

NOTICE

Notice is hereby given that the Twenty-Seventh Annual General Meeting of the members of **Kamat Hotels (India) Limited** will be held at "Shubham Hall", Landmark Building, Opposite Vile Parle Railway Station, Junction of Besant Road and V. P. Road, Vile Parle (West), Mumbai – 400 056 on Wednesday the 10th September, 2014 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited financial statement of the Company for the year ended on 31st March, 2014 and Reports of the Board and Auditors thereon.
2. To appoint a Director in place of Mr. Vikram V. Kamat, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT M/s. J. G. Verma and Company, Chartered Accountants, Mumbai registration number FRN: 111381W the retiring Statutory Auditors, be and are hereby reappointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed to between the Auditors and the Board of Directors of the Company plus reimbursement of actual out of pocket expenses."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and the Companies (Incorporation) Rules, 2014, the Articles of Association of the Company be and are hereby amended by adopting, in lieu and substitution of the existing Articles of Association of the Company, the new set of Articles of Association of the Company as placed before the meeting duly initialled by the Chairman for identification purpose.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things as may be necessary to give effect to this resolution."
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 152, 190 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association of the Company, Listing Agreements entered in to by the Company with the stock exchanges where the equity shares of the company are listed and subject to approval of the Central Government, Mr. Vikram V. Kamat (DIN 00556284) be and is hereby re-appointed as an Executive Director of the Company who shall be liable to retire by rotation, for a period of 3 years from 1st October, 2014 on the terms of appointment including remuneration and perquisites as set out in Item No. 5 of the annexed Statement under Section 102 of the Companies Act, 2013 with authority to the Board of Directors to alter and vary the said terms of appointment including remuneration and perquisites in such manner as may be agreed to between the Board of Directors and Mr. Vikram V. Kamat.
RESOLVED FURTHER THAT in case of inadequacy or absence of profit in any financial year of the Company during the term of office of Mr. Vikram V. Kamat as Executive Director, the remuneration and perquisites mentioned in the preceding paragraph shall nevertheless be paid as minimum remuneration, provided that the remuneration and perquisites shall not exceed the ceiling provided in the applicable slab of Schedule V to the Companies Act, 2013 as amended from time to time or remuneration as may be approved by the Central Government.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, expedient or desirable to give effect to this resolution."
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, Articles of Association of the Company, listing agreements entered in to by the Company with the stock exchanges where the equity shares of the company are listed, Mrs. Rajyalakshmi Rao (DIN 00009420) be and is hereby re-appointed as an Independent Director of the Company for a term commencing from 10th September, 2014 to 31st March, 2019 not liable to retire by rotation as per the provisions of Section 152(6) of the Companies Act, 2013.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, expedient or desirable to give effect to this resolution."
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, Articles of Association of the Company, Listing Agreements entered in to by the Company with the stock exchanges where the equity shares of the Company are listed, Mr. Rohhan A. Divanji (DIN: 05258069), who was appointed as an Additional Director of the Company w.e.f. 9th August, 2014 by the Board of Directors under Section 161 of the Companies Act, 2013 at its meeting held on 9th August, 2014 and who holds office as such upto the 27th Annual General Meeting and in respect of whom notice in writing along with requisite deposit under Section 160 of the Companies Act, 2013 has been received by the Company from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a term commencing from the date of his appointment to 31st March, 2019, not liable to retire by rotation as per the provisions of Section 152(6) of the Companies Act, 2013.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, expedient or desirable to give effect to this resolution."
8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, Articles of Association of the Company, Listing Agreements entered in to by the Company with the stock exchanges where the

equity shares of the Company are listed, Mr. Dinkar D. Jadhav (DIN 01809881) who was appointed as an Additional Director of the Company w.e.f. 21st September, 2013 by the Board of Directors under Section 161 of the Companies Act, 2013 at its meeting held on 21st September, 2013 and who holds office as such upto the 27th Annual General Meeting and in respect of whom notice in writing along with requisite deposit under Section 160 of the Companies Act, 2013 has been received by the Company from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a term commencing from the date of his appointment to 31st March, 2018 not liable to retire by rotation as per the provisions of Section 152(6) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, expedient or desirable to give effect to this resolution."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 197(10) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to approval of the Central Government, consent of the members of the Company be and is hereby accorded to waiver of excess remuneration of ₹ 24,71,541/- paid to Dr. Vishal V. Kamat, Executive Chairman and Managing Director of the Company over and above the limits prescribed under Section 198 and 309 read with Schedule XIII of the Companies Act, 1956 during the period from 1st April, 2013 to 30th September, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee of Directors duly constituted by the Board be and is hereby authorized to do all acts deeds and things as may be considered necessary or required, furnish any clarifications, information and to settle any question, difficulty or doubt that may arise in this regard."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the ordinary resolution passed by the Company through postal ballot, result of which was declared on 30th December, 2008, pursuant to the provisions of Section 293(1) (d) of the Companies Act, 1956 consent of the Company be and is hereby accorded, to the Board of Directors of the Company under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) to exercise the power to borrow, from time to time, any sum or sums of moneys (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) that may, together with the moneys already borrowed by the Company, exceeds, for the time being, the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount of monies borrowed together with the monies already borrowed by the Company shall not exceed the limit of ₹ 1,000/- Crores (Rupees One Thousand Crores only) over and above the total paid up share capital and free reserves of the Company for the time being.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee of Directors duly constituted by the Board be and is hereby authorised, in its absolute discretion, to do such acts, deeds or things as the Board of Directors or such Committee may consider it expedient, prudent and necessary in this regard."

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT further to the Special Resolution passed by the shareholders of the Company at the 26th Annual General Meeting held on 21st September, 2013 according consent for appointment (including salary) of Mr. Vishal V. Kamat, a relative of Directors of the Company, to hold office or place of profit as the Chief Executive Officer (CEO) of Fort Jadhavgadh, a Heritage Hotel, at Saswad Pune, a unit of the Company with effect from 1st December, 2012 and pursuant to the provisions of Section 188 and other provisions if any, of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable laws, rules and regulations, approval of the Company be and is hereby accorded for Mr. Vishal V. Kamat, a relative of Directors of the Company, to hold office or place of profit as the CEO of Fort Jadhavgadh, a Heritage Hotel, at Saswad Pune, unit of the Company and for payment of monthly gross salary of ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only), w.e.f 1st April, 2014 alongwith other statutory benefits such as P.F., ESIC, Gratuity, Leave, Mediclaim and Personal Accident Policy etc., Leave Travel Allowance of ₹ 15,000/- per annum and on the other terms and conditions as mentioned in the letter of appointment issued to Mr. Vishal V. Kamat by the Company.

RESOLVED FURTHER THAT approval of the company be and is hereby also given for any alterations/variations in the terms of appointment including remuneration to Mr. Vishal V. Kamat in such manner as the Board of Directors of the Company may decide.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds or things as may be necessary or required to deal with the matter and take all such steps as may be necessary to give effect to this resolution."

**By order of the Board of Directors
FOR KAMAT HOTELS (INDIA) LIMITED**

**Mahesh Kandoi
Company Secretary**

Registered Office:
KHIL House, 70-C, Nehru Road,
Near Santacruz Airport,
Vile Parle (East),
Mumbai - 400 099.
Maharashtra, India.

Place : Mumbai.
Date: 9th August, 2014

NOTES:

- 1) (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
(b) A person appointed as proxy shall act as a proxy on behalf of such member or number of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2) The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the 27th Annual General Meeting and ending with the conclusion of the said Annual General Meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days of notice in writing of the intention so to inspect is given to the Company.
- 3) A Statement pursuant to Section 102 of the Companies Act, 2013 in relation to the special business of the meeting is annexed as Annexure I to the Notice.
- 4) The members or proxies are requested to bring with them the Annual Report as extra copy of the same will not be supplied at the meeting as per usual practice.
- 5) The Shareholders are requested to notify changes, if any, in their address to their depository participants in respect of their holding in electronic form and to the Registrars and Transfer Agents of the Company, M/s. Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai-400078, Tel No. 25963838 and Fax No. 25946969, Email : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in in respect of their holding in physical form.
- 6) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 2nd September, 2014 to Wednesday, 10th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
- 7) As per Section 205C of the Companies Act, 1956, the dividend remaining unclaimed for a period of 7 years from the date of transfer to unpaid dividend account in respect of financial year ended on 31st March, 2007 shall be transferred to Investor Education and Protection Fund (IEPF) by September, 2014. As per Section 124(6) of the Companies Act, 2013 all shares in respect of which unclaimed dividend has been transferred to IEPF shall also be transferred in the name of IEPF.
The members who have not encashed their dividend warrants so far for the financial year ended on 31st March, 2007 or any subsequent financial year are requested to approach the Company or its Registrars and Transfer Agents for revalidation of their dividend warrants. The claimant of shares/unclaimed dividend amount transferred to IEPF shall be entitled to claim transfer of shares /unclaimed dividend amount from IEPF.
- 8) Appointment /Re-appointment of Directors:
Mr. Vikram V. Kamat retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Mr. Vikram V. Kamat is proposed to be re-appointed as Executive Director of the Company. Mr. Dinkar D. Jadhav and Mr. Rohhan A. Divanji, Additional Directors of the Company are proposed to be appointed as Independent Directors of the Company. Mrs. Rajyalakshmi Rao is proposed to be re-appointed as Independent Director of the Company. The details pertaining to these Directors as required under Clause 49 (IV) (G) (i) of the Listing Agreement entered in to by the Company with the Stock Exchanges are furnished in Annexure II to the Notice.
- 9) In view of various advantages offered by the depository system, the members are requested to avail the facility of dematerialization of the Company's shares.
- 10) The members of the Company holding their shares in physical form or in dematerialized form, who have not registered their e-mail IDs and Mobile number with the Company or Depository Participant to receive documents like Notice, Annual Reports and alike correspondence through electronic mode, are requested to send their e-mail IDs and Mobile number either to the Company's id: cs@khil.com or Registrars and Transfer Agents or to Depository Participant.
- 11) Annual Reports 2014 are being sent by electronic mode only, to all the members whose email addresses are registered with the Company / Depository Participant, unless any member has requested for a physical copy of the same. Annual Reports 2014 are being sent by physical mode to those members who have not registered their email addresses with the Company.
- 12) The members are requested to handover the enclosed attendance slip duly signed as per their specimen signature(s) registered with the Company for admission to the meeting hall.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Share Transfer Agents M/s. Link Intime India Private Limited.
- 14) **EVOTING:**
I] Pursuant to Section 108 of the Companies Act, 2013 and in compliance with the provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreements, the Company is pleased to announce that all the business mentioned in the notice may be transacted through electronic voting system and the Company is providing facility by electronic means. E-voting is optional.

- II] For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Shareholders of the Company to cast their votes electronically.
- III] The Board of Directors of the Company has appointed M/s V.V. Chakradeo & Co., Practising Company Secretary, Mumbai to conduct and scrutinize the e-voting process in a fair and transparent manner.
- IV] Process and manner of voting:
- (a) In case of Shareholders receiving e-mail from NSDL:
- (i) Open e-mail and open PDF file viz; "KHIL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - (ii) In case any shareholder is already registered with NSDL for e-voting, then that shareholder can use the existing user ID and password for casting of vote and step no. (i) and (vi) be skipped.
 - (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>.
 - (iv) Click on Shareholder – Login
 - (v) Put user ID and password as mentioned in step (i) or (ii) above, as may be applicable. Click Login.
 - (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password.
 - (vii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (viii) Select "EVEN" (E-Voting Event Number) of Kamat Hotels (India) Limited.
 - (ix) Now you are ready for e-Voting as Cast Vote page opens.
 - (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xiii) Institutional shareholders (i.e. members other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail cs@khil.com with a copy marked to evoting@nsdl.co.in.
- (b) In case of Shareholders receiving PIN mailer by Post:
- (i) Initial password will be provided through a separate PIN Mailer.
 - (ii) Please follow steps (ii) to (xiii) above, to cast vote.
 - (iii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V] In case of any query, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsd.com> or contact NSDL at the following Telephone No.: 022 24994600.
- VI] The e-voting period commences on 1st September, 2014 (9.00 a.m) and ends on 3rd September, 2014 (5.00 p.m). At the end of the voting period, the portal where votes are cast shall forthwith be blocked.
- VII] M/s. V. V. Chakradeo & Co. Practising Company Secretary, Mumbai, the scrutinizer will, on 6th September, 2014 i.e within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against, if any and submit to Dr. Vithal V. Kamat, Executive Chairman and Managing Director of the Company.
- VIII] The results declared along with the scrutinizer's report shall be placed on the website of the company and on the website of the RTA or NSDL within two days of passing of the resolution at the 27th Annual general meeting.
- IX] Subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of the 27th Annual general meeting.

**By order of the Board of Directors
FOR KAMAT HOTELS (INDIA) LIMITED**

Place : Mumbai
Date: 9th August, 2014

**Mahesh Kandoi
Company Secretary**

ANNEXURE I TO THE NOTICE

EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4.

In order to make the Articles of Association of the Company in accordance with the relevant Sections under the Companies Act, 2013 and rules made thereunder, it is proposed to amend the existing Articles of Association of the Company by adopting a new set of Articles of Association of the Company. As per Section 14 of the Companies Act, 2013 the Company may alter its Articles of Association by passing a special resolution and hence resolution as set out at item No 4 of the accompanying Notice is proposed to be passed as a special resolution.

The Directors recommend the passing of the resolution set out at Item No. 4 of the accompanying Notice as a special resolution.

There is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

The Articles of Association of the Company are available for inspection by the members on all working days, except holidays at the registered office of the Company between 11.00 A.M. to 1.00 P.M. till 10th September, 2014. The new set of Articles of Association will also be placed before the 27th Annual General Meeting.

ITEM NO. 5.

The shareholders had, at the 24th Annual General Meeting held on 24th September, 2011, appointed Mr. Vikram V. Kamat as Executive Director of the Company for a period of 3 years from 1st October, 2011. The tenure of Mr. Vikram V. Kamat as Executive Director would be ending on 30th September, 2014.

The Board of Directors, at its meeting held on 28th May, 2014, approved the re-appointment of Mr. Vikram V. Kamat as Executive Director for a period of 3 years from 1st October, 2014 on the following terms and conditions, subject to approval of the Central Government and members in general meeting:

Remuneration

Subject to approval of the Central Government, remuneration to Mr. Vikram V. Kamat in the form of salary will be paid during the period from 1st October, 2014 to 30th September, 2017 as under:

Period	1 st October, 2014 to 30 th September, 2015	1 st October, 2015 to 30 th September, 2016	1 st October, 2016 to 30 th September, 2017
Actual monthly remuneration (In Rupees)	3,00,000	3,50,000	4,00,000

The remuneration payable to Mr. Vikram V. Kamat during the period from 1st October, 2015 to 30th September, 2017, may be increased, subject to the maximum monetary limit of ₹ 5,00,000/- per month, by the Board, on the recommendation of the Nomination and Remuneration Committee and with the approval of the Central Government, if required.

The following prerequisites shall not be included in the computation of the aforesaid ceiling on "remuneration":-

- Contributions to provident fund, superannuation fund or annuity fund to the extent these contributions, either singly or put together, are not taxable under the Income Tax Act, 1961.
- Gratuity payable as per the rules of the Company, so as not to exceed half month's salary for each completed year of service.
- Encashment of leave: As per the Company's Rules, at the end of the tenure.

Other prerequisites:

- Medical expenses upto ₹ 50,000/- per annum will be reimbursed. In addition, Mediclaim Coverage for self and family as per the rules of the Company will be available to Mr. Vikram V. Kamat.

ΩReimbursement of electricity charges.

- Telephone at actuals.
- Club fee: actuals for not exceeding one club.
- Leave travel allowance: As per the rules of the Company.
- Mr. Vikram V. Kamat will be entitled to all other staff benefits/ various staff welfare schemes as per the rules of the Company prevailing from time to time.

Other terms of appointment:

- As an Executive Director, Mr. Vikram V. Kamat shall, subject to the supervision and control of the Board of Directors and/or Executive Chairman and Managing Director, manage the business and affairs of the Company.
- Mr. Vikram V. Kamat will not be paid any fee for attending the meetings of the Board or any committee thereof.
- Mr. Vikram V. Kamat will be liable to retire by rotation.
- The appointment may be terminated at any time by either party giving to the other party three months notice of such termination and neither party will have any claim against the other for damages or compensation by reason of such termination. In any event, the appointee will not be entitled to any compensation in cases mentioned in Section 202 of the Companies Act, 2013.
- Notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule V of the Companies Act, 2013 or remuneration as approved by the Central Government and as may be decided by the Board of Directors of the Company.
- Tenure: 1-10-2014 to 30-09-2017.

The above terms and conditions may be treated as written memorandum under Section 190 of the Companies Act, 2013.

The Directors recommend the passing of the resolution set out at Item No. 5 of the accompanying Notice as a special resolution.

Except Dr. Vithal V. Kamat, Executive Chairman and Managing Director and Mr. Vishal V. Kamat, Chief Executive Officer, Fort Jadhavgad, a unit of the Company and their relatives there is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

STATEMENT PURSUANT TO POINT (iv) OF SECOND PROVISOR OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT OF RESOLUTION AT ITEM NO. 5.

I. GENERAL INFORMATION:

- (1) The nature of the industry : Hotels and Hospitality.
- (2) Date or expected date of commencement of commercial production: The Company was incorporated on 21st March, 1986 and has been in business of hotels and hospitality since inception.
- (3) The financial performance of the Company based on given indicator is as under:

	₹ in Lakhs	
	Current year 2013-14	Previous year 2012-13
Turnover	15,679.06	16,287.26
Profit	(23,260.69)	(566.39)
Dividend	-	-

- (4) Foreign investments or collaborations: The Company has no exports, foreign collaborations or foreign investments (except foreign exchange earnings from hotel guests).

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background Details:

Mr. Vikram V. Kamat was appointed as a Director of the Company with effect from 22nd July, 2006. Subsequently, he was appointed as Executive Director of the Company with effect from 1st October, 2008 for a period of three years which was later renewed for a period of three years with effect from 1st October, 2011.

Mr. Vikram V. Kamat is a Science graduate (BSc) with specialization in Hotel Management from the Institute of Hotel Management, Catering Technology and Applied Nutrition (IHMCATAN), Mumbai. He has expertise in managing the operations of the Company and has been closely associated with the Company from past several years.

- (2) Past Remuneration:

The remuneration to Mr. Vikram V. Kamat during the period from 1st October, 2011 to 30th September, 2014 was determined by the Board of Directors on the recommendation of Nomination and Remuneration Committee (formerly known as Remuneration Committee) within the maximum monetary limit approved by the shareholders by Special Resolution passed on 24th September, 2011. Following are the details of the remuneration paid in the past to Mr. Vikram V. Kamat:

Sr. No.	Financial Years	Amount (In Rupees)
1	2013-2014	30,00,000/-
2	2012-2013	30,00,000/-
3	2011-2012	25,80,000/-

(3) Recognition or awards:

He was awarded Gold Medal in Hospitality in 2006 from Indira Gandhi National open University.

(4) Job Profile and his suitability:

Mr. Vikram V. Kamat is associated with the Company for about eight years and he is managing and looking after finance, sales, operation and corporate affairs of the Company.

He is proficient in the hospitality related business which suits the need of the Company well.

(5) Remuneration Proposed:

The remuneration proposed to be paid during the tenure of his re-appointment is detailed hereinabove under explanatory statement.

(6) Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person:

The proposed salary and other perquisites to Mr. Vikram V. Kamat is parallel and alike to remuneration of executives occupying similar posts in other companies in hotels and hospitality related business.

(7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any :

Except the remuneration and perquisites as stated above, shareholding of Mr. Vikram V. Kamat in the Company and his relation with Dr. Vithal V. Kamat, Executive Chairman and Managing Director of the Company, Mr. Vishal V. Kamat, Chief Executive Officer, Fort Jadhavgad, a unit of the Company, he has no other direct or indirect pecuniary relationship with the Company.

III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits:

The overall hotels and hospitality sector in the country is facing tough time. There has been substantial increase in the input cost including power, electricity, man power etc. whereas the ARR's are subdued due to pressure of competition, demand and supply disparity, cost cutting measures by corporates etc. There has been pressure in the occupancy rates also. This has adversely affected the business and the profitability of the Company. Further, due to high debts of the Company the burden of repayment of loan and interest thereon has contributed to loss and has caused severe cash crunch.

(2) Steps taken or proposed to be taken for improvement:

Various cost cutting measures are implemented by the Company to reduce the expenses. Further, for reducing debts and improving the cash flow, the Company has been undertaking continuous efforts to sell its non strategic assets.

(3) Expected increase in productivity and profits:

The profit of the Company is likely to remain inadequate for payment of managerial remuneration for few years. High debt and interest burden can be categorized as major internal factors for losses.

IV. DISCLOSURES:

The required, disclosures are mentioned in Annexure 'D' Corporate Governance.

ITEM NO. 6

Mrs. Rajyalakshmi Rao is B. Com., M.B.A. (Marketing) and M. S. (Advertising) from University of Illinois-Urbana Champaign (U. S. A.). She was a member of National Commission for Consumer Grievances Redressal, India and is a contributory to the cause of consumers. She has also been a member of various academic organizations.

Mrs. Rajyalakshmi Rao is holding office of Independent Director in the Company since 22nd January, 2005. She is proposed to be re-appointed as an Independent Director of the Company. Her association with the Company has benefited to the Company.

As per Section 149(10) of the Companies Act, 2013 which became effective from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but is eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. As per explanation to Section 149(10) of the Companies Act, 2013, any tenure of independent director on the date of commencement of the Companies Act, 2013, that is, 1st April, 2014, shall not be counted as "term".

As per Section 152(4) of the Companies Act, 2013, Mrs. Rajyalakshmi Rao has, vide letter dated 28th May, 2014, furnished her Director Identification Number and declared that she is not disqualified to become Director under the Companies Act, 2013.

The Board opines that Mrs. Rajyalakshmi Rao fulfils the conditions for appointment of Independent Director specified in the Companies Act, 2013 and rules made there under and that she is independent of the management of the Company.

The terms and conditions of appointment of Mrs. Rajyalakshmi Rao is available for inspection by the members on all working days, except holidays at the registered office of the Company between 11.00 A.M. to 1.00 P.M. till 10th September, 2014.

The Directors recommend the passing of the resolution set out at Item No. 6 of the accompanying Notice as a special resolution.

Except Mrs. Rajyalakshmi Rao, there is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

ITEM NO. 7

Mr. Rohhan A. Divanji is B.E.- Automobile and is an ardent entrepreneur with extensive product and e-commerce experience to his credit. From building sports data applications for web and mobile for global clients, he is one of the pioneers in the Indian e-commerce space. His forward thinking approach and ability to innovate are his key strengths.

Mr. Rohhan A. Divanji was appointed as an Additional Director by the Board of Directors of the Company with effect from 9th August, 2014 pursuant to Section 161 of the Companies Act, 2013. As per Section 161 of the Companies Act, 2013, he holds the office of Director upto the date of the forthcoming 27th Annual General Meeting.

As per Section 149(10) of the Companies Act, 2013 which became effective from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but is eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. As per explanation to the Section 149(10) of the Companies Act, 2013, any tenure of independent director on the date of commencement of the Companies Act, 2013, that is, 1st April, 2014, shall not be counted as "term".

The Company has received a notice in writing along with requisite security deposit from a member proposing the candidature of Mr. Rohhan A. Divanji as an Independent Director of the Company under the provisions of Section 160 of the Companies Act, 2013. As per Section 152(4) of the Companies Act, 2013, Mr. Rohhan A. Divanji has, vide letter dated 9th August, 2014, furnished his Director Identification Number and declared that he is not disqualified to become a Director under the Companies Act, 2013.

The Board opines that Mr. Rohhan A. Divanji fulfils the conditions for appointment of Independent Director specified in the Companies Act, 2013 and rules made there under and that he is independent of the management of the Company.

The terms and conditions of appointment of Mr. Rohhan A. Divanji is available for inspection by the members on all working days, except holidays at the registered office of the Company between 11.00 A.M. to 1.00 P.M. till 10th September, 2014.

The Directors recommend the passing of the resolution set out at Item No. 7 of the accompanying Notice as special resolution.

Except Mr. Rohhan A. Divanji there is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

ITEM NO. 8.

Mr. Dinkar D. Jadhav is B.Sc. with Physics and Mathematics and has done diploma in Business Management. He has experience of working with Shipping Master Port of Calcutta, Semens Employment Office as Dy. Director, Ward Officer of Bombay Municipal Corporation, Municipal Corporation of Greater Bombay as Dy. Municipal Commissioner. He is presently working as Chairman, Senior Level Grievances Redressal Committee, MMRDA and as Chief Project Advisor in NGO called SEWA.

Mr. Dinkar D. Jadhav was appointed as an Additional Director of the Company by the Board at its meeting held on 21st September, 2013 pursuant to Section 260 of the Companies Act, 1956 to hold the office as an Independent Director. As per Section 260 of the Companies Act, 1956 and Section 161 of the Companies Act, 2013, he holds the office of Director upto the date of the forthcoming 27th Annual General Meeting.

The Company has received a notice in writing along with the requisite security deposit under the provisions of Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Dinkar D. Jadhav as an Independent Director of the Company. As per Section 152(4) of the Companies Act, 2013, Mr. Dinkar D. Jadhav has, vide letter dated 28th May, 2014, furnished his Director Identification Number and declared that he is not disqualified to become a Director under Companies Act, 2013.

The Board opines that Mr. Dinkar D. Jadhav fulfils the conditions for appointment of Independent Director specified in the Companies Act, 2013 and rules made there under and that he is independent of the management of the Company.

The terms and conditions of appointment of Mr. Dinkar D. Jadhav is available for inspection by the members on all working days, except holidays at the registered office of the Company between 11.00 A.M. to 1.00 P.M. till 10th September, 2014.

The Directors recommend the passing of the resolution set out at Item No. 8 of the accompanying Notice as a special resolution.

Except Mr. Dinkar D. Jadhav, there is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

ITEM NO. 9.

The Company has paid remuneration to Dr. Vithal V. Kamat for the period from 1st April, 2013 to 31st March, 2014 as per the recommendation of the Nomination and Remuneration Committee (formerly known as Remuneration Committee) and as approved by the Board of Directors and shareholders of the Company.

However, during the financial year 2013-2014 the Company has incurred loss.

As far as remuneration paid to Dr. Vithal V. Kamat during the period from 1st October, 2013 to 31st March, 2014 is concerned, the same is already approved by the Central Government vide its letter No. B85479178 / 3 / 2013 - CL-VII dated 10th January, 2014 in response to the application of the Company seeking approval for re-appointment of Dr. Vithal V. Kamat as Executive Chairman and Managing Director for a period of 3 years w.e.f 1st October, 2013 and payment of remuneration to him for the said period of 3 years as per the terms and conditions approved by the members by special resolution passed at the 26th Annual General Meeting held on 21st September, 2013.

Hence remuneration of ₹ 24,71,541/- paid to Dr. Vithal V. Kamat for the period from 1st April, 2013 to 30th September, 2013 was in excess of the limits laid down under the provisions of Section 198, 309 and Schedule XIII of the Companies Act, 1956 and is liable to be refunded to the

Company unless permission of the Central Government for waiver of recovery of excess remuneration under Section 197(10) of the Companies Act, 2013 is obtained.

The Board of Directors at its meeting held on 28th May, 2014, has given its approval to make an application to the Central Government under Section 197(10) of the Companies Act, 2013 for waiver of recovery of excess remuneration paid to Dr. Vithal V. Kamat for the period from 1st April, 2013 to 30th September, 2013.

The Directors recommend the passing of the resolution set out at Item No. 9 of the accompanying Notice as a special resolution.

Except Dr. Vithal V. Kamat, Executive Chairman and Managing Director, Mr. Vikram V. Kamat, Executive Director and Mr. Vishal V. Kamat, Chief Executive Officer, Fort Jadhavgadh, a unit of the Company and their relatives there is no concern or interest, financial or otherwise of any other director, key managerial personnel of the Company or their relatives in respect of the said resolution.

ITEM NO. 10.

The Central Government has, vide notification dated 12th September, 2013, notified, inter alia, Section 180 of the Companies Act, 2013.

As per Section 180 (1) (c) of the Companies Act, 2013 effective from 12th September, 2013, the Board of Directors should exercise, inter alia, the power to borrow money, where the money to be borrowed, together with the money already borrowed by the company exceeds aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business only with the consent of the Company by **SPECIAL RESOLUTION.**

The members had, through postal ballot, result of which was declared on 30th December, 2008, passed an **ORDINARY RESOLUTION** to authorise the Board of Directors pursuant to Section 293 (1) (d) of the Companies Act, 1956 to borrow moneys in excess of the company's aggregate paid up capital and free reserves subject, however, to a maximum limit of ₹ 1,000 crores (Rupees One Thousand Crores).

The Central Government has, vide general circular dated 25th March, 2014, given clarification with regard to applicability of Section 180 of the Companies Act, 2013. The Central Government has clarified, by the said circular, that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) will be regarded as sufficient compliance of the requirements of section 180 of the Companies Act, 2013 for a period of one year from the date of notification of section 180 of the Act.

Hence, resolution at Item No. 10 of the accompanying notice is proposed to be passed as a **SPECIAL RESOLUTION** giving consent of the Company to the Board of Directors of the Company to borrow monies exceeding its aggregate paid up share capital and free reserves as mentioned in Section 180 (1) (c) of the Companies Act, 2013.

The directors recommend the passing of the resolution set out at Item No. 10 of the accompanying Notice as a special resolution.

There is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

ITEM NO. 11.

The shareholders had, at the 26th Annual General Meeting held on 21st September, 2013, accorded their consent by special resolution for appointment of Mr. Vishal V. Kamat, a relative of Directors of the Company, to hold office or place of profit as the Chief Executive Officer (CEO) of Fort Jadhavgadh, a Heritage Hotel, at Saswad Pune, a unit of the Company with effect from 1st December, 2012 on a monthly gross salary of ₹ 1,00,000/- per month with power to the Board for alteration in the terms of appointment including remuneration subject to the ceiling prescribed in Section 314 of the Companies Act, 1956.

As per the recommendation of the Nomination and Remuneration Committee and decision of the Board of Directors of the Company taken at its meeting held on 28th May, 2014, monthly gross salary payable to Mr. Vishal V. Kamat is increased to ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) w.e.f 1st April, 2014 which is as per the terms of Special Resolution passed by the Shareholder on 21st September, 2013.

As per the general circular no. 32/2014 dated 23rd July, 2014 issued by the Ministry of Corporate Affairs, it is proposed to obtain your approval for the appointment of Mr. Vishal V. Kamat to office or place of profit and payment of remuneration as mentioned in resolution at Item No. 11 of the accompanying notice.

The particulars required under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 of related party transactions for which shareholders' approval is sought are as follows:

Particulars	
(a) name of the related party:	Mr. Vishal V. Kamat
(b) name of the director or key managerial personnel who is related, if any:	Dr. Vithal V. Kamat and Mr. Vikram V. Kamat
(c) nature of relationship:	Dr. Vithal V. Kamat – Father Mr. Vikram V. Kamat – Brother
(d) nature, material terms, monetary value and particulars of the contract or arrangement:	Payment of monthly gross salary of ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per month w.e.f 1 st April, 2014 other statutory benefits such as P.F., ESIC, Gratuity, Leave, Medclaim and Personal Accident Policy etc., Leave Travel Allowance of ₹ 15,000/- per annum to Mr. Vishal V. Kamat, a related party who holds office or place of profit as the Chief Executive Officer of Fort Jadhavgadh, a Heritage Hotel, at Saswad Pune, unit of the Company.
(e) any other information relevant or important for the members to take a decision on the proposed resolution:	-

The letter of appointment of Mr. Vishal V. Kamat is available for inspection by the members on all working days, except holidays at the registered office of the Company between 11.00 A.M. to 1.00 P.M. till 10th September, 2014.

The Directors recommend the passing of the resolution set out at Item No. 11 of the accompanying Notice as a special resolution.

Except Dr. Vithal V. Kamat, Executive Chairman and Managing Director and Mr. Vikram V. Kamat, Executive Director and their relatives, there is no concern or interest, financial or otherwise of any other director, key managerial personnel of the Company or their relatives in respect of the said resolution.

ANNEXURE II TO THE NOTICE

As required under Clause 49 (IV) (G) (i) of the Listing Agreements, a brief profile of the Directors seeking re-appointment is as follows:

1. Name: **Mr. Vikram V. Kamat**

Mr. Vikram V. Kamat is a science graduate (B.Sc) and has completed his Hotel Management course from the Institute of Hotel Management, Catering Technology and Applied Nutrition (IHMCATAN), Mumbai. He joined the Company as an Additional Director of the Company with effect from 22nd July, 2006. He has expertise in management of the Company and Hotel Industry.

Directorships held in other companies:

Green Dot Restaurants Pvt. Ltd., Kamats Holiday Resorts (Silvassa) Ltd., Orchid Hotels Pune Pvt. Ltd., Vishal Amusements Ltd., Indira Investments Pvt. Ltd., Kamat Holdings Pvt. Ltd., Kamats Club Pvt. Ltd., Kamats Development Pvt. Ltd., Kamats Eateries Pvt. Ltd., Kamats Super Snacks Pvt. Ltd., Kamburger Foods Pvt. Ltd., Karaoke Amusements Pvt. Ltd. and Venketesh Hotels Pvt. Ltd.

Audit Committee Membership in other Companies-NIL, Stakeholders Relationship Committee Membership in other Companies-NIL, Nomination and Remuneration Committee Membership in other Companies-NIL, Shareholding in Kamat Hotels (India) Limited -500 shares.

2. Name: **Mrs. Rajyalakshmi Rao**

Mrs. Rajyalakshmi Rao is B. Com., M.B.A. (Marketing) and M. S. (Advertising) from University of Illinois-Urbana Champaign (U. S. A.). She was a member of National Commission for Consumer Grievances Redressal, India and is a contributory to the cause of consumers. She has also been a member of various academic organizations.

Directorships held in other Companies:

Rewas Ports Ltd., Satyam Computer Services Ltd., Tech Mahindra Ltd., Aon Global Insurance Brokers Pvt. Ltd.

Audit Committee Membership in other companies

NIL

Stakeholders Relationship Committee Membership in other public limited companies

NIL

Shareholding in Kamat Hotels (India) Ltd.

NIL

3. Name: **Mr. Rohhan A. Divanji**

Mr. Rohhan A. Divanji is B.E.- Automobile and is an ardent entrepreneur with extensive product and e-commerce experience to his credit. From building sports data applications for web and mobile for global clients, he is one of the pioneers in the Indian e-commerce space. His forward thinking approach and ability to innovate are his key strengths.

Directorships held in other Companies: FSY Designs Private Limited

Audit Committee Membership in other public limited companies : NIL

Stakeholders Relationship Committee Membership in other public limited companies : NIL

Shareholding in Kamat Hotels (India) Ltd. : NIL

4. Name: **Mr. Dinkar D. Jadhav**

Mr. Dinkar D. Jadhav is B. S. C with Physics and Mathematics and has done diploma in Business Management. He has experience of working with Shipping Master Port of Calcutta, Semens Employment Office as Dy. Director, Ward Officer of Bombay Municipal Corporation, Municipal Corporation of Greater Bombay as Dy. Municipal Commissioner. He is presently working as Chairman, Senior Level Grievances Redressal Committee, MMRDA and as Chief Project Advisor in NGO called SEWA.

Directorships held in other companies:

Kamats Holiday Resorts (Silvassa) Limited, Orchid Hotels Pune Pvt. Ltd

Audit Committee Membership in other companies –NIL, Stakeholders Relationship Committee Membership in other companies-NIL, Nomination and Remuneration Committee Membership in other companies-NIL Shareholding in Kamat Hotels (India) Ltd.- NIL.