

**23rd  
ANNUAL  
REPORT  
2007-2008**

Report  junction.com



**Gujarat JHM Hotels Limited**



## Gujarat JHM Hotels Limited

### BOARD OF DIRECTORS

|                         |  |
|-------------------------|--|
| Shri D. P. Rama         | <i>Managing Director (upto 15-11-2007)</i> |
| Shri D. J. Patel        | <i>(upto 03-08-2007)</i>                   |
| Shri H. P. Rama         | <i>Chairman (w.e.f. 31-01-2008)</i>        |
| Shri U. M. Patel        |  |
| Shri D. C. Gami         |  |
| Shri K. S. Gandhi       | <i>Alternate to Shri H. P. Rama</i>        |
| Shri Jimmy Patalwala    |  |
| Shri Sanjiv Shah        |  |
| Shri Vinay M. Rama      | <i>Executive Director</i>                  |
| Shri Manhar P. Rama     | <i>(w.e.f. 01-02-2008)</i>                 |
| Shri Dharmendra J. Rama | <i>(w.e.f. 01-02-2008)</i>                 |

### AUDITORS

#### **Rajendra & Co.**

Chartered Accountants, Member, Polaris International  
1311, Dalamal Towers,  
Free Press Journal Road,  
Nariman Point,  
MUMBAI - 400 021.

### BANKERS

State Bank of Saurashtra  
Citi Bank  
HDFC Bank

### 23RD ANNUAL GENERAL MEETING

On Wednesday, the 16th July, 2008  
Mahida Bhavan, Opp. SVR College,  
Dumas Road, Piplod, Surat,  
at 9.30 a.m.

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**Shareholders are requested to bring their copy of the Annual Report  
alongwith them at the Annual General Meeting, as copies of the report  
will not be distributed at the meeting.**



## Gujarat JHM Hotels Limited

## NOTICE

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting of the members of GUJARAT JHM HOTELS LIMITED will be held on Wednesday, the 16<sup>th</sup> day of July, 2008 at 09.30 am at the Mahida Bhavan, Opp: SVR College, Piplod, SURAT – 395 007 to transact the following business.

## ORDINARY BUSINESS :

01. To review, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2008 and Profit and Loss Account for the year ended on that date and the Reports of Auditors and Directors thereon.
02. To appoint a Director in place of Shri U M Patel who retires by rotation and being eligible offers himself for reappointment.
03. To appoint a Director in place of Shri D C Gami who retires by rotation and being eligible offers himself for reappointment.
04. To appoint auditors to hold office from the conclusion of the 23<sup>rd</sup> Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration and in connection therewith to pass the following resolution with or without modifications as an Ordinary Resolution.  
 "RESOLVED THAT the retiring Auditors M/s. Rajendra & Co., Chartered Accounts be and are hereby reappointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the company on such remuneration as may be determined by the Board of Directors of the Company."

## SPECIAL BUSINESS:

05. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :  
 "RESOLVED THAT pursuant to the provisions of Section 257, 260 and other applicable provisions of the Companies Act, 1956 Shri Manhar Rama appointed as additional director, be and is hereby appointed as Director of the company liable to retire by rotation."
06. To consider and if though fit, to pass with or without modifications, the following resolution as a Ordinary Resolution:  
 "RESOLVED THAT pursuant to the provisions of Section 257, 260 and other applicable provisions of the Companies Act, 1956 Shri Dharmendra Rama appointed as additional director, be and is hereby appointed as Director of the company liable to retire by rotation."
07. To consider and if though fit, to pass with or without modifications, the following resolution as a **Special Resolution** :  
 "RESOLVED THAT the consent of the Company be and is hereby accorded to delist the equity shares of the Company from Bombay Stock Exchange Ltd pursuant to the delisting offer proposed to be made by JHM Hotels LLC in terms of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003. **RESOLVED FURTHER** THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof), be and is hereby authorised to do all such acts / deeds, matters and things and give such directions as the Board in its absolute discretion may deem necessary or expedient for delisting of the equity shares of the Company from the aforesaid stock exchange and for this purpose to delegate the authority duly vested in it by virtue hereof to any other persons whom the Board may consider suitable, to do the various acts, deeds and things required to be done in this behalf".

Registered Office :  
 Gateway Hotel at Athwa Lines  
 Near Bharti Park, Ambicaniketan  
 Surat 395007

Date : 27/05/2008

Place : Surat

By Order of the Board  
 For GUJARAT JHM HOTELS LIMITED

JIMMY S. PATALWALA  
 DIRECTOR

## NOTES :

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF THE MEMBER. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
02. The explanatory statement pursuant to provisions of section 173 (2) of the Companies Act, 1956 in respect of Special Business is enclosed.
03. Members/Proxies should bring the attendance slip duly filled in or meeting and members may please bring their copies of the annual report to the meeting as no copies will be distributed again in the meeting.



## Gujarat JHM Hotels Limited

04. Company is having In-house share transfer department. Hence, Members are requested to do all future correspondence at the registered office of the Company.
05. Members desiring any additional information concerning accounts are requested to write to Mr. Nayan Banker – Financial Controller, seven days in advance of the meeting.
06. The Register of Members and Share Transfer Books of the company will remain closed from, Monday the 9<sup>th</sup> June 2008 till Monday the 16<sup>th</sup> June 2008 (both days inclusive).

### ***Explanatory Statement pursuant to provisions at Section 173 (2) of the Companies Act, 1956 in respect of Special Business***

#### **Item No. 5**

Your Board of Directors has appointed Shri Manhar Rama as Additional Director of the Company from 1<sup>st</sup> February, 2008 at the meeting of the Board of Directors held on 31<sup>st</sup> January, 2008 pursuant to the provisions of Section 260 of Companies Act 1956. Accordingly, Shri Manhar Rama shall hold office of Director for a term of upto the conclusion of this Annual General Meeting. The Company has received a notice under Section 257 of Companies Act, 1956 from a member specifying his intention to propose the name of Shri Manhar Rama as Director of the Company at the Annual General Meeting.

The particulars in respect of the directors seeking appointment or reappointment are listed in the Section 5B of the Corporate Governance attached to this report and forming part of this report.

Except Shri H P Rama, Shri Dharmendra Rama and Shri Vinay M Rama, no other Directors of the Company is interested or concerned in the said resolution. The Notice received from the member of the company can be inspected at the registered office of the company on any working day between 11.00am to 2.00pm. As required by Article IX B of Articles of Association read with the provision of Companies Act 1956, this resolution does not require to be passed by the postal ballot as on date.

Your Directors recommend the appointment of Shri Manhar Rama as Director of the company in the interest of the company.

#### **Item No. 06**

Your Board of Directors has appointed Shri Dharmendra Rama as Additional Director of the Company from 1<sup>st</sup> February, 2008 at the meeting of the Board of Directors held on 31<sup>st</sup> January, 2008 pursuant to the provisions of Section 260 of Companies Act, 1956. Accordingly, Shri Dharmendra Rama shall hold office of Director for a term of upto the conclusion of this Annual General Meeting. The Company has received a notice under Section 257 of Companies Act, 1956 from a member specifying his intention to propose the name of Shri Dharmendra Rama as Director of the Company at the Annual General Meeting.

The particulars in respect of the directors seeking appointment or reappointment are listed in the Section 5B of the Corporate Governance attached to this report and forming part of this report.

Except Shri H P Rama, Shri Manhar Rama and Shri Vinay M Rama, no other Directors of the Company is interested or concerned in the said resolution. The Notice received from the member of the company can be inspected at the registered office of the company on any working day between 11.00am to 2.00 pm.

Your Directors recommend the appointment of Shri Dharmendra J Rama as Director of the company in the interest of the company.

As required by Articles 9D of the Articles of Association read with provisions of the Companies Act, 1956, this resolution does not require to be passed by the Postal Ballot as on date.

#### **Item No. 07**

The Company received a letter from JHM Hotels LLC on May 17, 2008 informing that JHM Hotels LLC and person acting in concert (PAC) are interested in acquiring the outstanding publicly held shares of Gujarat JHM Hotels Ltd. and delist it from Bombay Stock Exchange Ltd. ("BSE"). JHM Hotels LLC, Mr. H. P. Rama, Mr. M.P. Rama, Mr. D.J. Rama are the promoters of the Company and the promoters and promoter group together hold 85.58% equity share capital of the Company. The current public shareholding in the Company is 14.42% and the trading volumes of the Company's shares are very low.

Passing the Special Resolution included in the accompanying Notice will serve the interests of all shareholders by providing them with an opportunity to equitably derive returns on investment in the Company through delisting.

Mr.H.P. Rama, Mr. D.J. Rama and Mr. M.P. Rama are interested Directors to the extent of their shareholding in the Company.

Registered Office  
Gateway Hotel at Athwa Lines  
Near Bharti Park, Ambicaniketan  
Surat 395007  
Date : 27/05/2008  
Place : Surat

By Order of the Board  
For Gujarat JHM Hotels Limited

JIMMY S. PATALWALA  
DIRECTOR



## Gujarat JHM Hotels Limited

**DIRECTORS' REPORT**

To,  
The Members  
Gujarat JHM Hotels Limited

Your directors have pleasure in presenting their report to the members of the company on this 23<sup>rd</sup> Annual General Meeting of the company together with the audited statements of accounts and the reports of the auditors and the Board of Directors thereon for the year ended 31<sup>st</sup> March 2008.

**FINANCIAL RESULTS :**

| Particulars  | (Rs in lakhs) |               |
|--|---------------|---------------|
|  | Current year  | Previous year |
| Turnover incl. other income                            | 3380.62       | 2362.13       |
| Operating Expenses                                     | 2067.73       | 1567.72       |
| Interest & Financial Charges                           | 72.06         | 65.20         |
| Profit before Depreciation                             | 1240.83       | 729.22        |
| Depreciation   | 563.18        | 601.32        |
| Net Profit after Depreciation                          | 677.65        | 127.89        |
| Adjustment for Current tax                             | 80.00         | (14.50)       |
| Adjustment for Fringe Benefit tax                      | 7.00          | (10.00)       |
| Adjustment for deferred tax                            | (39.18)       | 157.84        |
| Short Provision of Income Tax of previous years        | —             | 46.95         |
| Net Profit/(Loss) for the year                         | 629.83        | (101.41)      |
| Add: Excess provision for depreciation of earlier year | —             | 0.08          |
| Add: Profit Brought Forward                            | 362.78        | 464.11        |
| Net Profit/(Loss) Carried to Balance Sheet             | 992.61        | 362.78        |

During the year under review the company achieved a turnover of Rs. 3380.62 lakhs as compared to Rs. 2362.13 in the previous year. The company generated net profit before tax of Rs. 677.65 lakhs against Rs. 127.90 lakhs last year and net profit after tax of Rs. 629.83 lakhs against the net loss of Rs. 101.41 lakhs last year. In view of the on going renovation and expansion program your directors would like to reserve the funds for the capital commitment required and therefore do not propose any dividend for the year under review.

**CORPORATE GOVERNANCE**

Management Discussion and Analysis of Financial Condition and Results of Operations of the company for the year under review as stipulated in clause 49 of the Listing Agreement with the Stock Exchange is given as a part of Annexure "A" to this report along with a Certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance as stipulated under the said clause 49.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed.
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company as on 31st March, 2008 and of the Profit & Loss Account for the year ended on that date.
3. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
4. the directors have prepared the annual accounts on a going concern basis.

**PARTICULARS OF EMPLOYEES**

Information required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is annexed hereto marked Annexure - I and forms part of this report.



## Gujarat JHM Hotels Limited

### DIRECTORS

Shri Manhar Rama was appointed as Additional Director of your company from 1st February, 2008 pursuant to provisions of Section 260 of the Companies Act, 1956. The detailed particulars are provided in the Corporate Governance. It is expected that the company will benefit from the rich and wide and varied experience and knowledge of Shri Manhar Rama. Your directors recommend his regularization as director of the company.

Shri Dharmendra Rama was appointed as Additional Director of your company from 1st February, 2008 pursuant to provisions of Section 260 of the Companies Act, 1956. The detailed particulars are provided in the Corporate Governance. It is expected that with his rich and varied experience and knowledge the company will benefit. Your directors recommend the regularization of Shri Dharmendra Rama as director of the company.

It is lamentable and shocking to note the sad and untimely demise of Shri D J Patel, Director of the company. Shri D J Patel was on the Board of Directors of the company for many years. May his soul rest in peace and may almighty give courage to the members of the bereaved family to withstand this irreparable loss to them.

It is lamentable and shocking to note the sad and untimely demise of Shri Denu P Rama, Managing Director of the company. Shri Denu P Rama was on the Board of Directors of the company right from the date of incorporation of the company. May his soul rest in peace and may almighty give courage to the members of the bereaved family to withstand this irreparable loss to them.

Pursuant to provisions of Section 255 of the Companies Act, 1956 Shri U M Patel and Shri D C Gami retire by rotation and being eligible offer themselves for re-appointment. As required by Clause 49 of the Listing Agreement, particulars about the retiring directors seeking re-appointment are given in the Corporate Governance Report. Your Directors recommend their re-appointment.

### AUDITORS

M/s. Rajendra & Company, Chartered Accountants, auditors of the company retire at the forthcoming Annual General Meeting and being eligible for re-appointment, they offer themselves for re-appointment. The company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

In terms of section 217(1)(e) of the Companies Act, 1956 (as amended) and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors furnish here under the additional information as required.

#### A. Conservation of Energy

The Company has installed gas fired steam and hot water boilers as part of its continuous efforts to save energy. This investment is expected to save the consumption of diesel. Since the provisions of Form A under Rule 2 of the said Rules are not applicable, the details under the same are not given.

#### B. Technology Absorption

The project of your company has no foreign collaboration hence, no particulars are offered for the same, as Rule 2 of the said Rules does not apply.

#### C. Total Foreign Exchange Earning And Outgo

|  | 2007-08    | (Rupees)<br>2006-07 |
|--|------------|---------------------|
| Total foreign exchange earning used and earned   |            |                     |
| a. Total Foreign Exchange used   | -          | 1,376,845           |
| b. Total Foreign Exchange earned<br>(As per RLM-1 including<br>earning through credit cards) | 39,790,775 | 47,344,934          |

### INDUSTRIAL RELATIONS

During the period under review, the relations with the most valuable human resources of the company remained cordial and peaceful. Your Directors wish to place on record their appreciation for the devoted services rendered by the staff of the company. Your company has continued the tradition of training programmes, refresher courses for its human resources and multi-tasking of its man-power.



## Gujarat JHM Hotels Limited

### ACKNOWLEDGMENT

Your Directors wish to place on record their sincere thanks to State Bank of Saurashtra, Citi Bank NA and other banks for their financial assistance and support, M/s JHM Hotels Inc. USA, Government of Gujarat, franchiser M/s Indian Hotels Co. Limited the owners of TAJ and GATEWAY brands of Hotels for their continued and full-fledged support and appreciate the support of all the staff members for smooth functioning of your hotel. Your directors also wish to record their recognition of the customer support and patronage by the corporate houses in and around Surat.

Place : Surat  
Date : 17/05/2008

On behalf of the Board  
**Hasmukh Rama**  
Chairman

### Annexure - I

Particulars of Employees as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the Corporate Financial Year ended 31st March, 2008. (for the part of the year)

| Name & Age<br>(Years)        | Designation/<br>Nature of Duties | Remuneration<br>(Rupees) | Qualifications                             | Experience<br>(Years) | Date of<br>commencement<br>of<br>employment | Last Employment           |
|------------------------------|----------------------------------|--------------------------|--|-----------------------|---|---------------------------|
| (1)                          | (2)                              | (3)                      | (4)  | (5)                   | (6)   | (7)                       |
| Aaron R.<br>Greenman<br>(37) | C.O.O.                           | 11,07,066*               | Master of<br>Management<br>and Hospitality | 15                    | 01-02-2008                                  | Global Horizon Ltd.<br>UK |

\* Remuneration includes Salary, Commission, contribution to Provident and other Funds and Perquisites (including medical, leave travel and leave encashment on payment basis and monetary value of taxable Perquisites), etc.





## Gujarat JHM Hotels Limited

## ANNEXURE "A"

## A. MANDATORY REQUIREMENTS

## 1. BOARD OF DIRECTORS

## (a) Composition

As on date, the Board of directors made up of 9 members including the alternate director, comprising of one Executive Director and 8 non-executive directors. M/s JHM Hotels Inc, USA has nominated three directors rest are independent directors. It is sad to note that D J Patel, Director expired on 03/08/2007 and Shri Denu P Rama, Managing Director expired on 15/11/2007.

## (b) and (c) Attendance of each director at the Board Meetings and Last AGM

Six Board Meetings were held during the financial year ended on 31st March, 2008. The attendance of each of the directors is given below:

| Name of the Director                     | Category<br>Directorship | Attendance<br>Particulars |             | No. of Directorships and Committee<br>memberships/chairmanship |                               |                                 |
|--|--------------------------|---------------------------|-------------|--|-------------------------------|---------------------------------|
|  |                          | Board<br>Meetings         | Last<br>AGM | Other<br>Director-<br>ships                                    | Committee<br>Member<br>-ships | Committee<br>Chairman-<br>ships |
| Denu P. Rama<br>(upto 15/11/2007)        | MD                       | 0                         | N           | 0  | 0                             | 0                               |
| D. J. Patel<br>(upto 03/08/2007)         | NED                      | 3                         | N           | 0  | 0                             | 0                               |
| H. P. Rama (Chairman<br>from 31/01/2008) | NED                      | 2                         | N           | 1  | 0                             | 0                               |
| U. M. Patel                              | NED                      | 3                         | N           | 3  | 0                             | 0                               |
| D. C. Gami                               | NED                      | 5                         | Y           | 5  | 3                             | 4                               |
| Sanjiv Shah                              | NED                      | 5                         | Y           | 2  | 0                             | 0                               |
| Jimmy Patalwala                          | NED                      | 6                         | Y           | 2  | 0                             | 0                               |
| K. S. Gandhi                             | NED                      | 1                         | N           | 5  | 0                             | 0                               |
| (Alternate to<br>Shri H. P. Rama)        |                          |                           |             |  |                               |                                 |
| Vinay Rama<br>(From 01/04/2007)          | ED                       | 3                         | Y           | 13   | 0                             | 0                               |
| M. P. Rama<br>(From 01/02/2008)          | NED                      | 0                         | NA          | 0  | 0                             | 0                               |
| D. J. Rama<br>(From 01/02/2008)          | NED                      | 0                         | NA          | 0  | 0                             | 0                               |

(MD - Managing Director, NED - Non-executive Director)

## (d) Number of Board Meetings held and the dates thereof

6 Board Meetings were held during the year in compliance with the minimum requirements of 4 Board Meetings. The dates on which the meetings were held are 30/04/2007, 29/06/2007, 26/07/2007, 24/10/2007, 26/11/2007 and 31/01/2008. None of the directors of the company was a member of more than ten committees or the Chairman of more than five committees across all companies in which he was a director.

## 2. AUDIT COMMITTEE

## (a) Terms of Reference

The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, as follows:

- To investigate any activity within the company
- To seek information from the employees
- To obtain outside legal or professional advice
- To review adequacy of internal audit functions
- To secure attendance of outsider/professional with relevant expertise, it considers necessary
- To discuss with the internal auditors any significant findings and follow-up thereon.





## Gujarat JHM Hotels Limited

### (b) Composition, names of members and chairperson

The Audit Committee of 3 non-executive directors -members namely Shri D J Patel, Shri U M Patel and Shri D C Gami was formed on 13th February, 2001 in compliance with the amendments made to the Companies Act, 1956 by the Companies Amendment Act, 2000. Mr. D C Gami is the Chairperson of the said audit committee. Due to sad demise of Shri D J Patel on 03/08/2007, the Audit Committee was re-constituted by the resolution of the Board Meeting held on 3<sup>rd</sup> September 2007 and two more members namely Shri Sanjiv Shah, independent director and Shri Vinay Rama, Executive Director were added.

### (c) Meetings and attendance during the period

| Name of member of Audit Committee  | Attendance Particulars                         |
|------------------------------------|--|
| Shri D C Gami                      | 30/04/2007, 29/06/2007, 24/10/2007, 31/01/2008 |
| Shri U M Patel                     | 30/04/2007, 24/10/2007, 31/01/2008             |
| Shri D J Patel (upto 03/08/2007)   | 30/04/2007, 29/06/2007,                        |
| Shri Sanjiv Shah (from 03/09/2007) | 24/10/2007, 31/01/2008                         |
| Shri Vinay Rama (from 03/09/2007)  | 31/01/2008                                     |

The committee has approved the final accounts, as at 31<sup>st</sup> March 2008 at its meeting held on 17th May 2008 after discussions with the Internal and Statutory Auditors of the company.

## 3. SHARE TRANSFER COMMITTEE/INVESTOR GRIEVANCE COMMITTEE

### (a) Terms of Reference

- To approve share transfer/transmission of shares
- To approve sub-division/consolidation other than the market lot of shares
- To issue duplicate share certificates
- To secure attendance of outsider/professional with relevant expertise, it considers necessary
- To look into and attend to the shareholders' grievances

### (b) Composition, names of members and chairperson

Originally the Share Transfer Committee comprised of 2 director-members namely Shri D. J. Patel, non-executive director and Shri D P Rama, Managing Director. However, due to sad demise of Shri D J Patel on 03/08/2007, the committee was reconstituted and renamed as INVESTOR GRIEVANCE COMMITTEE with inclusion of Shri Sanjiv Shah, independent director as member in place of Shri D J Patel and Shri Vinay Rama, ED in place of Shri D P Rama, MD. Shri Sanjiv Shah is the Chairperson of the Shareholder Grievance Committee.

### (c) Meetings and attendance during the period

12 meetings of the Share Transfer Committee/Grievance Committee were held during the financial year ended on 31st March, 2008.

| Name of member of Share Transfer Committee | Attendance Particulars   |
|--|--|
| Shri D J Patel, NED (upto 03/08/2007)      | 30/04/2007, 31/05/2007, 30/06/2007, 25/07/2007                                     |
| Shri D P Rama, MD                          | None   |
| Shri Sanjiv Shah, NED (From 03/09/2007)    | 05/09/2007, 05/10/2007, 05/11/2007, 05/12/2007, 05/01/2008, 23/01/2008, 05/02/2008 |
| Shri Vinay Rama, ED (From 03/09/2007)      | None   |

## 4. DETAILS OF REMUNERATION PAID TO DIRECTORS

### (I) WHOLE TIME DIRECTOR

All elements of remuneration including the perquisites and commission paid to Shri D P Rama, Managing Director and Shri Vinay Rama, Executive Director is Rs. 36,22,763/-

### (II) NON-WHOLE TIME DIRECTORS

The company has paid the following amounts as sitting fees to all the non-executive directors for attending each meeting of the Board of Directors as well as audit sub-committee meetings during the year ended on 31<sup>st</sup> March, 2008.



## Gujarat JHM Hotels Limited

| Sr. No.   | Name of Director | Sitting Fees for Board Meetings | Sitting Fees for Audit sub-committee meetings |
|-----------|------------------|---------------------------------|---|
| 1.        | D. C. Gami       | 25000                           | 10000   |
| 2.        | D. J. Patel      | 15000                           | 5000  |
| 3.        | U. M. Patel      | 15000                           | 7500  |
| 4.        | Sanjiv Shah      | 25000                           | 5000  |
| 5.        | Jimmy Patalwala  | 30000                           | NA  |
| 6.        | K. S. Gandhi     | 5000                            | NA  |
| TOTAL Rs. |                  | 115000                          | 27500   |

### 5. SHARE HOLDERS' GRIEVANCES

Shri Nayan Banker, Financial Controller of the company is appointed as Compliance Officer. 8 complaints were received from the Shareholders/Stock Exchanges/ SEBI/ Department of Company Affairs in terms of SEBI circular number 1.(96.97) dated 25/07/1996.

There are no pending complaints or share transfers/transmission except where the transfers are involved in litigation/forfeiture etc.

### 5A. GENERAL BODY MEETINGS

Location and time where the last three AGMs were held is as under

| Location   | Date       | Time     |
|--|------------|----------|
| Mahida Bhavan, Opp: SVR College, Piplod, SURAT-395 007 | 16/07/2005 | 09.30 am |
| Mahida Bhavan, Opp: SVR College, Piplod, SURAT-395 007 | 14/07/2006 | 10.00 am |
| Mahida Bhavan, Opp: SVR College, Piplod, SURAT-395 007 | 26/07/2007 | 10.00 am |

No Special Resolutions were put through Postal Ballot at the last AGM. At the ensuing Annual General Meeting there is no resolution required to be passed by the postal ballot.

### 5B. NOTES ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

**Shri U M Patel** has been on the Board of the company since very long. He is Chairman of Shri Dinesh Mills Limited, Vadodara. Born in 1928 Shri U M Patel is B. Sc. (Hons) and also holds MBA degree from University of Columbia. He is associated with many companies as director. He is also associated with many educational institutions, research associations and government bodies. Shri U M Patel has a long-standing experience of over 50 years in the business as an outstanding person.

**Shri D C Gami** is on the Board of the company since 23/09/2000 as an independent director on the Board of this company. Born in 1927, Shri D C Gami is holding MS degree from USA. He is Chairman of M/s Jindal Hotels Limited, Vadodara, on the Board of Directors of M/s Ashok Organics Limited, Mumbai, Indo-Gulf Corporation Limited, Sultanpur, Transpeck Industries Limited, Vadodara and Environmental Infrastructure company. He is a member on the Shareholders Grievance Committee of Transpeck Industries Limit, and Indo-Gulf Corporation Limited. He is Chairman of Five Audit Committees including this company. Shri D C Gami has a long-standing experience of more than 52 years to his credit in the various industries as a successful entrepreneur.

**Shri Dharmendra Rama** was co-opted as additional director from 1<sup>st</sup> February, 2008 at the meeting of the Board of Directors held on 31<sup>st</sup> January 2008. Mr. Dharmendra Rama is at present Vice President – Operations of JHM Hotels Group of companies at US. He is responsible for overall property management, profitability and maintaining company standards of excellence for JHM Hotels.

With a Bachelor of Science (BS) in Hospitality Management from Johnson & Wales University, and a Masters of Management in Hospitality from Cornell University, Mr. D.J. Rama has worked for Holiday Inn Worldwide, Interstate Hotels, and the Marriott Corporation on his way to his present position with JHM Hotels.

Mr. D.J. Rama's other Professional Affiliations & Honors are as under:

- President of Cornell Hotel Society of South Carolina
- Board member of American Hotel Foundation
- Board member of Carlson Hospitality Advisory Board
- Georgia State Hospitality Advisory Council
- Distinguished Professor, Michigan State University Hospitality School
- Founding Member of AAHOA Young Hoteliers