

ASIAN HOTELS (NORTH) LIMITED

RECORDED TRANSCRIPT OF THE 40TH ANNUAL GENERAL MEETING OF ASIAN HOTELS (NORTH) LIMITED HELD ON WEDNESDAY, THE 29TH SEPTEMBER, 2021 AT 11:00 A.M. (IST) THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS AT ITS REGISTERED OFFICE AT BHIKAJI CAMA PLACE, NEW DELHI, BEING THE DEEMED VENUE

A. AT 11.00 A.M., WELCOME ADDRESS BY MR. AMRITESH JATIA, NON-EXECUTIVE DIRECTOR ON BEHALF OF THE CHAIRMAN	<p>Good Morning Ladies & Gentlemen!</p> <p>I Amritesh Jatia, a Director of your Company and on behalf of Mr. Shiv Kumar Jatia, Chairman & Managing Director of your Company, take this opportunity to welcome you all to this 40th Annual General Meeting of Asian Hotels (North) Limited.</p> <p>It is always a pleasure to connect with you all. Given the impact that Covid-19 is having around the world, I hope you, your families, and your colleagues are doing well.</p> <p>Since the quorum is present, I now call the meeting to order.</p> <p>Now I request, Ms. Saumya Goel, Company Secretary to introduce my fellow Directors, Key Managerial Personnel, Chief Operating Officer and Auditors, who are attending this meeting, and thereafter proceed with the requisite announcements.</p>
B. COMPANY SECRETARY	<p>Thank you Sir.</p> <p>Good Morning Dear Members!</p> <p>I extend a very warm welcome to you all to this Annual General meeting. I also feel privileged to introduce all the Directors, Key Managerial Personnel, Chief Operating Officer and Auditors, who are attending this meeting.</p> <p>On the dais, in the centre is Mr. Shiv Kumar Jatia, Chairman & Managing Director. He is a Promoter Director and is also the Chairman of the CSR Committee.</p> <p>To the left of Mr. Shiv Kumar Jatia is Ms. Preeti Gandhi, an Independent Non- Executive Director and the Chairperson of the Stakeholders' Relationship Committee.</p> <p>To the right of Mr. Shiv Kumar Jatia is Mr. Amritesh Jatia, a Promoter and Non-executive Director.</p> <p>Next to Mr. Amritesh Jatia is Mr. Ashish Dhanuka, Chief Financial Officer.</p>

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Next to Ms. Preeti Gandhi is Mr. Devendra Bhatnagar, Chief Operating Officer.

On the extreme end of the dais Mr. Vijay Kale, Partner, M/s. V.V. Kale & Company, Chartered Accountants, Statutory Auditors of the Company.

Now I would like to introduce other Directors and Auditors joining through video conferencing from their respective locations.

Dr. Lalit Bhasin, an Independent Non- Executive Director and the Chairman of the Audit Committee and Nomination & Remuneration Committee has joined us from New Delhi. Welcome Sir.

Dr. Rajeev Uberoi, an Independent Non- Executive Director has joined us from Bhopal. Welcome Sir.

Mr. Akhilesh Bhuwarka, a Non- Executive Director has joined us from Kolkata. Welcome Sir.

Mr. Varad Kale, Partner, M/s. V.V. Kale & Company, Chartered Accountants, Statutory Auditors of the Company, has joined us from Noida. Welcome Varad.

Dr. S. Chandrasekaran, Sr. Partner and Mr. Shashikant Tiwari, Partners, Chandrasekaran Associates, Company Secretaries, who are the Secretarial Auditors of the Company, have joined us from their office in New Delhi. They are also the Scrutinizers for today's meeting. Welcome Sir.

Now I proceed with the requisite announcements.

Members may please note that this AGM is being held through video conferencing or other audio-visual means in terms of General Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. This Facility is available for up-to 1000 Members, on a first come-first-served basis.

The video conferencing platform for convening this meeting and that for electronic voting i.e. remote e-voting as well as e-voting facility during the AGM has been provided by KFin Technologies Private Limited, Registrar & Transfer Agent of the Company (RTA).

The Company has made all the efforts to enable the Members to participate through video conferencing and to vote electronically. The proceedings of AGM shall be deemed to be conducted at the Registered office of the Company.

Participation of Members through video conference is being reckoned for the purpose of quorum as per the circulars issued by Ministry of Corporate Affairs and provisions of the Companies Act, 2013.

Accordingly, we have the requisite quorum to conduct the proceedings of this meeting.

As the AGM is being held through video conference, the facility for appointment of proxies was dispensed with.

The Company has also received authorizations under Section 113 of the Companies Act, 2013 from corporate shareholders.

The Register of Directors and Key Managerial Personnel and the Register of Contracts or Arrangements are available electronically at KFinTech Platform till conclusion of this meeting for inspection by the Members. Members seeking to inspect such documents can send their requests to investorrelations@ahlnorth.com

The Company has provided the facility to cast the votes electronically, on all resolutions set forth in the Notice.

In compliance with Section 108 of Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided to the Members the facility of remote e-voting to exercise their right in respect of the business placed at the AGM through e-voting platform provided by the RTA.

Members of the Company who held shares in physical form or in dematerialized form, as at the close of business hours on the cut-off date, i.e. Wednesday, the 22nd September, 2021 are entitled to vote on the proposed resolutions; and their shareholding on such date is to be reckoned for the purpose of arriving at the results of the remote e-voting and Insta Poll at the AGM.

The remote e-voting facility was open from 9.30 a.m. on Saturday, the 25th September, 2021 up to 5.00 p.m. on Tuesday, the 28th September, 2021.

Members attending the AGM who have not cast their votes earlier through remote e-voting will have an opportunity to cast their votes during the meeting.

	<p>Members are requested to refer to the instructions provided in the notice for a seamless participation through video conference. In case Members face any difficulty, they may reach out on the helpline numbers provided in the Notice.</p> <p>The Board of Directors of the Company at its meeting held on 11th August, 2021 had appointed Mr. Rupesh Agarwal failing him, Dr. S. Chandrasekaran, failing him, Mr. Shashikant Tiwari, Partners, M/s. Chandrasekaran Associates, Company Secretaries, as the Scrutinizer for conducting the remote e-voting & e-voting at the AGM in a fair and transparent manner.</p> <p>The Scrutinizer shall prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than the prescribed time and shall submit the same to the Chairman of the Company or in his absence to Dr. Lalit Bhasin, as authorized by the Board, whereupon the Chairman or Dr. Bhasin, as the case may be, shall declare the result forthwith.</p> <p>Immediately after declaration, the said results shall be uploaded on the Company's website and displayed on the Notice Board of the Company at its Registered office for information of the Members. Similarly, the said results shall be uploaded on the website of the RTA, and be intimated to the Stock Exchanges forthwith.</p> <p>The Company has received requests from a few Members who have registered themselves as speakers at the meeting. Accordingly, the floor will be opened for these Members to ask questions or express their views. Please note that the Company reserves the right to limit the number of Members asking questions depending on the availability of the time at the AGM. For the smooth conduct of the meeting, the Members will be in mute mode. Audio-visual will be provided only during the Question & Answer session as per pre-registration.</p> <p>The recorded transcript of the proceedings of this meeting shall be made available on the website of the Company.</p> <p>Now, its time for Mr. Chairman's Welcome Address. Since Mr. Chairman has a bad throat, Mr. Amritesh Jatia, would speak on his behalf.</p> <p>Thank you."</p>
<p>C. MR. AMRITESH JATIA AT THE BEHEST OF CHAIRMAN, DELIVERED HIS SPEECH</p>	<p>I, on behalf of the Chairman, welcome you all to the 40th Annual General Meeting of your Company.</p>

To ensure safety of our Members during ongoing COVID-19 pandemic and precautions thereof, we are holding this meeting through video conferencing.

I believe you must have gone through the Annual Report for the year ended 31st March, 2021, which has been with you for some time.

Your Company has, over the years, built a footprint of iconic hospitality standards and innovative introductions, which are widely recognised for its service excellence and superior cuisine offerings. Regrettably due to ongoing COVID-19 pandemic for past 18 months, the hotel operations of your Company as well as the complete hospitality industry in India were adversely impacted during the financial year 2020-21. As a result, the revenue from operations for the year under review showed a decrease of nearly 71% over the previous year.

Leading Hotels Limited, a subsidiary, has been admitted to CIRP Process.

Focusing on the revival of Company's business, your Company has executed and implemented a One Time Restructuring Plan, pursuant to the Notification issued by RBI for all borrowers whose accounts are stressed due to Covid-19.

Despite these difficult times, your Company, pursuing the highest standards of hospitality, safety and quality, has explored new initiatives to uplift revenue, and one such initiative- the home delivery of our restaurant food has been well received. The Company has also now shown revival signs after the lifting of the lockdown as travel restrictions have decreased and demands for staycations and domestic travel increases.

In its endeavor for sustained growth, your Directors are seriously pursuing how to best utilize for better commercial results, the existing hotel facilities and the additional FAR of approx. 30,000 sq. meters which is available to the Company in respect of land where Hotel Hyatt Regency Delhi is situated.

In line with the above, your Directors envisage further development or expansion of the existing property which would include a luxury hotel, serviced residences and commercial space in line with the highest standards.

Due to stated difficult times, your Directors were constrained not to recommend dividend for the year 2020-21. I would like to thank our members for their

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	<p>forbearance and continued support in these challenging times.</p> <p>I would also like to extend my gratitude to all the employees for their continuous dedication. And finally, I would also like to thank my fellow Board Members, Auditors, Bankers and Hyatt International for their unstinted support, encouragement, and guidance.</p> <p>Thank You!</p> <p>Mr. Amritesh Jatia further declared as under:</p> <p>Notice convening this Annual General Meeting has been with you for some time. With your permission, I take the Notice as read.</p> <p>Now I request the Company Secretary to take up the Agenda.</p>
D. COMPANY SECRETARY	<p>Thank you Sir.</p> <p>With the permission of the Chair, I would like to explain to the Members, the objective and implication of each agenda item sequentially. The text of the resolutions along with explanatory statement is provided in the Notice convening this meeting and the same may be read therefrom.</p> <p>Item No. 1 relates to consideration and adoption of the Audited Stand-alone and Consolidated Financial Statements for the financial year ended 31st March, 2021, and is being taken up as an Ordinary Resolution;</p> <p>May I inform the esteemed Members present that the Statutory Auditors' Report on the Stand-alone Financial Statements for the year under review is with un-modified opinion. In view of the same, with the permission of the Chair and the Members present, the same may be taken as read.</p> <p>However, the Auditors have expressed modified opinion in respect of the Consolidated Financial Statements for the year under review, as the Company's ultimate subsidiary i.e. Leading Hotels Limited has not provided provision of interest liability amounting to Rs. 1518 Lakhs for FY 2020-21 and Rs. 3284.60 Lakhs in aggregate till 31st March 2021, relating to Inter Corporate Deposits and other financial commitments. The non-provisioning of interest has resulted in understatement of capital work in progress to the extent of Rs. 3284.60 Lakhs as at 31st March, 2021.</p>

	<p>In response to the above, your directors have already clarified in their Report for the year under review that in view of the current financial crunch being faced by the Subsidiary, provisions for interest liability amounting to Rs. 3284.60 Lakhs was not provided. This has, however, no impact on the current profit or (loss) of the Subsidiary as well as on the consolidated financial statements of the Company since this would have been otherwise formed part of the capital work in progress in respective financial statements.</p> <p>The Auditors have also expressed that the subsidiary Company, Leading Hotels Limited, has defaulted in making principal and interest payments to its Bankers. Due to the ongoing litigation on tenancy related and other issues and consequent court orders, there is a substantial delay in development of villa, hotel complex and a 18 hole, 72 par championship golf course in its subsidiary. This has resulted in shortage of funds in the subsidiary whereby the Company has defaulted in interest repayment obligations amounting to Rs. 842.72 Lakhs for the period September 2020 to February, 2021 and principle amounting to Rs. 280 Lakhs and has not made provision for interest payable on ICD lenders aggregating to Rs. 3284.60 Lakhs (which includes interest payable for the previous year of Rs. 1767.04 Lakhs. The financial statements indicate net current liabilities of this Subsidiary at Rs. 15,213.62 Lakhs as on 31st March , 2021. Further on 25th June, 2021 an Order under section 7 of Insolvency & Bankruptcy Code 2016, read with rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 has been passed for initiating Corporate Insolvency Resolution Process (CIRP). These factors cast a doubt on the ability of the subsidiary to continue as a Going Concern. Since the outcome of the recently commenced insolvency process cannot be estimated as of now, the financial statements are drawn on a reasonable basis which maintains the status-quo of the operations as it is. These events put together indicate a material uncertainty regarding going concern of the said subsidiary Leading Hotels Limited.</p> <p>Your Directors have in their Report for the year under review have informed that Insolvency Proceedings have been initiated for the Subsidiary Company, i.e. Leading Hotels Limited under Section 7 of the Insolvency & Bankruptcy Code 2016, read with rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016. Since the outcome of the recently commenced Insolvency Process cannot be estimated as of now, the financial statements are drawn on a reasonable basis which maintains the status - quo of the operations as it is.</p>
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<p>Point No.1</p>	<p><u>Further,</u></p> <p>The Secretarial Auditors in their report dated 7th August, 2021, have expressed modified opinion(s) in respect of the following points:</p> <p>Pursuant to Regulation 24(1) of the Listing Regulations as the Company has not appointed any one of its Independent Directors in each of its overseas material subsidiaries, i.e. FHCPL and Lexon on their respective Board.</p> <p>Pursuant to the above opinion, your Directors would like to inform you that Ms. Preeti Gandhi, an Independent Non-Executive Director has been appointed on the respective Board of the abovenamed subsidiaries on 19th February 2021.</p>
<p>Point No.2</p>	<p>The Audited financial results for the year ended 31st March, 2020 were due to be submitted to the stock exchanges on 31st July 2020. The Board has approved the Audited financial results on 12th August 2020 and submitted thereafter. The Company has received show cause notice from both the Stock Exchanges i.e. National Stock Exchange of India Ltd. and BSE Ltd., imposing penalty of Rs. 59000/- each for the late submission of the said Audited Financial Results for the year ended 31st March, 2020.</p> <p>Pursuant to the above opinion, your Director in their meeting held on 13th September, 2020 informed that the Company has paid the fine as levied by both the Stock Exchanges and that they were conscious of the fact that Annual audited financial results are required to be submitted to the Stock Exchanges within 60 days from the financial year end, i.e 31st May every year, and due to COVID-19 pandemic, SEBI had extended the time period for submitting the audited financial results for the year ended 31st March, 2020 up to 31st July, 2020. However, the Company could not finalize the said financial results within the stipulated time due to disruption of work caused by the prolonged lock-down enforced to contain the prevailing global pandemic CoVID-19. Even after the lock-down was relaxed, restriction on movement and non availability of public transportation severely impacted the attendance. Moreover, due to the similar reasons, the Auditors' offices were also sparsely operational for a long time due to which audit was also delayed. Consequently, the Board of Directors of the Company could approve the audited financial results for the year ended 31st March, 2020 on 12th August, 2020. Your Directors emphasize that this instance of non-compliance is an odd occurrence under difficult circumstances beyond the control of the Company and that the Company being a law-abiding corporate</p>

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	<p>entity would ensure that no such instance occurs in the future.</p>
Point No.3.	<p>The Statutory Auditors of Leading Hotels Limited, material subsidiary of the Company has resigned w.e.f. 8th February, 2021. As per the SEBI Circular dated 18th October 2019, the Audit Committee must take note of the resignation and views of the Audit Committee must be disclosed to the stock exchange as soon as possible but not later than twenty four hours after the date of Audit Committee meeting. However, views of the Audit Committee meeting held on 13th February, 2021 were not intimated to the Stock Exchange.</p> <p>Pursuant to the above opinion, your Director assure that this omission of intimation to the Stock Exchanges was a rare occurrence and the Company will make sure no such omission happens in the future.</p>
Point No.4.	<p>As required under Regulation 17(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors has not laid down procedures about risk assessment and minimization procedures.</p> <p>Pursuant to the above opinion, your Directors are conscious of the need to periodically undertake the risk assessment, and minimization procedures. During the year under review, your Directors had desired to appoint an outside agency to undertake Evaluation of Risk Assessment and Management Systems of the Company as of 31st March, 2021. However, during the year under review, due to the uncertainties caused by the COVID-19 pandemic, the Company could not make an assessment on the subject. Further, your Directors would like to inform you that the Board of Directors in its meeting held on 11th August, 2021 have duly adopted the Risk Management Policy.</p>
Point no 5.	<p>Under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the following intimation shall be made to stock exchange within 24 hours of such change, however, the same has been made beyond 24 hours:</p> <ol style="list-style-type: none"> 1) Mr. Prakash Chandra Sharma, Chief Financial Officer resigned from the services of the Company w.e.f. 30th June 2020; however, he was relieved from the office of CFO with effect from 12th September 2020. The Company has made intimation to Stock Exchange on 14th September 2020. 2) Credit Rating received by the Company from CRISIL Limited on 31st August 2020 was intimated to Stock Exchange on 30th September 2020. 3) Disclosure to Stock Exchange regarding appointment of Preeti Gandhi, Independent Director of the Company is

incomplete as details whether she is not debarred from holding the office of Director by virtue of any order of SEBI or any other such authority as per Circular of the BSE Limited and the National Stock Exchange of India Limited dated 20th June, 2018 is missing.

4) Outcome of the meeting including the financial results for the Quarter ended 31st December, 2020 were intimated delayed beyond the period of 30 minutes to the Stock exchanges. Board Meeting ended on 11.44 a.m. and intimated to Stock exchange on 12.38 p.m.

In pursuant to above opinions, the delay in filings and fragmentary information disclosed to the exchange were majorly due to disruption in business operation of the Company due to spread of COVID-19 and subsequent lockdowns. Your Directors will ensure that no such occurrence incur in the future.

Item No. 2 relates to re-appointment of Mr. Amritesh Jatia (DIN: 02781300) as a Director of the Company, liable to retire by rotation, and is being taken up as an Ordinary Resolution;

Item No. 3 is a special business relating to the appointment of Dr. Rajeev Uberoi (DIN: 01731829), as an Independent Non -Executive Director of the Company for a term of five consecutive years ending 10th August, 2026, and is being taken up as an Ordinary Resolution.

Special Business at Item No. 3 has been included in the agenda for this meeting in pursuance of the provisions outlined by the Ministry of Corporate Affairs as non-inclusion of these items would have impacted the composition of the Board of Directors.

We may now proceed with the Question Answer Session. Before we go live with the Question & Answer, here are some points to note for the convenience of Speaker Members:

1. The Question & Answer session will be anchored by the Moderator and he will also call the pre-registered speaker to come up one by one and unmute their micro phone
2. Members are requested to mention their folio-no., DP-ID Client ID and location
3. To avoid repetition, the Chairman or Directors will respond to all the questions, including the ones directly received by the Company, at the end.

Now I request Mr. Moderator to kindly start the Question and Answer session.

Thank You.

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<p>E. MODERATOR, MR. RAJASEKHAR</p>	<p>QUESTION AND ANSWER SESSION</p> <p>Thank you Sir,</p> <p>I will bring the pre-registered speakers, who are currently available one by one.</p> <p>Moderator called out names of the registered speakers, one by one. While some speakers had not joined the meeting, a few did not respond to call made for them. Only the following Speaker Members expressed their view and/or raised their queries:</p> <p>Mr. Devansh Modi Mr. Lokesh Gupta Mr. Sumit Kumar Dhanuka Mr. Harsh Modi</p> <p>Their queries are summarised below:</p> <ul style="list-style-type: none">• What had been the impact of COVID-19 on the performance of the Company? What are the future plans in order to uplift revenue?• When will the Company declare dividend?• How many employees have been vaccinated? <p>On behalf of the Chairman, Mr. Amritesh answered the queries appropriately.</p>
<p>F. COMPANY SECRETARY</p>	<p>Now on behalf of the Chairman, I request the Registrar & Transfer Agent to open the Insta Poll i.e. electronic voting at the AGM. May I request those Members attending this meeting, who have not cast their votes earlier through remote e-voting, to proceed and cast their vote now. This facility is available on the video conferencing screen in the form of a 'Thumb' sign. The Members may click on the same to take them to the 'Insta Poll' page where they can exercise their vote. This electronic voting window is open for next 15 minutes.</p> <p>As informed earlier, the consolidated result of the remote e-voting and Insta Poll shall be declared and intimated to the authorities concerned immediately upon receipt of the Scrutinizer's Report, but not later than the prescribed time. Subject to requisite majority, the resolutions, as set forth in the Notice, shall be deemed to be passed today.</p> <p>Now I request Mr. Chairman to deliver his concluding remarks.</p> <p>Thank You!</p>

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G. MR. AMRITESH JATIA AT THE BEHEST OF CHAIRMAN DELIVERED HIS CONCLUDING REMARKS	<p>Dear Members, I thank you all for your active and constructive participation in the meeting. Further I take this opportunity to convey our appreciation for your continuous support over the years and especially during these challenging times and now I hereby declare the proceedings as closed.</p> <p>I wish all the Members a safe and healthy future.</p> <p>Thank you.</p>
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Note: The above proceedings lasted for 29 minutes ending 11.29 a.m. (IST). Thereafter, the Insta Poll was declared and remained operational for 15 minutes, which ended 11.44 p.m. Consequently, the Scrutinizer unlocked the voting held during the Insta Poll, at 1.55 p.m. (IST).