



**Gujarat Hotels Limited**



**REPORT AND ACCOUNTS 2015**





Executive Club Exclusive room



Pool Side View



# GUJARAT HOTELS LIMITED

## CONTENTS

Board of Directors & Committees	2
Notice of Annual General Meeting	3
Your Directors	7
Report of the Board of Directors & Management Discussion and Analysis	10
Annexures to the Report of the Board of Directors & Management Discussion and Analysis	
Remuneration Policy	16
Secretarial Audit Report	17
Form AOC - 2	19
Report on Corporate Governance	20
Shareholder Information	26
Extract of Annual Return	31
Information u/s 197(12) of the Companies Act, 2013	40
CEO & CFO Certification	41
Balance Sheet	42
Statement of Profit and Loss	43
Cash Flow Statement	44
Notes to the Financial Statements	45
Report of the Auditors	56



# 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

Arun Pathak

## BOARD COMMITTEES

### Audit Committee

Rohit C Mehta	Chairman
C K Koshy	Member
M Narayanan	Member
Arun Pathak	Member
Chief Financial Officer	Invitee
Statutory Auditors	Invitee

### Nominations and Remuneration Committee

C K Koshy	Chairman
Nakul Anand	Member
Rohit C Mehta	Member
M Narayanan	Member
Arun Pathak	Member

### Stakeholders Relationship Committee

Arun Pathak	Chairman
D R Choudhury	Member

### Chief Executive Officer

Raghunathan Murali

### Chief Financial Officer

Rohan Singh

### Company Secretary

Deepak Kumar Gulati

### Registered Office

WelcomHotel Vadodara

R C Dutt Road, Alkapuri

Vadodara - 390 007

Tel : 0265-2330033

www.gujarathotelsltd.in

CIN : L55100GJ1982PLC005408

### Auditors

Talati & Talati

Chartered Accountants

Vadodara

### Registrars & Share Transfer Agents

MCS Share Transfer Agent Limited

10, Aram Apartment

12, Sampatrao Colony

Alkapuri, Vadodara - 390 007

Tel : 0265-2339397



# GUJARAT HOTELS LIMITED



## 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

**NOTICE IS HEREBY GIVEN** that the Thirty Third 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 29th day of September, 2015 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, 2015, and the Reports of the Board of Directors and the Auditors.
2. To declare dividend for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Mr Nakul Anand (DIN: 00022279), who retires by rotation and, being eligible, offers himself for re-election.
4. To consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:-

“Resolved that pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013, 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-Fourth 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 2015-16 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 which will be proposed as an Ordinary Resolution:-

“Resolved that Ms Devkanya Roy Choudhury (DIN: 07066556) be and is hereby appointed as 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 Tuesday, 22nd September, 2015 to Tuesday, 29th September, 2015, both days inclusive. Share Transfers received in order at the Company's Registrars and Share Transfer Agents, Messrs MCS Share Transfer Agent Limited, 10, Aram Apartment, 12, Sampatrao Colony, Alkapuri, Vadodara - 390 007 by 5:30 pm on Monday, 21st September, 2015, will be processed for payment of dividend, if declared, to the transferees or to their mandatees and the dividend, if declared, will be paid on Thursday, 8th October, 2015 to those Members entitled thereto and whose names will appear on the Register of Members of the Company on 29th September, 2015, or to their mandatees, subject however to the provisions of Section 126 of the Companies Act, 2013. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 21st September, 2015 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  
Dated : 22nd July, 2015

D K Gulati  
Company Secretary

### 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 27th September, 2015.



# GUJARAT HOTELS LIMITED

## NOTICE OF 33RD ANNUAL GENERAL MEETING

2. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM is annexed.
3. 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, authorising their representative to attend and vote at the AGM.
4. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended by the Board of Directors for appointment / re-appointment at this AGM is appearing in the Report and Accounts.

Mr Nakul Anand, Chairman and Non-Executive Director, holds 200 shares in the Company; no other person holds any share in the Company for him on a beneficial basis. Ms Devkanya Roy Choudhury does not hold any share in the Company nor does any other person holds any share in the Company for her on a beneficial basis.

5. Unclaimed dividend for the financial year ended 31st March, 2008, will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF') on 28th August, 2015, 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 dividend, it will not be possible to entertain claims received by the Company after 26th August, 2015.

Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2008 or any subsequent financial year(s), are requested to lodge their claims with the Company.

6. 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).
7. Members are requested to bring their admission slips alongwith the copy of the Report and Accounts to the AGM Venue. Duplicate admission slips and / or copies of the Report and Accounts will not be provided at the AGM venue.
8. Members who wish to obtain information on the Company or view the Financial Statements for the financial year ended 31st March, 2015, may visit

the Company's website or send their queries at least 10 days before the AGM to the Company Secretary at the Registered Office of the Company.

9. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions proposed 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 Company has engaged the services of NSDL.
10. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on **22nd September, 2015 (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.
11. A person in receipt of this Notice who is not a Member of the Company as on **22nd September, 2015 (cut-off date)** shall treat this Notice for information purposes only and shall not be eligible to attend or vote.
12. 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 prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again. The Board of Directors of the Company has appointed Mr Hemang M Mehta (Membership No.: F4965), Proprietor, H M Mehta & Associates, Company Secretaries, as the Scrutinizer to scrutinize the process of remote e-voting and voting through ballot paper at the AGM.
13. Route map to the venue of the AGM is attached with this Notice.

The procedure with respect to remote e-voting is provided below:

- A. **In case of Members who receive the Notice in electronic mode:**
  - (a) Open the e-mail and the PDF file viz. '**GHL e-voting.pdf**' with your Client ID No. or Folio





# GUJARAT HOTELS LIMITED

## NOTICE OF 33RD ANNUAL GENERAL MEETING

No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

- (b) Launch internet browser by typing the URL: **<https://www.evoting.nsdl.com/>** and click on **'Shareholder - Login'**.
- (c) Insert user ID and password as initial password stated in (a) above. Click on **'Login'**.
- (d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits / characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.
- (e) Home page of remote e-voting opens. Click on **'e-voting: Active Evoting Cycles'** and select the Electronic Voting Event Number (EVEN) of Gujarat Hotels Limited.
- (f) Now you are ready for remote e-voting as **'Cast Vote'** page opens.
- (g) Cast your vote by selecting appropriate option and click on **'Submit'**. Thereafter click on **'Confirm'** when prompted; upon confirmation, the message **'Vote cast successfully'** will be displayed.
- (h) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (i) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF / JPG format) of the relevant Board Resolution / appropriate authorisation, to the Scrutinizer through e-mail at **[ghlscrutinizer@gmail.com](mailto:ghlscrutinizer@gmail.com)** with a copy marked to NSDL's e-mail ID **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**.

### B. In case of Members who receive the Notice by post:

- (a) User ID and initial password is provided with the Report and Accounts.

- (b) Please follow the steps from Sl. Nos. (b) to (i) mentioned in (A) above, to cast your vote.

### C. Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login. Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (A) above, to cast your vote.

If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. : 1800-222-990.

- D. Those who become Members of the Company after despatch of the AGM Notice but on or before **22nd September, 2015 (cut-off date)** may write to NSDL at **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)** or to the Company at **[ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in)** requesting for User ID and password. On receipt of user ID and password, the steps from Sl. Nos. (b) to (i) mentioned in (A) above should be followed for casting of vote. However, those Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login.

- E. In case of any queries, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com). or call on toll free no.: 1800-222-990. You may also address your queries / grievances relating to remote e-voting or voting at the meeting to Mr D K Gulati, the Company Secretary of the Company at e-mail ID **[ghlinvestors@yahoo.co.in](mailto:ghlinvestors@yahoo.co.in)**.

- F. **The period for remote e-voting starts at 9.00 a.m. on Friday, 25th September, 2015 and ends at 5.00 p.m. on Monday, 28th September, 2015.** Remote e-voting will be blocked by NSDL at 5.00 p.m. on 28th September, 2015.

### G. General Information

- (a) Every Client ID No. / Folio No. will have one vote, irrespective of the number of joint holders.
- (b) **The Results of the voting will be declared within 48 hours from the conclusion of the**



# GUJARAT HOTELS LIMITED

## NOTICE OF 33RD ANNUAL GENERAL MEETING

**AGM and the resolutions proposed thereat 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 'Financial Reports' and on the website of NSDL; such Results will also be forwarded to the Stock Exchanges where the Company's shares are listed.

### EXPLANATORY STATEMENT

Annexed to the Notice convening the Thirty Third Annual General Meeting to be held on Tuesday, 29th September, 2015.

#### Item 5

Ms Devkanya Roy Choudhury was appointed as an Additional Director of the Company with effect from 19th January, 2015 in terms of Section 161(1) of the Companies Act, 2013 ('the Act') and vacates office at the AGM. Due notice under Section 160 of the Act has been received from Ms Choudhury proposing her candidature for appointment as a Director of the Company. Requisite consent pursuant to

Section 152(5) of the Act has been filed by Ms Choudhury to act as a Director, if appointed.

Brief resume of Ms Choudhury including her age, qualification, experience and other Directorships, Memberships / Chairmanship of Committees of other Boards is provided under the Section 'Your Directors' in the Report and Accounts.

Ms Choudhury is not in receipt of any remuneration from the Company. She neither holds any share in the Company nor is she related to any Director or Key Managerial Personnel of the Company.

Ms Choudhury is interested in the Resolution relating to her appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

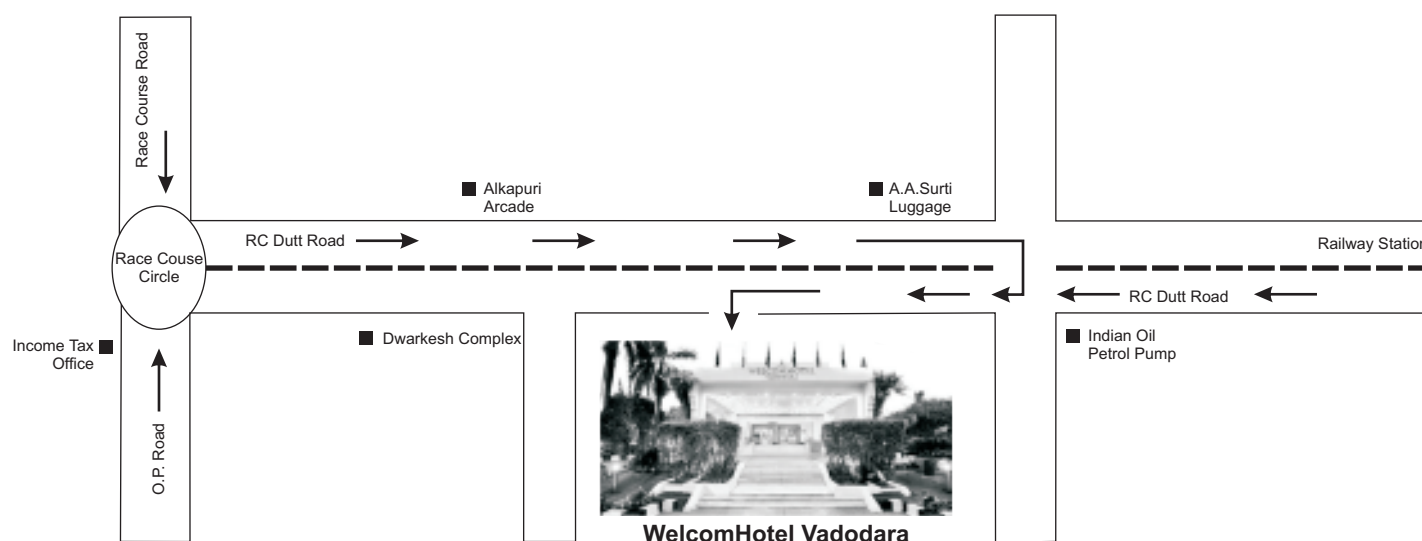
The Board recommends this Resolution for your approval.

By Order of the Board  
Gujarat Hotels Limited

Place : New Delhi  
Dated: 22nd July, 2015

D K Gulati  
Company Secretary

## ROUTE MAP







# GUJARAT HOTELS LIMITED

## YOUR DIRECTORS

### Nakul Anand

Nakul Anand (58), 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 over three 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 CII National Tourism Committee as well as of the Federation of Associations in Indian Tourism & Hospitality. Anand is a past President of the Hotel Association of India.

### 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
Adyar Gate Hotels Limited	Director

**Committee Membership of other Companies:** Nil

### Cheruvettolil Kochukoshy Koshy

C K Koshy (70), 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 started in the Indian Administrative Service in 1968 from the Gujarat Cadre and superannuated in February 2005.

In a long career spanning over 39 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, Principal Secretary to the Chief Minister and Joint Secretary & Financial Advisor to the Department of Atomic Energy, Government of India. He also served as Managing Director of the Tourism Corporation of Gujarat, Sardar Sarovar Narmada Nigam, Gujarat State Small Industries Corporation and Girinar Scooter Limited, Joint Managing Director of the Gujarat Industrial Investment Corporation and Chairman of Gujarat State Petroleum Corporation Limited, Gujarat Petronet Limited and Gujarat Energy Research and Management Institute.

He also served as Executive Director of Nuclear Power Corporation of India Limited. He is currently Professor Emeritus in the faculty of Planning and Public Policy at CEPT University and an advisor to both Indian School of Petroleum and Energy, New Delhi and University of Petroleum and Energy Studies, Dehradun.

### Other Directorships

Name of the Company	Position
Sanmarg Projects Private Limited	Director

**Committee Membership of other Companies:** Nil

### Rohitbhai Chinubhai Mehta

Rohit C Mehta (84), 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



# GUJARAT HOTELS LIMITED

## YOUR DIRECTORS

business and industry. He was the President of Federation of Indian Chambers of Commerce and Industry and had 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
Torrent Cables Limited	Chairman & Director
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
GRUH Finance Limited	Audit Committee	Member
Torrent Cables Limited	Audit Committee	Member

### Mahalinga Narayanan

M Narayanan (70), 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 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 incharge 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

### Committee Membership of other Companies

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

### Arun Pathak

Arun Pathak (55), DIN: 00502850, was appointed as a Director of the Company on 8th August, 2012. A Commerce graduate with Honours from Delhi University and a merit list rank holder in Chartered Accountancy, Pathak joined ITC Limited in the year 1983. He has varied experience and handled