



THE GRAND BHAGWATI
HOTELS • BANQUETS • CONVENTIONS • CLUB

TGB BANQUETS AND HOTELS LIMITED

Registered Office: "The Grand Bhagwati", Plot No. 380, S. G. Road, Bodakdev, Ahmedabad-380054,

Ph: 079 -26841000 **Fax:** 079 -26840915 **Email:** cs@tgbhotels.com

Website: www.tgbhotels.com, **CIN:** L55100GJ1999PLC036830

NOTICE OF THE POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 and Rule 22 of Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time and other applicable laws and regulations, to transact the business mentioned in the resolution appended below for sell, lease, transfer or disposal of the whole or substantially the whole of the undertaking of the company situated at Ahmedabad proposed to be passed by the Members through postal ballot (the "Postal Ballot") / remote electronic voting ("E-voting"). Pursuant to Sections 102 and 110 of the Act, the Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons thereof is annexed to this Postal Ballot Notice, along with a Postal Ballot Form for your consideration.

The Board has appointed Mr. Umesh Ved, Practicing Company Secretary from M/s. Umesh Ved & Associates, Company Secretaries, (ICSI Membership No. F4411), as the scrutinizer ("Scrutinizer") for conducting the Postal Ballot and E-voting process in a fair and transparent manner.

Members have the option to vote either by Postal Ballot or through E-voting. Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope so as to reach the Scrutinizer not later than the close of working hours i.e. 5:00 p.m. (IST) on Monday, July 29, 2019. The Postal Ballot Form may also be deposited personally at the address given on the Business Reply Envelope. Postal Ballot Form, if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted.

Postal Ballot Forms received after the close of working hours i.e. 5:00 p.m. (IST) on Monday, July 29, 2019 will be treated as if no reply has been received from the Member. E-voting will be blocked by the Link Intime India Private Limited at 5:00 p.m. (IST) on Monday, July 29, 2019 and E-voting shall not be allowed beyond the said date and time.

Members desiring to opt for E-voting as per the facilities arranged by the Company are requested to read the notes to this Postal Ballot Notice. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

Members can opt for only one mode of voting i.e. either by Postal Ballot or through E-voting. In cases where members cast their votes through both modes, votes cast electronically (E-voting) shall be treated as valid and votes cast through Postal Ballot Form(s) will be treated as invalid.

The Scrutinizer will submit his report to the Chairman or any person authorized by him after the completion of scrutiny, and the result of the voting by Postal Ballot will be announced by the Chairman or any person authorized by him, on or before Tuesday, July 30, 2019. The results along with the report of the Scrutinizer shall be displayed on the Company's website: www.tgbhotels.com and on the website of Link Intime India Private Limited: instavote.linkintime.co.in and shall also be communicated to BSE Limited and NSE Limited, where the shares of the Company are listed.

RESOLUTION:

Item No. 1: Approval for sell, lease, transfer or disposal of the whole or substantially the whole of the undertaking of the company situated at Ahmedabad

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, and other applicable statutory provisions and regulations, if any, as amended from time to time and subject to such other approvals, consents, permission and sanctions, as may be applicable and required under various statutes or regulations or any other law for the time being in force from appropriate authorities and subject to such terms and conditions as may be specified by any of them while granting any such approvals, consents, permission and sanctions and which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly constituted committee thereof and any person authorized by the Board in this behalf), consent, authority and approval of the Members be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer and dispose of, assign or cause to be sold, assigned, transferred and delivered the whole or substantially the whole of the undertaking of the company situated at "The Grand Bhagwati", Plot No. 380, S.G. Road, Bodakdev, Ahmedabad-380054 including land, building, plant & machinery and other assets located at Ahmedabad Unit of the Company together with the use of all the licences, permits, consents and approvals whatsoever and all related assets situated at this location subject to market conditions and at such time and in such manner, whether by way of business transfer or otherwise to one or more person(s)/bodies corporate etc. with effect from such date, at such price and on such terms and conditions and with such modifications as may be required, as the Board may deem fit and appropriate, without any further reference to or approval of the shareholders in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, as may be necessary or deemed necessary or incidental thereto to effect the sale, lease, liquidation, transfer and disposal and to undertake all actions and deeds as may be required in relation to the aforesaid transaction(s), including determination of the purchaser(s), manner and mode of sell, consideration for sell, timing of sell and other related and incidental matters, finalizing, varying and settling the terms and conditions of the transaction, to settle and to finalize all issues that may arise in this regard, without further referring or approval of the members of the Company, to negotiated and finalize all relevant transaction documents (including providing such representations, warranties, indemnities and covenants, as may be required) and to execute, deliver and perform all such transaction documents, other contracts, deeds, undertaking and other documents and subsequent modifications

thereto, to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including government authorities and lenders, if any, to suitably inform and apply to all the concerned authorities, including in respect of the requirements of the Central and/or State Government and/or local authorities, and to take all necessary steps in the matter as it may deem fit, necessary, desirable or expedient, to give effect to this resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to undertake all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to the above resolution and to settle any question, difficulty or doubt that may arise in this regard.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary in order to give effect to this Resolution.”

“**RESOLVED FURTHER THAT** all actions taken by the Board or Management in connection with any matter referred to or contemplated in any of the foregoing paragraphs are hereby approved, ratified and confirmed in all respect.”

By order of the Board of Directors

Place: Ahmedabad
Date: June 21, 2019

Sd/-
Priyanka K. Gola
Company Secretary

Registered Office:
“The Grand Bhagwati”
Plot No. 380, S. G. Road,
Bodakdev, Ahmedabad 380054

Notes:

1. The Explanatory Statement for the proposed Special Resolution under Item No. 1 pursuant to Section 102(1) of the Companies Act, 2013 setting out material facts is annexed hereto.
2. 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 i.e. Friday, June 28, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting through ballot paper. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, June 28, 2019.
3. The completion of dispatch of the Postal Ballot Notice and Explanatory Statement together with Postal Ballot Form will be announced through an Advertisement in one English Newspaper and one Gujarati Newspaper and will be published on the website of the Company as well.
4. The Board of Directors of the Company (the “Board”) has appointed Mr. Umesh Ved, Practicing Company Secretary of M/s Umesh Ved & Associates, Ahmedabad as Scrutinizer for conducting the Postal Ballot / remote e-voting process in accordance with the law and in a fair and transparent manner.
5. In compliance with provisions of Section 108 and Section 110 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is also offering remote e-voting facility to all the shareholders. The E-voting shall commence on Sunday, 30th June, 2019 from 9.00 a.m. and end on Monday, 29th July, 2019 at 5.00 p.m. For this purpose, the Company has signed an agreement with Link Intime India Private Limited for facilitating remote e-voting and is pleased to offer remote e-voting facility as an alternate, to its Shareholders to enable them to cast their votes electronically instead of exercising their votes by physical postal ballot forms.

Instructions on voting through electronic means:

- I. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is pleased to provide e-voting facility to all its members to enable them to cast their vote electronically.

- II. Instructions for shareholders to vote electronically:

Event Number: 190087

Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)

- I. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
- II. Click on “Login” tab, available under “Shareholders” section.
- III. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
- IV. Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
- V. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under “Shareholders” section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with Depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none">Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid e-mail address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of their choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

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

Cast your vote electronically

- VI. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
- VII. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
Cast your vote by selecting appropriate option i.e. Favour/ Against as desired.
Enter the number of shares (which represents no. of votes) as on the cut-off date under "Favour/ Against". You may also choose the option Abstain and the shares held will not be counted under "Favour/ Against".
- VIII. If you wish to view the entire Resolution details, click on the "View Resolutions" File Link.
- IX. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT", a confirmation box will be displayed, If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- X. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- XI. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders

- a. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as "**Custodian / Mutual Fund / Corporate Body**".
They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.
 - b. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
 - c. Shareholders holding multiple folios/ demat account shall choose the voting process separately for each of the folios/demat account.
- XII. In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in> under Help section or write an email to enotices@linkintime.co.in or Call on Tel No. : 022 - 49186000.
6. In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice is being sent to all those Shareholders who have registered their e-mail ID's with the Company / Depositories in electronic mode i.e. by e-mail through CDSL and to others by Registered Post along with the Postal Ballot Form. Shareholders have an option to vote either through remote e-voting or through Postal Ballot Form. Shareholders who have not received the Postal Ballot Form can download the Ballot form from the link instavote.linkintime.co.in or www.tgbhotels.com or write e-mail to the Company's mail id at cs@tgbhotels.com for obtaining duplicate Postal Ballot Form.
 7. The Shareholders desiring to exercise their votes by physical postal ballot are requested to carefully read the instructions printed in the attached Postal Ballot Form. These Shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. The Postal Ballot Form duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope to the Scrutinizer so as to reach the Scrutinizer before 5.00 PM on Monday, July 29, 2019. The consent or otherwise received after the said date will be treated as if reply from the Shareholder has not been received. Incomplete, unsigned, improperly ticked Postal Ballot will be rejected. Envelope containing Postal Ballots Forms, deposited in person or, if sent through courier/ registered post at the expense of the Shareholder, will also be accepted

8. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority Letter together with attested specimen signature(s) of the duly authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form.
9. The Shareholders should opt for only one mode of voting, i.e. physical postal ballot or electronic voting. However, if any Shareholder has voted in both physical as well as electronic mode, vote cast by way of remote e-voting only will be considered valid.
10. The vote in this Postal Ballot cannot be exercised through proxy.
11. The Scrutinizer will submit his report to the Company after completion of scrutiny of the votes cast though Postal Ballot Forms and remote e-voting.
12. The Scrutinizer will submit his report to the Chairman or any other person authorized by him in writing after the completion of scrutiny, and the result of the voting by Postal Ballot will be announced by the Chairman or any person authorized by him, on or before Tuesday, July 30, 2019. The results along with the report of the Scrutinizer shall be displayed on the Company's website: www.tgbhotels.com and on the website of Link Intime India Private Limited: instavote.linkintime.co.in and shall also be communicated to BSE Limited and the NSE Limited, where the shares of the Company are listed.
13. The Special Resolution passed by the Members through Postal Ballot shall be deemed to have been passed as if they are passed at a General Meeting of the Members and shall be deemed to have been passed on the last date of voting i.e. Monday, July 29, 2019.
14. Any query or grievance connected with the voting by Postal Ballot, other than Remote e-voting, may be addressed to the Company Secretary at cs@tgbhotels.com or members may contact Link Intime India Private Limited, the Registrar & Transfer Agent of the Company at 506 to 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off, C.G.Road, Navrangpura, Ahmedabad, Gujarat- 380009.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 1

Approval for sell, lease, transfer or disposal of the whole or substantially the whole of the undertaking of the company situated at, "The Grand Bhagwati", Plot No. 380, S.G. Road, Bodakdev, Ahmedabad-380054.

The Company is going through the tough time due to competition and various other factors and it is affecting the financial and operating condition of the Company. The total income of the Company for the year ended March 31, 2019 has reduced to Rs.86.28 Crores from Rs. 123.23 Crores during the year ended March 31, 2018. The Company incurred a loss of Rs. 53.92 Crores during the year ended March 31, 2019 in comparison to a profit of Rs.0.54 Crores during the year ended March 31, 2018. The Company has certain critical outstanding undisputed statutory liabilities (which include liabilities towards Income Tax, Service Tax, VAT, GST, TDS, Professional Tax, Luxury Tax, PF, ESIC) of Rs.37.14 Crores and disputed statutory liabilities (which include liabilities towards Income Tax, VAT, TDS) of Rs.6.16 Crores excluding the interest and penalty. So, the Company will have to pay an amount of more than Rs.50 Crores towards these statutory liabilities failing which stringent and more severe action may be taken against the company and its officers.

With a view to garner the funds for making payment towards these statutory liabilities, the Company is planning to sell, lease, transfer and dispose of the Unit of the Company situated at "The Grand Bhagwati" Plot No. 380, S.G. Road, Bodakdev, Ahmedabad-380054. Though it will have some impact on the financial condition of the Company, it will not have any major impact as the Company will negotiating with the proposed buyers in a manner that Company will continue to operate/manage this property on a contract basis without owning the same. So, the Company will be able to focus more on its core competency i.e. Operating/Managing the Hotel/restaurants and catering business.

The Members may be aware that pursuant to Section 180(1) (a) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the members by way of Special Resolution, transfer, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking as defined in explanation to Clause (a) of Sub-Section (1) of Section 180 of the Companies Act, 2013.

The Company is pursuing/evaluating various options including transfer, sell, lease, joint venture, license or otherwise dispose of the whole or substantially the whole of the undertaking of the company i.e. located at Ahmedabad in such a manner as the Board may consider appropriate in the interest of the company.

Further, As per the provisions of Section 110 (1) (a) of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014, the consent of the shareholders for the above purposes is required to be obtained as Special Resolution through Postal Ballot Only.

Accordingly, in terms of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, consent of the Members is being sought through postal ballot for passing the Special Resolution as set out in the Notice. This will enable the Board of Directors to take and implement appropriate decision in the best interest of the Company.

None of the directors or promoters or any key managerial personnel or any of their relatives is in any way concerned or interested in the proposed resolution, except to the extent of their respective interest as shareholders of the Company. The board of directors recommend passing of the resolution as a Special Resolution of the accompanying notice for the approval of members.

By order of the Board of Directors

**Place: Ahmedabad
Date: June 21, 2019**

**Sd/-
Priyanka K. Gola
Company Secretary**

**Registered Office:
"The Grand Bhagwati"
Plot No. 380, S. G. Road,
Bodakdev, Ahmedabad 380054**