

NOTICE

NOTICE is hereby given that the **34th Annual General Meeting** of the members of James Hotels Limited will be held on Wednesday, the 30th day of September, 2015 at 11.00 A.M. at Indira Holiday Home, Sector 24-B, Chandigarh to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2015 and Balance Sheet as on that date of the Company, together with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Haravtar Singh Arora (DIN – 00592496), who retires by rotation and being eligible, offers himself for re-appointment.
3. TO PASS IF THOUGHT FIT, WITH OR WITHOUT MODIFICATION(S) IF ANY, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

TO RATIFY THE APPOINTMENT OF STATUTORY AUDITORS AND FIX THEIR REMUNERATION.

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company do hereby ratifies the appointment of M/s Vasudeva & Associates, Chartered Accountants (Firm Registration No. 022239N) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 35th AGM of the Company to be held in the year 2016 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

APPOINTMENT OF MS. AMRIT PAL BEDI AS AN INDEPENDENT DIRECTOR OF THE COMPANY

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with schedule IV of the Act, as amended from time to time and clause 49 of the Listing Agreement, Ms. Amrit Pal Bedi (DIN – 07138305), an additional director appointed on 28.03.2015, who has submitted declaration that she meets the criteria for independence

as provided in section 149(6) of the Act and who is eligible for appointment, and in respect of whom the Company has received a notice under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an independent director of the Company for a term of five years.

5. To consider and, if thought fit, to pass with/ without modification(s) the following resolution as a special resolution :

REAPPOINTMENT AND REMUNERATION OF MANAGING DIRECTOR :

“RESOLVED THAT pursuant to provisions of Section 196, 197,198 and 203 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, sanctions and permissions as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, sanctions and permissions approval of the Company be and is hereby accorded to the reappointment and remuneration of Mr. Haravtar Singh Arora (DIN – 00592496) as the Managing Director of the Company, liable to retire by rotation under the Companies Act, 2013 for a period of five years with effect from 09.04.2015 to 08.04.2020 at a monthly remuneration of Rs. 125000/- for three years with liberty to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include the Remuneration and Nomination Committee of the Board) to alter and vary the terms and conditions of the said reappointment and/ or remuneration as it may deem fit and as may be acceptable to Mr. Haravtar Singh Arora, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereby expressly by the authority of this resolution.

6. To consider and, if thought fit, to pass with/ without modification(s) the following resolution as a special resolution :

“RESOLVED THAT in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting held on 29th September, 2007 and pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money from time to time from any one or more of the Bankers and/or from any one or more of the other persons, firms, bodies corporate or financial institution(s), whether by way of cash credit, advances, term loan or otherwise and whether unsecured or secured by charge of any kind whatsoever including mortgage, hypothecation or pledge of the Company’s assets and properties whether movable or immovable or stock in trade and work in progress and all or any of the Undertakings of the Company, present and future, notwithstanding that the money to be borrowed together with monies already borrowed by the Company (apart from the temporary loans obtained from the bankers in the ordinary course of business) may exceed the aggregate of the Paid up Share Capital and its free reserves, that is to say, reserves not set apart for any specific purposes, so that the amount upto which money may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 250.00 Crores.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things as may be considered necessary to give effect to the said resolution .”

By order of the Board of Directors
For **JAMES HOTELS LIMITED**

Sd/-

(Puja Sharma)

Company Secretary
M. No. 30298

Place: Chandigarh

Date: 25/08/2015

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. The proxy need not to 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 48 hours before the annual general meeting. A blank proxy form

is enclosed herewith.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total Share Capital of the Company. In case proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.

2. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013, relating to the special business as set out in item no. 4, 5 & 6 and relevant details in respect of item no. 2 pursuant to the provisions of clause 49 of the Listing Agreement, are annexed hereto.
3. Members are requested to notify any change in their address, alongwith their pin code quoting their Folio No. and relevant particulars.
4. Members desiring any information on the business to be transacted at the meeting are requested to write to the Company at least 10 days in advance to enable the management to keep the information, as far as possible ready at the meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 21st September, 2015 to 30th September, 2015 (both days inclusive).
6. The shareholders holding shares in identical order or names in more than one folio are requested to write to the Company's Share Department for consolidation of such shares enclosing their share certificate.
7. The members who hold shares in dematerialized form are requested to bring their Client ID and DPID numbers for easy identification of attendance at the meeting.
8. The members are advised that no gift/gift coupons will be distributed at the Annual General Meeting of the Company.
9. Members/Proxies should bring the Attendance slip sent herewith duly filled in and signed and hand over the same at the entrance of the Hall.
10. The shareholders are requested to bring their copy of Annual Report at the Meeting.
11. 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 details to the Company.

12. Electronic copy of the Annual Report for 2014-15 is being sent to all members whose e-mail IDs are registered with the Company/ Depository Participant (s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules made thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL) , on all resolutions set forth in this notice.

The instructions for e-voting are as under :

- A. NSDL shall be sending the User ID and Password, to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/ Depository Participants. For members who have not registered their email addresses, can use the details as provided in the e-voting instruction being sent along with the Notice.
- B. Open the internet browser and type the following URL: www.evoting.nsdl.com.
- C. Click on the Shareholder – login.
- D. Put User ID and Password as provided in this document and click login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for your login.
- E. If you are logging in for the first time, the password change menu will appear. Change the password with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- F. Once the e-voting home opens, click on e-voting : Active Voting Cycles.
- G. Select “ EVEN (Electronic Voting Event Number)” of James Hotels Limited.
- H. Once you enter the Cast Vote page will open. Now you are ready for e-voting.
- I. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- J. Upon confirmation, the message “Vote cast successfully” will be displayed.
- K. Once you have voted on the resolution, you will not be allowed to modify your vote.
- L. Institutional shareholders (i.e 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 the attested specimen signature of the duly authorized

signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at meenarohilla@gmail.com with a copy marked to evoting@nsdl.co.in.

General Instructions for e-voting :

- i. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the downloads section of www.evoting.nsdl.com. You can also contact NSDL via email at evoting@nsdl.co.in.
- ii. 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).
- iii. The e-voting period commences on 27/09/2015 and ends on 29/09/2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/09/2015 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iv. The voting rights of shareholders, shall be in proportion to their shares of the paid up equity share capital of the Company as on the record date i.e 22/09/2015.
- v. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form ,as on the cut-off date (record date)of 22/09/2015 and not casting their vote electronically, may only cast their vote at the 34th Annual General Meeting.
- vi. Ms Meena Rohilla, Company Secretary in Practice, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vii. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- viii. The Results shall be declared on or after the 34th Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall

be placed on the Company's website www.jameshotels.in and on the website of NSDL within two (2) days of passing of the resolutions at the 34th Annual General Meeting of the Company on 30/09/2015 and communicated to BSE.

- ix. SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 had mandated the companies to use any of the RBI approved electronic mode of payment such as ECS(Local ECS/ Regional ECS / National ECS), NEFT, RTGS etc. for distribution of dividends and other cash benefits to investors. The Circular also mandated the Companies or their Registrar and Transfer Agent (RTA) to maintain bank details of investors. In case the securities are held in demat mode, the Companies or their RTA shall seek relevant bank details from depositories and in case the securities are held in physical mode, the Companies or their RTA shall take necessary steps to maintain updated bank details at their end. The members are requested to ensure that correct and updated particulars of their bank accounts are available with their respective depository participants and the Company/ its RTA to facilitate necessary payments through electronic mode.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors at their meeting held on 28th March, 2015 appointed Ms. Amrit Pal Bedi as an Additional Independent Director of the Company to hold office upto the conclusion of the 34th Annual General Meeting. The Company has received notice together with prescribed deposit , pursuant to Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Amrit Pal Bedi.

The resolution in item no. 4 is recommended for the approval of the members. None of the Directors and Key Managerial Personnel or their respective relatives except Ms. Amrit Pal Bedi is concerned or interested in the passing of this resolution.

ITEM NO. 5

The members at the 29th Annual General Meeting held on 30.09.2010 had approved the appointment of Mr. Haravtar Singh Arora as Managing Director of the Company for a period of five years from 09.04.2010 to 08.04.2015 on the terms and conditions as may be decided by the Board from time to time. The members at the 33rd Annual General Meeting held on 30.09.2014

ratified and approved the payment of remuneration of Rs. 125000/- per month to Mr. Haravtar Singh Arora for the period from 01.10.2013 to 08.04.2015. The term of five years has expired on 08.04.2015.

Considering the ambitious growth plan for the immediate future and the responsibilities borne by the Managing Director and the Industry standards, the Board of Directors of the Company in its meeting held on 16.04.2015, has pursuant to the recommendation of the Remuneration and Nomination Committee and subject to the approval of the members and Central Government, approved the re-appointment and remuneration of Mr. Haravtar Singh Arora as the Managing Director under the Companies Act, 2013 for a term of five years with effect from 09.04.2015 to 08.04.2020 (both days inclusive). The Managing Director shall also be a key Managerial Personnel under the provisions of Section 203 of the Companies Act, 2013.

Pursuant to the provisions of Section 196,197 and 203 and all other applicable provisions of the Companies Act, 2013 including Schedule V to the Act, the remuneration payable to the Managing Director be and is hereby placed before the members in the 34th Annual General Meeting for their approval by way of special resolution.

Your Directors recommend the Resolution at Item no. 5 as a special resolution for approval of the members.

Apart from Mr. Haravtar Singh Arora, Managing Director and Mr. Ajit Pal Singh (Nephew of the Managing Director) who would be interested in his appointment and remuneration, none of the Directors or key Managerial Personnel of the Company or their respective relatives, is, in any way, deemed to be concerned or interested in the passing of this resolution.

Although the remuneration recommended to the MD is within the limits prescribed under Section I of Part – II of Schedule – V of the Companies Act, 2013, but because of the default in repayment of the Secured loans to the Banks, the approval of members as well as Central Government is required for the same, hence the following additional information as required by Section II of Part – II of the Schedule – V of the Companies Act, 2013 is given below by way of abundant caution :

I. General Information :

- i) Nature of Industry : The Company is engaged in the business of Hotel Industry
- ii) Date or expected date of commencement of commercial production: The Company was incorporated on 25.08.1980 as a Private Limited Company. Hence, certificate of commencement was not required.

iii) In case of new Companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus:

N.A

iv) Financial performance based upon given indicators – as per audited financial results for the year ended 31.03.2015:

Particulars	Rs.
Turnover	20,78,92,997
Net profit as per Profit & Loss Account (after tax)	(23,29,47,028)
Profit as computed as per section 197 of the Companies Act, 2013	(23,29,47,028)
Net Worth	26,77,37,818

II. Information about the appointee :

i) Background details : Mr. Haravtar Singh Arora, a Non- Resident Indian (NRI), joined the Board of Directors of the Company with effect from 4th August, 2006 and was appointed as a regular Director w.e.f 29th September, 2006 by the Shareholders of the Company in their Annual General Meeting. Due to resignation by Mr. Ajmair Singh Bhullar on personal reasons and considering substantial contribution to the progress & development of the Company/ Project by Mr. Haravtar Singh Arora, the Board of Directors felt that he should lead the Company. Accordingly in the meeting of the Board of Directors held on 09.04.2010, Mr. Haravtar Singh Arora was appointed as Managing Director of the Company for five years w.e.f 09.04.2010 upto 08.04.2015, not liable to retire by rotation.

Prior to his joining the Company, he has a vast experience in the field of import-export and real estate business. From 2006 onwards, he has been efficiently managing the affairs of the Company.

ii) Past remuneration: Remuneration drawn by Mr. Haravtar Singh Arora for the period 01.04.2014 to 31.03.2015 is Rs. 125000/- per month.

iii) Job profile and suitability: Mr. Haravtar Singh Arora , Managing Director is responsible for day-to-day management of the Company, subject to overall superintendence, control and direction of the Board of Directors. Taking into

consideration his experience and expertise in Hotel Industry, the Managing Director is best suited for the current assigned role.

- iv) Remuneration proposed: There has been no change in the remuneration payable to the Managing Director from the last year and is being approved by the Remuneration and Nomination Committee and the Board of Directors of the Company to be fixed at Rs. 125000 and has been put up for the approval of the members.
- v) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of Mr. Haravtar Singh Arora, the responsibilities shouldered by him and the Industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterparts in other companies.

III. Other Information:

- i) Reasons for loss :
 - a) Supply of rooms is more than the demand due to opening of 8-10 new hotels in 3 and 5 star category in the tricity.
 - b) Closure of big Business houses in the city.
 - c) The delay in commencement of operations has led to cost escalation.
- ii) Steps taken or proposed to be taken for improvement :
 - a) Better marketing strategies and promotional events like CCL and advertising at International Airport, Chandigarh.
 - b) Better Competitive analysis and rate offering.
- iii) Expected increase in productivity and profits in measurable terms :

The rigorous efforts are put in for the productivity increase, which can lead to 10% increase in revenue in the coming year. The figures for increase in productivity are based upon the projections and there may be variance in the actual figures.

IV. Disclosures:

The information and disclosures of the remuneration package of the Managerial personnel have been mentioned in the Annexure – II of the Board's Report as "Information under Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(1)

of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014” for the Year ended 31st March , 2015.

ITEM NO. 6

At the Annual General Meeting held on 29th September, 2007, the Members had, by way of ordinary resolution and in pursuance of Section 293(1)(a) and (d) of the Companies Act, 1956 approved of borrowing monies on behalf of the Company (apart from the temporary loans obtained from the bankers in the ordinary course of business) in excess of the aggregate of the Paid up Share Capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of RS. 250 Crores at any point of time.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the Company by a special resolution.

The Ministry of Corporate Affairs (MCA) has vide its General Circular No. 4/2014 dated March 25, 2014 clarified that the ordinary resolutions passed under Sections 293(1)(a) and 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors recommend the resolution at item no. 6 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No. 6.

By order of the Board of Directors

For **JAMES HOTELS LIMITED**

Sd/-

(Puja Sharma)

Company Secretary

Membership No. 30298

Place: Chandigarh

Date : 25.08.2015

**DISCLOSURE PURSUANT TO CLAUSE 49 IV(G) OF THE LISTING AGREEMENT
RELATING TO DIRECTORS SEEKING RE-APPOINTMENT/ APPOINTMENT AT
THE ANNUAL GENERAL MEETING**

NAME OF THE DIRECTOR	Mr. Haravtar Singh Arora	Ms. Amrit Pal Bedi
DATE OF BIRTH	03.03.1959	20.09.1964
DATE OF APPOINTMENT	04.08.2006	28/03/2015
EXPERTISE IN SPECIFIC FUNCTIONAL AREA	Import export trade and real estate business	Teaching
QUALIFICATIONS	Graduation	B.A (hons.), B.Ed.
RELATIONSHIP BETWEEN DIRECTOR INTER-SE	Paternal Uncle of Mr. Ajit Pal Singh	NIL
SHAREHOLDING IN THE COMPANY	1272260	NIL
LIST OF PUBLIC COMPANIES IN WHICH OUTSIDE DIRECTORSHIP HELD	NIL	NIL

PLACE: CHANDIGARH

DATE : 25.08.2015

By order of the Board of Directors

For JAMES HOTELS LIMITED

Sd/-

(Puja Sharma)

Company Secretary

Membership No. 30298

