

# **EXPRESS RESORTS & HOTELS LTD.**

(CIN: U55101GJ1996PLC028851)

Registered Office: Express Towers, R. C. Dutt Road, Vadodara – 390 007

Website : [www.expresshotelsindia.com](http://www.expresshotelsindia.com) Email : [Jamnagar.reservation@expressworld.com](mailto:Jamnagar.reservation@expressworld.com)

Tel : +91-265-6138000 Fax : +91-265-6138200

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## **NOTICE**

Notice is hereby given that the Twenty First Annual General Meeting of the Shareholders of EXPRESS RESORTS & HOTELS LIMITED will be held on Friday, the 29<sup>th</sup> September, 2017, at 3.00 p. m. , at its registered office at **“BLISS”, 1<sup>st</sup> Floor, Express Towers, R. C. Dutt Road, Vadodara – 390 007**, to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Audited Statement of Profit and Loss Account for the year ended 31st March, 2017 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vinod R. Gandhi (holding DIN: 00051657) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s. CNK & Associates, LLP Chartered Accountants (Firm Reg. No. 101961W) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company for the financial year ending 31<sup>st</sup> March, 2018.”

### **SPECIAL BUSINESS**

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

“RESOLVED THAT pursuant to the approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof ) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Nirav V. Gandhi, as a Managing Director of the Company (not liable to retire by rotation) for a period of 5 years with effect from 8<sup>th</sup> August, 2017, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated 19<sup>th</sup> July, 2017, a copy whereof, initialed by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which agreement is also hereby specifically approved.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of the above-stated remuneration as may be agreed to between the Board of Directors and Mr. Nirav V. Gandhi.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Nirav V. Gandhi's office as Managing Director, the remuneration set out in the aforesaid Agreement/ draft Letter of appointment be paid or granted to Mr. Nirav V. Gandhi as minimum remuneration and the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II A of Part II of Schedule V to the Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

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

**"RESOLVED THAT** pursuant to the approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof ) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Hiren A. Gandhi, as a Whole-Time Director of the Company (not liable to retire by rotation) for a period of 5 years with effect from 8<sup>th</sup> August, 2017, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated 19<sup>th</sup> July, 2017, a copy whereof, initialed by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which agreement is also hereby specifically approved."

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are, hereby authorized to vary, alter or modify the different components of the above-stated remuneration as may be agreed to between the Board of Directors and Mr. Hiren A. Gandhi.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Hiren A. Gandhi's office as a Whole-Time Director, the remuneration set out in the aforesaid Agreement/ draft Letter of appointment be paid or granted to Mr. Hiren A. Gandhi as minimum remuneration and the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II A of Part II of Schedule V to the Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

By Order of the Board of Directors of  
Express Resorts & Hotels Ltd.  
CIN: U55101GJ1996PLC028851

Place: Vadodara

Date: 21<sup>st</sup> August, 2017

V. R. Gandhi

Chairman

(DIN: 00051657)

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF. A Proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the AGM i.e. by 3.00 p.m. on Wednesday, 27<sup>th</sup> September, 2017. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person.
- 2) Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public Holidays upto the date of the AGM.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> Sept., 2017 to 30<sup>th</sup> Sept., 2017 (both days inclusive).
- 4) Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall where the AGM is proposed to be held.
- 5) Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM, to the Company's Registered office by 3.00 p.m. on Thursday, 28<sup>th</sup> September, 2017.
- 6) Members, who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices, etc., from the Company electronically.
- 7) As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
- 8) Members can inspect the Register of Director and Key Managerial Personnel and their Shareholding, required maintained under section 170 of the Companies Act 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under section 189 of the Companies Act 2013, during the course of the meeting at the venue.
- 9) Members may please note that no gifts/ gift coupons shall be distributed at the venue of the Annual General Meeting
- 10) Route map of venue of annual general meeting is annexed to the notice

By Order of the Board of Directors of  
Express Resorts & Hotels Ltd.  
CIN : U55101GJ1996PLC028851

Place: Vadodara

Date: 21<sup>st</sup> August, 2017

V. R. Gandhi

Chairman

(DIN: 00051657)

ANNEXURE TO NOTICE CALLING TWENTYFIRST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF EXPRESS RESORTS & HOTELS LIMITED WILL BE HELD ON FRIDAY, THE 29<sup>TH</sup>, SEPTEMBER, 2017

**EXPLANATORY STATEMENT**

**(Pursuant to Section 102 of the Companies Act, 2013)**

That following explanatory statement sets out the material facts referring to Item No. 4 & 5 of the Notice.

**Item No. 4**

The Board of Directors of your Company has re-appointed Mr. Nirav V. Gandhi as the Managing Director for a period of five years with effect from August 8, 2017, subject to the approval of the Members of the Company at the 21<sup>st</sup> Annual General Meeting, and subject to all other applicable approvals.

Mr. Nirav V. Gandhi is a B. S. from USA and Degree holder in Hotel Management. He has been associated with the Company since 1997. He has over the years gained valuable experience, business skills and proficiencies by leading and managing Express Resorts & Hotels Ltd.'s business.

The Board of Directors of the Company at their Meeting held on July 19, 2017 has approved (subject to the approval of the Members of the said Company) the following terms and conditions of remuneration payable to Mr. Nirav V. Gandhi for a period of Five Years w.e.f. August 08, 2017:

- a. *Salary*: Upto Rs. 42,00,000/- (Rupees Forty Two Lacs Only) per annum.
- b. *Perquisites*: Accommodation, medical reimbursement, club membership, personal accident insurance, car loan and such other perquisites in accordance with the Company's rules. The monetary value of such perquisites will be determined in accordance with the Income Tax Rules, 1962.
- c. The Board of Directors shall be entitled to revise upwards the remuneration of Mr. Nirav V. Gandhi, within the ceiling as set out in Schedule V to the Companies Act, 2013, as amended from time to time.
- d. The Board of Directors have provided their unanimous consent to the re-appointment and remuneration of Mr. Nirav V. Gandhi as the Managing Director of the Company

Your Directors therefore consider that Mr. Nirav V. Gandhi's re-appointment as the Managing Director will be beneficial to the Company.

Where in respect of any Financial Year, during the tenure of Mr. Nirav V. Gandhi, as the Managing Director of the Company, the Company has no profits or its profits are inadequate, the remuneration shall not exceed the ceiling provided in Section II A of Part II of Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

The Board recommends the resolution for your approval as a Special Resolution.

Neither any director/ key managerial person nor their relatives except Mr. Nirav V. Gandhi and his relative Mr. Vinod R. Gandhi, shall be deemed to be financially or otherwise interested or concerned in the resolution.

## Item No. 5

The Board of Directors of your Company has re-appointed Mr. Hiren A. Gandhi as the Whole-Time Director for a period of five years with effect from August 8, 2017, subject to the approval of the Members of the Company at the 21<sup>st</sup> Annual General Meeting, and subject to all other applicable approvals.

Shri Hiren A. Gandhi is a B. S. from USA and has done MBA. He has been associated with the Company since 2003. He has over the years gained valuable experience, business skills and proficiencies by leading and managing Express Resorts & Hotels Ltd.'s business.

The Board of Directors of the Company at their Meeting held on July 19, 2017 has approved (subject to the approval of the Members of the said Company) the following terms and conditions of remuneration payable to Mr. Hiren A. Gandhi for a period of Five Years w.e.f. August 08, 2017:

- a. *Salary*: Upto Rs. 42,00,000/- (Rupees Forty Two Lacs Only) per annum.
- b. *Perquisites*: Accommodation, medical reimbursement, club membership, personal accident insurance, car loan and such other perquisites in accordance with the Company's rules. The monetary value of such perquisites will be determined in accordance with the Income Tax Rules, 1962.
- c. The Board of Directors shall be entitled to revise upwards the remuneration of Mr. Hiren A. Gandhi, within the ceiling as set out in Schedule V to the Companies Act, 2013, as amended from time to time.
- d. The Board of Directors have provided their unanimous consent to the re-appointment and remuneration of Mr. Hiren A. Gandhi as a Whole-Time Director of the Company

Your Directors therefore consider that the payment of remuneration to Mr. Hiren A. Gandhi is justified.

Where in respect of any Financial Year, during the tenure of Mr. Hiren A. Gandhi, as a Whole-Time Director of the Company, the Company has no profits or its profits are inadequate, the remuneration shall not exceed the ceiling provided in Section II A of Part II of Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

The Board recommends the resolution for your approval as a Special Resolution.

Neither any Director/ key managerial person nor their relatives except Mr. Hiren A. Gandhi and his relative Mr. Ashwin R. Gandhi, shall be deemed to be financially or otherwise interested or concerned in the resolution.

### **A STATEMENT OF ADDITIONAL INFORMATION PURSUANT TO CLAUSE (IV) OF SECTION II OF PART II OF THE SCHEDULE V**

#### **I. GENERAL INFORMATION:**

(1) Nature of Industry :

**Hotel Industry: The Company is engaged in the business activities of lodging and boarding**

(2) Date of commencement of commercial production

**April 12, 1996.**

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

**Not applicable**

(4) Financial performance based on given indicators

(Rs. In lacs)

| Particulars       | 2014-15 | 2015-16 | 2016-17 |
|-------------------|---------|---------|---------|
| Total Revenue     | 594.36  | 682.47  | 1235.29 |
| Profit before tax | 247.65  | 266.32  | 582.40  |
| Profit after tax  | 142.90  | 205.47  | 423.79  |
| Net worth         | 1030.11 | 1115.05 | 1538.84 |

(5) Foreign investments or collaborators, if any: **Not applicable**

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background Details

(a) Mr. Nirav V. Gandhi is a B. S. from USA and Degree holder in Hotel Management. He has been associated with the Company since 1997. He has over the years gained valuable experience, business skills and proficiencies by leading and managing Express Resorts & Hotels Ltd.'s business.

(b) Mr. Hiren A. Gandhi is a B. A. from USA and has done MBA. He has been associated with the Company since 2003. He has over the years gained valuable experience, business skills and proficiencies by leading and managing Express Resorts & Hotels Ltd.'s business.

(2) Past Remuneration

Remuneration of Mr. Nirav V. Gandhi and Mr. Hiren A. Gandhi have been revised from Rs. 90,000/- per month to Rs. 110,000/- per month w.e.f. Nov., 2016.

(3) Recognition or Awards

Mr. Nirav V. Gandhi is a Director of Hotel and Restaurant Association (Western India)

(4) Job Profile and his Suitability

(a) Mr. Nirav V. Gandhi has been serving the Company since 1997 and as a Member of the Senior Management team, looks after the areas of Operations, Strategic planning & implementation and PRL marketing

(b) Mr. Hiren A. Gandhi has been serving the Company since 2003 and as a Member of the Senior Management team, he looks after the areas of administration, operations, strategic planning & implementation and PRL marketing

(5) Remuneration Proposed:

The remuneration proposed is detailed in the respective Agreement.

- (6) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person

The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

(a) Mr. Nirav V. Gandhi has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his remuneration in the capacity of a Managing Director. As on date he holds 195,000 shares in the Company in his personal capacity.

(b) Mr. Hiren A. Gandhi has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his remuneration in the capacity of a Whole-Time Director. As on date he holds 293,500 shares in the Company in his personal capacity.

### III. OTHER INFORMATION:

- (1) Reasons of loss or inadequate profits

- General Economy slowdown and deterioration of macroeconomic environment and growth prospects of India;
- low occupancy due to global recession
- rise in the inflation and oil prices

- (2) Steps taken or proposed to be taken for improvement

- Sustain the ecosystem;
- implementation of cost control measures at various critical points
- reinforce present activities by strengthening all the activities to maintain leadership position at the project site;
- endeavoring to deliver quality services in the hospitality to its valued present and prospective clients
- expecting a sustained business opportunity at its Motikhavdi, Jamnagar Hotel, in view of the huge capacity additions by the oil refining companies around the project;
- the market in which our Company is operating, offers plenty of opportunities for growth.

In view of these, it is contemplated that the Company will be able to churn huge opportunities in the days to come.

- (3) Expected increase in productivity and profit in measurable terms.

Recent result of general elections has changed the political equations of the country and trust imparted in the newly formed Central Government will bring positive impacts and political stability alongwith favorable policy actions. The recent waves of reforms announced by the Government are steps in the right direction and these could have a positive impact on the Indian economy and the travel & tourism market, in which our company operates.

IV. DISCLOSURES:

- (1) The shareholders of the Company shall be informed of the remuneration package of the managerial person:

Details furnished in the resolution.

- (2) Other Disclosures: **Not Applicable.**

By Order of the Board of Directors of  
Express Resorts & Hotels Ltd.  
*CIN : U55101GJ1996PLC028851*

Registered Office:

2nd Floor,  
Express Tower Building,  
R. C. Dutt Road,  
Vadodara – 390 007

Place : Vadodara  
Date : 21<sup>st</sup> August, 2017

V. R. Gandhi  
Chairman  
(DIN: 00051657)