



# 29<sup>TH</sup> ANNUAL REPORT 2015 - 16



THE  
**ORCHID**  
— FIVE STAR ECOTEL HOTEL —  
FRIENDLY. ECO-FRIENDLY.  
2008 P. Sustainable Tourism International  
Awardee, Sustainable 1st

Mumbai, Maharashtra



**VITS**  
— Guest. Rest. Best. —  
Luxury Business Hotels

Mumbai, Maharashtra



Fort  
**Jadhav GADHI**  
A Gadhi Heritage Hotel  
Ladh, Jhagadh, Aage Badh...

Jadhavgadh, Pune, Maharashtra



**LOTUS RESORTS**  
Chill. Still. Tranquil.

Goa

## Financial Highlights of the Company (Standalone)

₹ in lakhs

Particulars	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Income from operations	15,084.55	13,331.29	13,405.76	13,831.97	14,162.77	12,070.28	10,281.27	12,003.96	14,761.18	11,192.98	8,146.25
Other Income	731.65	599.34	2,273.30	2,455.29	2,229.04	257.56	1,082.76	644.22	505.93	89.81	87.83
Total Income	15,816.20	13,930.63	15,679.06	16,287.26	16,391.81	12,327.84	11,364.03	12,648.18	15,267.11	11,282.79	8,234.08
Total Expenditure	16,369.34	20,400.20	40,489.66	17,203.91	16,373.20	11,821.83	11,299.55	11,660.17	10,898.32	8,274.65	6,513.15
Profit/(Loss) Before Tax	(553.14)	(6,469.57)	(24,810.60)	(916.65)	18.61	506.01	64.48	988.01	4,369.59	3,008.14	1,720.93
Taxation	(117.17)	(553.88)	(1,549.91)	(350.26)	(80.58)	349.10	(74.20)	421.92	1,628.93	949.94	163.02
Profit/(Loss) After Tax	(8,528.27)	(5,915.69)	(23,260.69)	(566.39)	99.19	137.32	138.68	566.09	2,740.66	2,058.20	1,557.91
Equity Share Capital	2,417.26	2,417.26	2,417.26	1,968.19	1,968.19	1,562.97	1,378.59	1,378.59	1,378.59	1,378.59	1,378.59
Reserves and Surplus	(13,585.02)	(5,056.76)	1,418.95	22,642.61	23,209.01	17,576.78	15,134.70	14,996.02	14,817.79	12,547.95	10,875.76
Net-worth	(11,461.69)	(2,933.42)	3,542.28	24,316.87	24,883.26	19,139.75	16,513.29	16,374.61	16,196.38	13,926.54	12,248.33
Earning per Share (₹)	(36.16)	(25.08)	(111.67)	(2.97)	0.62	0.96	1.05	2.99	21.63	15.60	12.38
Book Value per Share (₹)	(48.54)	(12.44)	15.02	127.36	130.32	127.25	125.13	124.07	122.72	105.52	92.81
Return on Net Worth (percentage)	NA	NA	(656.66)	(2.33)	0.40	0.72	0.84	3.44	16.87	14.78	12.72
Dividend	-	-	-	-	-	-	-	12%	30%	25%	15%

## **KAMAT HOTELS (INDIA) LIMITED BOARD OF DIRECTORS**

Dr. Vithal Venketesh Kamat  
Executive Chairman and Managing Director

Mr. Dinkar D. Jadhav  
Independent Director

Mr. Bipinchandra Chunilal Kamdar  
Additional Director  
(w.e.f. 6th August, 2016)

Ms. Himali H. Mehta  
Independent Director

Mr. Vikram V. Kamat  
(Non Executive Director till 15th June, 2016)

### **COMPANY SECRETARY**

Mr. Mahesh Kandoi  
(till 13th February, 2016)

### **AUDITORS**

M/s. J. G. Verma & Co.  
Chartered Accountants

### **BANKERS**

Canara Bank  
Andhra Bank  
State Bank of India  
Axis Bank  
Oriental Bank of Commerce  
Kotak Mahindra Bank

### **REGISTERED OFFICE**

70-C, Nehru Road,  
Near Santacruz Airport,  
Vile Parle (East), Mumbai – 400 099,  
Maharashtra, India.  
Email : [cs@khil.com](mailto:cs@khil.com) Website : [www.khil.com](http://www.khil.com)  
Tel No. 022 2616 4000 Fax No. 022 2616 4203

### **REGISTRARS AND SHARE TRANSFER AGENTS**

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (West), Mumbai – 400 078.  
Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website : [www.linkintime.co.in](http://www.linkintime.co.in)  
Tel No. 2596 3838 Fax No. 2594 6969

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**KAMAT HOTELS (INDIA) LIMITED**

CIN: L55101MH1986PLC039307

Regd. Office : 70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East), Mumbai -400 099.

Tel. No. 022 26164000, Website: www.khil.com, Email: cs@khil.com

**NOTICE**

Notice is hereby given that the Twenty-Ninth 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 Saturday, the 24<sup>th</sup> September, 2016 at 3.30 p.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited financial statement including consolidated Financial statement of the Company for the year ended on 31st March, 2016 and Reports of the Board and Auditors thereon.
2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), as amended from time to time, M/s. J. G. Verma & Co, Chartered Accountants, Mumbai, registration number FRN: 111381W, who have given written consent for their re-appointment and a certificate that their appointment, if made, will be in accordance with the conditions of Section 141 of the Act and Rule 4 of the Rules, be and are hereby re – appointed as Statutory Auditors of the Company for the Financial Year 2016 - 2017, to hold the office from the conclusion of this Annual General 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 in connection with the audit of books of accounts of the Company as recommended by the Audit Committee"

**SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152 and any 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 and the Articles of Association of the Company, Mr. Bipinchandra Chunilal Kamdar (DIN: 01972386), who was appointed as an Additional Director of the Company with effect from 6<sup>th</sup> August, 2016 by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office as such upto the date of 29<sup>th</sup> Annual General Meeting and in respect of whom a 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 Director of the Company, be and is hereby appointed as a Director of the Company whose term shall be liable to retire by rotation.

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

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 the provisions of Sections 196, 197 and 203 and all other applicable provisions if any, of the Companies Act, 2013 read with schedule V thereto and Companies (Appointment and remuneration of managerial personnel) rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and provisions of Articles of Association and subject to approval of Central Government, the members of the Company do hereby reappoint Dr. Vithal V. Kamat (DIN: 00195341) as an Executive Chairman and Managing Director of the Company who shall not be liable to retire by rotation, for a period of 3 years w.e.f. 1<sup>st</sup> October, 2016 upto 30<sup>th</sup> September, 2019 on the terms of appointment as approved by Board of Directors and Nomination and Remuneration Committee and subject to approval of Central Government including remuneration and perquisites as set out in the annexed Explanatory Statement in respect of Item No. 4 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 Dr. Vithal 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 Dr. Vithal V. Kamat as Executive Chairman and Managing 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.

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."

**Registered Office:**

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

**For and on behalf of Board of Directors  
of KAMAT HOTELS (INDIA) LIMITED**

**Dr. Vithal V. Kamat  
(DIN 00195341)  
Executive Chairman and Managing Director**

Place : Mumbai.

Date : 6th August, 2016



**NOTES:**

- 1) Mr. Vikram V. Kamat was liable to retire by rotation at this Annual General Meeting, however due to his resignation from the office of Director of the Company w.e.f 15<sup>th</sup> June, 2016, the Company is left with no other director whose term shall be liable to retire by rotation. Presently the Company has three Directors; Chairman and Managing Director and two Independent Directors all of whose terms are not liable to retire by rotation. Hence, none of the Directors of the Company are liable to retire by rotation at the current Annual General Meeting and in place of Mr. Vikram V. Kamat the Company is proposing the appointment of Mr. Bipinchandra Chunilal Kamdar as Director of the Company.

- 2) a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY /PROXIES TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF 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.

- 3) 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. A Proxy form is enclosed herewith.

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 29<sup>th</sup> 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.

- 4) Explanatory 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.

- 5) The members or proxies are requested to bring with them the Annual Report of the Company.

- 6) 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](mailto:rnt.helpdesk@linkintime.co.in) Website : [www.linkintime.co.in](http://www.linkintime.co.in) in respect of their holding in physical form.

- 7) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 13<sup>th</sup> September, 2016 to Saturday, 24<sup>th</sup> September, 2016 (both days inclusive) for the purpose of Annual General Meeting.

- 8) In terms of Section 124 of the Companies Act, 2013 and 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 31<sup>st</sup> March, 2009 shall be transferred to Investor Education and Protection Fund (IEPF) by 31<sup>st</sup> December, 2016.

- 9) The members who have not en-cashed their dividend warrants so far for the financial year ended on 31<sup>st</sup> March, 2009 are requested to approach the Company or its Registrars and Transfer Agents for revalidation of their dividend warrants or issue of pay order/demand draft in lieu of dividend warrant.

- 10) The details pertaining to the directors seeking appointment /re-appointment as required under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) are furnished in Annexure II to the Notice.

- 11) 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.

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](mailto:cs@khil.com) or Registrars and Transfer Agents or to Depository Participant.

- 12) Annual Reports 2015-16 are being sent by electronic mode, only to those members who have registered their email addresses with the Company /Depository Participant, unless any member has requested for a physical copy of the same. Annual Reports 2015-16 are being sent by physical mode to those members who have not registered their email addresses with the Company / Depository Participant.

- 13) 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.

14) 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.

15) EVOTING:

- I. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS 2) issued by the Institute of Company Secretaries of India, 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 remote e-voting and voting at the 29th Annual General Meeting 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.nsdl.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.

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](mailto:cs@khil.com) with a copy marked to [evoting@nsdl.co.in](mailto: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).

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.nsdl.com> or contact NSDL at the following Telephone No.: 022 24994600.

V. The remote e-voting period commences on 21<sup>st</sup> September, 2016 (9.00 a.m.) and closes on 23<sup>rd</sup> September, 2016 (5.00 p.m.). At the end of the remote e-voting period, the portal where votes are cast shall forthwith be blocked.

VI. Cut off date: will be 17<sup>th</sup> September, 2016.

Persons who have become member of the Company after the date of dispatch of notice by the Company, may apply to NSDL or Link Intime for receiving their User Id and Password required for remote e-voting.

- VII. M/s. V. V. Chakradeo & Co., Practising Company Secretary, Mumbai, the scrutinizer will, within 48 hours from the conclusion of the Annual General Meeting 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 favor 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 29th Annual general meeting.
- IX. Subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of the 29th Annual general meeting.
- X. Remote e-voting facility shall not be available beyond 23rd September, 2016 (5.00P.M.)
- XI. Company shall provide voting facility at the Meeting by way of Polling Paper.
- XII. Members who have already exercised their vote by way of remote e-voting shall be entitled to participate in the meeting but shall not be allowed to vote.
- XIII. Names of the Members appearing in the Register of Members as on 17th September, 2016 shall only be entitled to vote.
- XIV. Name, designation, address, email id and phone no. of the person responsible to address the grievances connected with facility for voting by electronic means:  
Name:- Mr. Shashidhar Shetty  
Designation:- Senior Executive  
Address: Ground Floor, KHIL House, Adjacent to Domestic Airport, Vile Parle – East, Mumbai – 400099  
Email id: [cs@khil.com](mailto:cs@khil.com)  
Phone No.: 022-26164000 Extn.: 4478  
Public Notice under Rule 20 (v) of the Companies (Management and Administration) Rules, 2014 will be placed on the website of the Company, [www.khil.com](http://www.khil.com) and also on the website of NSDL [www.nsdl.co.in](http://www.nsdl.co.in)
- XV. Members holding shares, both Physical and Demat, are entitle to vote through remote e-voting.
16. Route map of the venue of Annual General Meeting is annexed.

**For and on behalf of Board of Directors  
of KAMAT HOTELS (INDIA) LIMITED**

**Dr. Vithal V. Kamat  
(DIN 00195341)  
Executive Chairman and Managing Director**

Place : Mumbai.  
Date : 6th August, 2016

## **ANNEXURE I TO THE NOTICE**

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

#### **ITEM NO. 3:**

Mr. Bipinchandra Chunilal Kamdar was appointed as an Additional Director by the Board of Directors of the Company with effect from 6<sup>th</sup> August, 2016 pursuant to Section 161 of the Companies Act, 2013. As per Section 161 of the Companies Act, 2013, he holds the office of Director up to the date of the forthcoming 29th Annual General Meeting and is eligible for appointment. The Company has received a notice in writing along with requisite security deposit from a member proposing the candidature of Mr. Bipinchandra Chunilal Kamdar as a Director of the Company under the provisions of Section 160 of the Companies Act, 2013. Therefore, it is proposed to appoint Mr. Bipinchandra Chunilal Kamdar as a Director of the Company whose term shall be liable to retire by rotation.

Mr. Bipinchandra Chunilal Kamdar is a Science Graduate and have experience of more than 30 years in hotel industry.

As per Section 152(4) of the Companies Act, 2013, Mr. Bipinchandra Chunilal Kamdar has furnished his Director Identification Number to the Company. The Company has also received declaration from him that he is not disqualified to become a Director under the Companies Act, 2013.

The Nomination and Remuneration Committee has recommended to the Board, appointment of Mr. Bipinchandra Chunilal Kamdar as a Director of the Company.

The brief resume of Mr. Bipinchandra Chunilal Kamdar is provided in Annexure II to the notice.

The Directors recommend the passing of the resolution set out at Item No. 3 of the accompanying Notice as an Ordinary Resolution.

Except Mr. Bipinchandra Chunilal Kamdar 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. 4:**

The shareholders had, at the 26<sup>th</sup> Annual General Meeting held on 21<sup>st</sup> September, 2013, appointed Dr. Vithal V. Kamat as Executive Chairman and Managing Director for a period of 3 years from 1<sup>st</sup> October, 2013. The tenure of Dr. Vithal V. Kamat as Executive Chairman and Managing Director will expire on 30<sup>th</sup> September, 2016.

Therefore it is proposed that Dr. Vithal V. Kamat be reappointed as Executive Chairman and Managing Director of the Company for a further period of 3 years from 1<sup>st</sup> October, 2016. Since the Company has inadequate profits, during the Financial Year 2015-16, the remuneration payable to Dr. Vithal V. Kamat shall be based on the Effective Capital of the Company.

Pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors at their meetings held on 28<sup>th</sup> May, 2016, approved the re-appointment of Dr. Vithal V. Kamat as an Executive Chairman and Managing Director for a period of 3 years effective from 1<sup>st</sup> October, 2016 on the following terms and conditions, subject to approval of the members in general meeting.

#### **REMUNERATION**

Remuneration of ₹ 98,00,000/- per annum in the form of salary will be paid for a period of one year with effect from 1<sup>st</sup> October, 2016.

The remuneration payable to Dr. Vithal V. Kamat during the remaining period of his term as an Executive Chairman and Managing Director i.e. from 1<sup>st</sup> October, 2017 to 30<sup>th</sup> September, 2019, will be determined by the Board on the recommendation of the Nomination and Remuneration Committee subject to the maximum monetary limit of ₹ 98,00,000/- per annum.

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

- Contribution 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 perquisites:**

- Medical expenses on actual basis to be reimbursed for self and family. In addition, Mediclaim coverage for self and family as per the rules of the Company will be available to Dr. Vithal V. Kamat.
- Reimbursement of electricity charges.
- Telephone at actuals.
- Club fee: actuals for not exceeding two clubs.
- Leave travel allowance: As per the rules of the Company.



- Dr. Vithal V. Kamat will be entitled to all other staff benefits/ various staff welfare schemes as are provided under the rules of the Company prevailing from time to time.

## Other terms of appointment:

- As the Executive Chairman and Managing Director, Dr. Vithal V. Kamat shall, subject to the supervision and control of the Board of Directors, manage the business and affairs of the Company.
- Dr. Vithal V. Kamat will not be paid any fee for attending the meetings of the Board or any Committee thereof.
- Dr. Vithal V. Kamat will not be liable to retire by rotation.
- The appointment may be terminated at any time by either party giving to the other party six months notice of such termination and neither party will have any claim against the other for damages or compensation by reason of such termination.
- Tenure: 1-10-2016 to 30-09-2019.

The brief resume of Dr. Vithal V. Kamat is provided in Annexure II to the notice.

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

None of the Directors or KMP (Key Managerial Personnel) except Dr. Vithal V. Kamat is concerned or interested in 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. 4.

### 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 21<sup>st</sup> March, 1986 and has been in the business of hotels and hospitality since inception.
- 3) The financial performance of the Company based on given indicator is as under:

Rs. in Lakhs

	Current year 2015-16	Previous year 2014-15
Turnover	15,816.20	13,930.63
Profit	(8,528.27)	(5,915.69)
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:

Dr. Vithal V. Kamat is associated with the Company as Managing Director since 1994. The members of the company had at the 26<sup>th</sup> Annual General Meeting held on 21<sup>st</sup> September, 2013, re-appointed Dr. Vithal V. Kamat as Executive Chairman and Managing Director for a further period of 3 years from 1<sup>st</sup> October, 2013. The tenure of Dr. Vithal V. Kamat as Executive Chairman and Managing Director will be expiring on 30<sup>th</sup> September, 2016.

Dr. Vithal V. Kamat, Executive Chairman and Managing Director of Kamat Hotels (India) Limited, is well known hotelier in the Country. He is in the hospitality business for about 43 years. Under his leadership and due to his initiation "The Orchid" (Flagship unit of the Company) has become Asia's First Ecotel Hotel in 5 star category. Dr. Vithal V. Kamat is also instrumental in winning 93 prestigious national and international awards for "The Orchid" within a span of about 19 years since the opening of this hotel.

Dr. Vithal V. Kamat is a diploma holder in Electrical Engineering (IV Sem.) and was honored with the degree of Doctor of Science (Honoris Causa) by Padmashree Dr. D. Y. Patil University on 13<sup>th</sup> April, 2012.

- 2) Past Remuneration:

The maximum remuneration payable to Dr. Vithal V. Kamat is Rs. 98,00,000 as approved by the Central Government vide their letter no. SRN B85479178/3/2013-CL-VII dated 10<sup>th</sup> January, 2014. However, the Company has paid remuneration upto an amount of Rs. 96,00,000 per annum.

- 3) Recognition or awards:

Dr. Vithal V. Kamat being Executive Chairman and Managing Director is a recipient of various national and international awards including 'Best CEO of Industry Award' by The Indian Express, 'Golden Peacock Award' received from the hands of His Holiness The Dalai Lama, and the 'Lifetime Achievement Award' in Berlin, Germany.

- 4) Job Profile and his suitability:

Dr. Vithal V. Kamat is associated with the Company since 1994 and he is managing and looking after the entire business 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 Dr. Vithal 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 Dr. Vithal V. Kamat in the Company and his relation with 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 are 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 have been 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.

**IV. DISCLOSURES:**

The required disclosures are mentioned in Corporate Governance section of the Annual Report.

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**ANNEXURE II TO THE NOTICE**

As required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Directors seeking appointment/ re-appointment is as follows:

1. Name: **Dr. Vithal V. Kamat (DIN 00195341) Age - 64 years**

Dr. Vithal V. Kamat, Executive Chairman and Managing Director of Kamat Hotels (India) Limited, is well known hotelier in the Country. He is in the hospitality business for about 43 years. Under his leadership and due to his initiation "The Orchid" (Flagship unit of the Company) has become Asia's First Ecotel Hotel in 5 star category. Dr. Vithal V. Kamat is also instrumental in winning 93 prestigious national and international awards for "The Orchid" within a span of about 19 years since the opening of this hotel. He is a diploma holder in Electrical Engineering (IV Sem.) and was honored with the degree of Doctor of Science (Honoris Causa) by Padmashree Dr. D. Y. Patil University on 13th April, 2012.

Relationship with other Directors - Dr. Vithal V. Kamat has no inter - relationship with other Directors.

Directorships held in other Listed Companies: NIL, Audit Committee Membership in other Listed Companies: NIL, Stakeholders Relationship Committee Membership in other Listed Companies: NIL, Nomination and Remuneration Committee Membership in other Listed Companies: NIL, Shareholding in Kamat Hotels (India) Ltd.: 32,54,990 Shares.

2. Name: **Mr. Bipinchandra Chunilal Kamdar (DIN 01972386) Age- 88 years**

Mr. Bipinchandra Chunilal Kamdar is a Science Graduate and have experience of more than 30 years in hotel industry.

Relationship with other Directors - Mr. Bipinchandra Chunilal Kamdar has no relationship with other Directors.

Directorship held in other Listed Companies: NIL, Audit Committee Membership in other Listed Companies: NIL, Stakeholders Relationship Committee Membership in other Listed Companies: NIL, Nomination and Remuneration Committee Membership in other Listed Companies: NIL, Shareholding in Kamat Hotels (India) Ltd.: None

**For and on behalf of Board of Directors  
of KAMAT HOTELS (INDIA) LIMITED**

**Dr. Vithal V. Kamat  
(DIN 00195341)**

**Executive Chairman and Managing Director**

Place : Mumbai.

Date : 6th August, 2016