



**Lemon Tree Hotels Limited**

CIN No. L74899DL1992PLC049022)

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**Notice of Postal Ballot**

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, each as amended and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time]

<b>VOTING STARTS ON</b>	<b>VOTING ENDS ON</b>
Monday, May 15, 2023	Tuesday, June 13, 2023

**Dear Members,**

**NOTICE** is hereby given pursuant to Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013, ('the Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, ('Rules'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ('MCA') vide its General Circulars dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as ('MCA Circulars'), to transact the special business(es) as set out hereunder by passing Ordinary / Special Resolution, as applicable, by way of postal ballot only by voting through electronic means (remote e-voting).

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice ('Notice') is being sent by Lemon Tree Hotels Limited ('the Company') only through electronic mode to those Members whose email addresses are registered with the Company / Registrar and Transfer Agent ('RTA') / Depository Participants (DPs). Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules, MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. The communication of the assent or dissent of the Members would only take place through the remote e-voting system. The Company has engaged the services of the National Securities Depository Limited ('NSDL') for the purpose of providing remote e-voting facility to its members.

Members desiring to exercise their vote through the remote e-voting facility arranged by the Company are requested to carefully read the instructions and follow the procedure as stated in the Notes forming part of this Notice for casting of votes not later than 5:00 p.m. (IST) on June 13, 2023. The remote e-voting facility will be disabled by NSDL immediately thereafter and voting shall not be allowed beyond the said time and date.

The Board of Directors of the Company has appointed M/s. Prakash Verma & Associates, Practicing Company Secretaries, NCR of Delhi (Firm Reg. No. S2013DE203700), as the Scrutinizer to scrutinise the remote e-voting process in a fair and transparent manner.

After completion of scrutiny of the votes cast, the Scrutiniser will submit his report to the Chairman or any other person authorised by him. The results declared, along with the Scrutiniser's Report, shall be announced by the Chairman or such person as authorised, within the stipulated timelines. The Scrutiniser's decision on the validity of votes cast will be final. The said results will be displayed on the website of the Company at <https://investors.lemontreehotels.com/>, the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall also be communicated to the Stock Exchanges where the Company's Ordinary Shares are listed viz. BSE Limited ('BSE') and The National Stock Exchange of India Limited ('NSE') and be made available on their respective websites viz. at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

The Explanatory Statement pursuant to Sections 102 and 110 and other applicable provisions of the Act, pertaining to the said Resolutions setting out the material facts and the reasons/ rationale thereof are annexed to this Notice.

#### **SPECIAL BUSINESSES:**

1. To consider and if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION:**

**"RESOLVED THAT** based on the recommendation of the Nomination and Remuneration Committee, Board of Directors, pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and the Articles of Association of the company and subject to such other approvals as may be necessary, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Patanjali Govind Keswani (DIN:00002974), Chairman and Managing Director, for a period of 3 years commencing from April 1, 2023 to March 31, 2026, on the terms and conditions as are set out in the Explanatory Statement to this resolution.

**RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby also accorded that where in any financial year, during the term of office of Mr. Patanjali Govind Keswani, Chairman & Managing Director the Company has no profits or its profits are inadequate, Mr. Patanjali Govind Keswani, Chairman and Managing Director shall continue to get the same remuneration as minimum remuneration, as detailed in the explanatory statement, subject to the provisions of Schedule V of the Companies Act, 2013 and approval of any appropriate authorities, wherever required.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable in order to give effect to the foregoing resolution."

2. To consider and if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), as may be necessary from time to time and basis the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Company to enter into Material Related Party Transaction(s) being furnishing of Corporate Guarantee to Banks/Financials institutions for the Credit Facilities availed/to be availed by Iora Hotels Private Limited ("Iora"), a material subsidiary of the Company, as more particularly set out in the explanatory statement annexed thereto for an amount not exceeding in the aggregate Rs. 500,00,00,000/- (Rupees Five Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which includes any Committee of the Board) be and are hereby authorized to do all necessary acts, deeds, things and execute all such documents, undertaking as may be necessary in this regard."

3. To consider and if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), as may be necessary from time to time and basis the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Company to enter into Material Related Party Transaction(s) being furnishing of Corporate Guarantee to Banks/Financials institutions for the refinancing of Credit Facilities availed by Fleur Hotels Private Limited ("Fleur") a material subsidiary of the Company, as more particularly set out in the explanatory statement annexed thereto for an amount not exceeding in the aggregate Rs. 853,00,00,000 (Rupees Eight Hundred Fifty-Three Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which includes any Committee of the Board) be and are hereby authorized to do all necessary acts, deeds, things and execute all such documents, undertaking as may be necessary in this regard."

**BY ORDER OF THE BOARD**  
**For LEMON TREE HOTELS LIMITED**

**DATE: 28.04.2023**  
**PLACE: NEW DELHI**

**NIKHIL SETHI**  
**AVP LEGAL & GROUP COMPANY SECRETARY**  
**MEMBERSHIP NO: A18883**

**NOTES:**

1. An explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') setting out the material facts relating to the business to be transacted is annexed hereto. The relevant details, pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is annexed.
2. This Postal Ballot Notice is being sent to the members whose names appear on the register of members / list of beneficial owners as received from the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and whose email address is registered with the Company / depository participant(s), as on May 5, 2023 ("Cut-off Date"). A person who is not a member as on the Cut-off Date should treat this Postal Ballot Notice for informational purposes only. In compliance with Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would only take place through the e-voting system.
3. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500032.
4. At the Board Meeting held on April 28, 2023, the Board has appointed M/s. Prakash Verma & Associates, Practicing Company Secretaries, NCR of Delhi (Firm Reg. No. S2013DE203700), as the scrutinizer for conducting the postal ballot and remote e-voting process in accordance with the law and in a fair and transparent manner.
5. The voting period commences at 9.00 A.M (IST) on Monday, May 15, 2023 and ends at 05.00 P.M. (IST) on Tuesday, June 13, 2023. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on May 5, 2023 cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on the resolutions is cast by the Member, he/she shall not be allowed to change it subsequently.
6. The voting rights of the Members shall be in proportion of their shareholding to the total issued and paid-up equity share capital of the Company as on the cut-off date.
7. The Scrutinizer will submit his report to the Chairman of the Company or such person as authorized upon completion of scrutiny of the votes received through the e-voting platform on or before Thursday, June 15, 2023. The Chairman or any person so authorized by him, shall announce the results of the Postal Ballot on or before 05:00 P.M. (IST) Thursday, June 15, 2023.
8. The result of the Postal Ballot, along with the scrutinizer's report, will be posted on the Company's website at <https://investors.lemontreehotels.com/> and communicated to the stock exchanges where the Company's shares are listed and on the website of the NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

9. The special resolution mentioned above at Item no. 1 shall be declared as passed if the number of votes cast in favour is more than three times the number of votes cast against it and the resolutions at Item No. 2 and 3 shall be declared as passed if approved by the majority. These resolutions shall be deemed to be passed on the last date specified by the Company for Remote e-voting i.e., Tuesday, June 13, 2023.
10. Resolution passed by the shareholders through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the shareholders convened in that behalf.
11. All the material documents referred to in the explanatory statement will be available for inspection electronically until the last date for receipt of votes through the e-voting process. Members seeking to inspect such documents can send an email to [sectdeptt@lemontreehotels.com](mailto:sectdeptt@lemontreehotels.com) from their registered e-mail address mentioning their names, folio numbers, DP ID and Client ID during the voting period of the postal ballot.
12. The General Instructions for shareholders voting electronically are as under:

How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*





#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	<p>A. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>B. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>C. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p>

	<p>either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>D. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;">  <p>App Store</p>  <p>Google Play</p> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting</li> </ol>

	Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022 - 4886 7000 and 022 -2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a <b>request</b> at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens. 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.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines 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 e-mail to [info@tgladvisors.com](mailto:info@tgladvisors.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by

clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 and 022 -2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. Eligible Members who have not registered their e-mail addresses with the Company, can register the same with the company by furnishing the Form No. ISR-1, SH-13/ISR-3, the format of the same can be accessed on the following link <https://investors.lemontreehotels.com/#> for updating KYC including email ID and Nomination at the Registered Office of the Company for updating the records.
2. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**BY ORDER OF THE BOARD  
For LEMON TREE HOTELS LIMITED**

**DATE: 28.04.2023  
PLACE: NEW DELHI**

**NIKHIL SETHI  
AVP LEGAL & GROUP COMPANY SECRETARY  
MEMBERSHIP NO: A18883**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

In conformity with the provisions of Section 102 of the Companies Act, 2013 ("Act"), the following Explanatory Statement sets out all material facts relating to the business under Item Nos. 1 to 3 mentioned in the accompanying Notice.

**ITEM NO. 1: APPROVAL FOR RE-APPOINTMENT OF MR. PATANJALI GOVIND KESWANI, AS CHAIRMAN AND MANAGING DIRECTOR**

The members are informed that Mr. Patanjali Govind Keswani (DIN:00002974) was re-appointed for a period of 5 years w.e.f April 1, 2018 till March 31, 2023 after seeking approval of the shareholders of the Company. The members are further informed that the Board of Directors on the recommendation of Nomination and Remuneration proposed re-appointment of Mr. Patanjali Govind Keswani for a further period of 3 years w.e.f April 1, 2023 subject to the approval of the shareholders on the following remuneration:

Basic Salary	:	Rs. 2,30,00,000/- per annum.
House Rent Allowance	:	The expenditure incurred by the Company on hiring unfurnished accommodation subject to a ceiling of 50% of the salary OR in case no accommodation is provided by the Company, the house rent allowance shall be paid @ Rs. 1,15,00,000/- per annum.
Medical Reimbursement	:	Expenses incurred on self and family on actual basis
Gratuity	:	Half month's salary for each completed year of service
Provident Fund	:	Company shall contribute to Provident fund as per the scheme of the Company
<u>or</u>		
Where no such PF contribution is made, then the amount equivalent to Provident Fund be given as part of salary.		
Telephone	:	Provision of two telephones at the residence on actuals.
Conveyance	:	Company shall provide a Car (Mercedes or equivalent) with running and maintenance expenses
Club facility	:	Reimbursement of charges of one club at actuals.
Drivers Salary	:	As per actuals.
Electricity	:	Expenses incurred at the residence on actual basis
Mobile Telephone expense	:	Actual expenses to be paid by the company

In accordance with the provisions of Sections 196, 197 & other applicable provisions of the Act, read with Schedule V to the said Act, the proposed re-appointment and the terms of remuneration payable to Mr. Patanjali Govind Keswani, as Chairman and Managing Director require approval of members by passing Special Resolution.

The Board recommends the Resolution at Item No. 1 for approval of the shareholders by passing special resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution except Mr. Patanjali Govind Keswani himself and Mr. Aditya Madhav Keswani, Director (son of Mr. Patanjali Govind Keswani).

The particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

#### **I. GENERAL INFORMATION:**

- 1) Nature of industry: The Company is engaged in the hotel business since 2004. The Company owns and operates hotels under various brands – 'Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox Hotels by Lemon Tree, Keys Prima by Lemon Tree, Keys Select by Lemon Tree and Keys Lite by Lemon Tree'. The Company is one of the largest hotel chains in India on the basis of controlling interest in owned and leased rooms, the sixth largest by consolidated inventory, and the largest in the mid-market hotel sector. LTHL operates across the upscale, upper-midscale, midscale and economy segments, and delivers differentiated yet superior service offerings, with a compelling value proposition.
- 2) Date of commencement/expected date of commencement of commercial production: The Company is in existence since 1992 and the first hotel of the Company started its operation in 2004. The Company currently operates ~8,400 rooms in 88 hotels across 54 destinations. When the current pipeline becomes operational, the Company will be operating ~11,950 rooms in 133 hotels across 86 destinations.
- 3) Financial performance based on given indicators: Following is the financial performance (Standalone) of the Company for last 3 years:

(Rs. In Lakhs)

<b>Financial Year</b>	<b>1<sup>st</sup> April, 2022 to 31st Dec, 2022 (Unaudited)</b>	<b>2021-22 (Audited)</b>	<b>2020-21 (Audited)</b>	<b>2019-20 (Audited)</b>
Total Income	21,537.41	13,217.41	8,394.44	27,324.13
Profit/(Loss) before Depreciation & amortization and Tax	8,583.81	(157.47)	(2,543.64)	6,233.69
Profit/(Loss) after tax	5,016.26	(1,601.18)	(4,076.40)	3,229.52

The Operations of the Company for FY 2020-21 and FY 2021-22 has been impacted on account of Covid Pandemic and the company has incurred loss during those years. However, effective April, 2022 the revenue of the Company has increased after normalization of operations and management is expecting that it will continue to improve during the coming years.

- 4) Export performance and net foreign exchange collaborations: Following is the export performance of the Company for last 3 Years:

(Rs. In Lakhs)			
Financial Year	2021-22	2020-21	2019-20
Earning in Foreign Currency	497.83	181.19	1574.03

Further, there is no foreign collaboration in the Company

- 5) Foreign investments: The foreign investments in the company stand at ~ 40.08% of the issued and paid-up Share Capital of Company as on March 31, 2023.

## II. INFORMATION ABOUT MR. PATANJALI GOVIND KESWANI:

### (1) Background details:

1. Name : Mr. Patanjali Govind Keswani
2. Designation : Chairman & Managing Director
3. Age (DOB) : 64 Years (09.02.1959)
4. Experience : 39 Years

Mr. Patanjali Govind Keswani graduated with a Bachelor's Degree in Electrical Engineering from IIT Delhi and a Post Graduate Diploma in Business Management from IIM Calcutta. He joined the TATA Administrative Service (TAS) in 1983 and worked with the TATA Group for 17 years, where his last assignment was as Senior Vice President of the Taj Group of Hotels. He subsequently worked with management consulting firm, A.T. Kearney Inc. as an Associate Consultant and Director in their India Office, before promoting Lemon Tree Hotels in 2002. He has been associated with Lemon Tree Hotels in the capacity of Director since August 3, 2002, and in the capacity of Managing Director since October 7, 2002. He was re-appointed as the Chairman and Managing Director for a period of five years w.e.f. April 1, 2018 and it is proposed to re-appoint him for a further period of 3 years w.e.f. April 1, 2023. Further, he is also appointed as Managing Director of Fleur Hotels Pvt. Ltd., material subsidiary of Lemon Tree Hotels Ltd. with effect from December 31, 2022, however, he is drawing remuneration from Lemon Tree Hotels Limited only.

(2) Past remuneration: During the previous financial year ended on March 31, 2023, Mr. Patanjali Govind Keswani earned a remuneration of Rs. 3.49 Crores approx. in the capacity of Chairman & Managing Director of the Company, which includes the expenses incurred with respect to the Company Car provided to him.

### (3) Recognition or awards:

Under the leadership of Mr. Patanjali Govind Keswani, it has been the constant endeavour of the Company to provide high quality services at competitive prices to its customers, which is evident from the various awards received by the Company from time to time. Some of the awards received by the Company during FY 2022-23 are enumerated herein below:

- Received the Gold Certification by the Indian Green Building Council (I.G.B.C.) for 5 hotels
  - Lemon Tree Premier, Ulsoor Lake, Bengaluru
  - Lemon Tree Hotel, Electronics City, Bengaluru
  - Lemon Tree Hotel, Gachibowli, Hyderabad
  - Lemon Tree Premier, Mumbai International Airport
  - Aurika, Udaipur

- Keys Select by Lemon Tree Hotels, Thiruvananthapuram – Awarded Chief Minister’s Excellence Award for Labour Welfare
- Lemon Tree Premier, Dwarka – Awarded by Asia’s Biggest Tourism Awards, organized by the Ministry of Tourism Gujarat:
  - Best 4 Star Hotel in Dwarka
  - Best Restaurant in Dwarka
  - Best MICE Venue in Dwarka
- Awarded TripAdvisor Travellers Choice Award 2022 – 61 out of 80 eligible hotels awarded Traveller’s Choice Award by TripAdvisor:
  - Aurika Hotels & Resorts - 1
  - Lemon Tree Premier – 14
  - Lemon Tree Hotels – 31
  - Red Fox by Lemon Tree Hotels – 8
  - Keys Select by Lemon Tree Hotels – 7
- HRANI Award of Excellence during 7th HRANI Conclave
  - Lemon Tree, East Delhi Mall, Kaushambi awarded as “Best MICE Hotel – Ghaziabad”
  - General Manager of the Hotel awarded as the “Best General Manager – Midscale”

(4) Job profile and his suitability:

Mr. Patanjali Govind Keswani has been associated with the Company since 2002, when he anticipated the enormous latent demand for a right-priced mid-scale hotel product in India and launched Lemon Tree Hotels in 2002. He is the pioneer of the mid-market hotel segment in India.

Mr. Keswani was inducted into the FHRAI (The Federation of Hotel and Restaurant Associations of India) Hall of Fame in 2010 and was also awarded the SATTE 2010 Hotelier for ‘Best Mid-Market Developer’ of hotels in India. He was also honoured by IIT Delhi for outstanding contributions made by him as an Entrepreneur. He was inducted into the ‘Hall of Fame’ at the Hotelier India Awards held in Gurgaon in 2012. Under his leadership, Lemon Tree Hotels is today the fastest growing and largest mid-market and upscale hotel chain in India and has set new benchmarks in the hotel industry. The company was publicly listed under his guidance on April 9, 2018.

(5) Remuneration proposed in comparison with respect to remuneration in the industry:

The proposed remuneration is as detailed in this explanatory statement, which is proper for a person of his caliber in the hotel industry and for the contribution made by Mr. Keswani towards making Lemon Tree Hotels Limited a valued brand in India.

(6) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Apart from the managerial remuneration received by Mr. Patanjali Govind Keswani, he also holds 3,41,564 Equity Shares of Rs. 10/- each of the Company in his individual capacity and doesn’t have any pecuniary relationship with any other managerial personnel.

(7) Number of Meetings attended during the year:

Mr. Keswani has attended four (4) Board meetings of the Company held during the last FY 2022-23.

(8) No(s) of Other Directorships and Membership/Chairmanships of Committees of other Board of Mr. Keswani:

Mr. Keswani holds directorships on the Board of 18 other companies. He also holds membership and Chairmanship in 6 committees of other Boards. The details of the same are given in Annexure-A to this notice.

### III. OTHER INFORMATION:

Reasons for loss or inadequate profits, steps taken for improvement and expected increase in profits: The Operations of the Company for FY 2020-21 and FY 2021-22 was impacted on account of Covid Pandemic and the company has incurred loss during those years. However, effective April, 2022 the revenue of the Company has increased after normalization of operations and management is expecting that it will continue to improve during the coming years.

The Board therefore recommends the Special Resolution for approval of the Members of the Company for the re-appointment of Mr. Patanjali Govind Keswani, as Chairman and Managing Director for a further period of 3 years w.e.f. April 1, 2023.

This explanatory statement together with the accompanying notice shall be treated as an abstract of the terms of payment of remuneration to Mr. Patanjali Govind Keswani as required under Section 190 of the Companies Act, 2013.

### **ITEM NO. 2 & 3: APPROVAL OF THE LIMITS FOR FURNISHING OF CORPORATE GUARANTEE TO SUBSIDIARY COMPANIES**

The members are informed that pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all material transactions with related parties require prior approval of the members of the Company through ordinary resolution. Material Related Party Transaction means any transaction entered either individually or taken together with previous transactions during a financial year, exceeds 1000 Crore or 10% percent of the annual consolidated turnover of the Company whichever is lower, as per the last Audited Financial Statements of the Company. The last Annual Audited Consolidated Turnover of Lemon Tree Hotels Limited for the Financial Year 2021-22 was Rs. 402.24 crores and 10% of the Annual Consolidated Turnover is 40.22 crores.

#### Corporate Guarantee to Iora Hotels Private Limited:

The members are further apprised that it is proposed to furnish Corporate Guarantee upto the limit of Rs. 500 Crore to banks/financial institutions for the credit facilities being availed/to be availed by Iora Hotels Private Limited, material subsidiary company for meeting its fund requirements for completion of its upcoming Hotel of 669 rooms – Aurika, Skycity, Mumbai.

#### Corporate Guarantee to Fleur Hotels Private Limited:

The members are also apprised that the Company has furnished Corporate Guarantee(s) to banks/financial institutions for the credit facilities availed by Fleur Hotels Private Limited("Fleur"), material subsidiary company upto the aggregate limit of Rs. 853 Crore. However, Fleur is in discussion with various banks/financial institutions for the refinancing of

the credit facilities, in order to reduce the interest cost and on refinancing of such facilities, the Company may have to replace the existing Corporate Guarantee (s) with new Corporate Guarantee (s).

Fleur is presently owning 23 hotels on consolidated basis (12 Hotels on standalone basis) under various Lemon Tree brands in India.

The Audit Committee and Board of Directors of the Company have approved the proposed Related Party Transactions with Iora Hotels Private Limited and Fleur Hotels Private Limited, subject to the approval of the members, which was placed before them at its respective meetings held on April 28, 2023. Further, the said transactions qualify as Material Related Party Transactions under the Listing Regulations and accordingly, the members' approval is sought for the same.

**INFORMATION AS PER THE SEBI CIRCULAR NO: SEBI/HO/CFD/CMD1/CIR/P / 2021/662 DATED 22<sup>nd</sup> NOVEMBER 2021 AND PROVISIONS OF COMPANIES ACT, 2013**

A. Summary of the following information provided by the management to the Audit Committee for approval of the proposed Related Party Transactions:

a. **Type, material terms and particulars of the proposed Transaction:** The proposed transactions are for furnishing of Corporate Guarantee(s) to banks/ financial institutions for loans availed / to be availed by Iora Hotels Private Limited and Fleur Hotels Private Limited, material subsidiaries of the Company.

b. **Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise):**

Name of the Related Party	Relationship with Listed Entity	Nature of Concern or Interest
Iora Hotels Private Limited	Material Subsidiary Company	Iora Hotels Private Limited is a 100% subsidiary of Fleur Hotels Private Limited ("FHPL") and Lemon Tree Hotels Limited holds 58.91% in Fleur Hotels Private Limited.
Fleur Hotels Private Limited	Material Subsidiary Company	

c. **Tenure of the proposed Transaction:** Corporate Guarantee to be furnished to various banks/ financial institutions as and when required during the period commencing from April 1, 2023 to March 31, 2026.

d. **Value of the proposed Transaction:** Rs. 500 Crore (Proposed Maximum Amount for all the Transactions) for Iora Hotels Private Limited and Rs. 853 Crore (Proposed Maximum Amount for all the Transactions) for Fleur Hotels Private Limited.

e. **The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed Transaction:** On the basis of last Audited Financials for FY 22: ~124% for Iora Hotels Private Limited and ~212% for Fleur Hotels Private Limited.

B. **Justification for why the proposed transaction is in the interest of the listed entity:** Iora Hotels Private Limited and Fleur Hotels Private Limited are material subsidiary Company(ies) of Lemon Tree Hotels Limited. The Company works closely with its related parties (including subsidiaries) to achieve its business objectives and enters into various transactions with its related parties, from time to time, in the ordinary course of business and on arm's length basis. Members may importantly note that the Company has been

undertaking transactions of similar nature with the related parties in the past financial years, in the ordinary course of business and on arms' length after obtaining requisite approvals from the Audit Committee and the Board of Directors of the Company.

**C. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:** The proposed Transactions does not primarily involve any transaction in relation to loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.

**D. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders:** No such valuation or other external report is relied upon as the transaction is related to furnishing of Corporate Guarantee only.

The Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party (ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 2 and 3.

None of the Directors, Key Managerial Personnel or their relatives in any way concerned or interested in this resolution.

Accordingly, the Board recommends the resolution(s) at Item no. 2 and 3 as set out in the accompanying Notice for the approval of members of the Company by Ordinary Resolution(s).

**BY ORDER OF THE BOARD  
For LEMON TREE HOTELS LIMITED**

**DATE: 28.04.2023  
PLACE: NEW DELHI**

**NIKHIL SETHI  
AVP LEGAL & GROUP COMPANY SECRETARY  
MEMBERSHIP NO: A18883**

**Annexure - 'A'****Details of Directors seeking re-appointment pursuant to Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India****1. Mr. Patanjali Govind Keswani, Chairman & Managing Director**

For brief profile, please refer to item no. 1, read with the explanatory statement of the notice of postal ballot. Further, details of entities in which Mr. Patanjali Govind Keswani, holds directorship, Chairmanship / Membership of Committees of their Board and details.

<b>S. No</b>	<b>Name of the Companies</b>	<b>Position held</b>	<b>Name of the Committees of the Board</b>	<b>Chairman/ Member</b>
1.	Lemon Tree Hotels Limited	Chairman and Managing Director	Corporate Social Responsibility Committee	Member
			Stakeholder's Relationship Committee	Member
			Risk Management Committee	Member
			Finance Committee	Chairman
			General Management Committee	Chairman
			Share Allotment Committee	Member
2.	Fleur Hotels Private Limited	Managing Director	Corporate Social Responsibility Committee	Chairman
			Finance Committee	Chairman
			General Management Committee	Chairman
			Share Allotment Committee	Chairman
			Valuation Committee	Member
3.	Hamstede Living Private Limited	Director	-	-
4.	Carnation Hotels Private Limited	Director	Corporate Social Responsibility Committee	Chairman
5.	Unistar Hotels Private Limited	Director	-	-
6.	Spank Management Services Private Limited	Director	-	-
7.	Toucan Real Estates Private Limited	Director	-	-
8.	Red Fox Hotel Company Private Limited	Director	-	-
9.	Lemon Tree Hotel Company Private Limited	Director	-	-
10.	Sparrow Buildwell Private Limited	Director	-	-
11	Crow Real Estates Private Limited	Director	-	-



12	Myna Real Estate Private Limited	Director	-	-
13	Garnet Hotels Private Limited	Director	-	-
14	Buzzard Real Estates Private Limited	Director	-	-
15	Oceanus Development Company Private Limited	Director	-	-
16	Arum Hotels Private Limited (formerly known as Jessamine Stays Private Limited)	Director	-	-
17	Madder Stays Private Limited	Director	-	-
18	Nettle Hotels Private Limited (formerly known as Poplar Homestead Holdings Private Limited)	Director	-	-
19	Totally Foxed Solutions Private Limited	Director	-	-