



## ROYAL ORCHID HOTELS LIMITED

### Notice

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of Royal Orchid Hotels Limited will be held on Monday, the 23rd Day of September, 2019 at Hotel Royal Orchid Regenta, No.1 Golf Avenue, Adjoining KGA Golf Course, Bangalore -560008, Karnataka at 11:30 A.M to transact the following businesses:

#### **ORDINARY BUSINESSES:**

1. To consider and adopt:
  - (a) the Audited Standalone Financial Statements of the Company for Financial Year ended March 31, 2019, together with reports of the Board of Directors and Auditors thereon; and
  - (b) the Audited Consolidated Financial Statement of the Company for the Financial year ended March 31, 2019, together with reports of the Auditors thereon.
2. To appoint a Director in place of Mrs. Sunita Baljee (DIN: 00080737), who retires by rotation and being eligible, offers herself for re-appointment.
3. To declare a dividend of ₹ 2/- per Equity Share of ₹ 10/- each for the Financial Year ended March 31, 2019.

#### **SPECIAL BUSINESSES:**

##### **4. To Alter the Memorandum of Association of the Company.**

To consider and if thought fit, pass with or without modification(s), following resolution as a **"SPECIAL RESOLUTION"**:

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded for alteration in the Memorandum of Association of the Company, by inserting following new clause "19A" under heading "The Objects Incidental or Ancillary to the Attainment of the Main Objects"

"19A. Imparting training to persons including but not restricted to skill development and entering into MOU's or any form of agreements with any type of legal entity and/ or regulatory authority for imparting training of any type."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

##### **5. To Alter the Articles of Association of the Company.**

To consider and if thought fit, pass with or without modification(s), following resolution as a **"SPECIAL RESOLUTION"**:

**"RESOLVED THAT** pursuant to the provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force) approval of the members be and is hereby accorded for alteration of the Articles of Association of the Company by inserting the following new Article and Heading after existing Article 72:

Chairperson

"73. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

##### **6. To Re-appoint Mr. Chander K. Baljee (DIN: 00081844) as a Managing Director of the Company and Approval of the remuneration.**

To consider and if thought fit, pass with or without modification(s), following resolution as a **"SPECIAL RESOLUTION"**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Chander K. Baljee (DIN: 00081844) as a Managing Director of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from April 01, 2020 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board/ Nomination and Remuneration Committee to alter and vary the terms and conditions of the said remuneration in such manner as may be agreed be and between the Board/ Nomination and Remuneration Committee and Mr. Chander K. Baljee."

**"RESOLVED FURTHER THAT** the remuneration for the financial year 2018-19 be paid to Mr. Chander K. Baljee (DIN: 00081844) as per the details in explanatory statement annexed to the Notice."

**"RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

##### **7. Reappointment of Mr. Naveen Jain (DIN: 00051183) as an Independent Director of the Company**

To consider and if thought fit, pass with or without modification(s), following resolution as a **"SPECIAL RESOLUTION"**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules,



## Notice (continued)

2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and is hereby accorded to re-appoint Mr. Naveen Jain (DIN: 00051183), as an Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act & Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of three consecutive years with effect from October 25, 2019 to October 24, 2022 and whose office shall not be liable to retire by rotation."

**RESOLVED FURTHER THAT** all the Directors and Key Managerial Personnel of the Company, be and are hereby severally authorized to submit/file the prescribed e-form(s) along with all the prescribed paper(s), document(s) deed(s) etc., as may be necessary and to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

### 8. Approval of loans, investments, guarantee or security under section 185 of Companies act, 2013:

To consider and if thought fit, pass with or without modification(s), following resolution as a **"SPECIAL RESOLUTION"**:

**"RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder as amended from time to time, the consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company, (in which any director is deemed to be interested) upto an aggregate sum of Rs.200 cr.(Rupees Two Hundred Crores Only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution the Board of Directors of the Company be and is hereby authorized, to approve, decide, vary or modify the terms and conditions applicable for the aforesaid loan, Investment, Corporate Guarantee and to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary, desirable or expedient and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**For and on behalf of the Board of Royal Orchid Hotels Limited**

**Ranabir Sanyal**

**Company Secretary & Compliance Officer**

**FCS: 7814**

**Date: August 09, 2019**

**Place: Bengaluru**

**Registered Office:** No.1, Golf Avenue,  
Adjoining KGA Golf Course, Kodihalli,  
HAL Airport Road, Bengaluru - 560 008, Karnataka  
CIN: L55101KA1986PLC007392  
E-mail: [investors@royalorchidhotels.com](mailto:investors@royalorchidhotels.com)

### Notes:

#### 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF ITSELF AND THE PROXY NEED NOT BE A MEMBER.

The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered office of the Company not less than **48 (FORTY-EIGHT) HOURS** before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. A person can act as a proxy on behalf of Members not exceeding **50 (Fifty)** and holding in the aggregate not more than **10 (Ten)** percent of the total share capital of the Company carrying voting rights. A member holding more than **10 (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 a Member.

2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under Item No. 2 & 6 set out above and details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard - 2 on 'General Meeting' issued by the Institute of Company Secretaries of India with respect to Directors seeking appointment/reappointment at this Annual General Meeting are annexed hereto as **ANNEXURE - 1**.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **September 14, 2019 to September 23, 2019 (both days inclusive)** for payment of dividend, if approved at the Annual General Meeting.
4. The Dividend on Equity Shares, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after September 25, 2019 to the Members whose names appear on the Company's Register of Members on September 13, 2019 after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before September 13, 2019. As regards shares held in electronic form, the dividend will be payable to the 'beneficial

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owners' of the shares whose names appear in the Statement of Beneficial Ownership furnished by the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') as at the close of business hours on September 13, 2019.

5. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.. The shares in respect of such unclaimed dividend are also liable to be transferred to the Demat Account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The details of the unpaid dividend are available at the website of the Company at the following link: <http://www.royalorchidhotels.com/investors>.
6. The Company has sent notice to all the Members whose Dividends are lying unclaimed against their name for seven consecutive years or more. Members are requested to immediately claim the unclaimed dividend amount due. In case the dividends are not claimed by the Members, necessary action will be initiated by the Company to transfer such shares to IEPF in the prescribed manner.
7. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). Members can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to Corporate Governance Report which is a part of this Annual Report.
8. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
9. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail addresses either with the Company or with the Depository or with Company's Registrar and Share Transfer Agent ("RTA"), Integrated Registry Management Services Private Limited.

Members holding shares in physical form are requested to advise any change of address and are also requested to submit their specimen signatures duly attested by their Bank immediately to the Company. Members holding shares electronically in dematerialized form must advise any change of address to their respective DPs.

10. In respect of Members whose e-mail ids are registered with the Company/the Depositories the Annual Report is sent in electronic mode. The Members who have not registered their e-mail ID are requested to register the same with Company's Registrars and Transfer Agents/Depositories. The Members who are desirous

of receiving the full Annual Report may write to the Company's Registrar for a copy of the same.

11. Members, who are holding Company's shares in physical form and have not registered/updated their e-mail addresses, addresses and bank mandates with the Company, are requested to submit their requests to Company's RTA for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members, who are holding Company's shares in Demat form, are requested to register/update the same with their Depository Participant(s) directly.

As per the provisions of Section 72 of the Act, facility for making nomination is available to the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/ she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in dematerialised form are requested to submit their forms to their DPs.

Members holding shares in physical form are requested to share their PAN and specimen signature card with the Company / RTA Agent for due compliance of the applicable regulations.

12. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 29, 2015 from the conclusion of 29th AGM until the conclusion of 34th AGM to be held in the year 2020.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
14. As an austerity measure, members/proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
15. Corporate members intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting authorizing such person to attend and vote on its behalf at the meeting.
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the



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Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

18. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
19. Members may also note that Notice calling the Meeting will be available on Company's website viz., [www.royalorchidhotels.com](http://www.royalorchidhotels.com).
20. Mr. G. Shanker Prasad (ACS 6357), Company Secretary in whole time practice has been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members, the facility for transacting all the businesses set out in this Notice, through electronic voting system (to cast their vote electronically from a place other than the venue of Annual General Meeting) by using the electronic voting facility provided by Central Depository Services Limited ("CDSL").
22. The members, who are not able to attend the Annual General Meeting, can exercise their vote through poll / ballot form attached to the notice and send the same to Scrutinizer, Mr. G. Shanker Prasad, Practicing Company Secretary at No. 10, AGs Colony, Anand Nagar, Bengaluru - 560 024, so as to reach him on or before September 22, 2019 at 17:00 Hrs.

The facility for voting through ballot paper, will also be made available at the Annual General Meeting (AGM) and the members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper.

### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Friday, the September 20, 2019 at 09:00 A.M.** and ends on **Sunday, the September 22, 2019 at 05:00 P.M.** 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 **Friday, the September 13, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & \*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly

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recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **ROYAL ORCHID HOTELS LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the App from the Apps Store and Windows phone stores respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - d) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the

Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or send email to Company at [inverstor@royalorchidhotels.com](mailto:inverstor@royalorchidhotels.com) or contact the Company or Registrar & Share Transfer Agent.
- (xxi) The result of voting shall be declared by the Chairman of the meeting on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.royalorchidhotels.com](http://www.royalorchidhotels.com) and will be communicated to the NSE Ltd. and BSE Ltd.

### Other Instructions

The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on Cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through ballot.

The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, would count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolutions.

The results of voting declared along with Scrutinizer's Report(s) will be published on the website of the Company ([www.bseindia.com](http://www.bseindia.com)) and on the website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) within 48 hours from the conclusion of the AGM and the same shall also be simultaneously communicated to the Stock Exchanges where the Company is listed.

### **Restriction on transfer of physical shares & Procedure for demat of shares Amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to mandatory dematerialization for transfer of securities.**

The amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. According to the Circular, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from 5th December, 2018.





## Notice *(continued)*

Therefore Registrars and Transfer Agent and Company will not be accepting any request for transfer of shares in physical form with effect from 5th December, 2018.

This restriction shall not be applicable to the request received for transmission or transposition of physical shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account.

You may also visit web site of depositories viz. NSDL or CDSL for further understanding about the demat procedure: NSDL website: <https://nsdl.co.in/faqs/faq.php> (dematerialization) CDSL website: <https://www.cdslindia.com/investors/open-demat.aspx>.

### ANNEXURE - A

#### EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Statements with respect to items under Special Business covered in the Notice of Meeting are given below:

##### Item No. 4

It is proposed to amend the "Object Incidental or Ancillary to the Attainment of the Main Objects" of the Memorandum of Association of the Company.

Accordingly, The Board at its meeting held on August 09, 2019 has approved the alteration of Memorandum of Association of the Company subject to the approval of shareholders by inserting clause 19A under the heading Object Incidental or Ancillary to the Attainment of the Main Objects as follows:

*"19A Imparting training to persons including but not restricted to skill development and entering into MOU's or any form of agreements with any type of legal entity and/or regulatory authority for imparting training of any type."*

The Management is intended to use its infra structure and resources to impart training to persons including but not limited to Skill Development of persons.

In terms of Section 13 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for Alteration of Memorandum of Association of the Company.

The draft Memorandum of Association are available for inspection by the Members at the registered office of the Company on all working days (except Sundays and Public Holidays) between 09:30 AM to 6:30 PM. up to the date of this Annual General Meeting and the same is also available on the Company website i.e. <http://www.royalorchidhotels.com/investors>.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution.

Your Board recommends the said resolution, as special resolution, for your approval.

##### Item No. 5

The current Articles of Association of Company were framed at the time of formation of the Company in the year 1986, as per the provisions of the erstwhile Companies Act, 1956. The Articles have been amended from time to time depending upon the need for changes in line with the regulatory / administrative requirements.

With the enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and some new provisions have been added.

As per the provision of Section 203(1) of the Companies Act, 2013 a Chairperson & Managing Director cannot be the same person unless the Articles of Association specifically provide.

The current Articles of Association is silent on Chairperson & Managing Director being the same person. In view of the same the existing Articles of Association of the Company need to be altered and felt that it is expedient to insert the following new Article and Heading after existing Article 72:

Chairperson

*"73. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company."*

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for Alteration of Articles of Association of the Company.

The draft Articles of Association are available for inspection by the Members at the registered office of the Company on all working days (except Sundays and Public Holidays) between 09:30 AM to 6:30 PM. up to the date of this Annual General Meeting and the same is also available on the Company website i.e. <http://www.royalorchidhotels.com/investors>.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution.

Your Board recommends the said resolution, as special resolution, for your approval.

##### Item No. 6

The period of appointment of Mr. Chander K. Baljee (DIN: 00081844) as the "Managing Director" expires on March 31st, 2020 by efflux of time.

The Board of Directors of the Company ("the Board") at its meeting held on May 28, 2019 has, subject to approval of members, reappointed Mr. Chander K. Baljee (DIN: 00081844) as a Managing Director, for a further period of 5 (five) years from the expiry of his present term, that is, April 01st, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC' Committee) of the Board and approved by the Board.

Section 196 (3) of the Act read with Part-1 of Schedule V provides that no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained

## Notice *(continued)*

the age of 70 years unless it is approved by the Shareholders as a Special Resolution. Mr. Chander K. Baljee will be attaining the age of 70 years on February 21, 2021 during his tenure as a Managing Director.

Keeping in view that Mr. Chander K. Baljee is a well known "Hotelier", has rich and varied experience in the Hotel Industry, guided the Company through almost Four decades of diversification and growth to emerge as one of the leading Hotel Brand, it would be in the interest of the Company to continue the employment of Mr. Chander K. Baljee as Managing Director of the Company.

The following remuneration has been recommended by the Nomination and Remuneration Committee and proposed by the Board

	Financial Year	Amount in ₹
Salary	2020-21	₹ 26,61,947/- per month ₹ 3,19,43,369/- p.a.
	2021-22	₹ 30,61,240/- per month, ₹ 3,67,34,875/- p.a.
	2022-23	₹ 35,20,426/- per month, ₹ 4,22,45,106/- p.a.
<b>Perquisites &amp; Allowances</b>		
Leave Encashment		Upto 2 months' salary
Reimbursement of Entertainment Expense for business purpose		10,000/-
Leave Travel Concession		Upto 2 months' salary
Gratuity		Half months' salary for each completed year of service

As per the provisions of Section 197 read with Schedule V of the Companies Act 2013 approval of members is required for payment of remuneration in case of inadequate profits. Thus, it is proposed to seek members' approval for the re-appointment and remuneration payable to Mr. Chander K. Baljee as a Managing Director of the Company.

Your Board recommends the said resolution, as special resolution, for your approval.

No Directors and Key Managerial Personnel of the Company are concerned or interested, financial or otherwise other than Mr. C K Baljee (along with his respective relatives), who is interested in or concerned in the aforesaid Resolution

### Information pursuant to Section II of Schedule V of the Companies Act 2013

#### I. General Information:

- (1) Nature of industry: Hospitality Industry
- (2) Date of commencement of commercial production: February 3, 1986
- (3) Financial performance based on given indicators: Details are given under the Directors report under the heading financial performance.

- (4) Foreign investments or collaborations – The Company has invested in one subsidiary abroad.

#### II. Information about the appointee:

- (1) Background details: An MBA from IIM, Ahmedabad, Mr. Chander K. Baljee is the Founder and Managing Director of Royal Orchid Hotels Limited. He has over three decades of experience in hospitality industry.
- (2) Past remuneration of Mr. Chander K. Baljee for 3 preceding Financial Years

	Amount in (₹)
<b>Salary</b>	
2017-18	₹ 17,50,274/- per month, ₹ 2,10,03,284/- p.a.
2018-19*	₹ 20,12,815/- per month, ₹ 2,41,53,777/- p.a.
2019-20	₹ 23,14,737/- per month, ₹ 2,77,76,844/- p.a.
<b>Perquisites &amp; Allowances</b>	
Leave Encashment	Upto 2 months' salary
Reimbursement of Entertainment Expense for business purpose	10,000/-
Leave Travel Concession	Upto 2 months' salary
Gratuity	Half months' salary for each completed year of service

\*Remuneration of ₹ 33 lacs is not paid although approved by shareholders as Ministry of Corporate Affairs vide notification dated September 12, 2018 has amended Section 197 of Companies Act, 2013 relating to Managerial Remuneration payable to executives. In addition, the Ministry has also come up with corresponding amendments in Schedule V of the Companies Act, 2013 and issued Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2018 which has ended Central Government approval and Managing Director was paid based on the paid up capital of the Company i.e. Rs. 14 lacs per month

Hence, members are also requested to give the approval for payment of aforesaid Managerial Remuneration of Rs. 33 lacs

- (3) Recognition or awards: Mr. C K Baljee has been featured in the IIM Ahmedabad book "Stay Hungry Stay Foolish" which chronicles the rise of 25 entrepreneurs. He is an active member of the All India Management Association, the Greater Mysore Chamber of Commerce and Industry, and the Confederation of Indian Industry. He is a certified Hotel Administrator from American Hotel and Lodging Association (AH & LA). Mr. C K Baljee was facilitated as the "Hero of Bengaluru" at Bengaluru Management Association's 61st Anniversary Awards 2014 where Royal Orchid Hotels was recognized as one of the strongest pillars of Bengaluru's Business World.
- (4) Job profile and his suitability: The position of Managing Director of a Company is entrusted with substantial powers of management



## Notice *(continued)*

having total control on general conduct and management of the business affairs of the Company. Mr. C K Baljee being an MBA from IIM, Ahmedabad, and is the Founder & Managing Director of the Company from its inception. Moreover, he possesses over three decades of experience in hospitality industry.

(5) The said remuneration comparable with respect to industry, size of the Company, profile of the position and person.

(6) Notice period: One Year

### III. Other information:

Sr. No.	Particulars
1	Reasons of loss or inadequate profits The hospitality business has seen significant downturn due to global recession. This has resulted in inadequacy in profits. Currently, the hospitality business is in the course of recovery.
2	Steps taken or proposed to be taken for improvement The Company plans to improve operating cash flows through cost synergies and exploring avenues of enhancing revenues.
3	Expected increase in productivity and profit in measurable terms The overall productivity and profits are expected to increase as per the business outlook provided in the Management Discussion and Analysis Report.

#### Item No. 7

The Members at the 31st Annual General Meeting held on 27th September, 2017 approved the appointment of Mr. Naveen Jain as an Independent Non-Executive Director of the Company for a period of three (3) years with effect from October 25, 2016 to October 24, 2019. Mr. Naveen Jain will complete his present term on 24th October, 2019.

After Considering the performance evaluation of Mr. Naveen Jain the Board of Directors of the Company ('the Board') at the meeting held on 09th August, 2019, on the recommendation of the Nomination & Remuneration Committee, recommended for the approval of the Members, the re- appointment of Mr. Naveen Jain as an Independent Non-Executive Director of the Company with effect from 25th October, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), or any amendment thereto or modification thereof.

The Board is of the view that the continued association of Mr. Naveen Jain would benefit the Company, given the knowledge, experience and performance of Mr. Naveen Jain, and contribution to Board processes by him. Declaration has been received from Mr. Naveen Jain that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors)

Rules, 2014 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'). In the opinion of the Board, Mr. Naveen Jain fulfils the conditions specified in the Act and the Rules framed there under for re-appointment as Independent Non-Executive Director of the company. Mr. Naveen Jain has also submitted, a declaration in prescribed Form DIR-8 to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act, consent to act as Director in prescribed Form DIR-2 and disclosure of interest in prescribed Form MBP-1.

Consent of the Members is required for re-appointment of Mr. Naveen Jain as Independent Non-Executive Director, in terms of Section 149 of the Act & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Naveen Jain is deemed to be interested in the resolution set out respectively at Item No. 07 of this Notice with regard to his respective appointment.

Except Mr. Naveen Jain, none of the Director(s) and/or Key Managerial Personnel(s) and their relative(s) are either directly or indirectly concerned or interested, financially or otherwise in the aforesaid resolution.

Your Board recommends the said resolution, as Special resolution, for your approval.

#### Item No. 8

Pursuant to the provisions of Section 186 of the Companies Act, 2013 ('Act'), the shareholders of the Company on 27th September, 2017, at 31st Annual General Meeting, accorded approval to give loans or to give guarantee(ies) or to provide security(ies) or to make investment(s) upto an aggregate amount not exceeding Rs. 350 crore (Rupees Three Fifty Crore Only).

Vide Companies (Amendment) Act, 2017, Section 185 of the Act has been amended and the same was notified by the Ministry of Corporate Affairs on 7th May, 2018. In terms of the amended Section 185 of the Act, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the Director of the Company is interested subject to the condition that approval of the shareholders of the Company is obtained by way of Special Resolution and requisite disclosures are made in the Explanatory Statement.

The Company's subsidiary(ies) / associates / JV Companies explore various options to raise funds through loan / issuance of debentures / bonds etc. which may be backed by corporate guarantee of the Company. The proceeds raised by the subsidiary(ies) / associates / JV Companies of the Company would be utilized for their principal business activities.

In view of the above; and in line with the approval of the shareholders accorded under section 186 of the Act & as an abundant caution, the Board at its meeting held on May 28, 2019 decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan including any loan represented by book



## Notice *(continued)*

debt, or give guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by any subsidiary company(ies) (Indian or overseas) / associates / JV Companies / body corporates in whom any of the Director of the Company is interested up to an aggregate amount not exceeding Rs. 200 cr. (Rupees Two Hundred Crores Only) or in other currency for an equivalent amount. This will also enable the Company to provide the requisite corporate guarantee or security in relation to raising of loans / debentures / bonds etc. by the

said subsidiary(ies) / associates / JV Companies body corporates, as and when it is raised.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution.

Your Board recommends the said resolution, as special resolution, for your approval.

### ANNEXURE - 1

#### **Details of the Directors seeking appointment / re-appointment / alter in their tenure at the forthcoming Annual General Meeting of the Company (Pursuant to Para 1.2.5 of Secretarial Standard 2, and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

<b>Name of the Director and DIN</b>	<b>Mrs. Sunita Baljee (DIN: 00080737)</b>
Date of Birth and Age	31/08/1954 (65 Years)
Current Position	Mrs Sunita Baljee is a Non-Executive Director on the Board of Royal Orchid Hotels. She is also on Board of other Subsidiaries and Associated Companies of Royal Orchid Hotels
Qualification	Master in Business Administration from the University of Raipur.
Experience	Mrs Baljee is a co-promoter of Royal Orchid Hotels Limited. She was a Director of the Company from September 1999 till July 2005 and re-appointed on April 2015 and continuing till date. She has vast experience in Hospitality Industry.
Shareholding in the Company	2,26,260 equity shares of ₹ 10/- each
Terms and conditions of Appointment / re-appointment	Non-Executive Director Liable to retire by rotation
<b>Name of the Director and DIN</b>	<b>Mr. Naveen Jain (DIN: 00051183)</b>
Date of Birth and Age	04/06/1958 (61 Years)
Current Position	Managing Director of Nouvelle Knowledge Services
Qualification	Mr. Jain is a Fellow Member of the Institute of Chartered Accountants of India
Experience	Prior to joining Duet, Mr. Jain has worked with leading hotel Companies in India, namely, The Oberoi Group, and The Leela Hotels Group, leading several functions including hotel investments, treasury, corporate finance, operational finance, project execution and general management. Mr. Jain has more than 3 decades of experience
Shareholding in the Company	Nil
Terms and conditions of Appointment / re-appointment	Independent Director not Liable to retire by rotation

Note: Details of No of meetings attended, Directorships, Membership and Chairmanship in Committees of Other Indian public companies are given in Corporate Governance Report.

**ROYAL ORCHID HOTELS LIMITED**

Corporate Identity Number (CIN): L55101KA1986PLC007392

Registered Office: No -1, Golf Avenue, Adjoining KGA Golf Course, HAL Airport Road, Bengaluru, Karnataka- 560 008  
Telephone: +91 080 41783000, Website: [www.royalorchidhotels.com](http://www.royalorchidhotels.com) Email: [investors@royalorchidhotels.com](mailto:investors@royalorchidhotels.com)**THIRTY THIRD ANNUAL GENERAL MEETING – SEPTEMBER 23, 2019****ATTENDANCE SLIP**

DPID\* / Folio No. :

Client ID\* :

No. of Shares :

Name and address of the Shareholder :

I/We hereby record my/our presence at the THIRTYTHIRD ANNUAL GENERAL MEETING of the Company held on Monday, the 23rd Day of September, 2019 at 11:30 A.M at Hotel Royal Orchid Regenta, No.1 Golf Avenue, Adjoining KGA Golf Course, Bangalore -560008, Karnataka..

Signature of the Shareholder/Proxy present:

\* Applicable for investors holding Shares in Electronic Form.

**THIRTY THIRD ANNUAL GENERAL MEETING – SEPTEMBER 23, 2019****FORM NO. MGT - 11****PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**ROYAL ORCHID HOTELS LIMITED**

Corporate Identity Number (CIN): L55101KA1986PLC007392

Registered Office: No -1, Golf Avenue, Adjoining KGA Golf Course, HAL Airport Road, Bengaluru, Karnataka- 560 008  
Telephone: +91 080 41783000, Website: [www.royalorchidhotels.com](http://www.royalorchidhotels.com) Email: [investors@royalorchidhotels.com](mailto:investors@royalorchidhotels.com)

I/we being the member(s) of.....shares of the above named company, hereby appoint:

Name:.....Address:.....

E-mail Id:.....Signature:..... or failing him;

Name:.....Address:.....

E-mail Id:.....Signature:..... or failing him;

Name:.....Address:.....

E-mail Id:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **THIRTYTHIRD ANNUAL GENERAL MEETING** of the Company held on Monday, the 23rd Day of September, 2019 at 11:30 A.M at Hotel Royal Orchid Regenta, No.1 Golf Avenue, Adjoining KGA Golf Course, Bangalore -560008, Karnataka or at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	Resolution Type	For	Against
1	To consider and adopt the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of the Company along with the Report of the Board and Auditor's thereon for the Financial year ended March 31, 2019	Ordinary		
2	To appoint a Director in place of Mrs. Sunita Baljee (DIN: 00080737) who retires by rotation and being eligible, offers herself for re-appointment.	Ordinary		
3	To declare a dividend of ₹ 2/- per Equity Share of ₹ 10/- each for the Financial Year ended March 31, 2019.	Ordinary		
4	To alter the Memorandum of Association of the Company	Special		
5	To alter the Articles of Association of the Company	Special		
6	To re-appoint Mr. Chander K. Baljee (DIN: 00081844) as a Managing Director of the Company and approval of the remuneration	Special		
7	Re-appointment of Mr. Naveen Jain (DIN: 00051183) as an Independent Director of the Company	Special		
8	Approval of loans, investments, guarantee or security under section 185 of Companies act, 2013.	Special		

Signed this .....day of .....2019.

Signature of the Shareholder:

Signature of Proxy Holder(s):

Affix  
Revenue  
Stamp**Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**





# THIRTY THIRD ANNUAL GENERAL MEETING – SEPTEMBER 23, 2019

## ROYAL ORCHID HOTELS LIMITED

Corporate Identity Number (CIN): L55101KA1986PLC007392

Registered Office: No -1, Golf Avenue, Adjoining KGA Golf Course, HAL Airport Road, Bengaluru, Karnataka- 560 008

Telephone: +91 080 41783000, Website: [www.royalorchidhotels.com](http://www.royalorchidhotels.com) Email: [investors@royalorchidhotels.com](mailto:investors@royalorchidhotels.com)

### Form No. MGT-12

### POLL/BALLOT PAPER

[Pursuant to section 109(5) of The Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

(The members who are not able to attend the Annual General Meeting, can send their assent or dissent in writing in respect of the resolutions as set out in the Notice by sending the duly filled and signed Ballot/Form to the Scrutiniser, Mr. G. Shanker Prasad, Practicing Company Secretary at No. 10, AGs Colony, Anand Nagar, Bengaluru - 560 024, so as to reach him on or before September 22, 2019)

S No	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal Address	
3.	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following :

S. No.	Resolutions	Resolution Type	For	Against
1	To consider and adopt the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of the Company along with the Report of the Board and Auditor's thereon for the Financial year ended March 31, 2019	Ordinary		
2	To appoint a Director in place of Mrs. Sunita Baljee (DIN: 00080737) who retires by rotation and being eligible, offers herself for re-appointment.	Ordinary		
3	To declare a dividend of ₹ 2/- per Equity Share of ₹ 10/- each for the Financial Year ended March 31, 2019.	Ordinary		
4	To alter the Memorandum of Association of the Company	Special		
5	To alter the Articles of Association of the Company	Special		
6	To re-appoint Mr. Chander K. Baljee (DIN: 00081844) as a Managing Director of the Company and approval of the remuneration	Special		
7	Re-appointment of Mr. Naveen Jain (DIN: 00051183) as an Independent Director of the Company	Special		
8	Approval of loans, investments, guarantee or security under section 185 of Companies act, 2013.	Special		

Place:

Date:

(Signature of the shareholder\*)

(\*as per Company records)

## ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING

Venue: Hotel Royal Orchid Regenta, No.1 Golf Avenue, Adjoining KGA Golf Course, Bangalore -560008, Karnataka.

