

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

NOTICE TO THE MEMBERS OF THE 8th ANNUAL GENERAL MEETING OF THE COMPANY

Notice is hereby given that the Eighth Annual General Meeting of the Members of GMR Hotels and Resorts Limited will be held on Wednesday September 28, 2016 at 14:30 Hours at 4th Floor Board Room, GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad 500 409, to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. SGK Kishore [DIN: 02916539] who retires by rotation, and being eligible, offers himself for reappointment.
3. To reappoint M/s. S R Batliboi & Associates LLP, Chartered Accountants, Bangalore [Firm Registration No.101049W] as the Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the 9th Annual General Meeting of the Company and the Board of Directors of the Company be and are hereby authorized to fix their remuneration.

SPECIAL BUSINESS

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

“**RESOLVED THAT** the pursuant to the provisions of sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. P Vijaya Bhaskar [DIN 06629884] who was appointed as an Additional(Independent) Director of the Company by the Board of Directors on April 23, 2016 and who holds office upto the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two consecutive years commencing from the date of this Annual General Meeting till the date of the 10th Annual General Meeting of the Company, to be held in the year 2018.”
5. To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013, read with Schedule- V of the Companies Act, 2013, the consent of the members be and is hereby accorded the appointment of Mr. Arunangshu Ghosh as the Manager of the Company within the meaning of Section 2(53) and 203 of the Companies Act 2013.

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

RESOLVED FURTHER THAT the appointment of Mr. Arunangshu Ghosh as Manager shall be for a period of two years with effect from July 22, 2016 at a total remuneration of Rs.15,40,566/- pa with an authority to the Board of Directors to alter and vary such terms of appointment and remuneration during the continuance of her tenure from time to time as they may deem fit, so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Ghosh.

RESOLVED FURTHER THAT apart from the above remuneration, Mr. Arunangshu Ghosh shall be eligible for all other benefits including annual increments, variable pay, reimbursement of telephone, petrol and other expenses etc. on par with other employees as per the policy and rules of the Company.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during his term of office as Manager, Mr. Arunangshu Ghosh will be paid remuneration not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act 2013 thereunder (including any statutory modification or re-enactment thereof) or such other limit as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT Mr. Arunangshu Ghosh shall perform all such functions or duties that may be performed by the Manager under the Companies Act, 2013 and Rules made therein and any other duties that may be assigned by the Management of the Company from time to time”.

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

“RESOLVED THAT, the consent of the Company be and is hereby accorded to the Board of Directors under Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 to avail term loan facility of up to INR 125,00,00,000 (Indian Rupees One Hundred and Twenty Five crore only) (hereinafter referred to as the **“Facility”**) from Aditya Birla Finance Limited (**“Original Lender”**) and / or other banks and financial institutions (**“Syndicate Members”**) (Original Lender and Syndicate Members are termed as **“Lenders”**) as per terms and conditions contained in the sanction letter bearing reference number ABFL/PSFG/CAL/000771 dated August 8, 2016 and other documents executed/to be executed in relation to the Facility (**“Financing Documents”**) and to subsequently, increase the subscribed capital of the Company caused by the exercise of an option, in terms of:

- (i) the Framework for Revitalising Distressed Assets in the Economy - Guidelines on Joint Lenders’ Forum (**“JLF”**) and Corrective Action Plan (**“CAP”**) dated January 30, 2014, as amended from time to time and the

GMR Hotels and Resorts Limited

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CIN: U55101TG2008PLC060866

guidelines on Early Recognition of Financial Distress, Prompt Steps for Resolution and Fair Recovery for Lenders: Framework for Revitalising Distressed Assets in the Economy dated March 21, 2014 (jointly referred to as the “**Distressed Assets Framework**”); or

(ii) the provisions of the Facility Agreement, which is also approved hereof,

to convert such Facility into shares of the Company. The Company hereby approves the conversion of all or any portion of the obligations of the Company to the Lenders in respect of the Facility under the terms of the Financing Documents, to fully paid-up equity shares of the Company and to create, offer, issue and allot in one or more tranches, such number of fully paid-up equity shares as may be required.”

By Order of the Board of Directors
GMR Hotels and Resorts Limited

Date : August 11, 2016

Place: Hyderabad

Rajesh Arora

Director

Notes

- 1 A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead and such proxy need not be a member of the Company.** Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
- 2 The relevant Explanatory statement under Section 102 of the Companies Act, 2013 in respect of Special business is annexed hereto.
3. All documents pertaining to the Special Business would be available for inspection by any member of the Company between 12.00 noon to 5.00 p m. on all working days at the Registered Office of the Company, upto the date of this Annual General Meeting.

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

Item No. 4

The Board at its meeting held on April 23, 2016 appointed Mr. P Vijaya Bhaskar [DIN 06629884] as an Additional (Independent) Director of the Company under Section 161 of the Companies Act 2013 with effect from April 23, 2016 and he holds office of Director till the date of this Annual General Meeting. His appointment as Independent Directors is also subject to the approval of the shareholders.

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

Mr. P. Vijaya Bhaskar (Former Executive Director of RBI), is an experienced Central Banker with 35 years of experience in policy formulation in RBI with close to 10 years of working at the top management level and is having international exposure as a member of important committees on International Finance. His areas of expertise include Banking and Non-Banking Regulation and Supervision, understanding of dynamics in Domestic and International markets, Risk Management in financial markets. His key strengths are knowledge of various financial products, regulatory environment in India and abroad, immense experience as policy maker and dissecting the market behaviour and reaction to various policy initiatives and global perspective on all domestic issues. He is well known in financial circles as an author of a book on derivatives and as head of various committees formed on very sensitive issues pertaining to the sector. He is also known to provide unique institution specific solutions for the issues within the regulatory framework. He was a nominee director of RBI in a leading public sector bank.

The Board is of opinion that Mr. P Vijaya Bhaskar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company and is independent of the management. He holds requisite qualification and expertise and will add value to the Board and the Company.

Mr. Bhaskar does not hold any share in the Company as on March 31, 2016 and not related to any of the Directors, Manager and Key Managerial Persons and their relatives.

The Board of Directors recommends ordinary resolution set out at item 4 for your consideration and approval.

None of the Directors, Manager or Key Managerial Persons or their relatives of the Company, except Mr. P Vijaya Bhaskar, is concerned or interested in the proposed resolution.

Item No. 5

The Board of Directors at their meeting held on July 22, 2016, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Arunangshu Ghosh as the Manager of the Company within the meaning of Section 2(53) and 203 of the Companies Act 2013, for a period of two years effective from July 22, 2016 to July 21, 2018.

Mr. Arunangshu Ghosh is a Graduate & Diploma in hospitality and he has total experience of 21 years in Hospitality / Airlines / Aviation Industry. He has been associated with GMR Group since 8 years.

As per Section 197 of the companies act, 2013, Company can pay upto 5% of the net profit as managerial remuneration to one managerial personnel.

However, as per Section II of Part II of Schedule V read with section 196 and 197 of the Companies Act, where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, without Central Government approval, pay higher remuneration to its managerial person based on the effective capital of the Company.

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

As per Section II of Part II of Schedule V, when the effective capital of the Company is more than Rs.100.00 Crs but less than Rs. 250 Crs, the Company can pay annual remuneration to a managerial person upto Rs. 60.00 lacs pa.

As per the Audited accounts for FY 2015-16, the effective capital of the Company is Rs. 139.39 crores. The Company is proposing to pay Rs. 15.41 lakhs per annum plus perquisites subject to approval of shareholders by special resolution

The Board is of opinion that Mr. Ghosh holds requisite qualification and expertise and will add value to the Company.

The Board of Directors recommends special resolution set out at item 5 for your consideration and approval.

None of the Directors or Key Managerial Persons or their relatives of the Company, except Mr. Ghosh, are concerned or interested in the passing of the resolution.

Item No. 6

The Board of Directors at its meeting held on August 11, 2016 has approved the proposal to avail term loan to the tune of Rs.125 Crores ("Facility") from Aditya Birla Finance Limited ("Original Lender") and / or other banks and financial institutions ("Syndicate Members") (Original Lender and Syndicate Members are termed as "Lenders") as per terms and conditions contained in the sanction letter bearing reference number ABFL/PSFG/CAL/000771 dated August 8, 2016 and other documents executed/to be executed in relation to the Facility ("Financing Documents").

As per the terms and conditions of the sanction letter, approval of the shareholders is required under Section 62(3) of the Companies Act 2013 to convert all or any portion of the obligations of the Company to the Lenders in respect of the Facility under the terms of the Financing Documents, to fully paid-up equity shares of the Company and to create, offer, issue and allot in one or more tranches, such number of fully paid-up equity shares as may be required.

The Board of Directors recommends special resolution set out at item 6 for your consideration and approval.

None of the Directors or Key Managerial Persons or their relatives of the Company are concerned or interested in the passing of the resolution.

By Order of the Board of Directors
GMR Hotels and Resorts Limited

Date : August 11, 2016
Place: Hyderabad

Rajesh Arora
Director

GMR Hotels and Resorts Limited

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CIN: U55101TG2008PLC060866

ADDENDUM TO THE EIGHTH (8TH) AGM NOTICE

Addendum to the Notice of the Eighth (8th) Annual General Meeting of the Members of GMR Hotels and Resorts Limited scheduled to be held on **Wednesday, September 28, 2016 at 14:30 Hours**, at 4th Floor Board Room, GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad 500 409, is hereby given to transact the following Special Business:

An addendum to the notice is being circulated to the members in terms of Section 160 and other applicable provisions of the Companies Act, 2013 and the members are requested to consider, and if thought fit to pass with or without modification(s), the following resolutions as an Ordinary Resolution:

SPECIAL BUSINESS

7. Appointment of Mr. Mohammed Ismail as an Independent Director of the Company

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Mohammed Ismail [DIN 07621116], who has submitted a declaration that he meets the criteria for independence as provided in Section 149(7) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 years commencing from the date of this (8th) Annual General Meeting up to the date of the 13th Annual General Meeting, to be held in the year 2021.”

8. Appointment of Dr. Kavitha Gudapati as an Independent Director of the Company

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. Kavitha Gudapati [DIN 02506004], who has submitted a declaration that she meets the criteria for independence as provided in Section 149(7) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 years commencing from the date of this (8th) Annual General Meeting up to the date of the 13th Annual General Meeting, to be held in the year 2021.”

**By Order of the Board
For GMR Hotels and Resorts Limited**

Place: Hyderabad
Date: September 26, 2016

**Rajesh Arora
Director
DIN: 03174536**

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

Notes:

- 1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead and such proxy need not be a member of the Company.** Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
2. All the documents referred in the Notice along with explanatory statement, Annual Report and Register of Directors' Shareholding are kept open for inspection, during the business hours, at the Registered Office of the Company.
3. The relevant Explanatory statement under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
4. All documents pertaining to the special business would be available for inspection by any member of the Company between 12.00 noon to 5.00 p m. on all working days at the Registered Office of the Company, up to the date of the Annual General Meeting.
5. In terms of the requirements of the Secretarial Standards - 2 on General Meetings issued by the Institute of the Company Secretaries of India, Route Map for venue of the meeting is enclosed.

ANNEXURE TO 8th AGM NOTICE

(Explanatory Statement pursuant to section 102 of the Companies Act, 2013)

Item No 7:

In order to broad base the Board of Directors and to have good Corporate Governance practices, it is proposed to appoint Mr. Mohammed Ismail [DIN 07621116] as an Independent Director of the Company.

Mr. Mohammed Ismail, aged about 65 years, holds Bachelor's Degree in Mechanical Engineering and Master's Degree in Business Administration from Andhra University. He is an experienced entrepreneur with a focus on social class. At present, he actively participates and contributes in imparting primary education to children in rural areas. In order to impart and improve the education, he has adopted schools to improve successful school completion rate with incentives. He began his career in the year 1974 as a Junior Industrial Engineer of BHPV (Bharat Heavy Plate and Vessels) where he was responsible for development of time standards, systems, procedures etc. and thereafter an Assistant Engineer in the same organization he was actively involved in planning and monitoring of resources along with coordinating with inter and intra departments. During the period 1982-90 in the capacity of Manager in Flakt India Ltd. (ABB), he managed and executed several key industrial projects for Visakhapatnam Steel Plant. In these stints, Mr. Mohammed Ismail has been instrumental in increasing revenue in coastal Andhra region. Later, for about 10 years as an entrepreneur, he represented and implemented projects and representing projects for many multinationals. With his unique blend of experience in management and leadership positions of more than 30 years in various sectors, he ventured in the business of property development and constructed apartment and complexes in Visakhapatnam, during 2000-2008.

The Board is of the opinion that, his rich and varied management experience would immensely benefit the Company. Mr. Mohammed Ismail meets the criteria of independence as provided under section 149 (6) of the Companies Act, 2013. A declaration to this effect has also been furnished by Mr. Mohammed Ismail.

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

Mr. Mohammed Ismail does not hold any shares in the Company and is not related to any Director or Key Managerial Personnel of the Company.

Mr. Mohammed Ismail does not hold Directorships and Committee memberships in any Companies.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Mohammed Ismail for the office of the Independent Director, for a term of 5 years commencing from the date of this (8th) Annual General Meeting up to the date of the 13th Annual General Meeting, to be held in the year 2021.

None of the Directors or Key Managerial Personnel or their respective relatives of the Company, except Mr. Mohammed Ismail and his relatives, are concerned or interested in the resolution.

The Directors recommend the resolution as set out above for approval by the members as an Ordinary Resolution.

Item No 8:

In order to broad base the Board of Directors and to have good Corporate Governance practices, it is proposed to appoint Dr. Kavitha Gudapati [DIN: 02506004] as an Independent Director of the Company.

Dr. Kavitha Gudapati, is an organizational psychologist having consulting experience over 10 years in India and Abroad. Her expertise lies in Career development and Counseling and Work - Life balance. She has a Doctorate in Management, specializing in Organizational Behavior and has an MA in Psychology along with a Post Graduate diploma in counseling skills. She has undergone Basic Human processes lab and Advanced Human processes lab under Indian Society for Applied Behavioral Science (ISABS). She is accredited Certified Coach by Results Coaching which is recognized by the ICF (International Coach Federation). She operates in the areas of Coaching in Personal / Life, Business, Executive and Workplace.

Dr. Kavitha Gudapati, aged 41 years, is an organizational psychologist having consulting experience over 10 years in India and Abroad. Her expertise lies in Career development and Counseling and Work - Life balance. She has a Doctorate in Management, specializing in Organizational Behavior and has an MA in Psychology along with a Post Graduate diploma in counseling skills. She has undergone Basic Human processes lab and Advanced Human processes lab under Indian Society for Applied Behavioral Science (ISABS). She is accredited Certified Coach by Results Coaching which is recognized by the ICF (International Coach Federation). She operates in the areas of Coaching in Personal / Life, Business, Executive and Workplace. She has over fifteen years of experience covering a wide range of industries and projects. She has consulted and trained with several organizations such as Bharath Dynamics Limited, VOLVO, DRDL, Deloitte, GE-Money, PWC, GMR, Dr. Reddy's, Satyam Computers, Airtel, BSNL, BAAN, Intelle Group, Navayuga Infotech, Cyberabad Police, Neospark etc. She has been involved in a long term executive development programs, long duration consulting projects in the area of customer perceptions and customer satisfaction, Women's initiative networks, Corporate Trauma, Consultant Counselor / Coach and Trainer. For five year, she has appeared on the ETV show Sakshi.

GMR Hotels and Resorts Limited

Regd Off: Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana
CIN: U55101TG2008PLC060866

The Board is of the opinion that, her rich and varied management experience would immensely benefit the Company.

Dr. Kavitha Gudapati meets the criteria of independence as provided under section 149 (6) of the Act. A declaration to this effect has also been furnished by Dr. Kavitha Gudapati.

Dr. Kavitha Gudapati does not hold any shares in the Company and is not related to any Director or Key Managerial Personnel of the Company.

Details of Dr. Kavitha Gudapati Directorships in Companies as on 31st March 2016 are as follows:

S.No	Name of the Company (Directorship)	Designation
1	GMR Ambala-Chandigarh Expressways Private Limited	Director
2	GMR Hyderabad Aviation SEZ Limited	Director
3	GMR Hyderabad Aerotropolis Limited	Director
4	GMR Chennai Outer Ring Road Private Limited	Director
5	GMR Highways Limited	Director
6	GMR Hyderabad Vijayawada Expressways Private Limited	Director
7	GMR Pochanpalli Expressways Limited	Director
8	GMR Bajoli Holi Hydropower Private Limited	Director
9	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	Director

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Kavitha Gudapati for the office of the Independent Director, for a term of 5 years commencing from the date of this Annual General Meeting up to the date of the 13th Annual General Meeting, to be held in the year 2021.

None of the Directors or Key Managerial Personnel or their respective relatives of the Company, except Dr. Kavitha Gudapati and her relatives, are concerned or interested in the resolution.

The Directors recommend the resolution as set out above for approval by the members as an Ordinary Resolution.

By Order of the Board
For GMR Hotels and Resorts Limited

Place: Hyderabad
Date : September 26, 2016

Rajesh Arora
Director
DIN:03174536