

Notice

NOTICE is hereby given that the HUNDRED AND SEVENTEENTH (117th) ANNUAL GENERAL MEETING of THE INDIAN HOTELS COMPANY LIMITED will be held on Thursday, July 19, 2018, at 3.00 p.m. at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.
3. To declare a dividend on Equity Shares for the financial year ended March 31, 2018.
4. To appoint a Director in place of Mr. N. Chandrasekaran (DIN:00121863) who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

5. Appointment of Mr. Puneet Chhatwal as a Director of the Company.

To consider and if, thought fit, to pass the following resolution as an Ordinary Resolution:-

“RESOLVED THAT Mr. Puneet Chhatwal (DIN: 07624616) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. November 6, 2017 and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013, (‘the Act’) but who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

6. Appointment and approval for terms of remuneration of Mr. Puneet Chhatwal as Managing Director and Chief Executive Officer of the Company.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and such other applicable

provisions, if any, read together with Schedule V of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and subject to the approval of the Central Government and such conditions and modifications as may be prescribed or imposed by the Central Government while granting such approval and such other approvals if any, the Company hereby approves the appointment of Mr. Puneet Chhatwal (DIN : 07624616) as the Managing Director and Chief Executive Officer of the Company for a period of five years w.e.f. November 6, 2017 upto November 5, 2022 on the terms and conditions, including those relating to remuneration as set out in the Explanatory Statement annexed to the Notice convening AGM (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Chhatwal;

RESOLVED FURTHER THAT any of the Directors of the Company or Mr. Beejal Desai, Senior Vice President – Legal & Company Secretary, be and are hereby authorized severally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

7. Revision in the terms of remuneration of Mr. Mehernosh Kapadia, Executive Director – Corporate Affairs.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“RESOLVED THAT in partial modification of Resolution No. 7 passed at the 115th Annual General Meeting of the Company held on August 23, 2016 and in accordance with the provisions of Sections 196, 197, 198, 203 and such other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications thereof, and subject to such other approvals, if any, that may be required, the Company hereby approves of:

- revision in the terms of remuneration of Mr. Mehernosh Kapadia, Executive Director – Corporate Affairs (DIN: 00050530) w.e.f. April 1, 2018, for the remainder of the tenure of his

appointment i.e. upto May 22, 2018 (as per Governance Guidelines adopted by the Board), by way of an increase in the maximum amount of his Basic Salary (including the remuneration to be paid in the event of loss or inadequacy of profits in a financial year during the tenure of his appointment), as set out in the Explanatory Statement annexed to the Notice convening AGM, with authority to the Board of Directors to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits linked to the quantum of Basic Salary;

- revision in the Performance Linked Bonus payable to Mr. Mehernosh Kapadia, for the year 2017-18 as set out in the Explanatory Statement annexed to the Notice convening the AGM;

RESOLVED FURTHER THAT any of the Directors of the Company or Mr. Beejal Desai, Senior Vice President – Legal & Company Secretary, be and are hereby authorized severally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

8. Private Placement of Non-Convertible Debentures.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, both as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to cumulative/non-cumulative, listed or unlisted, redeemable non-convertible debentures/bonds (NCDs) on private placement basis, in one or more series / tranches during a period of one year from the date of passing this Resolution, upto an amount not exceeding ₹ 500 crores (Rupees Five Hundred Crores) on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilization of issue proceeds and all matters connected

with or incidental thereto and that such borrowing is within the overall borrowing limits of the Company;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to finalise, settle and execute such documents, deeds, writings, papers or agreements as may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper and desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company.”

Notes:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (‘the Act’) setting out the material facts in respect of the business under Item Nos. 5-8 to be transacted at the Annual General Meeting (‘AGM’) is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than 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 Member. The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organisation.
3. Members/Proxies and Authorised representatives are requested to bring to the AGM, the attendance slips, enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No. Corporate Members intending to send their authorised representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorising the representative to attend and vote on their behalf at the AGM.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, July 13, 2018 to Thursday, July 19, 2018, both days inclusive, for payment of dividend, if approved at the AGM.

5. Pursuant to Regulations 26(4) and 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') and the Secretarial Standard-2 on 'General Meetings' issued by the Institute of Company Secretaries of India, the particulars of Directors seeking appointment/re-appointment at the AGM are annexed to the Notice.
6. The Dividend on Equity Shares, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after July 27, 2018, to the Members whose names appear on the Company's Register of Members on Thursday, July 12, 2018, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before Thursday, July 12, 2018. As regards shares held in electronic form, the dividend will be payable to the 'beneficial 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 Thursday, July 12, 2018.
- 7. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund ('IEPF'):**

Members are requested to note that, dividends if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF. 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 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.

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. 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. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their Depository Participants ('DPs').
9. 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 DPs with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.
10. 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.
- 11. Nomination facility:**
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.
12. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management.
- 13. Updation of Members' Details:**
The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company to record additional details of Members,

including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are required to submit the filled in form to the Company and Members holding shares in electronic form are required to submit the details to their respective Depository Participants.

14. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote.
15. Members are requested to kindly bring their copies of the Annual Report to the AGM. As per the requirement of the Secretarial Standard – 2 on 'General Meetings' the route map showing directions to reach the venue of the AGM along with indication of the prominent landmark is annexed to the Notice.
16. The Notice of the AGM along with the Annual Report for 2017-18 is being sent by electronic mode to those Members whose email addresses are registered with the Company/Depository Participants, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, a physical copy is being sent by permitted mode. To support the 'Green Initiative', Members who have not registered their email addresses are required to register the same with the Company/Depository. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. www.tajhotels.com.
17. Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the AGM and also at the venue of the AGM.

18. Voting through electronic means

- i. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means of remote e-voting (to cast their vote electronically from a place other than the venue of the AGM), through e-voting services provided by NSDL on all resolutions set forth in this Notice.

- ii. The facility of voting through electronic voting system or poll papers shall also be made available at the AGM. Members holding shares as on cut-off date i.e. Thursday, July 12, 2018 and attending the AGM, who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.
- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on Monday, July 16, 2018 (9:00 a.m. IST) and ends on Wednesday, July 18, 2018 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, July 12, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting consists of 'Two Steps' as mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open the internet web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat Account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in Demat Account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will prompt you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your email ID. Open the email sent to you by NSDL and access the attached PDF file viz. 'remote e-voting.pdf'. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of client ID for CDSL account or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote. Shareholders who forgot their User Details/are unable to retrieve or have not received the initial password, can access the e-Voting by following the below mentioned instructions:

- a) Click on 'Forgot User Details/Password?' (If you are holding shares in your Demat Account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat Account number/Folio Number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

8. Now, you will have to click on 'Login' button.

9. After you click on the 'Login' button, Home page of e-voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies' 'EVEN' in which you are holding shares and whose voting cycle is in active status.
3. Select 'EVEN' of The Indian Hotels Company Limited.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
6. Upon confirmation, the message 'Vote cast successfully' will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Instructions for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by sending an e-mail to nevilldaroga@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions ('FAQs') for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request by email evoting@nsdl.co.in.
4. The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, July 12, 2018. 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 voting, either through remote e-voting or voting at the AGM.
5. Any person, who acquires shares of the Company and becomes a Member of the Company after despatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request to evoting@nsdl.co.in and may cast their vote by remote e-voting or at the AGM.

6. M/s Neville Daroga & Associates, Practicing Company Secretary (Membership No. 8663) has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting and the voting at the AGM in a fair and transparent manner.
7. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and 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 shall make, not later than two days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
8. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tajhotels.com and on the website of NSDL immediately after the Results are declared. The Company shall simultaneously forward the Results to The BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed. The Results shall also be displayed on the Notice Board at the Registered Office & the Corporate Office of the Company for at least three days.

By Order of the Board of Directors

Beejal Desai

Senior Vice President – Legal and Company Secretary

Mumbai, May 25, 2018

Registered Office:

Mandlik House, Mandlik Road, Mumbai 400 001.

CIN: L74999MH1902PLC000183

Tel.: 022 66395515 Fax: 022 22027442

Email: investorrelations@tajhotels.com

Website: www.tajhotels.com

Explanatory Statement

Pursuant to Section 102 of the Companies Act, 2013

1. The following Explanatory Statement sets out the material facts relating to the business under Item Nos. 5-8 of the accompanying Notice dated May 25, 2018.

Item Nos. 5 & 6

2. Based on the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company ('Board') at their meeting held on August 29, 2017 appointed Mr. Puneet Chhatwal as an Additional Director of the Company w.e.f. November 6, 2017 under Section 161(1) of the Companies Act, 2013 ('the Act') and Article 132 of the Company's Articles of Association. The Board also appointed Mr. Chhatwal as the Managing Director & Chief Executive Officer ('MD & CEO') of the Company for a period of five years from November 6, 2017 upto November 5, 2022, subject to approval of the Members. Mr. Chhatwal will be based in India.
3. In terms of Section 161(1) of the Act, Mr. Chhatwal holds office only upto the date of the forthcoming Annual General Meeting ('AGM') but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Mr. Chhatwal's appointment as a Director.
4. Mr. Chhatwal holds an MBA in international hospitality from Institute De Management Hotelier International (IMHI) (Cornell-Essec) France. He has also completed his Advanced Management Program from INSEAD at Fountainbleau, France and Singapore and also holds a degree from the Institute of Hotel Management, New Delhi.
5. Mr. Chhatwal is a hospitality industry veteran, with an experience of over three decades. He was previously the Chief Executive Officer of Deutsche Hospitality/Steigenberger Hotels AG.
6. He has been in senior international leadership roles for almost 20 years. He was living in Europe for the past 28 years and was the first non-European to head a European Hospitality organisation with his innovative leadership. He is perceived as a recognised team builder focusing on relationships, people and teams. He is credited with having a detailed understanding of board function in minority and sliver equity partnerships, joint ventures or other partnerships. He was successful in completing over 500 contracts in the last 25 years in Europe, Middle

East, Africa and Asia. Mr. Chhatwal has launched and re-launched various consumer brands (hospitality) and umbrella brand (B2B).

7. In his association with Steigenberger Hotels AG, the group witnessed a growth of more than 50% in portfolio along with increased presence in gateway destinations. During Mr. Chhatwal's tenure, the hotel was accredited amongst Germany's Superbrands (among top 50 brands) and was the winner of 2016 Grand Prix for the most progressive company at Worldwide Hospitality Awards in Paris besides being chosen as the Best Employer and Service Champion for five years in a row.
8. Before this assignment, he held several positions such as Executive Vice President & Chief Development Officer and Vice President Development for The Rezidor Hotel Group where he was responsible for driving strategy and branding. Prior to this, Mr. Chhatwal also served the Feuring Group where he was involved in Feasibility Study work and completed about 50 transactions in Europe as well as North Africa for brands like Le Meridien, Marriott, Mövenpick, etc. Prior to this, he also worked with The Ashok Group of Hotels in India.
9. The Company is one of the leading hotel groups in India with strategic presence in key global markets. In India, an assortment of influences had repressed the sector's endeavours to grow from 2009 to 2015, however, 2016-17 provided sufficient evidence that the next up-cycle was in the offing. As per HVS Report, September 2017, on a nationwide basis, new branded and organised supply grew by merely 5.9% while overall demand increased by 9.6% in the same period. The long-term outlook for the Indian hospitality business remains positive, both for the business and leisure segments with the potential for economic growth, increases in disposable incomes and the burgeoning middle class. India's Travel & Tourism sector was also the fastest growing among the G20 countries, growing by 8.5% in 2016.
10. Given this environment, sustaining and growing market share is considered critical for the long-term success of the Company. The Company is looking at various revenue enhancement and cost containment measures so that it can take advantage of the upswing in business as the economy recovers and the demand supply imbalance gets corrected.

11. Apart from its core domestic business in India, the Company operates hotels in ten international markets which include the United States, United Kingdom, South Africa, Zambia, Dubai, Maldives, Sri Lanka, Bhutan, Nepal and Malaysia. Taking into account the significant investments that the Company has made in recent years in its overseas assets, the MD & CEO is expected to devote a fair amount of his time to address matters relating to the overseas acquisitions and improve the performance of this portfolio.
12. Given these priorities a search was conducted on a global basis for a leader with international hospitality experience across various hospitality formats and markets (including the experience of overseeing the Indian market) and ability to manage and build scale. The candidates were screened by the NRC which recommended Mr. Puneet Chhatwal to the Board.
13. The Board is of the view that, with Mr. Chhatwal's experience and expertise in the global hospitality sector, the Company would greatly benefit from his appointment and the remuneration payable to him is commensurate with his qualifications and experience and also in line with the remuneration that was drawn by Mr. Chhatwal in his preceding employment.
14. Mr. Puneet Chhatwal shall hereinafter be referred to as 'Mr. Chhatwal' or 'MD & CEO'. The principal terms and conditions of the appointment of Mr. Chhatwal as MD & CEO are as under:
 - (i) **Term:** For a period of five years commencing from November 6, 2017 upto November 5, 2022
 - (ii) **Termination:** In the event of Company initiated termination-
 - A)** Without cause: The MD & CEO will be entitled to receive a severance package that comprises of twelve months of Fixed Compensation as referenced in the Agreement executed between the Company and Mr. Chhatwal.
 - B)** With cause: No amount would be payable.

In the event of termination initiated by the MD & CEO, the notice period will be six months or paying six months Fixed Compensation as stated above in lieu of notice period.
 - (iii) **Nature of Duties:** The MD & CEO shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time

and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned to the MD & CEO from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company. The MD & CEO shall not exceed the powers so delegated by the Board as set out above. The MD & CEO undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board. Mr. Chhatwal shall undertake his duties from such location as may be directed by the Board.

(iv) **Proposed Remuneration:**

A) Basic Salary: Current Basic Salary of ₹ 12.35 lakhs per month; upto a maximum of ₹ 22 lakhs per month. The annual increments will be decided by the Board based on the recommendation of the NRC and will be performance-based and take into account the Company's performance as well, within the said maximum amount.

B) Benefits, Perquisites & Allowances:

Details of Benefits, Perquisites and Allowances are as follows:

- (a) Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation.
- (b) Special Allowance at 85% of Basic Salary per annum.
- (c) Hospitalisation, Transport, Tele-communication and other facilities as under:
 - Hospitalisation and major medical expenses incurred for self and family.

- Car with driver provided, maintained by the Company for official and personal use as per Rules of the Company.
 - Telecommunication facilities including broadband, internet and mobile as per Rules of the Company.
 - Housing loan as per Rules of the Company.
- (d) Other perquisites and allowances given below subject to a maximum of 55% of salary per annum. This includes:
- Medical allowance 8.33%
 - Leave Travel Concession/Allowance 8.33%
 - Other Allowances 33.34%
 - Personal Accident Insurance @ actuals, as applicable for the Members of the Executive Committee Level of the Company & Annual club membership/joining fees for one club, both subject to a cap of 5%.
- (e) Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity as per the Rules of the Company. In case of no contribution to the Superannuation Fund, the same would be payable as an allowance as per the Rules of the Company.
- (f) Transfer and relocation expenses as per of the terms of the Agreement entered into between the Company and Mr. Chhatwal.

C) Commission:

In addition to the Salary, Benefits, Perquisites and Allowances, Mr. Chhatwal would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, as per the terms of the agreement currently costed at 24 months basic salary and will be within the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD & CEO will be based on his performance as evaluated by the Board or the NRC and approved by the Board and will be payable annually after the annual accounts have been approved by the Board and Members.

D) Incentive Remuneration:

Such Incentive Remuneration not exceeding 200% of salary to be paid annually at the discretion of the Board, based on certain performance criteria and such other parameters as may be considered appropriate from time to time. Incentive Remuneration would be payable only when the Company cannot pay Commission.

E) Additional Performance Bonus:

To be paid at the end of two, four and five years based on measurable improvement criteria set out by the Board as detailed in the Agreement entered into between the Company and Mr. Chhatwal.

Plan Period: Five years

- (a) First payout at the end the financial year 2019-20 which shall include the prorated payout for the period worked in 2017-18
- (b) Second payout at the end of the financial year 2021-22
- (c) Final Payout at the end of the financial year 2022-23

Plan:

The plan is linked to

- (a) EBITDA growth Year on Year,
- (b) The strategic plan targets – ‘Aspiration 2022’
 - Turnover (₹ crores),
 - PAT (₹ crores) and
 - Return on Equity (%)

EBITDA growth has a weightage of 40% and ‘Aspiration 2022’ targets have the remaining 60% weightage, with equal weightage to Turnover, PAT and Return on Equity.

Target Amount:

Mr. Chhatwal’s additional performance bonus target amount is linked to his Cost to Company (‘CTC’). His current CTC is construed at 2/3rd of his total

compensation and the balance 1/3rd is the target amount for the additional performance bonus.

As the current CTC is ₹ 7 crores, the additional performance bonus target amount is ₹ 3.5 crores per annum¹.

¹The target amount will change, if there is any revision in the CTC.

F) Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Chhatwal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites & Allowances and Incentive Remuneration as specified above, subject to further approvals as required under Schedule V to the Act, or any modification(s) thereto.

(v) Comparative Remuneration Profile

The remuneration of Mr. Chhatwal is commensurate with remuneration of expatriates appointed at CEO/MD levels of similar sized multinationals, taking into consideration the responsibilities shouldered by him. The table below provides a summary of the comparison of the CEO remuneration in the Global Hospitality Industry.

(in US\$)			
25 th Percentile	50 th Percentile	75 th Percentile	90 th Percentile
6,199,751	10,470,366	10,926,084	12,459,557

(Source: As per Aon Hewitt CEO Market pricing report for the Global Hospitality Industry, 2017 covering 11 Global Hospitality majors).

Note: A percentile is a measure used in statistics indicating the value below which a given percentage of observations in a group of observations fall. For example, the 25th percentile is the value (or score) below which 25% of the observations may be found.

15. The other principal terms and conditions of the appointment of Mr. Puneet Chhatwal as the MD & CEO are as under:

- (i) Adherence with the Tata Code of Conduct, no conflict of interest with the Company, intellectual property, maintenance of confidentiality and all Personnel Policies.

- (ii) Mr. Chhatwal shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- (iii) The employment may be terminated by the Company without notice:
 - A) if the MD & CEO is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
 - B) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the MD & CEO of any of the stipulations contained in the Agreement; or
 - C) in the event, the Board expresses its loss of confidence in the MD & CEO.
- (iv) In the event, the MD & CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
- (v) Upon the termination by whatever means of his employment under the Agreement:
 - A) the MD & CEO shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies by virtue of Section 167 (1) (h) of the Act, without claim for compensation for loss of office and shall resign as trustee of any trusts connected with the Company.
 - B) the MD & CEO shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.
- (vi) If and when this Agreement expires or is terminated for any reason whatsoever, Mr. Chhatwal will cease to be the MD & CEO and also cease to be a Director of the Company. If at any time, the MD & CEO ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the MD & CEO and this Agreement shall forthwith terminate. If at any time, the MD & CEO ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and MD & CEO of the Company.

- (vii) The MD & CEO covenants with the Company that he will not, during the continuance of his employment with the Company, accept any other directorships in any company or body corporate without the prior written consent of the Board.
- (viii) The MD & CEO covenants with the Company that he will not, for a period of one year immediately following the termination of his employment under this Agreement, without the prior written consent of the Board, endeavour or entice away from the Company, any employee who has at any time during one year immediately preceding such termination been employed or engaged by the Company or any subsidiaries or associated companies at any time during one year immediately preceding termination.
- (ix) The terms and conditions of the appointment and remuneration of the MD & CEO and/or this Agreement may be altered, re-structured and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the MD & CEO, subject to such approvals as may be required.
- (x) Any modifications and/or conditions stipulated by the shareholders/the Central Government in granting its approval to the appointment and remuneration of Mr. Chhatwal shall be recorded by way of a supplementary agreement which will form part of the Agreement.
16. Mr. Puneet Chhatwal is not a resident of India and pursuant to the provisions of Section 196 read together with Schedule V to the Act, in respect of the appointment of managerial personnel, the Company may appoint a person who is not a resident of India (i.e. in variance with the conditions specified in Schedule V) provided the said appointment has been approved at the General Meeting and by the Central Government. The Company has already preferred an application to the Central Government in this regard and is awaiting the approval.
17. In compliance with the provisions of Sections 196, 197 read with Schedule V to the Act, the appointment and terms of remuneration of Mr. Chhatwal are now being placed before the Members for their approval.
18. The NRC and the Board have accorded their approvals to the above and in the interest of the Company commend the Resolutions at Item Nos. 5 & 6 of the accompanying Notice for approval by the Members of the Company.
19. Besides Mr. Puneet Chhatwal and his relatives none of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives are, in any way, concerned or interested in the Resolutions at Item Nos. 5 & 6 of the accompanying Notice.
20. Mr. Puneet Chhatwal is not related to any other Director or KMP of the Company.
- Item No. 7**
21. At the AGM of the Company held on August 23, 2016, the Members of the Company had approved the re-appointment and terms of remuneration of Mr. Mehernosh Kapadia as the Executive Director – Corporate Affairs of the Company from August 10, 2016 upto him reaching the age of 65 years i.e. May 22, 2018 (*being the retirement age for Executive Directors as per the Governance Guidelines adopted by the Board*), which provided inter-alia for the following remuneration:
- Basic Salary of ₹ 5,00,000 per month, with Annual Increments to be effective 1st April each year as decided by the Board and recommended by the Nomination and Remuneration Committee ('NRC').
 - Performance Linked Bonus subject to maximum of 227.5% of the Annual Basic Salary payable subject to the achievement of certain performance criteria and such other parameters a may be considered appropriate from time to time by the Board.
22. The Members may note that the Board had at their Meeting held on May 26, 2017, revised the Basic Salary payable to Mr. Kapadia to ₹ 5,00,000 per month for the year 2017-18. Having touched the outer limit of Basic Salary approved by the Members, any future revisions beyond ₹ 5,00,000 per month would require the approval of the Board and Members.
23. Considering Mr. Kapadia's longstanding commitment and illustrious contribution to the Company, the Board, based on the recommendations of the NRC, at its meeting held on May 25, 2018 has approved revision in the Basic Salary of Mr. Kapadia from ₹ 5,00,000 per month to ₹ 6,00,000 per month from April 1, 2018, for the remainder of the tenure of his appointment i.e. upto May 22, 2018 with proportionate increase in the benefits linked to his Basic Salary, along with payment of ₹ 2,00,00,000 as Performance Linked Bonus for the year 2017-18. These revisions being beyond the aforesaid maximum stipulated limits are subject to approval of the Members.
24. Accordingly, approval of the Members is sought for revision in the Basic Salary Scale of Mr. Kapadia from

a maximum of ₹ 5,00,000 per month to ₹ 6,00,000 per month, along with proportionate increase in the benefits linked to his Basic Salary and revision in the Performance Linked Bonus to ₹ 2,00,00,000; all other terms and conditions relating to the appointment of Mr. Kapadia as approved by the Members of the Company at the meeting held on August 23, 2016 being unchanged.

25. Consequently, the Agreement between the Company and Mr. Kapadia shall stand amended to reflect the revised terms of remuneration as aforesaid; with the rest of the terms and conditions remaining valid and in force.
26. The aggregate of the proposed revised remuneration as aforesaid shall be within the maximum limits as laid down under Sections 197, 198 and such other applicable provisions, if any, of the Act read with Schedule V to the Act as amended from time to time.
27. Details of remuneration paid to Mr. Kapadia during the financial year 2017-18 have been disclosed in the annexure to the Board's Report and in the Corporate Governance Report.
28. In compliance with the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, read with Schedule V to the Act, the revised terms of remuneration of Mr. Kapadia as specified above are now being placed before the Members for their approval.
29. The Board commends the resolution at Item No. 7 of the accompanying Notice for acceptance by the Members.
30. Besides Mr. Kapadia and his relatives, none of the other Directors, Key Managerial Personnel ('KMP') or their respective relatives are in any way concerned or interested in the Resolution mentioned at Item No. 7 of the accompanying Notice.
31. Mr. Kapadia is not related to any Director or KMP of the Company.

Item No. 8

32. As per Section 42 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 ('PAS Rules'), a company offering or making an invitation to subscribe to Non-Convertible Debentures ('NCDs') on a private placement basis, is required to obtain the

prior approval of the Members by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year.

33. The borrowing limit was approved by the Members on August 27, 2014; under Section 180(1)(c) of the Act is ₹ 5,000 crores. As on March 31, 2018, the total debt of the Company is ₹ 1,784 crores. The Company proposes to seek approval of the Members to raise NCDs of up to ₹ 500 crores for any potential requirement that may arise during the next year for, inter-alia, capital expenditure, renovations, investments and general corporate purposes.
34. The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the PAS Rules and the Companies (Share Capital & Debentures) Rules, 2014, to enable the Company to offer or invite subscriptions of NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 8 within the overall borrowing limits of the Company, as approved by the Members.
35. The Board commends the Resolution at Item No. 8 of the accompanying Notice for approval by the Members of the Company.
36. None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested in the Resolution at Item No. 8 of the accompanying Notice.

By Order of the Board of Directors

Beejal Desai

Senior Vice President – Legal and Company Secretary

Mumbai, May 25, 2018

Registered Office:

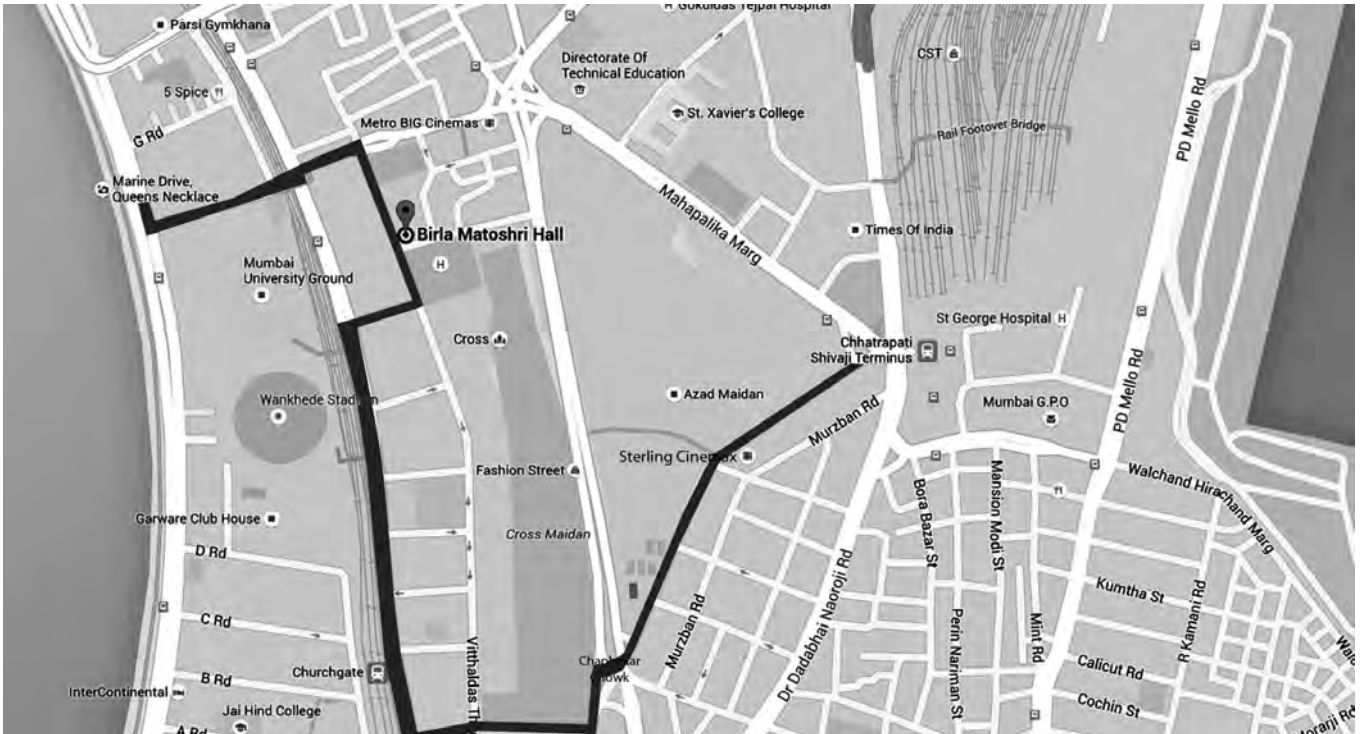
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**Details of Directors seeking appointment / re-appointment at the forthcoming
Annual General Meeting of the Company**
(Pursuant to the Listing Regulations and Secretarial Standard-2 on General Meetings)

Name of Director	N. Chandrasekaran	Puneet Chhatwal
Age	54	54
Date of Birth	June 02, 1963	April 16, 1964
Date of First Appointment	January 27, 2017	November 6, 2017
Experience & Expertise in specific functional areas/ brief resume	<p>Mr. Chandrasekaran is the Chairman of the Board of Tata Sons Limited ('TSL'). He also chairs the Boards of several group operating companies, including Tata Steel Limited, Tata Motors Limited, Tata Power Limited, Tata Global Beverages Limited and Tata Consultancy Services ('TCS')- a leading global IT solution and consulting firm of which he was a Chief Executive Officer from 2009-17. Under his leadership, TCS generated total revenues of US \$16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company. TCS has also been placed among the "Big 4" most valuable IT services brands worldwide, ranked as one of the World's Most Innovative Companies by Forbes and recognized as a Global Top Employer by the Top Employers Institute across 24 countries.</p> <p>In addition to his professional career, Mr. Chandrasekaran was also appointed as a Director on the Board of India's central bank, The Reserve Bank of India, in 2016. He has been appointed on the International Advisory Council of Singapore's Economic Development Board in 2018 and is also the Chairman of Indian Institute of Management Lucknow as well as the President of the Court at Indian Institute of Science Bengaluru.</p> <p>He is an active member of India's bilateral business forums including USA, UK, Australia and Japan and has served as the Chairman of NASSCOM, the apex trade body for IT services firms in India in 2012-13.</p> <p>His business leadership has been recognized by several corporate and community organizations, and he has received numerous awards such as The Business Leader of the Year at the ET Awards for Corporate Excellence 2016, CNBC TV 18 - 'Indian Business Icon', 2014, CNN-IBN Indian of the Year 2014 (business category), Best CEO for 2013 and 2014 by Business Today, Best CEO 2010-15 Institutional Investor's Annual All-Asia Executive Team rankings. Mr. Chandrasekaran has also been awarded several honorary doctorates by leading universities in India and internationally.</p>	<p>Mr. Chhatwal is presently the Managing Director and Chief Executive Officer of The Indian Hotels Company Limited. He is a global professional with over three decades of leadership experience at highly-acclaimed hotel groups in Europe and North America.</p> <p>Prior to this, Mr. Chhatwal was the Chief Executive Officer and Member of the executive board of Steigenberger Hotels AG – Deutsche Hospitality. He was also the Chief Development Officer of The Rezidor Hotel Group – Carlson Hotels Worldwide.</p> <p>Mr. Chhatwal has won awards including the prestigious Carlson Fellowship and was rated as one of Europe's 20 extraordinary minds in Sales, Marketing and Technology - HSMIA European Awards 2014. He was also the First Alumni included in the ESSEC-IMHI Hall of Honor 2014.</p>
Qualifications	<ul style="list-style-type: none"> Bachelor's Degree in Applied Science Master's Degree in Computer Application – Trichy 	<ul style="list-style-type: none"> MBA in Hospitality from ESSEC, Paris Advanced Management Program from INSEAD
Details of shares held in the Company	NIL	NIL
List of Body Corporates in which outside directorships held as on March 31, 2018	<ul style="list-style-type: none"> Tata Sons Limited Tata Consultancy Services Limited Tata Motors Limited Tata Steel Limited The Tata Power Company Limited TCS Foundation Tata Global Beverages Limited Reserve Bank of India Jaguar Land Rover Automotive PLC 	<ul style="list-style-type: none"> Piem Hotels Limited Taj SATS Air Catering Limited ELEL Hotels and Investments Limited Oriental Hotels Limited Taj GVK Hotels & Resorts Limited Roots Corporation Limited IHM - Aurangabad St. James Court Hotel Limited
Chairman/Member of the Committees of other Companies on which he is a Director (Committees includes the Statutory Committees) as on March 31, 2018	<p>Nomination and Remuneration Committee</p> <ul style="list-style-type: none"> Tata Sons Limited Tata Consultancy Services Limited Tata Motors Limited Tata Steel Limited Tata Global Beverages Limited The Tata Power Company Limited Jaguar Land Rover Automotive PLC <p>Corporate Social Responsibility</p> <ul style="list-style-type: none"> Tata Consultancy Services Limited (Chairman) 	<p>Audit Committee</p> <ul style="list-style-type: none"> Taj GVK Hotels and Resorts Limited <p>Nomination and Remuneration Committee</p> <ul style="list-style-type: none"> Piem Hotels Limited Taj GVK Hotels and Resorts Limited Oriental Hotels Limited Taj SATS Air Catering Limited
Number of Board meetings attended during the year	6	2 (for part of the year only)
Terms and conditions of appointment/ re-appointment	Director liable to retire by rotation	For a period of five years as per his contract as MD & CEO with the Company
Remuneration to be paid	Sitting fees	Details of remuneration provided in the Corporate Governance Report
Last drawn remuneration	Details of remuneration provided in Corporate Governance Report	Details of remuneration provided in the Corporate Governance Report
Relationship with other Directors and Key Managerial Personnel	None	None

Route Map to the AGM Venue

Venue: Birla Matoshri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400020



Landmark: Next to Bombay Hospital (H)

Distance from **Churchgate Station:** 1 km

Distance from **Chhatrapati Shivaji Terminus:** 1.2 km

Distance from **Marine Lines Station:** 0.8 km