



NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fifth Annual General Meeting of the Members of Fortune Park Hotels Limited will be held at the Registered Office of the Company, ITC Green Centre, 10 Institutional Area, Sector 32, Gurugram 122 001, on Friday, the 7th day of August, 2020 at 10.30 a.m. for the transaction of the following businesses:-

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2020, and the Reports of the Board of Directors and the Auditors.
2. To confirm the payment of Interim Dividend of ₹ 167/- per equity share of ₹ 10/- each for the financial year ended 31st March 2020 and in this regard, pass the following resolution as an Ordinary Resolution:

“Resolved that, the Interim Dividend of ₹ 167/- per equity share of ₹ 10/- each, approved by the Board of Directors and already paid, be and is hereby confirmed for the Financial Year 2019-20.”
3. To appoint a Director in place of Mr. Jagdish Singh (DIN: 00042258) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“Resolved that, in accordance with the provisions of Section 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, payment of remuneration of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) to Messrs. S R B C & CO LLP, Statutory Auditors, to conduct the audit for the financial year 2020-21 plus applicable taxes, and reimbursement of out-of-pocket expenses incurred, be and is hereby approved.”

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, the following resolution which will be proposed as a Special Resolution:

“Resolved that, in accordance with the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, or any amendment thereto or modification thereof, consent be and is hereby accorded to increase the remuneration paid to Mr. Samir Mecherivalappil Chandrasekharan (DIN: 08064002) Managing Director w.e.f 1st October, 2019, as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

**By Order of the Board
Fortune Park Hotels Limited**

Samir Mecherivalappil Chandrasekharan
Place: Gurugram Managing Director
Date: 5th June, 2020 DIN: 08064002

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company.**

Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the Company, ITC Green Centre, 10 Institutional Area, Sector 32, Gurugram 122 001, not less than forty-eight hours before the commencement of the AGM i.e. by 10.30 a.m. on Wednesday, 5th August, 2020

2. Corporate Members are required to send to the Registered Office of the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the AGM.
3. Explanatory Statement, pursuant to Section 102 of the Act, relating to the Special Businesses to be transacted at this AGM, is annexed.

EXPLANATORY STATEMENT

Annexed to the Notice convening the 25th Annual General Meeting to be held on Friday, the 7th day of August, 2020.

Item No. 5

The Board of Directors of the Company ('the Board') at the meeting held on 17th December, 2019 keeping in view the performance of Mr. Samir Mecherivalappil Chandrasekharan (DIN: 08064002), and subject to the approval of the Members, approved variation in the terms of remuneration of Mr. Samir effective 1st

October 2019 for the residual term of his appointment.

The revised monthly remuneration of Mr. Samir is given below:

Consolidated Salary	₹ 3,96,397/- per month
Consolidated Allowances	₹ 8,61,340 /- per month
Annual Performance Bonus*	An amount not exceeding ₹ 50,32,000 /- per annum as may be decided by the Board.
Other Perquisites & Benefits	As applicable to his grade in ITC Limited, the Holding Company, from which company his services have been deputed.

*Annual Performance Bonus (Variable Pay) actually paid is ₹ 25,00,000/- p.a.

The additional information as required under Schedule V to the Act and the Secretarial Standard on General Meeting is provided as follows:-

I. General Information

The Company is in the hotel business catering to the 'Mid-market to Upscale' segment through a chain of Fortune hotels. The Company has established 'Fortune' as the premier 'value' brand in the Indian hospitality sector. The brand remains a frontrunner in its operating segment and is well positioned to sustain its leadership position in the industry. The Company commenced its commercial operations in July, 1995. The key financial performance indicators of the Company for the last three financial years are given below:

(₹ in lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Revenue from Operations	2766.60	2588.03	2,778.37
Profit before Tax	935.79	367.23	607.45
Profit for the year	661.09	192.97	243.87
Earnings per Share (₹)	146.91	42.88	54.19

The Company does not have any foreign investment or collaboration.

II. Information about Mr. Samir

Mr. Samir (44), pursued his Post Graduate in Management and his Masters of Business Administration from the University of Southern Queensland, Australia. He completed his Diploma in Hotel Management from IHMCTAN, Ahmedabad in 1995. He brings with him rich and valuable operational & sales experience of 23 years, across India & abroad. He started his career with Holiday Inn Ahmedabad in May 1995 and worked with companies like Holiday Inn Gem Park, Ooty and Inter-Continental Marine Drive, Mumbai.

His last assignment was with Inter-Continental Hotels Group as Director of Operations Support, South East Asia and Korea, where he was responsible for driving operational performance, guiding mid-term strategy and setting up operational execution platforms across 58 hotels whilst managing revenue of USD 800 million.

Taking into consideration the size and financial position of the Company, the industry trend, the profile and experience of Mr. Samir, and the responsibility shouldered by him, the proposed remuneration of Mr. Samir, as stated

above, is fair and reasonable in the opinion of the Board.

Besides the remuneration proposed as above, Mr. Samir does not have any direct or indirect pecuniary relationship with the Company. Mr. Samir neither holds any share in the Company nor is he related to any Director or Key Managerial Personnel of the Company.

The remuneration last drawn by Mr. Samir was approx. Rs. 187.09 lakhs per annum as approved by the Members at the last Annual General Meeting.

He attended five Board Meetings during the year.

Other Directorships

Name of the Company	Position
Bay Islands Hotels Limited	Director
Maharaja Heritage Resorts Limited	Director

Committee Membership of other Companies – Nil

III. Other Information

The proposed remuneration of Mr. Samir exceeds 5% of the net profits of the Company for the financial year ended 31st March, 2020 and accordingly the profits of the Company are inadequate in terms of Schedule V to the Act. However, considering the experience of Mr. Samir, the proposed remuneration is commensurate in the opinion of the Board.

Various initiatives taken by the Government of India to promote tourism indicate favorable growth prospects for the Hotel industry in the years to come. Further, various alliance hotel projects of

the Company which are at various stages of completion would become operational in the coming years and it is expected that the profitability of the Company would improve.

Approval by way of Special Resolution is being sought, as required under Schedule V to the Act, for increase in remuneration of Mr. Samir, as set out in this Special Resolution.

Mr. Samir and his relatives are interested in this Special Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution.

The Board recommends this Special Resolution for your approval.

**By Order of the Board
Fortune Park Hotels Limited**

Samir Mecherivalappil Chandrasekharan
Place: Gurugram Managing Director
Date: 5th June 2020 DIN: 08064002