Committee	Chairman
Classic Infrastructure & Development Limited	Audit Committee	Chairman
BFIL Finance Limited	Audit Committee	Chairman
	Nomination and Remuneration Committee	Member

### D R Choudhury

Devkanya Roy Choudhury (39), DIN: 07066556, was appointed as a Non-Executive Director of the Company on 19th January, 2015. A graduate from National Law School of India University, Bengaluru, she joined ITC Limited in 2001. As part of Corporate Legal of ITC, she has rich and varied experience handling legal matters pertaining to various divisions including Tobacco, Hotels, Personal Care Products, Lifestyle Retailing, Education & Stationery, Paperboards & Specialty Papers, ITC Infotech as also dealing with mergers & acquisitions and key litigations across ITC. Currently, Ms Choudhury is the Senior Associate General Counsel of ITC Limited.

### Other Directorships

Name of the Company	Position
WelcomHotels Lanka (Private) Limited *	Director

\* Denotes Foreign Company

### Notes:

- Other Directorships and Committee Memberships of Directors are as on 16th April, 2016.
- Committee Memberships cover Committees under the Companies Act, 2013 viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee.



# GUJARAT HOTELS LIMITED

## REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS

### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

Your Directors submit their Report for the financial year ended 31st March, 2016.

#### BUSINESS ENVIRONMENT

During the year under review, the operating environment in the hospitality sector remained challenging with a marked deceleration in the growth of corporate sales. Fortunately, the low global crude oil prices and RBI's monetary policies helped contain inflation within acceptable levels. Economic reforms have not been significant enough to presage any major acceleration in the short term, keeping in mind the weak global economic scenario. There is a possibility that the rate of inflation might increase during the latter part of 2016-17.

#### FINANCIAL PERFORMANCE

During the year under review, your Company earned licence fees of ₹ 348.53 lakhs (previous year ₹ 320.41 lakhs), registering a growth of 8.78% over last year. However, other income showed a decline mainly due to roll over of investments. Pre and post-tax profits declined to ₹ 366.44 lakhs (previous year ₹ 400.05 lakhs) and ₹ 245.01 lakhs (previous year ₹ 273.38 lakhs) respectively.

In view of the above and the underlying strength of the business, your Directors are pleased to recommend a dividend of ₹ 3.50 per equity share of ₹ 10/- each for the year ended 31st March, 2016, thereby maintaining last year's dividend and involving a cash outflow of ₹ 160 lakhs including Dividend Distribution Tax of ₹ 27 lakhs.

#### Profits, Dividend and Surplus

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

	Particulars	For the year ended 31st March 2016 (₹)	For the year ended 31st March 2015 (₹)
a.	Profit Before Tax	3,66,43,937	4,00,05,312
b.	Tax Expense Current Tax Deferred Tax	1,22,25,327 (82,462)	1,28,50,171 (1,83,280)

	Particulars	For the year ended 31st March 2016 (₹)	For the year ended 31st March 2015 (₹)
c.	Profit After Tax	2,45,01,072	2,73,38,421
d.	Add : Profit brought forward from previous years	13,46,02,928	12,59,20,126
e.	Surplus available for appropriation Less: - Depreciation on transition to Schedule II of the Companies Act, 2013 on Tangible Fixed Assets (Net of Deferred Tax ₹ 4,867/-) - Transfer to General Reserve - Proposed Dividend - Dividend Distribution Tax on Proposed Dividend	20,78,90,802 - - 1,32,56,303 27,46,870	20,59,30,750 15,002 27,33,842 1,32,56,303 26,50,472
f.	Balance carried forward to the following year	14,31,00,827	13,46,02,928

#### HOTEL OPERATIONS

Your Company's Hotel, WelcomHotel Vadodara, licenced to ITC Limited continues to retain its market standing in the city of Vadodara. The Hotel recorded an income of ₹ 2,352.01 lakhs during the year as compared to ₹ 2,167.60 lakhs in the previous year. There was an improvement in both occupancy and average room rates despite pressure in the backdrop as some older properties in and around Vadodara were renovated and rebranded as members of international chains.

The food & beverage segment of your Company's Hotel continues to be a major strength. The Peshawari restaurant and the Welcom Café Cambay both retained their premium leadership positions in the respective segments.

Your Company continued to focus upon 'Lean' and 'Six Sigma' programmes to ensure efficiencies in its business operations as also for improved service delivery to its customers. Your Hotel also targets a continuous reduction in energy and water consumption and enhanced usage of renewable energy sources.

Your Company has received arbitration award dated 11th February, 2016 from Justice C K Thakker determining the revised valuation of land at less than half of the valuation as contended by the State Government. Accordingly, the lease rentals have been paid after adjusting lease rentals already paid prior to the Arbitral Award.

## REPORT OF THE BOARD OF DIRECTORS

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.

### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

### INTERNAL FINANCIAL CONTROLS

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. The Accounting Policies are reviewed and updated from time to time. These in turn are supported by a set of business specific policies and Standard Operating Procedures (SOPs). Systems, SOPs and controls are reviewed by management and audited by 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 tested during the year and no reportable material weakness in the design or operation was 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 to focus on a system-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 your Company has clearly laid down the roles and responsibilities of the Company in relation to risk management covering a range of responsibilities, from the strategic to the operational. These role definitions, inter alia, 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 Internal Audit.
- A combination of policies and evolved procedures 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 businesses with unique / relatively high risk profiles.
- An Independent Internal Audit Firm carries out risk focused audits enabling identification of areas where risk management processes may need to be strengthened.
- 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.

### AUDIT AND SYSTEMS

Your Company believes that internal control is a necessary concomitant of 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 inter alia provides assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds / errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.



# GUJARAT HOTELS LIMITED

## REPORT OF THE BOARD OF DIRECTORS

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.

The Internal Audit function consisting of an outsourced professional firm is resourced to deliver the audit assurances meeting high standards.

The Audit Committee of your Board met four times during the year. The Terms of Reference of the Audit Committee inter alia 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 mandates.

### HUMAN RESOURCE DEVELOPMENT

Your Company is committed to creating a competent, engaged and talented workforce through talent management processes. Endeavour is made on enhancing business acumen, industry knowledge and developing team members.

Your Company's Human Resource policies and procedures have evolved to stay ahead with the dynamic business environment and have enhanced organisational agility to remain compliant with the changing regulatory requirements.

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 gender friendly workplace and no case of sexual harassment was reported during the year. The Company has put in place a Grievance Redressal Procedure and an Internal Complaints Committee to ensure that grievances in this regard, if any, are effectively addressed.

### 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 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 employee 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 of the Board and no employee has been denied access to the Committee. The Whistleblower Policy is available on the Company's website at <http://www.gujarat-hotelsltd.in/corporate-governance.html>.

### DEPOSITS

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

### DIRECTORS

#### Changes in Directors

Mr Arun Pathak stepped down as a Non-Executive Director of your Company with effect from 15th April, 2016. Your Directors would like to record their appreciation of the services rendered by him.

Mr Jagdish Singh, on the recommendation of the Nominations and Remuneration Committee, was appointed by the Board of Directors of the Company ('the Board') as an Additional Non-Executive Director of your Company on 16th April, 2016. By virtue of the provisions of Article 130 of the Articles of Association of your Company and Section 161 of the Companies Act, 2013 ('the Act'), Mr Singh will vacate office at the ensuing Annual General Meeting ('AGM') and being eligible, offers himself for appointment. Your Board recommends his appointment.

Appropriate resolution seeking your approval to the aforesaid appointment appears in the Notice convening the Thirty Fourth AGM of your Company.

## REPORT OF THE BOARD OF DIRECTORS

### 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, Ms Devkanya Roy Choudhury will retire by rotation at the ensuing AGM of your Company and being eligible, offers herself for re-election. Your Board recommends her re-election.

### Number of Board Meetings

During the year ended 31st March, 2016, four meetings of the Board were held.

### Attributes, Qualifications & Independence of Directors and their Appointment

The Nominations and Remuneration Committee of the Board had approved the criteria for determining qualifications, positive attributes and independence of Directors in terms of the Act and the Rules there under, both in respect of Independent Directors and other Directors as applicable, as reported last year. The criteria inter alia requires that Directors shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration or other disciplines related to the Company's business.

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 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 confirmed that 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.

### Remuneration Policy

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

The Policy on remuneration of Directors, Key Managerial Personnel and other employees of the Company is provided in the Annexure forming part of this Report.

### Board Evaluation

The Nominations and Remuneration Committee has approved the Policy on Board Evaluation, Evaluation of Board Committees' functioning and individual Director Evaluation. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 fulfill 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 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.

### Key Managerial Personnel

During the year, Mr D K Gulati was appointed as Company Secretary effective 22nd July, 2015. Mr R Murali resigned as Chief Executive Officer of

## REPORT OF THE BOARD OF DIRECTORS

the Company on 4th November, 2015 and Mr M Dograa was appointed as Chief Executive Officer of the Company effective 1st February, 2016.

### 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 Auditors, Messrs Talati & Talati, Chartered Accountants, were appointed with your approval at the Thirty Second AGM to hold such office for a period of three years. The Board, in terms of Section 139 of the Act, on the recommendation of the Audit Committee, has recommended for the ratification of the Members the appointment of Messrs Talati & Talati from the conclusion of the ensuing AGM till the conclusion of the Thirty Fifth AGM. The Board, in terms of Section 142 of the Act, on the recommendation of the Audit Committee, has also recommended for the approval of the Members the remuneration of Messrs Talati & Talati for the financial year 2016-17. Appropriate resolution in respect of the above appears in the Notice convening the Thirty Fourth AGM of the Company.

### Secretarial Auditors

Your Board, during the year, appointed Messrs P B & Associates, Company Secretaries, to conduct secretarial audit of the Company for the financial year ended 31st March, 2016. The Report of Messrs. P B & Associates, Company Secretaries, in terms of 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 Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 49 of the Listing Agreement. All such contracts or arrangements have been approved by the Audit

Committee. No material contracts or arrangements with related parties were entered into during the year under review. Further, the prescribed details of related party transactions of the Company in 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/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://www.gujarathotelsltd.in/policies/Policy_on_Related_Party_Transactions.pdf)

### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Companies Act, 2013, 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 judgements 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 Companies Act, 2013 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

## REPORT OF THE BOARD OF DIRECTORS

that such systems were adequate and operating effectively.

### OTHER INFORMATION

#### Compliance with conditions of Corporate Governance

In terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the Corporate Governance requirements is not mandatory for your Company. Hence, certificate from the Auditors confirming compliance with the conditions of Corporate Governance has not been obtained.

However, brief reports on Corporate Governance and Shareholder Information are attached as Annexures to this Report.

#### 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 annexed.

#### Particulars of Loans, Guarantees or Investments

During the year ended 31st March, 2016, the Company has neither given any loan or guarantee nor has it made any investment under the provisions of Section 186 of the Companies Act, 2013.

#### Particulars relating to Conservation of Energy and Technology Absorption

Particulars as required under Section 134 of the Companies Act, 2013 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.	Conversion of diesel to gas for non-IBR steam boiler.
2.	Conversion of cold room no 2 with CFC-free refrigerant and energy-efficient compressor.
3.	Installed 46 nos 5W LED lamps in place of 20W halogen lamps.
4.	Installed 83 nos 6W LED lamps in place of 18W CFL lamps.
Total Electricity saved over last year due to above initiative is 25000 KWH.	

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. is provided here under :

Sl. No.	Description	Benefits
1.	Installed 200TR energy-efficient induced draft type cooling tower	For product improvement
2.	Renovated 23 nos standard category guest rooms' bathroom	For product improvement
3.	Installed key management system in time office	For automation and security
4.	Replaced old desktop PCs with new one	For automation
5.	Networking upgradation	For product upgradation

## REPORT OF THE BOARD OF DIRECTORS

6.	Installed RFID technology based guest rooms' main door access locking system	For product upgradation
7.	Installed gas leak detection system in LP gas bank	For automation and safety

- 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 been fully absorbed - NIL
  - If not fully absorbed, areas where absorption has not taken place, and the reasons therefore – NIL
- iii) Expenditure incurred on research and development – NIL

### FOREIGN EXCHANGE EARNINGS AND OUTGO

During the financial year 2015-16, foreign exchange earnings of the Hotel were ₹ 1,128 lakhs as against ₹ 1,106 lakhs in the previous year. During the year, your hotel's expenditure in foreign currency amounted to ₹ 24.27 lakhs (previous year ₹ 7.34 lakhs).

### Employees

The total number of employees as on 31st March, 2016 stood at 183.

There were no employees who were employed throughout the year and were in receipt of remuneration aggregating ₹ 60 lakhs or more or were employed for part of the year and were in receipt of remuneration aggregating ₹ 5 lakhs per month or more during the financial year ended 31st March, 2016. The information required under Section 197(12) of the Companies Act, 2013 and

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 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.

### FUTURE PROSPECTS

Your Directors view the long term growth prospects of the hotel industry with confidence. The Central Government is continuing its efforts under the Make in India programme and many positive signals have been received from various international manufacturers indicating their willingness to set up manufacturing joint ventures in India. Business travel shall definitely pick up once these ventures see the light of day. Your Company is well poised to seize the unfolding growth opportunities.

On behalf of the Board

Place: New Delhi  
Date : 16th April, 2016

D R Choudhury      J Singh  
Director              Director

## ANNEXURES

### REMUNERATION POLICY

The Company's Remuneration Policy is designed to attract and retain quality talent that gives its business a competitive advantage and enables the Company to achieve its objectives.

The Company's Remuneration Policy, whilst focusing on remuneration and related aspects of performance management, is aligned with and reinforces the employee value proposition of a superior quality of work life, that includes an enabling work environment, an empowering and engaging work culture and opportunities to learn and grow.

The approach endeavours to align remuneration of each employee with the Company's goals.

#### a) Objectives

1. To ensure that the Company's remuneration practices support and encourage meritocracy.
2. To ensure that remuneration is market related and takes into account the competitive context of the Company's business.
3. To leverage remuneration as an effective instrument to enhance performance and therefore to link the remuneration to both individual and collective performance outcomes.
4. To adopt a comprehensive approach to remuneration in order to support a superior quality of personal and work life, in a manner so as to judiciously balance short term with long term priorities.
5. To design remuneration practices such that they reinforce the Company's values and culture and to implement them in a manner that complies with all relevant regulatory requirements.

#### b) Remuneration of Key Managerial Personnel (KMPs)

1. Remuneration of KMPs is determined and recommended by the Nominations and Remuneration Committee and approved by the Board. Remuneration of the Whole-time / Managing Director is also subject to approval by the shareholders.

2. Remuneration is reviewed and revised periodically, when such a revision is warranted.
3. Apart from fixed elements of remuneration and benefits, KMPs are also eligible for Variable Pay / Performance Bonus, which is linked to individual performance.
4. Remuneration of KMPs on deputation from ITC Limited is aligned to the Remuneration Policy of that company.

#### c) Remuneration of Independent Directors

Independent directors are entitled to sitting fees for attending meetings of the Board and Board Committees, the quantum of which is determined by the Board within the limits prescribed under the Companies Act, 2013, and the rules thereunder. The expenses of the Independent Directors for attending meetings of the Board and Board Committees and General Meetings are also to be borne by the Company.

#### d) Remuneration of employees other than KMPs

1. Remuneration of employees other than KMPs, is fixed in consultation with Hotels Division of ITC Limited, as the employee costs are borne as per the Operating Licence Agreement the Company has with ITC Limited.
2. Remuneration of employees largely consists of basic remuneration, perquisites and allowances. The components of remuneration vary for different employee grades and are governed by industry pattern, qualification and experience of the employee, responsibilities handled, individual performance etc.
3. Remuneration is reviewed and revised periodically, when such a revision is warranted. The quantum of revision is linked to market trends, the competitive context of the Company's business, as well as the track record of the individual employee.

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

The Members,  
**Gujarat Hotels Limited**

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, 2015 till 31st March, 2016 (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 the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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, 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (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, 1992, as applicable upto 14th May, 2015;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as applicable since 15th May, 2015;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable since 1st December, 2015;
- (e) 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 Secretarial Standards issued by The Institute of Company Secretaries of India effective 1st July, 2015.
- (ii) The Equity Listing Agreement with the Bombay Stock Exchange Limited (BSE), which were applicable upto 30th November, 2015 and thereafter SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015. It is pertinent to mention here that since SEBI has passed exit order in respect of Vadodara Stock Exchange Limited (VSEL) on 9th November, 2015, therefore the communications with respect to listing compliances are sent only to BSE after 9th November, 2015.

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



# GUJARAT HOTELS LIMITED

## SECRETARIAL AUDIT REPORT

The Company has entered into a Operating Lease Agreement with ITC Limited, which operates the Hotel – WelcomHotel Vadodra and ensure compliance of all laws as applicable for running and maintenance of the Hotel.

### 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 for the Board Meetings agenda and detailed notes on agenda were sent at least seven days in advance, 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 had no 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

for P B & Associates  
Company Secretaries

Place : New Delhi Pooja Bhatia  
Date : 16th April, 2016 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.*

### Annexure: A

The Members,  
Gujarat Hotels Limited  
WelcomHotel Vadodara  
R C Dutt Road, Alkapuri  
Vadodara, Gujarat - 390 007

Our report of the 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 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 Pooja Bhatia  
Date : 16th April, 2016 FCS: 7673 CP: 6485

**FORM 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 third 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	<b>NIL</b>
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 (ITC), Associate Company.
b) Nature of contracts / arrangements / transactions	License Fees received.
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 - ₹ 3.49 crores.
e) Date(s) of approval by the Board, if any	24th September, 1992.
f) Amount paid as advances, if any	—

On behalf of the Board

Place : New Delhi  
Date : 16th April, 2016

D R Choudhury  
Director

J Singh  
Director



# GUJARAT HOTELS LIMITED

## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

### 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, judgment 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

All statutory and other significant and material information are placed before the Board to enable

it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders.

### Composition

The composition of the Board of Directors of the Company is balanced, comprising of Non-Executive Directors including independent professionals. The present strength of the Board of Directors of the Company is six.

### Composition of the Board as on 31st March, 2016

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

### Meetings and Attendance

During the financial year ended 31st March, 2016, four meetings of the Board were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	15th April, 2015	6	4
2	22nd July, 2015	6	6
3	4th November, 2015	6	6
4	29th January, 2016	6	4

## REPORT ON CORPORATE GOVERNANCE

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

Sl. No.	Director	Category	No. of Board Meetings attended	Attend-ance at last AGM	No. of other Directorship(s)	No. of Membership(s) / Chairmanship(s) of Audit Committee / Stakeholders Relationship Committee of other companies
1	N Anand	Chairman & Non-Executive Director	4	Yes	7	Nil
2	C K Koshy	Non-Executive Independent Director	4	No	1	Nil
3	R C Mehta	Non-Executive Independent Director	2	Yes	6	2 (including 1 as Chairman)
4	M Narayanan	Non-Executive Independent Director	4	Yes	4	4 (as Chairman)
5	A Pathak	Non-Executive Director	4	Yes	2	2 (including 1 as Chairman)
6	D R Choudhury	Non-Executive Director	2	Yes	1	Nil

### 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 each Board Committee are convened by the respective Committee Chairman. Signed minutes of Board Committee meetings are placed for the information of the Board. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

#### A. AUDIT COMMITTEE

The Audit Committee of the Board, inter alia, 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, and to review the manner of rotation of Statutory Auditors;
- To approve transactions of the Company with related parties, including modifications thereto;
- To review and monitor the Statutory Auditor's

## REPORT ON CORPORATE GOVERNANCE

independence and performance, and effectiveness of the audit process;

- 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 and results of operations;
  - 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;
  - Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
  - System for storage, retrieval, security etc. of books of account maintained in the electronic form;
  - Functioning of Whistle Blower 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. Representative of Statutory Auditors and Chief Financial Officer of the Company are Invitees to the meetings of Audit Committee and the Company Secretary is the Secretary to the Committee.

All members of the Committee are financially literate and two members 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, 2016, four meetings of the Audit Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th April, 2015	4	3
2	22nd July, 2015	4	4
3	4th November, 2015	4	4
4	29th January, 2016	4	3

Attendance at Audit Committee Meetings held during the financial year:

Director	No. of meetings attended
R C Mehta	2
C K Koshy	4
M Narayanan	4
A Pathak	4

### B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board oversees redressal of shareholder and investor grievances and, inter alia, approves subdivision / consolidated / renewal / issue of duplicate share certificates etc.

### Composition

The Stakeholders Relationship Committee presently comprises two Directors, both of whom are Non-Executive Directors.

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, 2016, five meetings of the Stakeholders Relationship Committee were held, as follows:

## REPORT ON CORPORATE GOVERNANCE

Sl. No.	Date	Committee Strength	No. of Members present
1	19th May, 2015	2	2
2	22nd July, 2015	2	2
3	15th September, 2015	2	2
4	4th November, 2015	2	2
5	24th November, 2015	2	2

Attendance at Stakeholders Relationship Committee Meetings held during the financial year:

Director	No. of meetings attended
A Pathak	5
D R Choudhury	5

### 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 Independent Directors & the Board. The Committee's role also includes recommending to the Board the appointment, remuneration and removal of Directors.

#### Composition

The Nominations and Remuneration Committee comprises of five Non-Executive Directors, three of whom are Independent Directors. The Chairman of the Committee is an Independent Director.

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, 2016, four meetings of the Nominations and Remuneration Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th April, 2015	5	4
2	22nd July, 2015	5	5
3	4th November, 2015	5	5
4	29th January, 2016	5	4

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

Director	No. of meetings attended
C K Koshy	4
N Anand	4
R C Mehta	2
M Narayanan	4
A Pathak	4

#### Remuneration of Directors

Non-Executive Directors are entitled to sitting fees for attending meetings of the Board / Committees thereof, the quantum of which is determined by the Board. The sitting fees to Non-Executive Directors as determined by the Board with effect from 22nd July, 2015 are ₹ 20,000/- and ₹ 10,000/- for each meeting of the Board and Committee respectively. The sitting fees paid earlier were ₹ 7,500/- and ₹ 5,000/- for each meeting of the Board & Committee respectively.

Details of sitting fees paid to the Directors during the financial year ended 31st March, 2016:

Director	Sitting Fees (Amount in ₹)
C K Koshy	1,20,000/-
R C Mehta	57,500/-
M Narayanan	1,20,000/-

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

#### Performance Evaluation of Directors

The Nominations and Remuneration Committee has approved the Policy on Board Evaluation, Evaluation of Board Committees functioning and

# GUJARAT HOTELS LIMITED

## REPORT ON CORPORATE GOVERNANCE

individual Director Evaluation, synopsis of which is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' in the Report and Accounts.

### Directors' Shareholding

Shareholding of the Directors in the Company as on 31st March, 2016:

Director	No. of Equity Shares of ₹ 10/- each held singly / jointly
N Anand	200
D R Choudhury	Nil
C K Koshy	Nil
R C Mehta	Nil
M Narayanan	Nil
A Pathak	Nil

### DISCLOSURES

- Materially significant related party transactions which may have potential conflict with the interests of the Company at large:  
**None**
- Details of non-compliances, penalties, 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**
- 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**
- Information with respect to commodity price risk or foreign exchange risk and hedging activities:  
**None**

### 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 results of the Company were announced within forty five days from the end of each quarter for the first three quarters.

The Audited annual results alongwith the results for the fourth quarter were announced within sixty days from the end of the financial year. Such results are normally published in 'The Financial Express' (all editions) including its Gujarati edition as vernacular newspaper. All these results, including the entire Report and Accounts, information relating to shareholding pattern etc. are posted on the Company's website [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in).

The Report of the Board of Directors, forming part of the Report and Accounts, includes all aspects of the Management Discussion and Analysis Report as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

### GHL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING - 2015

The GHL Code of Conduct for Prevention of Insider Trading - 2015, approved by the Board of Directors, inter alia, prohibits purchase / sale of 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 of Directors, 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, 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 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, 2016.

New Delhi  
16th April, 2016

M Dograa  
Chief Executive Officer

## REPORT ON CORPORATE GOVERNANCE

### WHISTLEBLOWER POLICY

Synopsis of the Whistleblower Policy of the Company is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' in the Report and Accounts. The Whistleblower Policy is also available on the Company's website.

### FAMILIARISATION PROGRAMME

GHL 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 fulfills stakeholders' aspirations and societal expectations. In pursuit of this, the Directors are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.

Furhter details may be accessed on the Company's website [http://www.gujarathotelsltd.in/policies/Directors\\_Familiarisation\\_Programme.pdf](http://www.gujarathotelsltd.in/policies/Directors_Familiarisation_Programme.pdf)

### POLICY ON RELATED PARTY TRANSACTION

The Policy may be accessed on the Company's website at [http://www.gujarathotelsltd.in/policies/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://www.gujarathotelsltd.in/policies/Policy_on_Related_Party_Transactions.pdf)

### DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS

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

- 1. Chairman's Office:** The Company has a Non-Executive Chairman but he does not maintain any separate office, 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 published in newspapers on an all India basis and are also posted on the Company's website [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in). The complete Report and Accounts is sent to every Shareholder of the Company.

**3. Audit Opinion:** It has always been the Company's endeavour to present financial statements with unmodified audit opinion. The Statutory Auditors have issued an unmodified audit opinion on the Company's financial statements for the year ended 31st March, 2016.

**4. Separate posts of Chairman and Chief Executive Officer:** The Company has appointed a Non-Executive Chairman and has a Chief Executive Officer.

## SHAREHOLDER INFORMATION

### AGM Details

<b>Date</b>	Tuesday, 20th September, 2016
<b>Venue</b>	WelcomHotel Vadodara, R C Dutt Road, Alkapuri, Vadodara - 390 007
<b>Time</b>	11.00 a.m.
<b>Book Closure Dates</b>	Saturday, 10th September, 2016 to Tuesday, 20th September, 2016 (both days inclusive)
<b>Dividend Payment Date</b>	Wednesday, 28th September, 2016

### Registrars and Share Transfer Agents

Messrs MCS Share Transfer Agent Limited are the Registrars 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 41406149 - 52, 41609386  
Fascimile No. : 011 41709881  
E-mail : [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com)



# GUJARAT HOTELS LIMITED

## SHAREHOLDER INFORMATION

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

### Compliance Officer

D K Gulati, Company Secretary, is the Compliance Officer under Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Share Transfer Committee

The Share Transfer Committee of the Company met 12 times during the financial year. The processing activities with respect to requests received for share transfers are completed within the statutory time prescribed. There were no share transfers pending as on 31st March, 2016.

The Share Transfer Committee comprises the following:

<b>D R Choudhury</b>	Member
<b>D K Gulati</b>	Member
<b>J Singh</b>	Member

### 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, 2016, a total of 33,55,450 Equity Shares of the Company, which forms 88.59% of the Share Capital, stands dematerialised. The processing activities with respect to requests received for dematerialisation are completed within 10-15 days.

### Shareholder / Investor Complaints

The Company attends to Shareholder / Investor

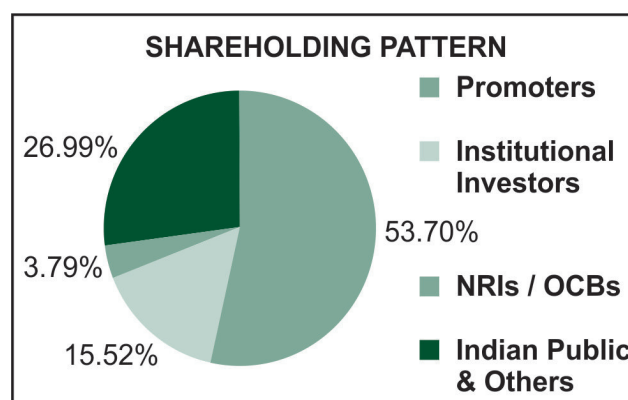
complaints, queries and other correspondence generally within a period of 10-15 working days except where constrained by disputes or legal impediments.

The Company did not receive any complaint during the financial year ended 31st March, 2016.

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

### Distribution of Shareholding as on 31st March, 2016

No. of Shares Slab	No. of Shareholders		No. of Equity Shares	
	Total	% to Share holders	Total	% to Share Capital
1-500	5,822	96.29	6,73,967	17.79
501-1000	137	2.26	1,12,101	2.96
1001-2000	46	0.76	65,364	1.73
2001-3000	9	0.15	22,679	0.60
3001-4000	7	0.12	24,064	0.64
4001-5000	7	0.12	31,135	0.82
5001-10000	10	0.17	61,284	1.62
10001-50000	3	0.05	53,063	1.40
50001 & above	5	0.08	27,43,858	72.44
<b>Total</b>	<b>6,046</b>	<b>100.00</b>	<b>37,87,515</b>	<b>100.00</b>





# GUJARAT HOTELS LIMITED

## SHAREHOLDER INFORMATION

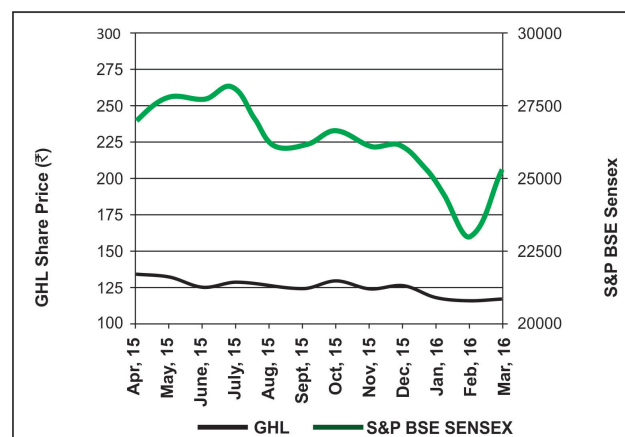
### Categories of Shareholders as on 31st March, 2016

Sl. No.	Category	No. of Shares held	% of Share holding
<b>A</b>	<b>Promoters Holding</b>		
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>B</b>	<b>Non Promoter Holding</b>		
2	Institutional Investors		
a	Mutual Funds	Nil	Nil
b	Banks	200	0.01
c	Foreign Institutional Investors and Foreign Portfolio Investors	5,87,677	15.51
	Sub Total	5,87,877	15.52
3	Others		
a	Private Corporate Bodies	1,53,322	4.04
b	Indian Public	8,68,939	22.95
c	NRIs / OCBs	1,43,414	3.79
d	Any Other	0	0
	Sub Total	11,65,675	30.78
	<b>Grand Total</b>	<b>37,87,515</b>	<b>100.00</b>

### Monthly High and Low Quotes and Volume of Shares traded on Bombay Stock Exchange (BSE)

Bombay Stock Exchange				
Year	Month	High (₹)	Low (₹)	Volume (Nos.)
2015	April	151.80	130.00	16,702
	May	144.40	123.00	5,438
	June	135.00	120.10	13,590
	July	134.90	120.10	13,419
	August	134.80	112.30	9,470
	September	134.80	106.00	6,726
	October	137.70	120.80	4,412
	November	134.70	120.10	4,188
	December	143.80	120.00	8,401
2016	January	138.90	112.10	11,222
	February	144.70	101.90	50,568
	March	127.00	111.00	13,249

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



Note - Indicates monthly closing positions.



# GUJARAT HOTELS LIMITED

## SHAREHOLDER INFORMATION

### Listing of Shares on Stock Exchange (with Stock Code)

BSE Limited (507960)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
Telephone Nos. : 022-22721233 / 34  
Facsimile No. : 022-22721919  
E-mail : [is@bseindia.com](mailto:is@bseindia.com)  
Website : [www.bseindia.com](http://www.bseindia.com)

The Listing Fees for the financial year 2016-17 has been paid to BSE Limited.

### Financial Calendar

Financial Year 2016-17		
1	First Quarter Results	August 2016
2	Second Quarter and Half Year Results	November 2016
3	Third Quarter Results	February 2017
4	Fourth Quarter and Annual Results	May 2017

### Particulars of past three AGMs

AGM	Financial Year	Venue	Date	Time	Special Resolutions Passed
33rd	2014-15	WelcomHotel Vadodara	29-09-2015	11 a.m.	-
32nd	2013-14	R C Dutt Road Alkapuri	29-09-2014		-
31st	2012-13	Vadodara 390 007	13-08-2013		-

### Postal Ballot

No special resolution requiring a postal ballot was proposed last year. No special resolution requiring a postal ballot is being proposed for the ensuing AGM.

## SHAREHOLDER REFERENCER

### Unclaimed Dividend

Unclaimed dividend for the years prior to and including the financial year 2007-08 has been transferred to the General Revenue Account of the

Central Government / the Investor Education and Protection Fund established by the Central Government (IEPF), as applicable.

The dividend for the undernoted years, if remaining unclaimed for 7 years, will be transferred by the Company to IEPF in accordance with the schedule given below. Details of such unclaimed dividend are available on the Company's website under the section 'Investor Relations'. Attention is drawn that the unclaimed dividend for the financial year 2008-09 is due for transfer to IEPF on 3rd September, 2016.

Financial Year	Date of Declaration of Dividend	Due for transfer to IEPF on
2008-09	28th July, 2009	3rd September, 2016*
2009-10	27th July, 2010	2nd September, 2017
2010-11	2nd August, 2011	8th September, 2018
2011-12	8th August, 2012	14th September, 2019
2012-13	13th August, 2013	19th September, 2020
2013-14	29th September, 2014	5th November, 2021
2014-15	29th September, 2015	5th November, 2022

\*It will not be possible to entertain claims received by the Company after 31st August, 2016.

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

### Service of documents through Electronic Mode

The Notice, alongwith the Report and Accounts, has been sent 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. Shareholders who wish to update or register their e-mail addresses with the Company or with the Depositories may use the Form for updation / registration; the Form can also be downloaded from the Company's website under the section 'Investor Relations'.



# GUJARAT HOTELS LIMITED

## SHAREHOLDER INFORMATION

### Depository Services

Shareholders may write to our RTA or to their respective Depositories for guidance on depository services.

### Address for Correspondence with Depository

National Securities Depository Limited  
Trade World, 'A' Wing, 4th & 5th Floors  
Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai 400 013

Telephone No. : 022-24994200  
Facsimile No. : 022-24976351  
E-mail : info@nsdl.co.in  
Website : www.nsdl.co.in

Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers  
17th Floor, Dalal Street, Fort  
Mumbai 400 001

Telephone No. : 022-22723333  
Facsimile No. : 022-22723199  
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 NECS (National Electronic Clearing Service) / RTGS (Real Time Gross Settlement) / NEFT (National Electronic Funds Transfer). Shareholders, who have not yet opted for remittance of dividend through electronic mode and wish to avail the same, are required to provide their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) to the respective Depository Participants (DPs) or RTA where shares are held in the dematerialised form and in the certificate form, respectively. A mandate form for such updation can be downloaded from the Company's website [www.gujarathotelsltd.in](http://www.gujarathotelsltd.in).

### Bank Details

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

Shareholders are advised that their bank details, or where such details are not available, their addresses, as furnished by them to RTA or to the Depositories, will be printed on the dividend warrants as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a measure of protection against fraudulent encashment.

### Permanent Account Number (PAN)

Attention is drawn that Shareholders holding shares in the certificate form are mandatorily required to furnish copy of PAN card in the following cases:

- i) Transferees' and Transferors' PAN Cards for transfer of shares,
- ii) Legal heirs' / Nominees' PAN Cards for transmission of shares,
- iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholders, and
- iv) 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; such Form can be downloaded from the Company's website under the section 'Investor Relations' in 'Shareholder Value'.



# GUJARAT HOTELS LIMITED

## EXTRACT OF ANNUAL RETURN

### FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2016

[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  
Phone No. : 0265-2330033  
e-mail ID : ghlinvestors@yahoo.co.in
- vi) Whether Listed Company : Yes
- vii) Name, Address and Contact details of Registrars and Transfer Agent, if any : MCS Share Transfer Agent Limited  
F - 65, Okhla Industrial Area,  
Phase I, New Delhi - 110 020  
Phone Nos.: (011) 41406149 - 52

#### 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

**EXTRACT OF ANNUAL RETURN**
**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup 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	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
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
<b>Sub-total (A)(1)</b>	<b>20,33,963</b>	<b>0</b>	<b>20,33,963</b>	<b>53.70</b>	<b>20,33,963</b>	<b>0</b>	<b>20,33,963</b>	<b>53.70</b>	<b>0</b>
(2) <b>Foreign</b>									
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
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>20,33,963</b>	<b>0</b>	<b>20,33,963</b>	<b>53.70</b>	<b>20,33,963</b>	<b>0</b>	<b>20,33,963</b>	<b>53.70</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	200	200	0.00	0	200	200	0.00	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) FIIs	5,87,677	0	5,87,677	15.52	5,87,677	0	5,87,677	15.52	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
<b>Sub-total (B)(1)</b>	<b>5,87,677</b>	<b>200</b>	<b>5,87,877</b>	<b>15.52</b>	<b>5,87,677</b>	<b>200</b>	<b>5,87,877</b>	<b>15.52</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	1,52,431	3,800	1,56,231	4.13	1,49,522	3,800	1,53,322	4.05	(0.08)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4,62,898	3,48,066	8,10,964	21.41	4,83,211	3,32,665	8,15,876	21.54	0.13
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	40,830	0	40,830	1.08	53,063	0	53,063	1.40	0.32
c) Others (specify)									
i) Non Resident Individuals	60,750	96,900	1,57,650	4.16	48,014	95,400	1,43,414	3.79	(0.37)
<b>Sub-total (B)(2)</b>	<b>7,16,909</b>	<b>4,48,766</b>	<b>11,65,675</b>	<b>30.78</b>	<b>7,33,810</b>	<b>4,31,865</b>	<b>11,65,675</b>	<b>30.78</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>13,04,586</b>	<b>4,48,966</b>	<b>17,53,552</b>	<b>46.30</b>	<b>13,21,487</b>	<b>4,32,065</b>	<b>17,53,552</b>	<b>46.30</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>33,38,549</b>	<b>4,48,966</b>	<b>37,87,515</b>	<b>100</b>	<b>33,55,450</b>	<b>4,32,065</b>	<b>37,87,515</b>	<b>100</b>	<b>0</b>

**EXTRACT OF ANNUAL RETURN**
**(ii) Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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:** No change in shareholding during 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.	<b>ORANGE MAURITIUS INVESTMENTS LIMITED</b>				
	At the beginning of the year	3,40,661	8.99		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			3,40,661	8.99
2.	<b>ASIA ADVANTAGE FUND</b>				
	At the beginning of the year	2,47,016	6.52		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			2,47,016	6.52
3.	<b>SAVI PORTFOLIO MANAGEMENT SERVICES LIMITED</b>				
	At the beginning of the year	1,22,218	3.23		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			1,22,218	3.23
4.	<b>CHIRAYUSH PRAVIN VAKIL</b>				
	At the beginning of the year	23,532	0.62		
	Increase / Decrease in Shareholding during the year:				
	10/07/2015	(50)	0.00	23,482	0.62
	At the end of the year			23,482	0.62



# GUJARAT HOTELS LIMITED

## EXTRACT OF ANNUAL RETURN

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
5.	<b>FALGUNI NILESH DEDHIA</b>				
	At the beginning of the year	17,298	0.46		
	Increase / Decrease in Shareholding during the year:				
	17/04/2015	18	0.00	17,316	0.46
	08/05/2015	(1,674)	(0.04)	15,642	0.42
	12/06/2015	(243)	(0.01)	15,399	0.41
	19/06/2015	99	0.00	15,498	0.41
	10/07/2015	18	0.00	15,516	0.41
	17/07/2015	180	0.00	15,696	0.41
	31/07/2015	27	0.01	15,723	0.42
	07/08/2015	63	0.00	15,786	0.42
	04/09/2015	9	0.00	15,795	0.42
	18/09/2015	45	0.00	15,840	0.42
	25/12/2015	45	0.00	15,885	0.42
	08/01/2016	990	0.03	16,875	0.45
	15/01/2016	1,125	0.03	18,000	0.48
	At the end of the year			18,000	0.48
6.	<b>ARPITA JHABAK</b>				
	At the beginning of the year	N.A	N.A		
	Became part of the top ten Shareholders of the Company with effect from 02/10/2015	10,881	0.29		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 02/10/2015				
	25/12/2015	700	0.02	11,581	0.31
	At the end of the year			11,581	0.31
7.	<b>ABHAY KRISHI UDYOG PVT LTD</b>				
	At the beginning of the year	7,450	0.20		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			7,450	0.20
8.	<b>BALDEV RAJ MASSON</b>				
	At the beginning of the year	7,200	0.19		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			7,200	0.19
9.	<b>PUSHPA RANI MASSON</b>				
	At the beginning of the year	7,200	0.19		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			7,200	0.19



# GUJARAT HOTELS LIMITED

## EXTRACT OF ANNUAL RETURN

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
10.	<b>RAVI SURI</b>				
	At the beginning of the year	6,300	0.17		
	Increase / Decrease in Shareholding during the year:				
	05/06/2015 #	0	0	0	0
	12/06/2015 #	0	0	0	0
	24/07/2015 ##	0	0	0	0
	04/12/2015 ##	0	0	0	0
	At the end of the year			6,300	0.16
	# Ceased to be part of the top ten Shareholders of the Company on 05/06/2015 and again became part of the top ten Shareholders of the Company with effect from 12/06/2015.				
	## Ceased to be part of top ten Shareholders of the Company on 24/07/2015 and again became part of the top ten Shareholders of the Company with effect from 04/12/2015.				
11.	<b>NDA SECURITIES LTD.</b>				
	At the beginning of the year	N.A	N.A		
	Became part of the top ten Shareholders of the Company with effect from 05/06/2015	11,357	0.30		
	Increase / Decrease in Shareholding during the year i.e. w.e.f. 05/06/2015				
	10/07/2015	474	0.01	11,831	0.31
	18/09/2015	100	0.00	11,931	0.31
	25/09/2015	200	0.01	12,131	0.32
	02/10/2015 #	(10,431)	(0.28)	1,700	0.04
	At the end of the year			NA	NA
	# Ceased to be part of the top ten Shareholders of the Company with effect from 02/10/2015.				
12.	<b>CHANDU JHABAK</b>				
	At the beginning of the year	9,202	0.24		
	Increase / Decrease in Shareholding during the year:				
	12/06/2015	(9,202)	(0.24)	0	0
	At the end of the year #			NA	NA
	# Ceased to be part of the top ten Shareholders of the Company with effect from 12/06/2015.				
13.	<b>MANISH MAHESHWARI</b>				
	At the beginning of the year	N.A	N.A		
	Became part of the top ten Shareholders of the Company with effect from 24/07/2015	6,438	0.17		
	Increase / Decrease in shareholding during the year i.e w.e.f 24/07/2015				
	31/07/2015	530	0.01	6,968	0.18
	04/12/2015 #	(1,171)	(0.03)	5,797	0.15
	At the end of the year			NA	NA
	# Ceased to be part of the top ten Shareholders of the Company with effect from 04/12/2015.				

**NOTE:** The dates of increase / decrease in shareholding, as indicated above, are based on downloads of beneficial ownership provided by the Depositories, generally every Friday.



# GUJARAT HOTELS LIMITED

## EXTRACT OF ANNUAL RETURN

### (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	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.	<b>N Anand (Chairman)</b>				
	At the beginning of the year	200	0		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			200	0
2.	<b>M Dograa (Chief Executive Officer)</b>				
	At the beginning of the year	NA	NA		
	Appointed Chief Executive Officer w.e.f. 01/02/2016	5	0		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			5	0
3.	<b>R Singh (Chief Financial Officer)</b>				
	At the beginning of the year	5	0		
	Increase / Decrease in Shareholding during the year:	0	0	0	0
	At the end of the year			5	0

Messrs C K Koshy, R C Mehta, M Narayanan, J Singh and Ms D R Choudhury, Directors and Mr D K Gulati, Company Secretary, 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.

**EXTRACT OF ANNUAL RETURN**
**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, Wholetime Directors and / or Manager:** NOT APPLICABLE

**B. Remuneration to the other Directors:**

(Amount in ₹)

Sl. No.	Directors	Particulars of Remuneration			
1.	Independent Directors	Fee for attending Board and Board Committee Meetings	Commission	Independent Directors' Meeting Fees	Total Amount
	C K Koshy	1,10,000	0	10,000	1,20,000
	R C Mehta	57,500	0	0	57,500
	M Narayanan	1,10,000	0	10,000	1,20,000
	<b>Total (B)(1)</b>				<b>2,97,500</b>
2.	<b>Other Non-Executive Directors</b>				
	N Anand	0	0	0	0
	D R Choudhury	0	0	0	0
	A Pathak	0	0	0	0
	<b>Total (B)(2)</b>				<b>0</b>
	<b>Total Amount (B) = (B)(1) + (B)(2)</b>				<b>2,97,500</b>
	<b>Total Managerial Remuneration (A+B)</b>				<b>2,97,500</b>
	<b>Overall Ceiling as per the Act</b> (Being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act,2013)				<b>38,47,100</b>



# GUJARAT HOTELS LIMITED

## EXTRACT OF ANNUAL RETURN

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel*			Total Amount
		M Dograa Chief Executive Officer	R Singh Chief Financial Officer	D K Gulati Company Secretary	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3,51,232	22,11,944	5,00,000	30,63,176
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	0	78,330	0	78,330
	(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
	<b>Total</b>	<b>3,51,232</b>	<b>22,90,274</b>	<b>5,00,000</b>	<b>31,41,506</b>

\* Mr M Dograa was appointed as Chief Executive Officer of the Company w.e.f. 1st February, 2016 and Mr D K Gulati was appointed as Company Secretary w.e.f. 22nd July, 2015.

### 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

Place : New Delhi  
Date : 16th April, 2016

D R Choudhury  
Director

J Singh  
Director



# GUJARAT HOTELS LIMITED

## INFORMATION U/S 197(12) OF THE COMPANIES ACT, 2013

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	-	-
R C Mehta	Independent Director	0.31:1	4.55%
C K Koshy	Independent Director	0.65:1	65.52%
M Narayanan	Independent Director	0.65:1	140%
A Pathak	Non-Executive Director	-	-
D R Choudhury	Non-Executive Director	-	-
M Dograa	Chief Executive Officer (w.e.f. 1st February, 2016)	1.90:1	-
R Singh	Chief Financial Officer	12.36:1	-
D K Gulati	Company Secretary (w.e.f 22nd July, 2015)	2.70:1	-

Sitting fees to Independent Directors was enhanced w.e.f 23rd July, 2015 and Non-Executive Non-Independent Directors are not paid any sitting fees.

### Notes

- The number of permanent employees as on 31st March, 2016 was 183.
- Compared to the previous year 2014-15, the figures for the current year 2015-16 reflect that:
  - Gross Turnover has grown by 8.78% whereas PBT and EPS have declined by 8.40% & 10.39% respectively.
  - Median remuneration and average remuneration of employees have increased by 1% and 2.27% respectively.
  - Average remuneration of employees excluding Key Managerial Personnel (KMPs) has decreased by 4.60%.
- No employee's remuneration for the year 2015-16 exceeded the remuneration of the highest paid Director.
- The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration Policy of the Company given as Annexure to the Report of the Board of Directors & Management Discussion and Analysis.
- The market capitalisation of the Company as on 31st March, 2016 decreased by 18.40% when compared to that of 31st March, 2015. The Company has not made any public offer in the recent past and accordingly, comparison of public offer price and the current market price of the Company's shares will not be relevant.
- The PE ratio as on 31st March, 2016 stood at 18.16 (31st March, 2015: 19.94).

On behalf of the Board

Place : New Delhi  
Date : 16th April, 2016

D R Choudhury  
Director

J Singh  
Director



## GUJARAT HOTELS LIMITED

### CEO AND CFO COMPLIANCE CERTIFICATE

We, M Dograa, Chief Executive Officer and R Singh, Chief Financial Officer, certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2016 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 existing 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, 2016 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) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; 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 : New Delhi  
Date : 16th April, 2016

M Dograa  
Chief Executive Officer

R Singh  
Chief Financial Officer



# GUJARAT HOTELS LIMITED

## BALANCE SHEET

As at 31st March, 2016

		Amount in ₹	
Particulars	Note	As at 31st March, 2016	As at 31st March, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	3,78,75,150	3,78,75,150
(b) Reserves and Surplus	2	17,33,58,331	16,48,60,432
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities	3	54,09,782	54,92,244
(b) Long Term Provisions	4	9,28,519	10,64,418
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5		
(i) Total Outstanding dues of micro enterprises and small enterprises, and		-	-
(ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises		84,353	1,08,890
(b) Other Current Liabilities	6	80,85,376	76,45,967
(c) Short Term Provisions	7	1,63,44,347	1,62,42,974
<b>Total</b>		<b>24,20,85,858</b>	<b>23,32,90,075</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets - Tangible Assets	8	1,66,01,997	1,72,11,063
(b) Long Term Loans and Advances	9	44,19,153	37,19,909
<b>(2) Current Assets</b>			
(a) Current Investments	10	15,61,04,816	15,15,25,804
(b) Trade Receivables	11	1,15,29,838	1,13,89,552
(c) Cash and Bank Balances	12	4,55,65,880	4,50,65,244
(d) Short Term Loans and Advances	13	4,10,703	3,81,043
(e) Other Current Assets	14	74,53,471	39,97,460
<b>Total</b>		<b>24,20,85,858</b>	<b>23,32,90,075</b>

The accompanying notes 1 to 21 are an integral part of the Financial Statements.

In terms of our report of even date

For Talati & Talati  
Chartered Accountants  
Firm's Registration No. 110758W

CA Manish Baxi  
Partner  
M.No. 45011

Place : New Delhi  
Date : 16th April, 2016

On behalf of the Board

D R Choudhury  
Director

D K Gulati  
Company Secretary

J Singh  
Director

R Singh  
Chief Financial Officer



# GUJARAT HOTELS LIMITED

## STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2016

Amount in ₹

Particulars	Note	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>REVENUE</b>			
Revenue from Operations	15	3,48,52,767	3,20,41,007
Other Income	16	59,79,749	1,10,62,491
<b>Total Revenue</b>		<b>4,08,32,516</b>	<b>4,31,03,498</b>
<b>EXPENSES</b>			
Employee Benefits Expense	17	7,84,637	1,52,272
Depreciation and Amortization Expense		4,80,170	4,79,808
Other Expenses	18	29,23,772	24,66,106
<b>Total Expenses</b>		<b>41,88,579</b>	<b>30,98,186</b>
<b>Profit Before Tax</b>		<b>3,66,43,937</b>	<b>4,00,05,312</b>
Tax Expense:			
Current Tax		1,22,25,327	1,28,50,171
Deferred Tax Liability/(Asset)		(82,462)	(1,83,280)
<b>Profit for the year</b>		<b>2,45,01,072</b>	<b>2,73,38,421</b>
Earning per Equity Share (Face Value ₹ 10/- each):	19		
Basic		6.47	7.22
Diluted		6.47	7.22

The accompanying notes 1 to 21 are an integral part of the Financial Statements.

In terms of our report of even date

For Talati & Talati  
Chartered Accountants  
Firm's Registration No. 110758W

CA Manish Baxi  
Partner  
M.No. 45011

Place : New Delhi  
Date : 16th April, 2016

On behalf of the Board

D R Choudhury  
Director

D K Gulati  
Company Secretary

J Singh  
Director

R Singh  
Chief Financial Officer



# GUJARAT HOTELS LIMITED

## CASH FLOW STATEMENT

For the year ended 31st March, 2016

Amount in ₹

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>A. Cash Flow from Operating Activities</b>		
PROFIT BEFORE TAX	3,66,43,937	4,00,05,312
Adjustments for:		
Depreciation	4,80,170	4,79,808
Interest Income	(38,13,352)	(12,74,589)
Dividend Income from Current Investments	(2,54,470)	(9,59,202)
(Profit)/Loss From Sale of Fixed Assets	97,617	(5,98,605)
Net Gain on Sale of Current Investments	(20,09,544)	(82,30,095)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,11,44,358	2,94,22,629
Adjustments for:		
(Increase)/Decrease in Trade Receivables, Loans & Advances and Other Assets	(3,83,196)	(33,73,690)
Increase/(Decrease) in Trade Payables, Other Liabilities & Provisions	60,827	10,48,846
CASH GENERATED FROM OPERATIONS	3,08,21,989	2,70,97,785
Income Tax Paid	(1,25,11,645)	(1,20,23,935)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,83,10,344</b>	<b>1,50,73,850</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale of Fixed Assets	31,279	6,74,256
Purchase of Current Investments	(18,27,42,000)	(47,87,00,000)
Sale/Redemption of Current Investments	18,01,41,554	48,95,83,210
Dividend Income from Current Investments Received	2,54,470	9,59,202
Interest Received	1,88,644	81,64,963
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(21,26,053)</b>	<b>2,06,81,631</b>
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	(1,32,56,303)	(1,32,56,303)
Income Tax on Dividend Paid	(26,98,671)	(22,52,909)
Net Increase in Statutory Restricted Accounts Balances	2,71,319	3,33,161
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,56,83,655)</b>	<b>(1,51,76,051)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,00,636</b>	<b>2,05,79,430</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>4,50,65,244</b>	<b>2,44,85,814</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>4,55,65,880</b>	<b>4,50,65,244</b>

### NOTES:

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".
- 2) Cash and Cash Equivalents include balance of ₹ 48,41,080/- (2015 - ₹ 45,69,761/-) in Statutory Restricted Accounts which are not available for use by the Company.

The accompanying notes 1 to 21 are an integral part of the Financial Statements.

In terms of our report of even date

For Talati & Talati  
Chartered Accountants  
Firm's Registration No. 110758W

CA Manish Baxi  
Partner  
M.No. 45011

Place : New Delhi  
Date : 16th April, 2016

On behalf of the Board

D R Choudhury  
Director

J Singh  
Director

D K Gulati  
Company Secretary

R Singh  
Chief Financial Officer



# GUJARAT HOTELS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1 SHARE CAPITAL

Particulars	As at 31st March, 2016 (No. of Shares)	As at 31st March, 2016 (₹)	As at 31st March, 2015 (No. of Shares)	As at 31st March, 2015 (₹)
<b>Authorised</b> Equity Shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
<b>Issued, Subscribed and Paid up</b> 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

Particulars	For the year ended	
	31st March, 2016	31st March, 2015
No. of Shares outstanding at the beginning of the year	37,87,515	37,87,515
Add: No. of Shares issued during the year	-	-
Less: No. of Shares Bought Back during the year	-	-
No. of Shares outstanding 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

Particulars	As at 31st March, 2016	
	No. of shares	% holding
ITC Limited	1,733,907	45.78%
Orange Mauritius Investments Limited	3,40,661	8.99%
Russell Investments Limited	3,00,056	7.92%
Asia Advantage Fund	2,47,016	6.52%

Particulars	As at 31st March, 2015	
	No. of shares	% holding
ITC Limited	1,733,907	45.78%
Orange Mauritius Investments Limited	3,40,661	8.99%
Russell Investments Limited	3,00,056	7.92%
Asia Advantage Fund	2,47,016	6.52%

#### 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 entitlement to dividend.

## NOTES TO THE FINANCIAL STATEMENTS

Amount in ₹

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>2 RESERVES AND SURPLUS</b>		
<b>General Reserve</b>		
At the beginning of the year	3,02,57,504	2,75,23,662
Add : Transfer from Surplus in Statement of Profit and Loss		27,33,842
At the end of the year	3,02,57,504	3,02,57,504
<b>Surplus in Statement of Profit and Loss</b>		
At the beginning of the year	13,46,02,928	12,59,20,126
Add: Profit for the year	2,45,01,072	2,73,38,421
Less: Transitional Impact of Depreciation as per Companies Act, 2013	-	15,002
Less: Transfer to General Reserve		27,33,842
Less: Proposed Dividend [₹ 3.50 (2015 - ₹ 3.50) per share]	1,32,56,303	1,32,56,303
Less: Income Tax on Proposed Dividend	27,46,870	26,50,472
At the end of the year	14,31,00,827	13,46,02,928
<b>TOTAL</b>	<b>17,33,58,331</b>	<b>16,48,60,432</b>
<b>3 DEFERRED TAX LIABILITY</b>		
Depreciation - Timing Difference	54,09,782	54,92,244
<b>TOTAL</b>	<b>54,09,782</b>	<b>54,92,244</b>
<b>4 LONG TERM PROVISIONS</b>		
Provision for Employee Benefits Retirement Benefits	9,28,519	10,64,418
<b>TOTAL</b>	<b>9,28,519</b>	<b>10,64,418</b>
<b>5 TRADE PAYABLES</b>		
(i) Total Outstanding dues of micro enterprises and small enterprises, and	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	84,353	1,08,890
<b>TOTAL</b>	<b>84,353</b>	<b>1,08,890</b>
<b>6 OTHER CURRENT LIABILITIES</b>		
Unpaid Dividend*	48,41,080	45,69,761
Employee Related	32,09,704	30,34,512
Statutory Dues/ Obligations	34,592	41,694
<b>TOTAL</b>	<b>80,85,376</b>	<b>76,45,967</b>
*Represents dividend amounts not claimed, to be transferred to Investor Education and Protection Fund when due.		
<b>7 SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits Retirement Benefits	3,89,373	3,36,199
Proposed Dividend	1,32,56,303	1,32,56,303
Income Tax on Proposed Dividend	26,98,671	26,50,472
<b>TOTAL</b>	<b>1,63,44,347</b>	<b>1,62,42,974</b>

**8 FIXED ASSETS - Tangible Assets\***

Amount in ₹

Particulars	Gross Block				Depreciation				Net Book Value	
	Original Cost As at 31st March, 2015	Additions	Withdrawals and adjustments	As at 31st March, 2016	Upto 31st March, 2015	For the year	On Withdrawals and adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Buildings	3,03,67,639	-	241,920	3,01,25,719	1,40,53,202	4,80,170	1,16,048	1,44,17,324	1,57,08,395	1,63,14,437
Plant and Equipment	1,53,07,026	-	60,480	1,52,46,546	1,45,40,301	-	57,456	1,44,82,845	7,63,701	7,66,725
Furniture and Fixtures	27,36,355	-	138	27,36,217	26,08,471	-	138	26,08,333	1,27,884	1,27,884
Office Equipment	69,892	-	136	69,756	67,875	-	136	67,739	2,017	2,017
<b>Total</b>	<b>4,84,80,912</b>	<b>-</b>	<b>3,02,674</b>	<b>4,81,78,238</b>	<b>3,12,69,849</b>	<b>4,80,170</b>	<b>1,73,778</b>	<b>3,15,76,241</b>	<b>1,66,01,997</b>	<b>1,72,11,063</b>
Previous Year	5,06,50,078	-	21,69,166	4,84,80,912	3,28,39,635	4,79,808	20,49,594	3,12,69,849	1,72,11,063	

\*All the above assets are given on Operating Lease

**9 LONG TERM LOANS AND ADVANCES**

Amount in ₹

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Unsecured, considered good</b>		
Deposits with Government, Public Bodies and others	23,28,947	23,28,947
Advance Tax paid (Net of Provisions)	20,90,206	13,90,962
<b>TOTAL</b>	<b>44,19,153</b>	<b>37,19,909</b>



**NOTES TO THE FINANCIAL STATEMENTS**
**10 CURRENT INVESTMENTS (at lower of cost and fair value)**
**Amount in ₹**

Sl. No.	Investments in Mutual Funds Name of Plan	As at 31st March, 2016		As at 31st March, 2015	
		Quoted	Unquoted	Quoted	Unquoted
1	DWS Ultra Short Term Fund 10,40,731.248 Units (2015 - Nil) of ₹ 10.00/- each	1,75,00,000	-	-	-
2	HDFC Liquid Fund Nil (2015 - 3,92,603.121) Units of ₹ 1,000.00/- each Nil (2015 - 26,31,401.402) Units of ₹ 1,000.00/- each Nil (2015 - 21,739.288) Units of ₹ 1,000.00/- each	-	-	7,60,25,804	-
3	HDFC FMP 370 D Feb 2014 (1) 11,00,000 Units of ₹ 10/- each	1,10,00,000	-	1,10,00,000	-
4	ICICI Prudential Ultra Short term Fund 12,41,451.718 (2015 - Nil) Units of ₹ 10.00/- each	1,75,00,000	-	-	-
5	ICICI Prudential Banking & PSU Debt Fund 11,24,750.948 (2015 - Nil) Units of ₹ 10.00/- each	1,75,00,000	-	-	-
6	Reliance Liquid Fund 1,738.127 (2015 - Nil) Units of ₹ 1,000.00/- each 2,764.778 (2015 - Nil) Units of ₹ 1,000.00/- each	1,06,04,816	-	-	-
7	Tata FMP Series 43 Scheme D - Plan A 50,000 Units (2015 - 50,000) of ₹ 10/- each	5,00,000	-	5,00,000	-
8	TATA FMP Plan SR 46 Scheme I - Plan A 40,00,000 Units (2015 - 40,00,000) of ₹ 10/- each	4,00,00,000	-	4,00,00,000	-
9	TATA FMP Plan SR 46 Scheme S - Plan A 24,00,000 Units (2015 - 24,00,000) of ₹ 10/- each	2,40,00,000	-	2,40,00,000	-
10	UTI Floating Rate Fund Short Term Fund 7749.911 Units of ₹ 1,000.00/- each	1,75,00,000	-	-	-
Aggregate amount of quoted and unquoted Investments		15,61,04,816	-	15,15,25,804	-
<b>TOTAL CURRENT INVESTMENTS</b>			<b>15,61,04,816</b>		<b>15,15,25,804</b>
Market Value of Quoted Investments		17,72,05,997		16,06,11,432	



# GUJARAT HOTELS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
<b>11 TRADE RECEIVABLES</b>		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Others		
Unsecured, considered good	1,15,29,838	1,13,89,552
<b>TOTAL</b>	<b>1,15,29,838</b>	<b>1,13,89,552</b>
<b>12 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Balances with Banks		
Current Accounts	6,24,800	3,94,683
Cash on hand	-	800
Other bank balances		
Earmarked balances	48,41,080	45,69,761
On Deposit Accounts with original maturity greater than 12 months	4,01,00,000	4,01,00,000
<b>TOTAL</b>	<b>4,55,65,880</b>	<b>4,50,65,244</b>
<b>13 SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Advances recoverable in cash or in kind for value to be received	4,10,703	3,81,043
<b>TOTAL</b>	<b>4,10,703</b>	<b>3,81,043</b>
<b>14 OTHER CURRENT ASSETS</b>		
Interest accrued on Deposits	34,26,410	1,83,649
Others - Unsecured, considered good	40,27,061	38,13,811
<b>TOTAL</b>	<b>74,53,471</b>	<b>39,97,460</b>
Particulars	Amount in ₹	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>15 REVENUE FROM OPERATIONS</b>		
Operating License Fees	3,48,52,767	3,20,41,007
<b>TOTAL</b>	<b>3,48,52,767</b>	<b>3,20,41,007</b>
<b>16 OTHER INCOME</b>		
Interest Income*	38,13,352	12,74,589
Dividend Income from Current Investments	2,54,470	9,59,202
Net Gain on Sale of Current Investments	20,09,544	82,30,095
Gain on Disposal of Fixed Assets - Net	(97,617)	5,98,605
<b>TOTAL</b>	<b>59,79,749</b>	<b>1,10,62,491</b>

\* The income from interest is stated gross, the amount of income tax deducted is ₹ 3,81,335/- (2015 - ₹ 1,09,094/-)



# GUJARAT HOTELS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Amount in ₹

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>17 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries / Wages and Bonus	3,20,03,054	2,69,69,311
Contribution to Provident Fund	25,11,153	17,52,975
Contribution to Other Funds	12,69,627	11,10,125
Workmen and Staff Welfare Expenses	42,88,997	46,92,978
	4,00,72,831	3,45,25,389
Less: Recoveries made	(3,92,88,194)	(3,43,73,117)
<b>TOTAL</b>	<b>7,84,637</b>	<b>1,52,272</b>
<b>18 OTHER EXPENSES</b>		
Advertising / Sales Promotion	2,30,144	2,25,844
Legal & Professional Charges	3,33,159	2,43,303
Travelling & Conveyance	11,26,448	11,10,038
Postage, Telephone, Stationery etc.	1,90,369	1,15,885
Miscellaneous Expenses	10,43,652	7,71,036
<b>TOTAL</b>	<b>29,23,772</b>	<b>24,66,106</b>
Miscellaneous expenses includes Auditors remuneration and expenses (excluding taxes):		
Audit Fees	30,000	30,000
Tax Audit Fees	10,000	10,000
Fees for other services	21,000	21,000
<b>19 EARNINGS PER EQUITY SHARE</b>		
Profit After Taxation	2,45,01,072	2,73,38,421
Number of equity shares outstanding	37,87,515	37,87,515
Basic and diluted earnings per share in ₹ (Face value ₹ 10/- per share)	6.47	7.22

### 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 1989 at R C Dutt Road, Alkapuri, Vadodara through GILC for 30 years on which the hotel Welcomhotel Vadodara was constructed. As per the sub - lease agreement, after first 15 years the lease rent was to be fixed at 15% of the revised valuation of the land and the said revision was to be arrived at by mutual agreement between the State Government and the Company or else through arbitration. In June 2010, the Company received a demand from the State Government to pay arrears of lease rental (i.e. revised rentals for the next 15 years of the agreement). The Company invoked arbitration and the High Court of Gujarat by an order dated July 22, 2011 appointed Hon'ble Justice C.K. Thakker (Retd.) as the sole arbitrator for determining the revised valuation of land. Meanwhile the High Court of Gujarat 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. After hearing all the parties, the Sole Arbitrator pronounced the Arbitral Award on February 11, 2016 determining the revised valuation at less than half of the valuation as contended by the State Government. On the basis of such determination, the differential lease rentals have been paid after adjusting lease rentals already paid prior to the Arbitral Award.
- B) For the year ended 31st March, 2016, dividend of ₹ 1,32,56,303/- (LY - ₹ 1,32,56,303/-) proposed to be distributed to equity shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- The amount of per share dividend proposed for distribution to equity shareholders for the year ended 31st March, 2016 is ₹ 3.50 per share (LY - ₹ 3.50 per share).
- C) a) Long Term Compensated Absences - as per Actuarial Valuations as on 31st March, 2016 and recognised in the financial statements in respect of Employee Benefit Schemes: **Amount in ₹**

Particulars		Leave Encashment (Unfunded)	
		For the year ended	
		31st March, 2016	31st March, 2015
<b>I</b>	<b>Components of Employer Expense</b>		
	1 Current Service Cost	2,22,523	2,09,449
	2 Interest Cost	89,468	78,200
	3 Expected Return on Plan Assets	-	-
	4 Curtailment Cost / (Credit)	-	-
	5 Settlement Cost / (Credit)	-	-
	6 Past Service Cost	-	-
	7 Actuarial Losses / (Gains)	20,694	2,78,575
	8 Total expense recognised in the Statement of Profit and Loss	3,32,685	5,66,224
<b>II</b>	<b>Net Asset / (Liability) recognised in Balance Sheet</b>		
	1 Present Value of Defined Benefit Obligation	13,17,892	14,00,617
	2 Fair Value of Plan Assets	-	-
	3 Status [Surplus / (Deficit)]	(13,17,892)	(14,00,617)
	4 Unrecognised Past Service Cost	-	-
	5 Net Asset / (Liability) recognised in Balance Sheet	(13,17,892)	(14,00,617)
	- Current	(3,89,373)	(3,36,199)
	- Non-current	(9,28,519)	(10,64,418)

**NOTES TO THE FINANCIAL STATEMENTS**
**20 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**
**Amount in ₹**

Particulars		Leave Encashment (Unfunded)				
		For the year ended				
		31st March, 2016	31st March, 2015			
III	Change in Defined Benefit Obligation (DBO)					
	1 Present Value of DBO at the Beginning of the year	14,00,617	11,83,674			
	2 Current Service Cost	2,22,523	2,09,449			
	3 Interest Cost	89,468	78,200			
	4 Curtailment Cost / (Credit)	-	-			
	5 Settlement Cost / (Credit)	-	-			
	6 Plan Amendments	-	-			
	7 Acquisitions	-	-			
	8 Actuarial (Gains) / Losses	20,694	2,78,575			
	9 Benefits Paid	(4,15,410)	(3,49,281)			
	10 Present Value of DBO at the End of the year	13,17,892	14,00,617			
IV	Actuarial Assumptions					
	1 Discount Rate (%)	7.50%	7.75%			
The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.						
V	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)					
Particulars		Leave Encashment (Unfunded) For the Year ended				
		31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
	1 Defined Benefit Obligation at the end of the period	(13,17,892)	(14,00,617)	(11,83,674)	(11,62,000)	(10,25,000)
	2 Plan Assets at the end of the period	-	-	-	-	-
	3 Funded Status [Surplus / (Deficit)]	(13,17,892)	(14,00,617)	(11,83,674)	(11,62,000)	(10,25,000)
	4 Experience Gain / (Loss) adjustments on Plan Liabilities	95,348	1,33,863	33,956	(79,201)	(1,63,675)
	5 Experience Gain / (Loss) adjustments on Plan Assets	-	-	-	-	-
	6 Actuarial Gain / (Loss) due to change on assumptions	17,711	2,78,575	(24,753)	(33,000)	88,000

b) Amount towards Defined Contribution Plans have been recognised under "Contribution to Provident and Other Funds" in Note No.17: ₹ 37,80,780/- (2015 – ₹ 28,63,100/-). Such amount includes ₹ 33,678/- (2015 – ₹ 34,673/-) charged to Statement of Profit and Loss for contribution to Group Gratuity Scheme with Life Insurance Corporation of India.

D) 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, 2016. 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**20 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**
**E) Dividend Remittance in Foreign Currency**
**Amount ₹**

Year of Remittance	On Account of Financial Year	No. of Non-Resident Shareholders	No. of Shares held	Amount ₹
2015-2016	2014-2015	18	6100	21,350
2014-2015	2013-2014	18	6100	21,350

**F) The Company operates in one segment i.e. Hoteliering.**
**G) Related party disclosures under Accounting Standard 18**

- i) Related parties with whom transactions have taken place during the year.  
ITC Limited, company of which the Company is an Associate

**Amount in ₹**

Sr. No.	Description	For the year ended 31st March, 2016	For the year ended 31st March, 2015
1	License Fees received from ITC Limited	3,97,26,453	3,20,41,007
2	Purchase of Services from ITC Limited	5,25,981	5,94,868
3	Recoveries of Contractual Remuneration	3,49,83,753	3,43,73,117
4	Remuneration of Managers on Deputation Reimbursed	43,04,441	-
5	Expenses Recovered from ITC Limited	6,27,243	8,45,517
6	Expenses Reimbursed to ITC Limited	1,32,577	3,44,582
7	Dividend Payments to ITC Limited	60,68,675	60,68,675
8	Balance amount recoverable from ITC Limited	1,55,55,204	1,71,95,321
9	Balance amount payable to ITC Limited	-	2,01,928

- ii) Key Management Personnel  
Board of Directors  
N Anand  
A Pathak  
R C Mehta  
C K Koshy  
M Narayanan  
D R Choudhury

**iii) Summary of transactions during the year**
**Amount in ₹**

Sr. No.	Description	Key Management Personnel	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
1	Director's Sitting Fees	2,97,500	1,77,500
2	Dividend Paid	700	2,450

H) Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure.

**NOTES TO THE FINANCIAL STATEMENTS****21 SIGNIFICANT ACCOUNTING POLICIES****CONVENTION**

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 2013, as applicable.

**BASIS OF ACCOUNTING**

To prepare the financial statements in accordance with the historical cost convention.

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 based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

**FIXED ASSETS**

To state Fixed Assets at cost of acquisition 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 the assets capitalised.

**DEPRECIATION**

To calculate depreciation on Fixed Assets, Tangible and Intangible, in a manner that amortises the cost of the assets after commissioning, over their estimated useful lives as specified in Schedule II to the Companies Act, 2013 by equal annual instalments.

**INVESTMENTS**

To state Current Investments at lower of cost and fair value and Long Term Investments at cost.

**REVENUE RECOGNITION**

Income from operating licence fees is booked on accrual basis in accordance with the provisions of operating licence agreement / arrangements with the licensee viz, ITC Limited.

**INVESTMENT INCOME**

To account for Income from Investments on an accrual basis, inclusive of related tax deducted at source. To account for Income from Dividends when the right to receive such dividends is established.

**PROPOSED DIVIDEND**

To provide for Dividends (including income tax thereon) in the books of account as proposed by the Directors, pending approval at the Annual General Meeting.

**EMPLOYEE BENEFITS**

To make regular contribution to the Provident Fund and Gratuity Fund which are charged to revenue and to provide for unavailed leave on basis of an independent actuarial valuation as per the requirements of Accounting Standard – 15 (revised 2005) on "Employee Benefits". The contribution in respect of Gratuity



## GUJARAT HOTELS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Fund is made to Life Insurance Corporation and the Provident Fund and Family Pension contributions are statutorily deposited with the Government. All such Employee Benefit expenditures / provisions are reimbursed by the Licensee as per the Operating License Agreement.

#### TAXES ON INCOME

To provide Current tax as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

To provide Deferred Tax on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Not to recognise Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

#### CLAIMS

To disclose claims against the Company not acknowledged as debts after a careful evaluation of the facts and legal aspects of the matter involved.

As per our report of even date.

Signature to Notes 1 to 21

For Talati & Talati  
Chartered Accountants  
Firm's Registration No. 110758W

On behalf of the Board

CA Manish Baxi  
Partner  
M. No. 45011

D R Choudhury  
Director

J Singh  
Director

Place : New Delhi  
Date : 16th April, 2016

D K Gulati  
Company Secretary

R Singh  
Chief Financial Officer

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF  
GUJARAT HOTELS LIMITED

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of **GUJARAT HOTELS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the 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, 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.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

6. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its Profit and its cash flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

7. 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.



## GUJARAT HOTELS LIMITED

### INDEPENDENT AUDITOR'S REPORT

- (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, and the Cash Flow Statement 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 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director under section 164(2) of the Companies Act, 2013.
  - (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - A" to this report.
  - (g) 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 knowledge and belief and according to the information and explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations, if any, as at 31st March, 2016 on its financial position in its financial statements;
    - (ii) The Company did not have any outstanding long-term contracts including derivative contracts as at 31st March, 2016 for which there were any material foreseeable losses; and
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
8. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "CARO 2016"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Talati & Talati  
Chartered Accountants  
Firm's Registration No.110758W

CA Manish A. Baxi  
Partner  
Membership No. 045011

Place : New Delhi  
Date : 16th April, 2016



# GUJARAT HOTELS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### ANNEXURE – A : (ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT)

Referred to in paragraph 7(f) of the Independent Auditor's Report of even date to the members of **Gujarat Hotels Limited** on the Financial Statements for the year ended 31st March, 2016.

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Gujarat Hotels Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone 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. 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 Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 l/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting 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 control over financial reporting 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

## INDEPENDENT AUDITOR'S REPORT

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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 Talati & Talati  
Chartered Accountants  
Firm's Registration No.110758W

Place : New Delhi  
Date : 16th April, 2016

CA Manish A. Baxi  
Partner  
Membership No. 045011

### ANNEXURE – B : TO THE INDEPENDENT AUDITORS' REPORT

(As referred to in paragraph 8 , under the heading of 'Report on other Legal and Regulatory requirements' of our report of even date on the Financial Statements of GUJARAT HOTELS LIMITED for the year ended on 31st March, 2016)

- i. In respect of fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable having regard to the size of the company and nature of the fixed assets. No material discrepancy has been noticed on such verification.
  - c) In respect to title deeds of immovable properties, the Company is under arbitration proceedings to settle the pending lease revision with respect to land on which your hotel is built.
- ii. In respect of its Inventory:
 

There is no inventory; and hence, the related paragraphs of CARO 2016 are not applicable.
- iii. In respect to loans, secured or unsecured, in our opinion and according to the information and explanation given to us, 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.
- iv. In respect to loans, investments, guarantees and security, in our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.



## GUJARAT HOTELS LIMITED

### INDEPENDENT AUDITOR'S REPORT

- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit during the financial year under audit.
- vi. We have been informed by the management of the Company that no cost records have been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. In respect to statutory dues:
  - a) According to the information and explanation given to us and based on the records examined by us, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
  - b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. Based in the information provided to us, the Company does not have any loans or borrowing from a financial institution, bank, Government or debenture holders.
- ix. According to the information and records available with us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the financial year under audit. However, such monies raised earlier were applied for the purposes for which those are raised.
- x. According to the information available with us, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information available with us, the Company has paid or provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. As per the information available with us and understanding of business of the company, it is not a Nidhi Company. Hence, the related paragraphs of CARO 2016 are not applicable.
- xiii. In our opinion, all Transactions with the related parties, if any, are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. According to the information and records available with 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.
- xv. According to the information and records available with us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. As per the information available with us and understanding of business of the company the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Talati & Talati  
Chartered Accountants  
Firm's Registration No.110758W

CA Manish A. Baxi  
Partner  
Membership No. 045011

Place : New Delhi  
Date : 16th April, 2016



## GUJARAT HOTELS LIMITED

CIN : L55100GJ1982PLC005408

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

Tel : 0265 2330033 • E-mail : ghlinvestors@yahoo.co.in • Website : www.gujarathotelsltd.in

### 34TH ANNUAL GENERAL MEETING

#### ADMISSION SLIP

PLEASE FILL ADMISSION SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

**Name & Address of Member :**

E-mail ID :

DP ID No. & Client ID No. /  
Registered Folio No. :

No. of Shares held :

I hereby record my presence at the 34th Annual General Meeting (AGM) of the Company held on Tuesday, 20th September, 2016 at 11.00 a.m. at WelcomHotel Vadodara, R C Dutt Road, Alkapuri, Vadodara 390 007.

Name of the Proxy in Block Letters

Signature of Member / Proxy's attending

- NOTES: i) Member / Proxy attending the AGM must bring his / her Admission Slip which should be duly signed and deposited at the entrance.  
ii) Duplicate Admission Slip will not be issued at the AGM venue.



## GUJARAT HOTELS LIMITED

CIN : L55100GJ1982PLC005408

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

Tel : 0265 2330033 • E-mail : ghlinvestors@yahoo.co.in • Website : www.gujarathotelsltd.in

### 34TH ANNUAL GENERAL MEETING

#### PROXY FORM

**Name & Address of Member :**

E-mail ID :

DP ID No. & Client ID No. /  
Registered Folio No. :

I / We, being the Member(s) holding \_\_\_\_\_ shares of Gujarat Hotels Limited, hereby appoint

(1) Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him

(2) Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him

(3) Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him

as my / our proxy to attend and vote for me / us and on my / our behalf, if not already voted by me / us through remote e-voting, at the 34th Annual General Meeting (AGM) of the Company to be held on 20th September, 2016 at 11.00 a.m. at WelcomHotel Vadodara, R C Dutt Road, Alkapuri, Vadodara 390 007 and at any adjournment thereof, in respect of the resolutions indicated hereafter:



Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Business			
1	Adoption of the Financial Statements for the financial year ended 31st March, 2016, and the Reports of the Board of Directors and the Auditors.		
2	Declaration of dividend for the financial year ended 31st March, 2016.		
3	Appointment of Ms Devkanya Roy Choudhury who retires by rotation and offers herself for re-election.		
4	Ratification of appointment of Messrs Talati & Talati Chartered Accountants, as Auditors, from the conclusion of this AGM till the conclusion of the 35th AGM and approval to their remuneration for the financial year 2016-17.		
Special Business			
5	Appointment of Mr Jagdish Singh as a Non-Executive Director.		

Affix 15  
Paise  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016. Signature of shareholder : \_\_\_\_\_

#### INSTRUCTIONS

- (1) The Proxy Form, in order to be effective, should be completed and stamped, and must be deposited / received at the Registered Office of the Company, **Gujarat Hotels Limited, WelcomHotel Vadodara, R C Dutt Road, Alkapuri, Vadodara 390 007** either in person or through post, not less than 48 hours before the commencement of the AGM i.e. by 11.00 a.m. on 18th September, 2016.
- (2) The Proxy Form should be signed by the Member or his attorney authorised in writing, or in case of a corporate Member, should be under its seal or be signed by an officer or attorney authorised by such Member. In case of joint holding, the Proxy Form may be signed by any of the holders.
- (3) The signature of the Member on the Proxy Form should be as per the specimen signature furnished by National Securities Depository Limited / Central Depository Services (India) Limited or registered with the Company.



Cambay Pavilion - 24x7 Fine Dining restaurant



Peshawri - Speciality restaurant catering to North-West Frontier cuisine



**Gujarat Hotels Limited**

