



A member of  *The Oberoi Group*

Annual Report 2014-2015

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The Late Rai Bahadur M.S. Oberoi
Founder of The Oberoi Group
1898-2002

BOARD OF DIRECTORS

Mr. P.R.S. Oberoi
Executive Chairman

Mr. S.S. Mukherji
Executive Vice Chairman

Mr. Vikram Oberoi
Managing Director & Chief Executive Officer

Mr. Arjun Oberoi
Managing Director- Development

Mrs. Nita M. Ambani
Director

Mrs. Renu Sud Karnad
Independent Director

Mr. Manoj Harjivandas Modi
Director

Mr. Rajeev Gupta
Independent Director

Mr. S.K. Dasgupta
Independent Director

Mr. Anil K. Nehru
Independent Director

Mr. Sudipto Sarkar
Independent Director

Mr. L. Ganesh
Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

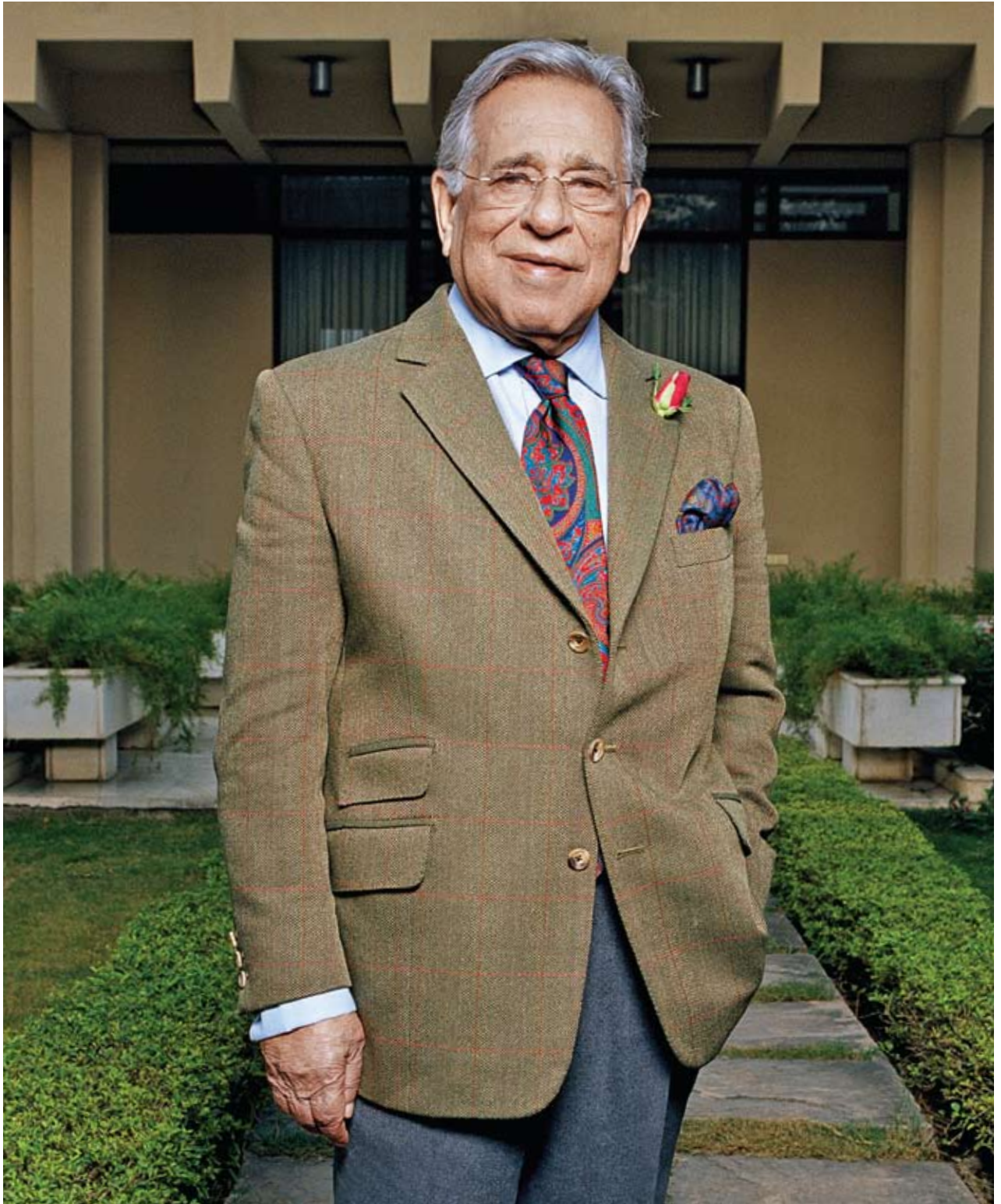
Mr. S. N. Sridhar

AUDITORS

Ray & Ray, Chartered Accountants
6, Church Lane, Kolkata 700 001

REGISTERED OFFICE

4, Mangoe Lane
Kolkata 700 001



P.R.S. Oberoi, *Executive Chairman*

The Oberoi Dharma

We, as members of The Oberoi Group are committed to display through our behaviour and actions the following conduct, which applies to all aspects of our business :

- Conduct which is of the highest ethical standards - intellectual, financial and moral and reflects the highest levels of courtesy and consideration to others.
- Conduct which builds and maintains team work, with mutual trust as the basis of all working relationships.
- Conduct which puts the customer first, the Company second and the self last.
- Conduct which exemplifies care for the customer through anticipation of need, attention to detail, excellence, aesthetics and style and respect for privacy along with warmth and concern.
- Conduct which demonstrates two-way communication, accepting constructive debate and dissent whilst acting fearlessly with conviction.
- Conduct which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievement as well as individual development.
- Conduct which at all times safeguards the safety, security, health and environment of guests, employees and the assets of the company.
- Conduct which eschews the short-term quick-fix for the long-term establishment of healthy precedent.

The Oberoi Group Mission

Our Guests

We are committed to meeting and exceeding the expectations of our guests through our unremitting dedication to every aspect of service.

Our People

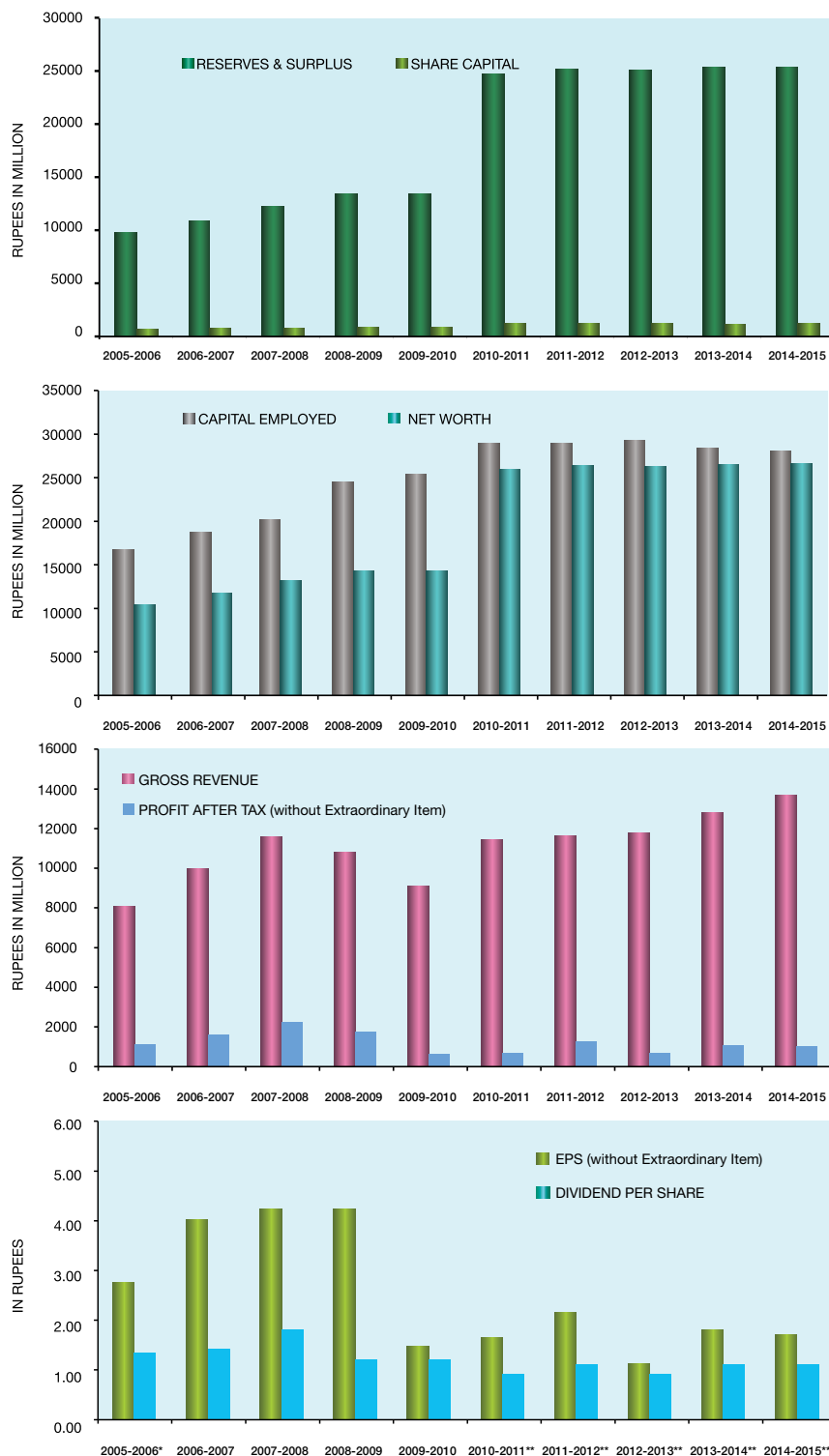
We are committed to the growth, development and welfare of our people upon whom we rely to make this happen.

Our Distinctiveness

Together, we shall continue the Oberoi tradition of pioneering in the hospitality industry, striving for unsurpassed excellence in high-potential locations all the way from the Middle East to the Asia-Pacific.

Our Shareholders

As a result, we will create extraordinary value for our shareholders.



* based on the number of Equity Shares subsequent to sub-division of face value and issue of Bonus Shares on 20th September, 2006.

** based on the number of Equity Shares subsequent to Rights Issue of Equity shares on 26th March, 2011.

HIGHLIGHTS

(Conversion Rate : INR 100 = US \$1.585)

Figures in Million except
Serial nos. 14, 15, 16 & 17

	2005 - 2006		2006 - 2007		2007 - 2008		2008 - 2009		2009 - 2010		2010 - 2011		2011 - 2012		2012-2013		2013-2014		2014-2015	
	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$
FOR THE YEAR																				
1. GROSS REVENUE	8032	127	9952	158	11551	183	10785	171	9073	144	11429	181	11622	184	11770	187	12789	203	13663	217
2. PROFIT BEFORE TAX	2607	41	2964	47	3498	55	2733	43	890	14	855	14	1550	25	718	11	1448	23	1512	24
3. PROFIT AFTER TAX	1886	30	2004	32	2172	34	1704	27	572	9	645	10	1224	19	510	8	950	15	966	15
4. PROFIT AFTER TAX WITHOUT EXTRAORDINARY ITEM	1078	17	1575	25	2172	34	1704	27	572	9	645	10	1224	19	627	10	1015	16	966	15
5. DIVIDEND	524	8	550	9	707	11	472	7	472	7	514	8	629	10	514	8	629	10	629	10
6. RETAINED EARNINGS	1697	27	1787	28	1798	28	1696	27	705	11	934	15	1435	23	935	15	1248	20	1665	26
7. FOREIGN EXCHANGE EARNINGS	4494	71	5259	83	5973	95	5009	79	3149	50	4795	76	4630	73	4825	76	5765	91	5148	82
AT YEAR END																				
8. GROSS FIXED ASSETS	17273	274	18815	298	21520	341	24158	383	26606	422	27255	432	28059	445	28658	454	29101	461	29334	465
9. SHARE CAPITAL	524	8	786	12	786	12	786	12	786	12	1143	18	1143	18	1143	18	1143	18	1143	18
10. RESERVES AND SURPLUS	9776	155	10866	172	12249	194	13390	212	13385	212	24735	392	25208	400	25106	398	25333	402	25430	403
11. NET WORTH	10300	163	11652	185	13035	207	14176	225	14171	225	25878	410	26352	418	26249	416	26476	420	26573	421
12. BORROWINGS	7093	112	7916	125	8129	129	10230	162	12595	200	8240	131	2601	41	3754	60	2764	44	2039	32
13. CAPITAL EMPLOYED	16638	264	18710	297	20153	319	24406	387	25384	402	28868	458	28852	457	29249	464	28326	449	28023	444
PER SHARE (₹)																				
14. NET WORTH PER EQUITY SHARE	26.21*	0.42	29.65	0.47	33.17	0.53	36.08	0.57	36.06	0.57	45.28**	0.72	46.10**	0.73	45.92**	0.73	46.32**	0.73	46.49**	0.74
15. EARNINGS PER EQUITY SHARE WITH EXTRAORDINARY ITEM	4.80*	0.08	5.10	0.08	5.53	0.09	4.34	0.07	1.46	0.02	1.63**	0.03	2.14**	0.03	0.89**	0.01	1.66**	0.03	1.69**	0.03
16. EARNINGS PER EQUITY SHARE WITHOUT EXTRAORDINARY ITEM	2.74*	0.04	4.01	0.06	5.53	0.09	4.34	0.07	1.46	0.02	1.63**	0.03	2.14**	0.03	1.10**	0.02	1.78**	0.03	1.69**	0.03
17. DIVIDEND PER EQUITY SHARE	1.33*	0.02	1.40	0.02	1.80	0.03	1.20	0.02	1.20	0.02	0.90**	0.01	1.10**	0.02	0.90**	0.01	1.10**	0.02	1.10**	0.02
RATIO																				
18. DEBT: EQUITY RATIO	0.69 : 1		0.68 : 1		0.62 : 1		0.72 : 1		0.89 : 1		0.32 : 1		0.10 : 1		0.14 : 1		0.10 : 1		0.08 : 1	

* based on the number of Equity Shares subsequent to sub-division of face value of the Equity Shares and issue of Bonus Shares on 20th September, 2006 increasing the number of Equity Shares by 7.5 times.

** based on the number of Equity Shares subsequent to Rights Issue of Equity shares on 26th March, 2011 increasing the number of Equity shares from 392,953,972 to 571,569,414.

Notes :

- Serial nos. 8,10,11,13,14 and 18 are inclusive of Revaluation Reserve balance as at year end.
- Figures have been regrouped / rearranged wherever necessary.

EXECUTIVE CHAIRMAN'S REVIEW

Ladies and Gentlemen,

After 1984, India's electorate has given a single party a decisive majority in the Lok Sabha. The Government is no longer constrained by coalition politics. People now expect decisive leadership and change. Expectations are that the Government will take steps to accelerate the country's development and growth.

The Government has made a number of announcements which should have a positive impact on the development of India's tourism and hospitality sectors.

The Prime Minister's recognition of tourism as one of his five T's (talent, tradition, tourism, trade and technology) to promote India's development is laudable. The Draft Tourism Policy 2015 is currently being reviewed by the Government. We hope that the Tourism Policy 2015 will place the Travel and Tourism Industry as a high priority sector. This is appropriate as the tourism sector promotes development, creates jobs and contributes to the overall economy of the country. As per the Department of Tourism, the tourism industry creates 78 jobs per million rupees compared to 45 jobs in the manufacturing sector for a similar investment. Moreover, the jobs thus created are pre-dominantly taken by young persons and by women. The Government must launch a concerted campaign similar to "Make in India" so that the country's latent tourism sector's potential is fully realized.

Foreign arrivals to India are insignificant compared to global standards. India has the potential to attract many more foreign travellers as it has an abundance of culture, traditions, scenic beauty, good beaches etc.,

India has been traditionally a long-haul destination. International travellers now prefer shorter vacations. This trend makes short-haul regional travel more relevant. Currently, India attracts relatively few travellers from nearby destinations such as the Middle East, Singapore or China all of which have travel times of 5 hours or less. At present there is emphasis on marketing India primarily as a long-haul destination. We must now augment our focus on regional markets.

The launch of Swachh Bharat Abhiyan by the Government is commendable. The hospitality industry's support to this initiative reaffirms the industry's commitment to provide a better experience to travellers. The Swachh Bharat Abhiyan needs co-ordinated sustained action to ensure its impact.

It is indeed heartening that the Government is pursuing policies to attract more direct investment to India; these policies should result in increasing business travel to India which will have a positive effect on the hospitality sector.

We hope that the number of foreign travellers to India will increase from 7 million in 2014 to at least over 10 million by the year 2017.

A National Tourism Authority needs to be established urgently. This Authority should have representation from trade and industry together with representation by interconnected Government Departments so that the long term tourism policy is consistent with the medium and long term plans of the Ministry of Tourism.

The Travel and Tourism Industry must have an action plan to encourage the development of skills so that it can emerge as a major generator of employment and thus play a key role in poverty reduction.

Air pollution is a serious problem and is a severe health hazard. All of us need to play our part to reduce air contamination.

I am optimistic about the future. Prime Minister Modi's emphasis on development bodes well for all sectors of the economy.

In conclusion, I thank all stakeholders. I also thank the Directors for their advice and unstinted support.

Thank you.



P.R.S. Oberoi
Executive Chairman

15th May, 2015

DIRECTORS' REPORT

The Board presents the Sixty-fifth Annual Report together with the Audited Statement of Accounts and the Auditor's Report in respect of the year ended 31st March, 2015.

Financial Highlights

The financial highlights are set out below:

	Rupees in millions	
	2014-2015	2013-2014
Total Revenue	13663.09	12789.41
Earnings before Interest, Depreciation, Taxes, Amortisations and Exceptional Items (EBIDTA)	3059.38	2792.67
Interest and Finance Charges	306.08	406.50
Depreciation	1240.81	991.75
Exceptional Income/(Expenditure)	–	118.44
Extra-ordinary Loss	–	65.04
Profit before tax	1512.49	1447.82
Current tax	488.42	311.72
Deferred tax	57.74	185.69
Profit after tax	966.33	950.41
Balance brought forward	3252.57	3145.96
Carrying amount of fixed assets where remaining useful life as on 1.4.2014 is Nil	153.67	–
Accumulated balance	4065.23	4096.37
Dividend	628.73	628.73
Dividend tax	86.61	65.07
Transfer to General Reserve	150.00	150.00
Balance carried over	3199.89	3252.57

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 ("the Act") and, based upon representations from the Management, the Board states that:

- in preparing the annual accounts, applicable accounting standards have been followed and there are no material departures;
- the Directors have selected accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- the Directors have taken proper and sufficient care in maintaining adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts of the Company on a "going concern" basis;

- e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure proper compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Performance

The annexed Management Discussion and Analysis forms a part of this report and covers, amongst other matters, the performance of the Company during the financial year 2014-2015 as well as the future outlook.

In accordance with the listing agreement with the Stock Exchanges, the following are attached:

1. Consolidated financial statements prepared in accordance with the Companies (Accounts) Rules, 2014 along with the auditor's report;
2. The report on Corporate Governance in accordance with clause 49 of the listing agreement along with the auditor's certificate.

Dividend

The Board recommends a dividend of ₹ 1.10 per equity share of ₹ 2 in respect of the financial year 2014-2015. The dividend, if approved at the forthcoming Annual General Meeting, will be paid on 6th August, 2015 to shareholders whose names appear on the register of shareholders at the close of business on 23rd July, 2015. As per the Income Tax Act, 1961, the tax on the dividend will be borne by the Company.

Directors

During the year, Mr. Rajan Raheja, an Independent Director, resigned from the Board. The Board of Directors wish to place on record their deep appreciation for the valuable contributions made by Mr. Raheja during his tenure as an Independent Director on the Board.

Mr. Sudipto Sarkar was appointed by the Board as an Independent Director on the Board for a period of five years in the casual vacancy caused due to the resignation of Mr. Rajan Raheja. Mr. Sudipto Sarkar's appointment was confirmed by the shareholders by passing a resolution by way of postal ballot on 20th May, 2015.

Mr. S.K. Dasgupta, Mr. Anil Nehru, Mr. L.Ganesh, Mrs. Renu Sud Karnad and Mr. Rajeev Gupta were appointed as Independent Directors for a period of five years by the shareholders at the Annual General Meeting held on 6th August, 2014.

The Board was of the opinion that the aforesaid directors meet the criteria of independence under sub-section (6) of Section 149 of the Act. The aforesaid directors have also confirmed that they meet the criteria of independence as required under sub-section (7) of Section 149 of the Act at the first meeting of the Board every year.

Mrs. Nita Mukesh Ambani retires by rotation at the forthcoming Annual General Meeting and being eligible offer herself for re-appointment. The Directors recommend re-appointment of Mrs. Ambani as a Director on the Board.

Key Managerial Personnel

Mr. Biswajit Mitra was appointed as the Chief Financial Officer of the Company with effect from 29th November, 2014 in place of Mr. Samit Guha who had resigned.

Corporate Social Responsibility

In accordance with Section 135 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated a Corporate Social Responsibility Policy.

The details of the policy and the Annual Report on Corporate Social Responsibility activities on or after 1st April, 2014 are given in the attached *Annexure 1* which forms part of this report. The Annexure also gives the Composition of the CSR Committee. The policy can be accessed on the Company's website www.eihltd.com.

The Company's hotels and service units have also taken a number of other CSR initiatives.

The Oberoi Grand, Kolkata contributes used bed and bath linen to Sarada Seva Sangha, Purbanchal Udayan Sangha and St Joseph's old age home.

The Oberoi Group of Hotels in South Mumbai – The Oberoi and Trident, Nariman Point organise blood donation camps twice a year. The team members of the hotels planted 45 saplings around the hotel periphery to mark the beginning of the environment week in June. The hotel organised, hosts and supports *Khazana*, a festival of Ghazals. The proceeds from the two day event go to Cancer Patients Aid Association (CPAA) and the Parents Association Thalassemic Unit Trust (PATUT).

The Oberoi Group of Hotels in Gurgaon- The Oberoi and Trident contribute in the form of education, food, midday meals, basic medical facilities etc. to various NGO's. These include Harmony House, Happy School, Ritanjali, Ujjawal Niketan and Concern India Foundation.

The Oberoi, Bengaluru nurtures physically challenged girls and economically challenged senior citizens in the Cheshire Home Trust.

The Trident, Bandra Kurla closely works with St Catherine's of Sienna Orphanage to fund its developmental activities. The Hotel also closely works with BAPS Swaminarayan Sanstha, to recycle dry waste of the Hotel.

The Oberoi, Vanyavilās continued to be active in its initiatives toward sustainability and continuity of wildlife in the Ranthambore National Park. The Hotel supplies water to man-made water holes for the animals. The hotel also closely works with an NGO "Tiger Watch" for conservation of tigers in the area.

Audit Committee

The Composition of the Audit Committee is as under:

- Mr. L. Ganesh - Independent Director & Chairperson;
- Mr. Anil Nehru - Independent Director & Member;
- Mr. S.K. Dasgupta - Independent Director & Member; and
- Mr. Arjun Oberoi - Managing Director - Development.

For other details relating to Audit Committee, please refer pages 50 & 51.

Company's Policy on Directors' Appointment and Remuneration and Senior Management Appointment and Remuneration.

In accordance with Section 178 of the Act read with clause 49 IV of the listing agreement, the Company's Nomination and Remuneration Committee has formulated a policy on Directors' Appointment and Remuneration and Senior Management Personnel Appointment and Remuneration. The policies are enclosed as *Annexures 2 and 3* and forms part of this report.

Energy Conservation Measures

During the year, the Company continued its focus on energy conservation.

Measures taken include:

- replacement of incandescent & CFL lamps with energy efficient LED lamps;
- replacement of pumps with energy efficient pumps;
- installation of occupancy sensors;
- installation of primary and secondary pumps in chilled water systems;
- installation of flow controllers;
- installation of variable frequency drives in chilled water systems;
- installation of timers on exhaust fans;
- replacement of cold room cooling towers with energy efficient cooling towers; and
- use of condensate recovery systems for heating.

Besides these, the hotel teams continued their efforts to explore opportunities to reduce energy consumption by:

- controlled use of lighting and other equipment;
- regulating of chilled water set points according to ambient temperature;
- not operating certain guest floor during low occupancy; and
- setting benchmarks for energy consumption by area.

Actions planned for next year are:

- installation of condensate heat recovery for heating;
- continued replacement of incandescent and CFL lamps with energy efficient LED lamps;
- upgrading sewage treatment plants;
- replacing old electrical motors with energy efficient motors;
- installing variable frequency drives for exhaust fans;
- installing flow controllers;
- upgrading building management systems;
- replacing pumps with energy efficient pumps;
- replacing of reciprocating chillers with VRV systems; and
- installing timers for swimming pool pumps.

Operational measures at the hotels driven by focused energy conservation committees continue to closely monitor and control energy consumption.

Foreign Exchange Earnings and Outgo

During the financial year 2014-15, the foreign exchange earnings of the Company amounted to ₹ 5,148 million as against ₹ 5,765 million in the previous year. The expenditure in foreign exchange during the financial year was ₹ 573 million as compared to ₹ 645 million in the previous year.

Auditors

The auditors of the Company, Messrs. Ray and Ray, Chartered Accountants, retire at the

forthcoming Annual General Meeting and are eligible for re-appointment. Confirmation has been received from the auditors that if reappointed, their appointment will be within the prescribed limits. The Directors recommend re-appointment of Ray and Ray as auditors of the Company for the financial year 2015-16.

Secretarial Auditor

In accordance with Section 204 of the Companies Act, 2013, the Company had appointed JUS & Associates as Secretarial Auditors for the financial year ended 31st March, 2015. The Secretarial Auditor's report forms part of the Annual Report.

Contracts or Arrangements

The Contracts or arrangements or transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and are on arm's length basis. During the year, the Company has not entered into any contract or arrangement or transaction with related parties which could be considered material in accordance with the policy of the Company on related party transactions. The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website www.eihltd.com.

The related party transactions are as set out in Note 50 to the standalone financial statement.

Extract of Annual Return

The Extract of Annual Return for the financial year ended 31st March, 2015 in Form MGT-9 is annexed as *Annexure 4*.

Loan, Guarantees or Investments

Particulars of loans given, investment made, guarantees given, if any, and the purpose for which the loan or guarantee and investment is proposed to be utilised are provided in the standalone financial statement in note nos 13 & 14.

Deposits

During the year, the Company has not accepted any deposits.

Vigil Mechanism

In accordance with the Section 177(9) of the Act read with clause 49 (II)(F) of the listing agreement, Company has formulated a Whistle Blower Policy for its directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's fundamental code of conduct and *The Oberoi Dharma*. The policy provides for protected disclosures which can be made by a whistle blower through e-mail or a letter to the Whistle officer or to the Chairperson of the audit committee. The Whistle Blower Policy may be accessed on the Company's website www.eihltd.com. During the year ended 31st March, 2015, no complaints were received.

Board Meetings

During the year, the Company held five Board Meetings on 30th May 2014, 5th August 2014, 30th October 2014, 28th January 2015 and 24th March 2015 respectively.

Subsidiaries, Associates and Joint Ventures

The Company has three Indian Subsidiaries, namely, Mumtaz Hotels Ltd, Mashobra

Resort Ltd and Oberoi Kerala Hotels and Resorts Ltd. The Company's overseas subsidiaries are EIH Flight Services Ltd, Mauritius, EIH International Ltd, BVI, EIH Holdings Ltd, BVI, EIH Marrakesh Ltd, Marakkesh, J&W Hongkong Limited, Hongkong, EIIH Corporation Limited, Hongkong, EIH Investments N.V., EIH Management Services B.V., PT Widja Putra Karya, Indonesia, PT Waka Oberoi Indonesia, Indonesia, PT Astina Graha Ubud, Indonesia.

The Company has one Associate Company, EIH Associated Hotels Limited and one Joint Venture, Mercury Car Rentals Private Limited.

A Report on the performance and financial position of each of the subsidiaries, associate and joint venture companies is provided in the Annexure to the consolidated financial statement and hence not repeated here for the sake of brevity. The policy on material subsidiaries as approved by the Board may be accessed on the Company's website www.eihltd.com.

Directors/ Key Managerial Personnel (KMP) Remuneration

During the year, the Board approved variation in the terms of appointment of Mr. S.S. Mukherji, Mr. Vikram Oberoi and Mr. Arjun Oberoi at the Board Meeting held on 24th March, 2015, subject to the approval of shareholders.

The shareholders have since approved variation in the terms of appointment by passing a resolution by way of Postal Ballot and e-voting on 20th May, 2015.

- a) Ratio of the remuneration of each Director to the median employees Remuneration for the financial year is as under:

S.No	Name of the Director	Directors' remuneration (₹ Million)	Median Employees Remuneration (₹ Million)	Ratio
1.	Mr. P.R.S Oberoi, Executive Chairman	34.15	0.30	112:1
2.	Mr. S.S Mukherji, Executive Vice Chairman	52.02	0.30	171:1
3.	Mr. Vikram Oberoi, Managing Director & CEO	27.17	0.30	89:1
4.	Mr. Arjun Oberoi, Managing Director- Development	26.50	0.30	87:1

- b) The percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any in the financial year:

S.No	Name	Total Remuneration 2014-15 (₹ Million)	Total Remuneration 2013-14 (₹ Million)	Percentage Increase
1.	Mr. P.R.S. Oberoi	34.15	31.38	8.82
2.	Mr. S.S. Mukherji	52.02	48.93	6.31
3.	Mr. Vikram Oberoi	27.17	20.05	35.50
4.	Mr. Arjun Oberoi	26.50	19.62	35.05
5.	Chief Financial Officer	8.94	9.54*	- 6.31
6.	Company Secretary	6.58	5.97	10.16

*Annualised

- c) the number of permanent employees on the rolls of the Company as at the end of financial year is 4267.
- d) the average increase in remuneration of employees for the financial year 2014-15 over the previous year is 6.59%.
- e) the remuneration of KMP's are considered as per the common remuneration policy followed for other senior executives. Increase in remuneration is sanctioned by the Management based on the Company performance and individual performance. Performance of the Company is given in page 1 of the Directors' Report as well as in Management Discussion and Analysis. Individual change in remuneration is given in page 19.
- f) the percentage increase in the median remuneration of employees in the financial year is 7.77%.
- g) the market capitalisation of the Company as at 31st March, 2015 increased by ₹ 1400.50 crores. The PE ratio as at the close of the financial year is 63.40 as against 43.88 in the previous financial year.
- h) the average percentage increase in remuneration of employees of the Company other than the managerial personnel is 6.55. Increase in salaries of Managerial Personnel is 16.55. Average percentage increase in remuneration of all employees other than managerial personnel includes general staff whose number is large. Hence the average is low.
- i) the major variable component in the directors remuneration is commission on profit. The commission varies depending on the profit of the Company for the relevant financial year.
- j) There are no employees in the Company who are drawing remuneration in excess of the highest paid director during the year.

It is hereby affirmed that the remuneration of Directors and KMP's are as per the Remuneration Policy of the Company.

Adequacy of Internal Financial Control Systems and Risk Management

Compliance of the above is given in the Management Discussion & Analysis at page no. 43.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a Board Evaluation Policy has been put in place. A structured questionnaire covering various aspects of the Board's functioning, Board culture, performance of specific duties by Directors and contribution to the Board proceedings was circulated to the members of the Board. Based on the responses received, the Board as a whole, the Committees, the Chairperson and individual Directors were separately evaluated in the separate meeting of the Independent Directors and in the Board Meeting.

The process of review of Non-Independent Directors and the Board as a whole and also its committees were undertaken in a separate meeting of Independent Directors without the attendance of Non-Independent Directors and members of the management.

At the meeting, the performance of the Chairman of the Company was reviewed taking into account the views of the Executive Directors and Non-Executive Directors and Independent Directors. The meeting also assessed the quality, quantity and timeliness of the flow of information required for the Board to perform its duties properly. The entire Board of Directors, excluding the Director being evaluated, evaluated the performance of each Independent Director.

The Directors have expressed their satisfaction with the evaluation process.

Based on the findings from the evaluation process, the Board will continue to review its procedures and effectiveness in the financial year ahead with a view to practising the highest standards of corporate governance.

Significant and Material orders, if any

During the year, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

Sexual Harassment

Three complaints were received and disposed off within the statutory period.

Particulars of Employees

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 is *Annexed* and forms a part of this Report.

Risks, uncertainties or future actions could differ materially from those expressed in the Directors' Report and the Management Discussion and Analysis. These statements are relevant on the date of this report. We have no obligation to update or revise any statements, whether as a result of new information, future developments or otherwise. Therefore, undue reliance should not be placed on these statements.

The Board takes this opportunity to thank all employees for their commitment, dedication and co-operation.

For and on behalf of the Board

New Delhi
30th May, 2015

VIKRAM OBEROI
*Managing Director and
Chief Executive Officer*

P.R.S. OBEROI
Executive Chairman

ANNEXURE TO THE DIRECTORS' REPORT*Annexure -1***Annual Report on CSR Activities**

- 1. A brief outline of the Company's CSR Policy, including overview of projects or programs to be undertaken and a reference to the web-link to the CSR Policy and projects and programs.**

The Board of Directors, on the recommendation of the CSR Committee, had formulated a Corporate Social Responsibility Policy ("CSR"). As per the Policy Statement, the Company's CSR policy will focus on addressing the critical social, economic and educational needs of the marginalised under-privileged children of the society. The policy will primarily direct its energies to orphan and homeless children and care for their educational, nutritional, health and psychological development needs. The policy will also focus on sanitation program under the Swachh Bharat Abhiyan.

The Board of Directors at the Board meeting held on 30th October, 2014, on the recommendation of the CSR Committee, approved a CSR spend of ₹ 23.80 Million (2% of the average net profits of the Company made during the three immediately preceding financial years) for the financial year 2014-15.

The CSR Policy and the activities of the Company are available in the Company's website www.eihltd.com.

- 2. The Composition of the CSR Committee**

The Composition of CSR Committee is as under:

- i) Mr. S.S. Mukherji - Chairperson;
- ii) Mr. Vikram Oberoi - Member;
- iii) Mr. Arjun Oberoi - Member;
- iv) Mr. Rajeev Gupta - Independent Director and Member

- 3. Average Net Profit of the Company for the last three Financial Years**

₹ 1189.19 Million.

- 4. Prescribed CSR Expenditure (two percent of the amount as in Item 3 above).**

₹ 23.80 Million.

5. Details of CSR spent during the financial year

- Total Amount to be spent for the financial year : ₹ 23.80 Million;
- Amount unspent, if any : Nil;
- Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹ Million)	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Over-heads : (₹ Million)	Cumulative expenditure up to the reporting period (₹ Million)	Amount spent Direct or through implementing agency
1	Promoting social, economic and educational needs of the marginalised under-privileged children of the society.	Urban/ Rural	Kolkata, Mumbai, Delhi, Bhubaneswar, Jaipur, Agra and Udaipur	15.13	15.13	15.13	Through SOS Children's Villages of India
2.	Swachh Bharat Abhiyan sanitation program	Urban	Around 500 meters of the Hotel Complex of all the Hotels situated in different cities viz: Delhi, Kolkata, Mumbai, Jaipur, Udaipur, Bengaluru.	0.86	0.86	0.86	Direct
3.	Prime Minister's National Relief Fund			7.81	7.81	7.81	Direct
TOTAL				23.80	23.80	23.80	

- In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board report.

Not Applicable

- The CSR Committee states that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

VIKRAM OBEROI
Managing Director and Chief Executive Officer

S.S. MUKHERJI
Chairperson – CSR Committee

ANNEXURE TO THE DIRECTORS' REPORT

Annexure 2

Director Appointment and Remuneration Policy

This Director Appointment and Remuneration Policy (the "Policy") applies to the Board of Directors (the "Board") of EIH Limited (the "Company").

1. Purpose

The objective of this Policy is to provide a framework and set standards for the appointment of high quality directors who have the capacity and ability to lead the Company towards achieving sustainable development. The Company aims to achieve a balance of experience and skill amongst its directors. It also defines the role of the Nomination and Remuneration Committee.

2. Accountability

- 2.1 The Board is ultimately responsible for the appointment of directors.
- 2.2 In terms of Section 178 of the Companies Act, 2013 and Clause 49 of the listing agreement with the stock exchange(s), the Nomination and Remuneration Committee ("NRC") assesses and selects candidates for directors and recommends to the Board their appointment.

3. Role of the Nomination and Remuneration Committee

The NRC is responsible for:

- 3.1 Reviewing the structure, size and composition (including the skill, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board with due regard to Board Diversity;
- 3.2 Identifying individuals suitably qualified to become Board members, Key Managerial and Senior Management Personnel.
- 3.3 Making recommendations to the Board on the appointment, re-appointment or removal of directors, Key Managerial and Senior Management Personnel.
- 3.4 Making recommendations for succession planning for directors, Key Managerial and other Senior Management Personnel, including the Managing Director(s), Whole-time Director(s) and CEO.
- 3.5 Formulating criteria for evaluation of performance of every director including independent directors and the Board;
- 3.6 Recommending remuneration payable to Senior and Key Management Personnel, executive and non-executive directors including Board sitting fees;

4. Appointment of Directors

- 4.1 Matching the needs of the Company and enhancing the competencies of the Board are the basis for the NRC to select a candidate for appointment to the Board. When recommending a candidate for appointment, the NRC will have regard to:
 - assessing the individual against a range of criteria including but not limited to industry experience, background, and other qualities required to operate successfully in the position, with due regard to the benefits of diversity of the Board;

- the extent to which the individual is likely to contribute to the overall effectiveness of the Board and work constructively with the existing directors;
- the skills and experience the individual brings to the role and how these will enhance the skill sets and experience of the Board as a whole;
- the nature of positions held by the individual including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- the time commitment required from a director to actively discharge his duties to the Company.

4.2 The recommended director would:

- Possess a degree in a relevant discipline;
- Have experience of management in a diverse organization;
- Have excellent interpersonal, communication and representational skills;
- leadership skills;
- Possess high standards of ethics, personal integrity and probity;
- Continuously refresh his professional knowledge and skills.

For details of the personal specifications of a director, please refer to attachment 1.

4.3 Every director should ensure that he can give sufficient time and attention to the Company's affairs and regularly attend Board meetings and other committee meetings in which he is a member.

4.4 The Policy aims to engage directors (including non-executive and independent non-executive directors) who are highly skilled, competent and experienced persons within one or more fields of business, finance, accounting, law, management, sales, marketing, administration, corporate governance, technical operations or other disciplines related to the business of the Company and who shall be able to positively carry out their supervisory role over the policies of the management of the Company and the general affairs of the Company.

4.5 The Company is required to appoint at least one independent non-executive director who must have appropriate professional qualifications on accounting or related financial management expertise in accordance with Clause 49 of the listing agreement with Stock Exchange(s).

4.6 In addition to those requirements specified in the clauses 4.2 and 4.3, the independent non-executive directors shall also fulfill the requirements pursuant to Section 149 (6) of the Companies Act, 2013 and Clause 49 (II)(B) of the listing agreement with Stock Exchange(s).

4.7 In assessing the independence of a non-executive director, the following factors shall be taken into account:

Independent director shall mean a non-executive director, other than a nominee director of the company:

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. apart from receiving director's remuneration has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- e. Who, neither himself nor any of his relatives –
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
 - (A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover or such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- f. who is not less than 21 years of age.

Explanation

For the purposes of the sub-clause (1):

- i. “Associate” shall mean a company which is an “associate” as defined in Accounting Standard (AS)23, “Accounting for Investments in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.
- ii. “Key Managerial Personnel” shall mean “Key Managerial Personnel” as defined in section 2(51) of the Companies Act, 2013.
- iii. “Relative” shall mean “relative” as defined in section 2(77) of the Companies Act, 2013 and rules prescribed there under.

5. Letter of Appointment

- 5.1 Each director will be issued a Letter of Appointment signed by the Chairperson of the Board.

6. Appointment Procedure

- 6.1 The NRC shall ensure that the appointment of directors will be in terms of the Policy and recommendations made to the Board for appointment.
- 6.2 If required, an external data base can be used and advice taken to access a wide base of potential directors as prescribed under the Companies Act, 2013.

7. Appointment and Remuneration of Managerial Personnel

- 7.1 The NRC shall ensure that the appointment and remuneration payable to the Managing Director(s), CEO, Whole-time Directors, Manager, if any are in accordance with the provisions of Chapter XIII (Sections 196 to 203) read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- 7.2 The NRC may recommend a suitable sitting fee, reimbursement of incidentals, travel and other expenses to non-executive directors as may be prescribed under the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

8. Familiarisation Program

The Management will familiarise the Independent Directors on the following:

- a) The Oberoi Dharma.
- b) Company’s History, Structure and the Business Model.
- c) Memorandum & Articles of Association of the Company.
- d) Past 3 (three) years accounts and any important factors in the accounts of the Company.
- e) Interaction with other Directors on the Board and with the Senior Executives of the Company.

Chairperson - Nomination & Remuneration Committee

Chairperson

Attachment 1**Personal Specification for Directors****1. Qualifications**

- Degree holder in relevant disciplines (e.g. management, accountancy, legal, sales, marketing, administration, finance, and Corporate Governance and hospitality industry related disciplines); or
- Recognised specialist.

2. Experience

- Experience of management in a diverse organisation;
- Experience in accounting and finance, administration, corporate, legal and strategic planning;
- Ability to work effectively with other members of the Board.

3. Skills

- Excellent interpersonal, communication and representational skills;
- Leadership skills;
- Extensive team building and management skills;
- Strong influencing and negotiating skills;
- Continuous professional development to refresh knowledge and skills.

4. Abilities and Attributes

- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to observe “The Oberoi Dharma” and the fundamental code of conduct.

ANNEXURE TO THE DIRECTORS' REPORT*Annexure 3***Senior Management & Key Managerial Personnel (excluding Executive Directors)
Appointment & Remuneration Policy****1. Statement of Purpose:**

This Appointment & Remuneration Policy (Policy) of EIH Limited (Company) and its associated entities has been prepared to ensure the following:

- 1.1 This Policy is in compliance with Section 178 (1) of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.
- 1.2 Appointment & Remuneration of the key managerial personnel and senior management is aligned to the interests of the Company and its shareholders within an appropriate governance framework.
- 1.3 The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate key managerial personnel and senior management of the quality required to run the Company successfully.

2. Scope of policy:

Applies to all key managerial personnel and senior management personnel.

2.1. The expression "key managerial personnel" means:

- Company Secretary;
- Chief Financial Officer; and
- such other executive as may be prescribed.

2.2. The expression "senior management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.**3. Remuneration Philosophy for employees and new Hires:**

The Company believes in paying its executives competitive remuneration. The remuneration philosophy aims at the following outcomes;

- 3.1 Remuneration is structured to align with the Company's interests, taking account of the Company's strategies and risks.
- 3.2 Drive Performance - Executive compensation is linked to individual and Company performance, which, in turn, impacts the quantum of payout.
- 3.3 External Equity - Executive compensation is designed to be competitively benchmarked with the hospitality industry compensation or general industry compensation for applicable roles.
- 3.4 Internal Equity - Executives performing similar role, complexity of job are paid at similar compensation levels.
- 3.5 The Company complies with applicable legal requirements and appropriate standards of governance.

4. Remuneration guidelines:

- 4.1. The remuneration paid by the Company is classified under following major heads:-
 - 4.1.1 Total Fixed Cost: This includes base salary, other cash allowances, perquisites and retirement benefits.
 - 4.1.2 Variable Cost: This includes variable pay linked to Company and individual performance. Variable pay for senior executives constitutes a significant portion of total remuneration.
 - 4.1.3 The sum total of the Total Fixed Cost and Variable Cost is called the cost to Company in the relevant executive's remuneration package.
- 4.2 The Cost to Company being offered to a new hire for a replacement position or new position with reference to scope of this policy is governed by the remuneration philosophy as mentioned in clause no 3. The endeavour is to ensure internal equity in compensation is maintained, however at the same time compensation is competitive to attract a new hire.
- 4.3 Remuneration is annually reviewed for all the executives who are eligible for compensation review in accordance with the remuneration philosophy.

Chairperson - Nomination & Remuneration Committee

Chairperson

ANNEXURE TO THE DIRECTORS' REPORT**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2015****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

CIN	L55101WB1949PLC017981
Registration Date	26th May, 1949
Name of the Company	ElH Limited
Category/Sub-category of the Company	Public Limited
Address of the Registered office & contact details	4, Mangoe Lane, Kolkata – 700 001 Telephone No. : 91-33-4000 2200 Fax Nos.: 91-33-2248 6785/91-33-2242 0957 E-mail: isdho@oberoigroup.com : invcom@oberoigroup.com
Whether listed Company	Listed
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Investors Services Division 7, Sham Nath Marg Delhi-110 054

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Hotels	9963/99631110	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Share held	Applicable section
1	Mumtaz Hotels Limited 4, Mangoe Lane, Kolkata - 700 001	U55101WB1990PLC095270	Subsidiary	60.00	2(87)
2	Mashobra Resort Limited Hotel Wildflower Hall Chharabra, Shimla - 171012	U55101HP1995PLC017440	Subsidiary	78.79	2(87)
3	Obero Kerala Hotels and Resorts Limited XXIV/1289, Bristow Road, Willingdon Island, Cochin - 682 003	U55101KL1994PLC007951	Subsidiary	80.00	2(87)
4	ElH Associated Hotels Limited 1/24, G.S.T. Road, Meenambakkam Chennai - 600 027	L92490TN1983PLC009903	Associate	36.81	2(6)

IV) SHAREHOLDING PATTERN : (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding										
Cat- egory Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual/HUF	26352663	-	26352663	4.61	26352663	-	26352663	4.61	
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	
(c)	Bodies Corporate	175083466	-	175083466	30.63	175105576	-	175105576	30.64	0.01
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	
(e)	Others	-	-	-	-	-	-	-	-	
	Sub-Total A(1) :	201436129	-	201436129	35.24	201458239	-	201458239	35.25	0.01
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	
(c)	Institutions	-	-	-	-	-	-	-	-	
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	
(e)	Others (specify)	-	-	-	-	-	-	-	-	
	Sub-Total A(2) :	-	-	-	-	-	-	-	-	
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	201436129	-	201436129	35.24	201458239	-	201458239	35.25	0.01
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds	629429	38325	667754	0.12	15920885	37575	15958460	2.79	2289.87
(b)	Financial Institutions /Banks	920323	25220	945543	0.17	925701	13723	939424	0.16	-0.64
(c)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	
(e)	Insurance Companies	68583067	-	68583067	12	56992371	0	56992371	9.97	-16.9
(f)	Foreign Institutional Investors	6645168	6644	6651812	1.16	17132329	6379	17138708	3.00	157.65
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	
(i)	Others (specify)	-	-	-	-	-	-	-	-	
	Sub-Total B(1) :	76777987	70189	76848176	13.45	90971286	57677	91028963	15.93	18.45
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	216382899	39496	216422395	37.86	211375839	25188	211401027	36.99	-2.32
(b)	Individuals									
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	51053052	12012809	63065861	11.03	44710822	10016008	54726830	9.57	-13.22
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	11324017	51030	11375047	1.99	10558775	51030	10609805	1.86	-6.72
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d)	Others									
	Non Resident Indians	1451089	138816	1589905	0.28	1725665	118912	1844577	0.32	16.01
	Trusts	18933	-	18933	-	38373	-	38373	0.01	102.67
	Foreign Nationals	-	38953	38953	0.01	-	38953	38953	0.01	-
	Directors Relatives	-	435	435	-	-	435	435	-	-
	Clearing Members	440550	-	440550	0.08	89182	-	89182	0.02	-79.75
	Sub-Total B(2) :	280670540	12281539	292952079	51.25	268498656	10250526	278749182	48.77	-4.84
	Total Public Shareholding B = B(1)+B(2) :	357448527	12351728	369800255	64.69	359469942	10308203	369778145	64.70	-
	Total (A+B) :	558884656	12351728	571236384	99.94	560928181	10308203	571236384	99.94	-
(C)	SHARES HELD BY CUSTODIANS, AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	(1) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
	(2) Public	332655	375	333030	0.06	332655	375	333030	0.06	-
	GRAND TOTAL (A+B+C) :	559217311	12352103	571569414	100	561260836	10308578	571569414	100	-

(ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Oberoi Hotels Private Limited	83646328	14.63	-	83646328	14.63	-	-
2	Oberoi Holdings Private Limited	35257278	6.17	-	35257278	6.17	-	-
3	Oberoi Investments Private Limited	29968293	5.24	-	29968293	5.24	-	-
4	Oberoi Buildings and Investments Private Limited	18061376	3.16	-	18061376	3.16	-	-
5	Shib Sanker Mukherji	7274078	1.27	-	7274078	1.27	-	-
6	Deepak Madhok	7193392	1.26	-	7193392	1.26	-	-
7	Arjun Singh Oberoi	6450258	1.13	-	6450258	1.13	-	-
8	Vikramjit Singh Oberoi	5127325	0.90	-	5127325	0.90	-	-
9	Oberoi Properties Private Limited	3092230	0.54	-	3114340	0.54	-	0.71
10	Oberoi Leasing & Finance Company Pvt Ltd	2152365	0.38	-	2152365	0.38	-	-
11	Bombay Plaza Private Limited	1913190	0.33	-	1913190	0.33	-	-
12	Oberoi Plaza Private Ltd	710391	0.12	-	710391	0.12	-	-
13	P R S Oberoi	307610	0.05	-	307610	0.05	-	-
14	Aravali Polymers LLP	282015	0.05	-	282015	0.05	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Oberoi Hotels Private Limited	No Change	83646328	14.63	83646328	14.63
2	Oberoi Holdings Private Limited	No Change	35257278	6.17	35257278	6.17
3	Oberoi Investments Private Limited	No Change	29968293	5.24	29968293	5.24
4	Oberoi Buildings & Investments Private Ltd	No Change	18061376	3.16	18061376	3.16
5	Shib Sanker Mukherji	No Change	7274078	1.27	7274078	1.27
6	Deepak Madhok	No Change	7193392	1.26	7193392	1.26
7	Arjun Singh Oberoi	No Change	6450258	1.13	6450258	1.13
8	Vikramjit Singh Oberoi	No Change	5127325	0.90	5127325	0.90
9	Oberoi Leasing & Finance Company Pvt Ltd	No Change	2152365	0.38	2152365	0.38
10	Bombay Plaza Private Limited	No Change	1913190	0.33	1913190	0.33
11	Oberoi Plaza Private Ltd	No Change	710391	0.12	710391	0.12
12	P R S Oberoi	No Change	307610	0.05	307610	0.05
13	Aravali Polymers LLP	No Change	282015	0.05	282015	0.05
14	Oberoi Properties Private Limited		3092230	0.54		
		06/03/2015			3104340	0.54
		13/03/2015			3114340	0.54
	At the end of the year				3114340	0.54

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	For Each of the Top 10 Shareholders	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	ITC Limited	No Change	85621473	14.98	85621473	14.98
2	Reliance Industrial Investments and Holdings Ltd.*	No Change	84592273	14.80	84592273	14.80
3	Reliance Industrial Investments and Holdings Ltd.*	No Change	21315000	3.73	21315000	3.73
4	Russell Credit Limited	No Change	6556551	1.15	6556551	1.15
5	Reliance Capital Limited		4640989	0.81		
		24/10/2014			4008444	0.70
		31/10/2014			4640989	0.81
		05/12/2014			4008444	0.70
		23/01/2015			4022000	0.70
		30/01/2015			10441	-
	At the end of the year (not in Top 10)		-	-		
6	United India Insurance Company Limited		3968962	0.69		
		10/10/2014			3918962	0.69
		17/10/2014			3857621	0.67
		24/10/2014			2136384	0.37
		31/10/2014			3682621	0.64
		07/11/2014			3582621	0.63
		05/12/2014			2869004	0.50
		19/12/2014			2436384	0.43
		31/12/2014			2136384	0.37
		09/01/2015			1985767	0.35

SN	For Each of the Top 10 Shareholders	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		16/01/2015			1835767	0.32
		23/01/2015			1715464	0.30
		30/01/2015			1528632	0.27
		06/02/2015			1390591	0.24
		06/03/2015			1340591	0.23
		13/03/2015			1165591	0.20
		20/03/2015			922418	0.16
		27/03/2015			629507	0.11
	At the end of the year (not in Top 10)		629507	0.11		
7	The Oriental Insurance Company Limited		3746344	0.66		
		04/04/2014			3726344	0.65
		11/04/2014			3681344	0.64
		18/04/2014			3639611	0.64
		25/04/2014			3576344	0.63
		02/05/2014			3521484	0.62
		09/05/2014			3456123	0.60
		16/05/2014			3401123	0.60
		23/05/2014			3351123	0.59
		30/05/2014			3287705	0.58
		06/06/2014			3222413	0.56
		13/06/2014			3137413	0.55
		20/06/2014			3097413	0.54
		08/08/2014			3052413	0.53
		29/08/2014			3022413	0.53
		12/09/2014			2936033	0.51
		30/09/2014			2891033	0.51
		10/10/2014			2821033	0.49
		17/10/2014			2791033	0.49
		24/10/2014			2364586	0.41
		31/10/2014			2716033	0.48
		07/11/2014			2661033	0.47
		05/12/2014			2466033	0.43
		19/12/2014			2434033	0.43
		31/12/2014			2364586	0.41
		09/01/2015			2336997	0.41
		16/01/2015			2296997	0.40
		23/01/2015			2253198	0.39
		30/01/2015			2245995	0.39
		13/02/2015			2211995	0.39
		20/02/2015			2201046	0.39
		27/02/2015			2150279	0.38
		06/03/2015			2115848	0.37
		27/03/2015			2070848	0.36
		31/03/2015			2055848	0.36
	At the end of the year (not in Top 10)		2055848	0.36		
8	Life Insurance Corporation of India		34747348	6.08		
		09/01/2015			34535838	6.04
		16/01/2015			33470229	5.86
		23/01/2015			32958934	5.77

SN	For Each of the Top 10 Shareholders	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		30/01/2015			32433881	5.67
	At the end of the year				32433881	5.67
9	The New India Assurance Company Limited		11950404	2.09		
		08/08/2014			11948589	2.09
		29/08/2014			11913589	2.08
		12/09/2014			11406513	2.00
		19/09/2014			11392632	1.99
		30/09/2014			11367132	1.99
		10/10/2014			11177132	1.96
		17/10/2014			11119202	1.95
		24/10/2014			10612643	1.86
		31/10/2014			10912643	1.91
		07/11/2014			10901388	1.91
		05/12/2014			10612643	1.86
		16/01/2015			10592643	1.85
	At the end of the year				10592643	1.85
10	General Insurance Corporation of India		10223562	1.79		
		24/10/2014			10015795	1.75
		31/10/2014			10223562	1.79
		05/12/2014			10015795	1.75
	At the end of the year				10015795	1.75
11	Reliance Capital Trustee Co. Ltd A/C Reliance Equity Opportunities Fund		-	-		
		24/07/2014			433827	0.08
		08/08/2014			1293871	0.23
		16/08/2014			2046723	0.36
		22/08/2014			2050400	0.36
		29/08/2014			2129114	0.37
		12/09/2014			2574714	0.45
		19/09/2014			2618714	0.46
		30/09/2014			2703714	0.47
		10/10/2014			2945968	0.52
		17/10/2014			2999368	0.52
		24/10/2014			6204264	1.09
		31/10/2014			3346668	0.59
		07/11/2014			3544168	0.62
		05/12/2014			5950064	1.04
		19/12/2014			6179264	1.08
		31/12/2014			6204264	1.09
		09/01/2015			6239439	1.09
		16/01/2015			6539289	1.14
		23/01/2015			7167037	1.25
		30/01/2015			7425037	1.30
		06/02/2015			7617137	1.33
		13/02/2015			7867365	1.38
		20/02/2015			7887865	1.38
		27/02/2015			7973265	1.40
		06/03/2015			8159026	1.43
		13/03/2015			8207226	1.44
		27/03/2015			8376989	1.47

SN	For Each of the Top 10 Shareholders	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		31/03/2015			8576989	1.50
	At the end of the year				8576989	1.50
12	Morgan Stanley Asia (Singapore) Pte. Ltd.		-	-		
		30/01/2015			4002724	0.70
	At the end of the year				4002724	0.70
13	JP Morgan Indian Investment Company (Mauritius) Ltd.					
	At the beginning of the year (not in Top 10)				1052747	0.18
		04/04/2014			1389633	0.24
		11/04/2014			1579919	0.28
		18/04/2014			1687354	0.30
		25/04/2014			1802747	0.32
		02/05/2014			1897692	0.33
		09/05/2014			2005316	0.35
		16/05/2014			2094420	0.37
		23/05/2014			2102747	0.37
		13/06/2014			2493733	0.44
		20/06/2014			2555682	0.45
		24/07/2014			2667218	0.47
		08/08/2014			2816948	0.49
		16/08/2014			2817218	0.49
		24/10/2014			2927218	0.51
		31/10/2014			2817218	0.49
		31/12/2014			2927218	0.51
		09/01/2015			3196739	0.56
		16/01/2015			3317218	0.58
	At the end of the year				3317218	0.58

*Holding Shares in two different Demat Accounts

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Arjun Singh Oberoi	No Change	6450258	1.13	6450258	1.13
2	Vikramjit Singh Oberoi	No Change	5127325	0.90	5127325	0.90
3	P R S Oberoi	No Change	307610	0.05	307610	0.05
4	Shib Sanker Mukherji	No Change	7274078	1.27	7274078	1.27
5	Sudipto Sarkar	No Change	1144	-	1144	-

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

				(₹ Million)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year*				
i) Principal Amount	2,264.41	500.00	-	2,764.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.30	-	-	2.30
Total (i+ii+iii)	2,266.71	500.00	-	2,766.71
Change in Indebtedness during the financial year				
Addition	224.56	-	-	224.56
Reduction	450.26	500.00	-	950.26
Net Change	-225.70	- 500.00	-	-725.70
Indebtedness at the end of the financial year				
i) Principal Amount	2,038.75	-	-	2,038.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.26	-	-	2.26
Total (i+ii+iii)	2,041.01	-	-	2,041.01

* Outstanding on account of finance lease obligations, not being loans / deposits, are not included above.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

					(₹ Million)
SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			
		P.R.S. Oberoi	S.S. Mukherji	Vikram Oberoi	Arjun Oberoi
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	18.00	6.65	6.65
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.06	0.93	3.97	3.30
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	33.09	33.09	16.55	16.55
	- others, specify...				
5	Others, please specify	-	-	-	-
	Total (A)	34.15	52.02	27.17	26.50
	Ceiling as per the Act	10% of the Net Profits of the Company			

B. Remuneration to other directors

		(₹ Million)					
SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Santosh K Dasgupta	Anil Nehru	Sudipto Sarkar	L Ganesh	Renu Sud Karnad	Rajeev Gupta
1	Independent Directors						
	Fee for attending board/ committee meetings	0.72	0.48	0.15	0.31	0.12	0.32
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.72	0.48	0.15	0.31	0.12	0.32
2	Other Non-Executive Directors	Nita M Ambani	M H Modi				
	Fee for attending board/ committee meetings	0.05	0.12				
	Commission	-	-				
	Others, please specify	-	-				
	Total (2)	0.05	0.12				
	Total (B)=(1+2)						2.27*
	Total Managerial Remuneration						139.84
	Overall Ceiling as per the Act	11% of the Net Profits of the Company					

* Sitting Fee paid to Non-Executive Director does not form part of the Total Managerial Remuneration

C. Remuneration to key managerial personnel other than MD/Manager/WTD

		(₹ Million)	
SN	Particulars of Remuneration	Key Managerial Personnel	
		CFO	CS
	Gross Salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	8.77	6.23
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.17	0.35
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify	-	-
5	others, please specify	-	-
	Total	8.94	6.58

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		NONE			
Punishment		--DO--			
Compounding		--DO--			
B. DIRECTORS					
Penalty		NONE			
Punishment		--DO--			
Compounding		--DO--			
C. OTHER OFFICERS IN DEFAULT					
Penalty		NONE			
Punishment		--DO--			
Compounding		--DO--			

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure, Developments and Outlook

International

The global economy grew at a modest rate of 3.4% in 2014. This rate of growth represents a marginal increase from the 3% growth rate witnessed in 2013. The growth was fuelled primarily by the decline in oil prices of about 45%. The growth rate in the United States of America continued to improve from 2.2% in 2013 to 2.4% in 2014. Importantly, the Euro zone reversed its negative growth of -0.5% in 2013 to record a modest growth of 0.9% in 2015.

Complex forces that affected global activity in 2014 are still shaping the economic outlook. These include medium and long terms problems such as regional conflicts, and increases in terrorism, offset by the boost provided to economic growth on account of lower oil prices.

A region-wise comparison of the change in Gross Domestic Product in 2015 vis-à-vis 2014 indicates stronger growth in advanced economies, but weaker growth in emerging markets, reflecting more subdued prospects for some large emerging markets economies (including China and ASEAN) as well as oil exporting nations. Overall global growth is projected to reach 3.5% and 3.8% in 2015 and 2016 respectively.

India

India too, has not witnessed a major economic spurt in the year 2014-2015. The Economic Survey of the Government of India for 2014-2015 has optimistically estimated a GDP growth of 7.4%. The same survey also states that the growth in GDP for 2015-2016 is expected to increase to 8.1% to 8.5%.

The National Democratic Alliance took over the reins of government in May, 2014. In its maiden budget, a number of measures were announced to improve infrastructure in the country. These included increased outlay and budgetary support to both the railways and the road sector. The National Investment and Infrastructure Fund (NIIF) was created to raise moneys in an effort to ensure an annual flow of ₹ 20,000 crores into these sectors.

The measures by the Government of India couple with the global factors that affect the Indian economy should result in an increase in foreign tourist arrivals, positive sentiment within the business community, increased confidence to save and spend by the middle class and an overall improvement in the GDP in 2015-2016 as estimated by the government.

Travel & Tourism

Global

The performance of the Travel and Tourism sector is a barometer of global sentiment.

2014 proved to be another moderately successful year for the Travel & Tourism sector off the back of a modestly stronger economic backdrop.

Globally, Travel & Tourism recorded growth in 2014 with Business and Leisure spending growing by 3.4%. However, this growth was weaker than predicted the year before on account of weaker than anticipated macroeconomic performance and unexpected travel impacting developments such as the Ukraine – Russia conflict, Ebola in West Africa, political instability in Thailand, sectarian unrest in the Middle East and terror attacks in Nigeria and Kenya.

Moving into 2015, the weakness and potential volatility of many currencies against the US Dollar and a deep recession in Russia, a key outbound market, will have an adverse impact on visitor exports.

However, falling oil prices will bring significant improvements, ease upward pressure on living costs, increase disposable household incomes and domestic consumer spending as well as reduce air fares.

As a result, Travel and Tourism expansion is forecast to continue at a stronger rate than last year, with the total contribution to GDP expected to increase from 3.5% in 2014-2015 to 3.7% in 2015-2016.

India

The government has introduced e-Tourist Visa – a facility whereby foreign travelers to India can apply for a visa online. This scheme has been introduced for travelers from 43 countries and in stages will be extended to cover 150 countries. This has been welcomed by the Travel and Tourism industry.

The Government of India has announced plans to restore twenty five Cultural World Heritage Sites. The restoration plans include landscaping, signage and interpretation centers, access for differently abled and improved facilities for visitors.

These positive measures undertaken by the Government were undermined by the incidents affecting safety and security of women. Such incidents were widely publicized in the international press, which had an adverse impact on tourist travel to India. In spite of these setbacks, foreign tourist arrivals, during the calendar year of 2014 exhibited an accelerated growth of 7.1% to 7.5 million, as compared to the foreign tourist arrivals of 7.0 million over the previous calendar year of 2013.

Despite the recent positive aspects designed to stimulate demand, the Indian hotel industry has been facing increased supply of rooms in almost all locations across the country. As a result of this, the performance of the Indian hotel industry, in 2014-2015, remained subdued with a marginal increase in occupancies. Average Room Rates (ARRs) remained flat.

In Q1 (April-June), 2014-2015, revenue growth for the industry was the lowest in the last three financial years. Business travel was impacted by a drop in business activity in the months leading up to the General Election. This was compounded by the loss of traffic and room nights as the preliminary stages of the Indian Premier League (IPL) moved to the United Arab Emirates.

Given the excess supply of rooms, the outlook for the Indian hotel industry over the next 12 to 18 months is expected to remain subdued.

However, measures by the Government to drive through several strong policy initiatives to simplify process of doing business with and in India, the efforts to revitalize the manufacturing sector and the emphasis on the Travel & Tourism industry is expected to result in stronger demand. Hence, while Average Room Rates are expected to be largely flat, occupancies are expected to improve by 2% to 4% in 2015-2016.

Opportunities, Threats, Risks & Concerns

The Indian hotel industry revenue in 2015-2016 is expected to increase by about 5% to 7%. This will largely be driven by incremental room occupancy and higher food and beverage income, coming from an increase in the number of diners and Average Spend Per Cover.

In the future, economic growth will be driven by the megatrends of an expanding middle-class and falling inflation on account of lower oil prices. This will boost real disposable income and consumer purchasing power. Domestic demand driven by both business and leisure travel is expected to grow by 10% during 2016-2017.

The premium hotels category is expected to add around 29,000 rooms to the supply side of the equation over the next five years. More projects are expected to come on line and be completed during this period.

The increase in supply, if not offset by a corresponding increase in demand will put pressure on margins as a consequence of rising costs and falling Average Room Rates.

Adequacy of Internal Control Systems and Risk Management

The Audit Committee of the Company monitors the adequacy of the internal control systems and procedures including adequacy of financial controls with reference to the Financial Statement.

The Internal Audit Department (IAD) of the Company led by the Chief Internal Auditor continues to conduct periodic and systematic audit of hotels, service units and the printing press. The objective of these audits is to ensure that the prescribed systems and procedures are consistently and correctly followed. The Internal Audit Department submits its report to the Audit Committee on a quarterly basis.

During 2014-2015, the Audit Committee was satisfied with the adequacy of the internal control systems and procedures of the Company.

The Company's Risk Management Committee comprises of Executive Directors and senior executives of the Company. The Risk Management Committee identifies potential risks associated with the Company's business and measures the Company's performance against each risk parameter. The Risk Management Committee keeps the Board informed of these risks and the measures taken by the Company to mitigate these risks.

During the year, the Risk Management Committee presented its findings to the Board. The Board was satisfied with the Company's performance against each of the identified risk factors.

Financial and Operating Performance

During the Financial Year 2014-2015, in spite of the adverse market conditions and weak demand compounded by the excess supply of rooms, the Company has not only increased its revenue, but has also increased the EBIDTA.

The Net Profit, however, has been adversely affected by the newly introduced methodology of calculation and provision for depreciation in accordance with the Companies Act, 2013.

During the financial year 2014-2015, the Company's Total Revenue was ₹ 13663 million compared to ₹ 12789 million in the previous year representing an increase of approximately 7%.

Earnings Before Interest, Depreciation, Taxation, Exceptional items and Amortization (EBIDTA) was ₹ 3059 million as compared to ₹ 2793 million in the previous year. This represents an increase of approximately 10% .

Profit Before Tax was ₹ 1512 million compared to ₹ 1448 million in the previous year which is an increase of approximately 5%.

The Profit After Tax was ₹ 966 million as compared to ₹ 950 million in the previous year which is an increase of approximately 2%.

The Company continues to be largely engaged in hospitality and related services.

Business consolidation and expansion

The Oberoi Al Zorah located in the United Arab Emirates is currently under construction. The ocean front site is part of a prestigious real estate venture incorporating a luxury residential and retail development and an 18 hole Golf Course. The Hotel is expected to open in the second quarter of 2016.

The Oberoi, Marrakesh is under construction. In addition to the luxury hotel, Oberoi branded villas for sale are planned within the development. The Hotel is scheduled to open in April, 2016.

Construction of The Oberoi, Casablanca is in progress. The Hotel is located on a prime ocean front site close to the central business district. The hotel is scheduled to open in the last quarter of 2018.

The Oberoi, Al Zorah, The Oberoi Marrakesh and The Oberoi Casablanca will all be managed by a wholly owned subsidiary of the Company.

Construction of the Oberoi Sukhvilas is currently underway. The property is located on the outskirts of Chandigarh, adjoining a 400 acre forest. The 20 acre hotel site consists of luxury villas with private swimming pools surrounded by extensive landscaped gardens. The hotel will be managed by the Company and is scheduled to open in April, 2016.

Planning consent for the Company's 55 acre beach front site at Goa has been received. Government and environmental approvals are in the process of being obtained.

Planning in respect of The Oberoi Hotel and luxury branded residences in Bengaluru is presently in progress.

Design and planning of The Oberoi, Doha has been initiated. Located on a prime site in the central business district of the city, the hotel will consist of 244 rooms and 44 service apartments. The hotel is scheduled to open in the first quarter of 2019 and will be managed by an overseas subsidiary of the Company.

Planning and design of The Oberoi luxury service apartments in Lusail, Qatar is in progress. Located on the outskirts of Doha, the iconic ocean front building will consist of 182 luxury apartments and is scheduled to open in the first quarter of 2018. The development will be managed by an overseas subsidiary of the Company.

Awards

Mr. P.R.S. Oberoi, Executive Chairman, The Oberoi Group was honoured with the prestigious Lifetime Achievement Award at Forbes India Leadership Awards, 2014.

Some of the other major recognitions received by Oberoi Hotels & Resorts during the Financial Year 2014-2015 have been:

Oberoi Hotels & Resorts was voted as the World's Leading Luxury Hotel Brand by the readers of Travel + Leisure, USA, World's Best Awards, 2014.

Oberoi Hotels & Resorts has been voted as the World's Leading Luxury Hotel Brand for the third consecutive year by World Travel Awards 2014.

Oberoi Hotels & Resorts has been awarded the 'Hotel Company of the Year, 2014' award by HIDEAWAYS, Germany.

HOTEL	AWARD	AWARDED BY
The Oberoi, New Delhi, India	Asia's Leading Luxury Hotel Best Hotel in New Delhi	World Travel Awards 2014 DestinAsian Readers' Choice Awards 2014
The Oberoi, Mumbai, India	Best Hotel in the World India's Leading City Hotel	<i>Institutional Investor</i> , 2014 The World's Best Hotels World Travel Awards 2014
The Oberoi Rajvilās, Jaipur, Rajasthan, India	India's Leading Resort Top 15 Resorts in Asia (Ranked 4th)	World Travel Awards 2014 <i>Travel + Leisure</i> , World's Best Awards, Readers' Survey 2014
The Oberoi Amarvilās, Agra, Uttar Pradesh, India	Best Hotels in India (Ranked 4th) Top 15 Resorts in Asia (Ranked 7th)	<i>Travel + Leisure</i> , World's Best Awards, Readers' Survey 2014 <i>Condé Nast Traveler</i> , USA, Readers' Choice Awards 2014
The Oberoi Vanyavilās, Ranthambhore, Rajasthan, India	Top 25 Luxury Hotels in India (Ranked 1st) Top 25 Hotels for Service in India (Ranked 1st) Top 25 Small Hotels in India (Ranked 1st) Top 25 Small Hotels in India (Ranked 1st)	TripAdvisor, Travellers' Choice Awards 2015 TripAdvisor, Travellers' Choice Awards 2015 TripAdvisor, Travellers' Choice Awards 2015 TripAdvisor, Travellers' Choice Awards 2014
The Oberoi Udaivilās, Udaipur, Rajasthan, India	Top 15 Resorts in Asia for four consecutive years (Ranked 1st) Best Hotels in India (Ranked 1st) Best Hotel/ Resort in India The World's Top 100 (Ranked 4th)	<i>Travel + Leisure</i> , World's Best Awards, Readers' Survey 2014 <i>Condé Nast Traveler</i> , USA, Readers' Choice Awards 2014 Gallivanter's Guide, Awards for Excellence 2014

HOTEL	AWARD	AWARDED BY
	Best Luxury Resort in India (Ranked 1st) Favourite Luxury Hotel in India for the second consecutive year Top 25 Luxury Hotels in India (Ranked 1st) Top 25 Hotels in India (Ranked 1st)	<i>Condé Nast Traveller</i> , UK, Readers' Travel Awards 2014 <i>Travel + Leisure</i> , India & South Asia, India's Best Awards 2014 The Outlook Traveller Awards, 2015 TripAdvisor, Travellers' Choice Awards 2014
Wildflower Hall, Shimla in the Himalayas, Himachal Pradesh, India	Best Relaxation Hotel in India Top 25 Hotels in India (Ranked 1st)	Lonely Planet, The Travel Awards 2014 TripAdvisor, Travellers' Choice Awards 2015
The Oberoi, Lombok	Top 25 Hotels in Indonesia (Ranked 18th) Top 25 Luxury Hotels in Indonesia (Ranked 25th)	TripAdvisor, Travellers' Choice Awards 2014 TripAdvisor, Travellers' Choice Awards 2014
The Oberoi, Sahl Hasheesh, Red Sea, Egypt	Award of Excellence - Best Hotel on the Red Sea Top 25 Hotels for Romance in Egypt (Ranked 5th)	Ministry of Tourism, Egypt, 2014 TripAdvisor, Travellers' Choice Awards 2014
The Oberoi, Mauritius	Mauritius' Leading Hotel Top 25 Hotels in Africa (Ranked 1st) Top 10 Hotels in Mauritius (Ranked 1st) Top 25 Hotels for Romance in Mauritius (Ranked 1st)	World Travel Awards 2014 TripAdvisor, Travellers' Choice Awards 2014 TripAdvisor, Travellers' Choice Awards 2014 TripAdvisor, Travellers' Choice Awards 2014
The Oberoi, Gurgaon, Delhi National Capital Region	Best Overseas Business Hotels (Ranked 3rd) Top 25 Luxury Hotels in India (Ranked 2nd)	<i>Condé Nast Traveller</i> , UK, Readers' Travel Awards 2014 TripAdvisor, Travellers' Choice Awards 2015
The Oberoi, Dubai United Arab Emirates	Favourite New Overseas Hotel Middle East's Leading Luxury City Hotel Best New Business Hotel The Best New Hotels The Best New Hotels in the World Amongst the Top 50 New Hotels in India and around the World	<i>Condé Nast Traveller</i> , India, Readers' Travel Awards 2014 World Travel Awards 2014 Business Traveller Middle East 2014 <i>Travel + Leisure</i> , US, It List 2014 <i>Condé Nast Traveller</i> , UK, The Hot List 2014 <i>Condé Nast Traveller</i> , India, The Hot List 2014
Trident, Gurgaon	Hotel of the Decade	HICSA 2014

HOTEL	AWARD	AWARDED BY
Trident, Bandra Kurla, Mumbai	Certificate of Excellence Best Business Hotel in India Favourite New Hotel in India (Ranked 2nd)	TripAdvisor, 2013 India Today Travel Plus 2010 – 2011 Condé Nast Traveller, India, Readers' Travel Awards 2011

Development in Human Resources and Industrial Relations

The belief that “people are the Company’s greatest asset” drives the policies and practices of the Company and *The Oberoi Group* as a whole. The Company continuously strives to stand by the Key Principles enshrined in The Oberoi People Philosophy:

1. Compensation and Grade Restructuring:

“Our compensation philosophy will enable us to recruit and retain the best and the most highly motivated talent, and will encourage the highest level of performance amongst our employees through result based reward and recognition, and be related to the Company’s overall business performance.”

The Oberoi Group has rolled out a compensation and grade rationalization exercise to drive individual and Company performance and address the needs and career aspirations and growth of its employees. A separate Sales Incentive Plan has been introduced to motivate and drive better sales performance across the Company.

2. Performance Management System:

“To inculcate a culture of personal growth and organizational excellence based on principles of performance based results.”

The Oberoi Group Performance Management System has been re-designed. The objective is to ensure that the person appraised appreciates the appraisal outcome to be objective, transparent and linked to the competencies required to perform well and develop.

The group has transitioned to a Balanced Scorecard based performance management system. The rating scale has also been modified to allow for appropriate linkages to variable pay. This should enable better performance differentiation and alignment of the individual’s performance to the Company’s objectives.

3. Learning and Development:

“We will aim for world class managerial and technical excellence using continuous learning and development to support the business and encourage growth from within.”

The Oberoi Centre of Learning and Development (OCLD) remained focused on its core programmes - the two-year Post Graduate Management Programme and the three-year Undergraduate STEP (Systematic Training and Education) Programme. Several training modules which form a part of the academic curricula of the Management Programmes were redesigned to align them with the needs of the organisation and the expectations from our graduating Assistant Managers.

Gurukul, a five day “Train the Trainer” workshop designed for Human Resource and Training Managers from all Oberoi and Trident hotels. The objective of Gurukul

was to enable Human Resource and Training Managers to conduct Emotional Intelligence based training programmes for all guest contact employees. These training programmes equip participants with the skills and tools to personalize the guest experience and enhance guest satisfaction.

Chefs at The Oberoi Centre of Learning and Development conducted Culinary Workshops at The Centre, traveled to various hotels, created training opportunities for Chefs and contributed to Rivayaat – the Chefs Conclave.

The Oberoi Centre of Learning and Development also launched SOAR (Start with Oberoi and Rise), the country's only structured and branded programme designed for Industrial Trainees. This will reinforce The Oberoi Group's positioning as the preferred employer in the hospitality industry.

Multiple Small Improvement Teams (SIT) have been formed in all the hotels of The Oberoi Group. Each Small Improvement Team is tasked with a singular objective. The objective may be to improve the guest experience, team engagement or department / hotel profitability. The SIT consists of team members and is facilitated by an Operations / Training Manager.

4. Whistle Blower Policy - The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

Industrial Relations remained stable throughout the year.

As on 31st March, 2015, the number of people employed by the Group was 9974.

For and on behalf of the Board

New Delhi
30th May, 2015

VIKRAM OBEROI
*Managing Director and
Chief Executive Officer*

P.R.S. OBEROI
Executive Chairman

REPORT ON CORPORATE GOVERNANCE

1. The Company's philosophy on Code of governance

The Company's philosophy on governance is documented in "The Oberoi Dharma" which is the fundamental code of conduct of the Company and in its "Mission Statement".

The texts of "The Oberoi Dharma" and the "Mission Statement" appear on Pages 8 and 9 of this Annual Report.

2. Board of Directors

As on 31st March, 2015, the Company had twelve directors on the Board. Four Directors are executive directors and eight directors are non-executive directors. Six of the non-executive directors are Independent directors.

The Board met five times during the financial year on 30th May, 2014, 5th August, 2014, 30th October, 2014, 28th January, 2015 and 24th March, 2015.

Details of attendance of directors at board meetings during the financial year and at the Company's Sixty fourth Annual General Meeting together with the number of other directorships and committee memberships held by them are as follows:

Name	Designation	Category	Attendance		No. of other Directorships*	No. of other Board Committees in which he is a member or chairperson (other than EIH)
			Board Meeting	Last AGM		
Mr. P.R.S.Oberoi	Executive Chairman	Executive	4	Yes	6	1**
Mr. S.S.Mukherji	Executive Vice Chairman	Executive	5	Yes	2	1
Mr. Vikram Oberoi	Managing Director & Chief Executive Officer	Executive	5	Yes	3	2
Mr. Arjun Oberoi	Managing Director - Development	Executive	4	Yes	3	2
Mr. S.K. Dasgupta	Director	Non-Executive Independent	5	Yes	3	1**
Mr. Sudipto Sarkar	Director	Non-Executive Independent	3(1)	No	5	5
Mr. Anil Nehru	Director	Non-Executive Independent	5	Yes	4	5***
Mr. L.Ganesh	Director	Non-Executive Independent	4	Yes	7	5
Mrs. Nita Mukesh Ambani	Director	Non-Executive Non-Independent	1(1)	No	2	Nil
Mrs. Renu Sud Karnad	Director	Non-Executive Independent	3(1)	Yes	9	5**

Name	Designation	Category	Attendance		No. of other Directorships*	No. of other Board Committees in which he is a member or chairperson (other than EIH)
			Board Meeting	Last AGM		
Mr. Manoj Harjivandas Modi	Director	Non-Executive Non-Independent	3(2)	No	2	2**
Mr. Rajeev Gupta	Director	Non-Executive Independent	5(2)	No	6	4

* Excludes Directorship if any, in private Companies /foreign companies and companies under Section 8 of the Companies Act, 2013.

** Chairperson of one Committee.

*** Chairperson of two Committees.

The numbers in bracket represents meetings attended by electronic mode.

During the year, Mr. Rajan Raheja resigned from the Board as an Independent Director. The Board of Directors wish to place on record its deep appreciation of the valuable contributions made by Mr. Raheja during his tenure as an Independent Director on the Board.

The Board had appointed Mr. Sudipto Sarkar as an Independent Director on the Board for a consecutive period of five years in the casual vacancy caused due to the resignation of Mr. Rajan Raheja. Mr. Sudipto Sarkar's appointment was confirmed by the shareholders by passing a resolution by way of postal ballot on 20th May, 2015.

Mr. S.K. Dasgupta, Mr. Anil Nehru, Mr. L. Ganesh, Mrs. Renu Sud Karnad and Mr. Rajeev Gupta were appointed as Independent Directors for a consecutive period of five years by the shareholders at the Annual General Meeting held on 6th August, 2014.

All Directors and Members of Senior Management have, as on 31st March, 2015, affirmed their compliance with: -

- *The Oberoi Dharma*, the Fundamental Code of Conduct for all Members of The Oberoi group;
- The Company's Code of Conduct for Prevention of Insider Trading in its shares.

3. Audit Committee

Composition, Meetings and Attendance

The Audit Committee comprises of four board members, namely, Mr. L Ganesh, Mr. S.K. Dasgupta, Mr. Anil Nehru and Mr. Arjun Oberoi.

The members of the audit committee except Mr. Arjun Oberoi are non-executive independent directors. The quorum for an audit committee meeting is two members personally present. Mr. Ganesh is the Chairperson of the committee w.e.f. 5th August, 2014. Mr. Ganesh is a qualified Chartered Accountant and holds a masters degree in business administration. Mr. S.K. Dasgupta is also a Chartered

Accountant and past President of the Institute of Chartered Accountants of India. All other members of the committee are financially literate within the meaning of explanation (i) to Clause 49II(A)(2) of the Listing Agreement.

The audit committee met four times during the financial year on 28th May, 2014, 5th August, 2014, 30th October, 2014 and 28th January, 2015. Mr. S.K. Dasgupta and Mr. Anil Nehru attended all four meetings. Mr. Arjun Oberoi attended three meetings. Mr. L Ganesh attended three meetings as he was inducted in the audit committee only from 5th August, 2014.

The auditors, the Chief Internal Auditor, Mr. S.S. Mukherji and Mr. Vikram Oberoi are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference

The terms of reference of the audit committee are in accordance with those specified in Clause 49 of the listing agreement and Section 177 of the Companies Act, 2013.

4. Stakeholders Relationship Committee

Composition, Meetings & Attendance

The stakeholders relationship committee comprises of five directors *viz.* Mr. S.K. Dasgupta, Mr. P.R.S. Oberoi, Mr. S. S. Mukherji, Mr. Vikram Oberoi and Mr. Arjun Oberoi. Mr. S. N. Sridhar, Company Secretary, who is also the compliance officer of the Company, acts as Secretary to the committee.

The quorum for a meeting is two directors personally present. Mr. S.K. Dasgupta, an independent non-executive director is the Chairperson of the Committee.

The Committee met six times during the financial year on 7th May, 2014, 4th August, 2014, 20th October, 2014, 5th December, 2014, 29th January, 2015 and 28th March, 2015. Mr. S.K. Dasgupta and Mr. S.S. Mukherji attended all six meetings. Mr. P.R.S. Oberoi and Mr. Vikram Oberoi both attended one meeting.

Terms of Reference

The Committee monitors the Company's response to investor complaints. It has also been authorised to approve the issue of duplicate share certificates in lieu of those lost or destroyed.

In accordance with the provisions of revised clause 49 VIII E 5 of the listing agreement, the power to approve transfers, transmissions, etc. of shares in the physical form has been delegated to a committee of executives.

As on 31st March, 2015, Twenty requests for dematerialisation of shares were pending. These were cleared in the beginning of April, 2015. There were no pending physical transfer requests as on 31st March, 2015.

52 complaints were received from investors during the financial year. These complaints related to non-receipt of dividend, annual reports etc. 49 complaints were resolved during the year. 3 complaints which were pending as at 31st March, 2015 were resolved in the beginning of April, 2015.

5. Nomination and Remuneration Committee

Composition, Meetings & Attendance

The Nomination & Remuneration Committee (“NRC”) comprises of four members of the Board, three non-executive independent directors, namely, Mr. Anil Nehru, Mr. L. Ganesh and Mr. S.K. Dasgupta and one Executive Director, namely, Mr. P.R.S. Oberoi, Executive Chairman.

The quorum for the meeting is two directors personally present.

The Company Secretary acts as the Secretary to the committee.

The Chairperson of the Nomination and Remuneration Committee is Mr. Anil Nehru.

The Committee met three times during the financial year on 4th August, 2014, 29th October, 2014 and 23rd March, 2015. Mr. Anil Nehru, Mr. S.K. Dasgupta and Mr. P.R.S. Oberoi attended all the three meetings. Mr. L. Ganesh attended one meeting.

Terms of Reference

The Terms of reference of the Nomination and Remuneration Committee and its role is as prescribed in sub-section (3) and (4) of Section 178 of the Companies Act, 2013 and clause 49 of the listing agreement.

The Nomination and Remuneration Committee has formulated the following policies in accordance with the aforesaid provisions:

- i) Directors’ Appointment and Remuneration Policy;
- ii) Senior Management Personnel (excluding executive Directors’) appointment and remuneration policy.

The aforesaid policies have been annexed with the Directors’ Report and are also available on the Company’s website www.eihltd.com.

6. Corporate Social Responsibility Committee

Composition, Meetings and Attendance

The Corporate Social Responsibility Committee (“CSR committee”) comprises of four members of the Board namely, Mr. Rajeev Gupta (Independent Director), Mr. S.S. Mukherji, Mr. Vikram Oberoi and Mr. Arjun Oberoi.

The quorum for a meeting of the CSR committee is two members. Mr. S.S. Mukherji, Executive Vice Chairman is the Chairperson of the committee. The Company Secretary acts as Secretary to the Committee.

The Committee met twice during the financial year on 21st August, 2014 and 6th January, 2015.

Terms of Reference

The Terms of Reference of CSR Committee is to formulate CSR Policy and to take CSR initiatives in accordance with Section 135 read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policies) Rules, 2014.

7. Subsidiary Companies

The names of the Company's subsidiary companies appear on page 65 of this report.

No subsidiary Company qualifies as a "material non listed Indian subsidiary" as per the definition of a "material non listed Indian subsidiary" as contained in explanation (i) to Clause 49 V of the listing agreement.

8. General Body Meetings

i) Location and time of the last three Annual General Meetings (AGMs) and Special Resolutions passed at these Meetings:

Financial Year ended	Location	Date	Time	Special Resolutions Passed
31st March, 2012	The Oberoi Grand, Kolkata	7th August, 2012	11.30 A.M.	Reappointment of Mr. P.R.S. Oberoi as Executive Chairman
31st March, 2013	The Oberoi Grand, Kolkata	6th August, 2013	11.30 A.M.	None
31st March, 2014	The Oberoi Grand, Kolkata	6th August, 2014	11.30 A.M.	None

(ii) Special Resolution passed through postal ballot:

On 31st July, 2014 a Special Resolution was passed with the requisite majority (99.97% votes in favour of the resolution) for alteration of the object clause (cc-10) of the Memorandum of Association of the Company. The details of voting pattern are as under:

e-voting		physical-voting		Total voting	
Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares & %)	Cast against (No of shares & %)
308821755	97927	41621167	20653	350442922 (99.97)	118580 (0.03)

(iii) Person who conducted the postal ballot exercise

Mr. Salil Banerjee, a Practicing Company Secretary appointed as the Scrutinizer, had conducted the postal ballot voting process.

(iv) Procedure for postal ballot

The postal ballot was conducted as per the procedure set out in Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 and the Circular No. CIR/CFD/DIL/6/2012 dated 13th July, 2012 of Securities and Exchange Board of India (SEBI).

(v) Proposal to pass any Special Resolution through postal ballot

On 20th May, 2015, two Special Resolutions were passed by Postal Ballot with the requisite majority (99.98% votes in favour of the resolutions) approving the adoption of a new set of Memorandum & Articles of Association of the Company. The Postal Ballot process was conducted by JUS & Associates, Company Secretaries in a fair and transparent manner.

9. Remuneration of Executive Directors

A. Salary and other Benefits

	Salary ₹/million	Perquisites ₹/million
Mr. P.R.S. Oberoi	-	1.06
Mr. S.S. Mukherji	18.00	0.93
Mr. Vikram Oberoi	6.65	3.97
Mr. Arjun Oberoi	6.65	3.30

B. Commission on Profits (Accrued) ₹/million

Mr. P.R.S. Oberoi	33.09
Mr. S.S. Mukherji	33.09
Mr. Vikram Oberoi	16.55
Mr. Arjun Oberoi	16.55

*As the future liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and not included in the above figures.

Apart from sitting fee, no remuneration is paid to non-executive Directors. Non-executive directors who attend Board or committee meetings are paid a sitting fee of ₹ 50,000 per meeting. During the financial year, the total amount paid to non-executive directors for attending board and committee meetings amounted to ₹ 2,270,000.

10. General Disclosures

- (i) A summary of transactions with related parties, in the ordinary course of business is placed before the audit committee.
- (ii) there were no material individual transactions with related parties that were not in the ordinary course of business during the financial year ended 31st March, 2015.

- (iii) there were no materially significant transactions during the financial year with related parties such as the promoters, directors, key managerial personnel, relatives or subsidiaries that could have potential conflict of interest with the Company.
- (iv) the mandatory disclosure of transactions with related parties, in compliance with the Accounting Standard (AS-18), forms part of this annual report.
- (v) none of the non-executive directors hold any shares in the Company except Mr. Sudipto Sarkar who holds 1144 shares in the Company.
- (vi) in preparing the annual accounts in respect of the financial year ended 31st March, 2015, no accounting treatment was different from that prescribed in the Accounting Standards.
- (vii) there was no instance of non-compliance on any matter relating to the capital markets during the past three years.
- (viii) the Company has a code of conduct for prevention of insider trading in the shares of the Company for directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (ix) the Company has a Whistle Blower Policy in place which can be accessed on the Company's website www.eihltd.com. It is affirmed that no personnel has been denied access to the Chairman of the audit committee in terms of the policy. During the year, Nil Complaints were filed under the said policy.
- (x) the Company has a policy for determining "material" subsidiaries. The said policy can be accessed on the Company's website as www.eihltd.com.
- (xi) the Company has a policy on Related Party Transactions. The policy can be accessed on the Company's website at www.eihltd.com.
- (xii) the Company has familiarization program for the independent directors is provided as part of the Director's Appointment and Remuneration Policy which is available on the Company's website at www.eihltd.com.
- (xiii) The Independent Directors met on 25th March, 2015 to review the performance of the Non-Independent Directors and the Board as a whole, review of performance of Chairperson and assesses the quality, quantity and timeliness of flow of information between the Company Management and the Board.
- (xiv) The Company has put in place a Board Evaluation process. A note on the same is provided in the Director's Report.
- (xv) The Company has put in place adequate internal control systems and procedures including adequate financial controls with reference to the financial statement.
- (xvi) The Company has put in place a Risk Management Committee comprising of Executive Directors and senior executives of the Company which identifies potential risks associated with the Company's business and take steps mitigate such risks. The Company is not required to constitute a Board Committee on Risk Management.

11. Means of Communication

Annual report in respect of each financial year are mailed to all shareholders in the month of July of each calendar year. Each report contains the annual accounts of the Company in respect of the financial year with the Directors' and Auditor's reports. Also included in each annual report is the notice convening the Annual General Meeting, the financial year's corporate governance report and the cash flow statement together with the corresponding reports of the auditors, the consolidated accounts and the Auditor's report thereon.

The financial results of the Company were officially released or will be released in accordance with the following schedule:

SL No	Nature of Communication	Media used for Publication	Dates of Publication	Forwarded/to be forwarded to Stock Exchanges on
1	Quarterly unaudited financial statements (first quarter 2014-15)	Newspapers	07.08.2014	05.08.2014
2	Half-yearly unaudited financial statements (second quarter 2014-15)	Newspapers	31.10.2014	30.10.2014
3	Quarterly unaudited financial statements (third quarter 2014-15)	Newspapers	29.01.2015	28.01.2015
4	Annual audited financial statements 2014-2015	Newspapers	On or before 01.06.2015	30.05.2015

The Financial results are published in The Economic Times, The Times of India, The Financial Express, The Indian Express, Mint and *Eai Samay*.

All corporate information filed by the Company with the stock exchanges are uploaded on <https://www.connect2nse.com/LISTING/> (NSE) and <http://listing.bseindia.com/> (BSE) and can be viewed on <http://www.nseindia.com> and <http://www.bseindia.com> of the respective stock exchange(s). The information is also available on the Company's website www.eihltd.com

The Management Discussion and Analysis in respect of the financial year forms part of the Directors' Report.

12. General Shareholder Information

- a. **The Sixty fifth Annual General Meeting will be held at 11.30 A.M. on Wednesday, 5th August, 2015, at The Oberoi Grand, Kolkata.**

- b. **The tentative financial calendar is as follows:**

Audited annual accounts for 2014-15	Saturday	30th May, 2015
Mailing of annual report for 2014-15	On or before Saturday 11th July, 2015	11th July, 2015
Unaudited first quarter financial results 2015-16	Tuesday	4th August, 2015
Sixty fifth Annual General Meeting	Wednesday	5th August, 2015
Payment of dividend for 2014-15	Thursday	6th August, 2015
Unaudited second quarter financial results 2015-16	Thursday	5th November, 2015

- c. **Register of shareholders**

The Register of shareholders will remain closed from Friday, 24th July, 2015 to Wednesday, 5th August, 2015, both days inclusive.

- d. **Payment of dividend**

Dividend warrants in respect of dividend for the financial year 2014-15, if declared by the Company at the sixty fifth Annual General Meeting, will be dispatched on Thursday, 6th August, 2015 to those shareholders whose names will appear in the register of shareholders of the Company as at the close of business on Thursday 23rd July, 2015. For those shareholders holding shares in dematerialised mode, it will be credited in the account by means of electronic clearing system.

- e. **Listing of Shares on Stock Exchanges**

The stock exchanges with their respective stock codes are as follows:

Name of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Ltd	05
The Bombay Stock Exchange Ltd	500840
The National Stock Exchange of India Ltd	EIHOTEL
The London Stock Exchange (In respect of outstanding Global Depositary Receipts)	EIHD

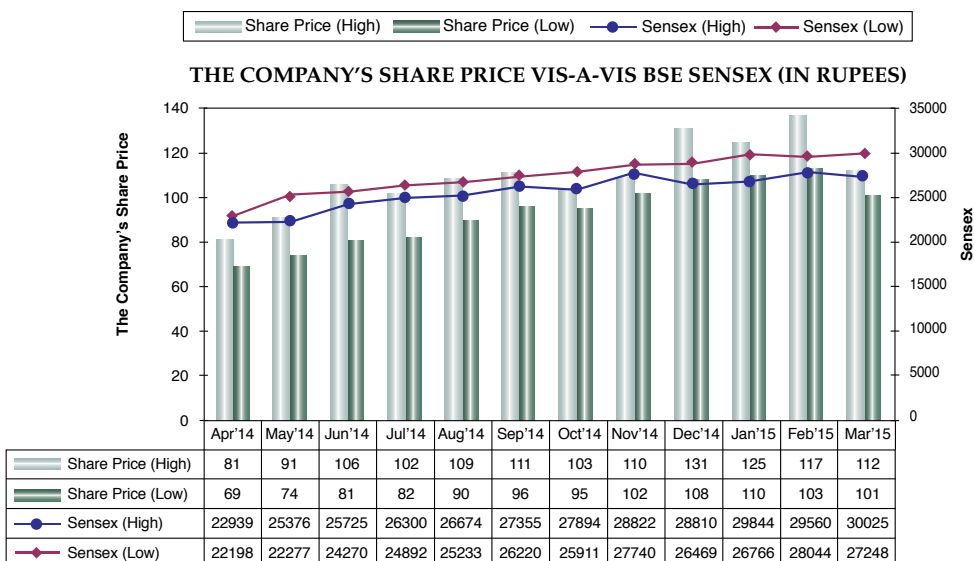
The ISIN Number of the Company's shares in the dematerialised mode is INE 230A01023.

There are no arrears of Listing Fees.

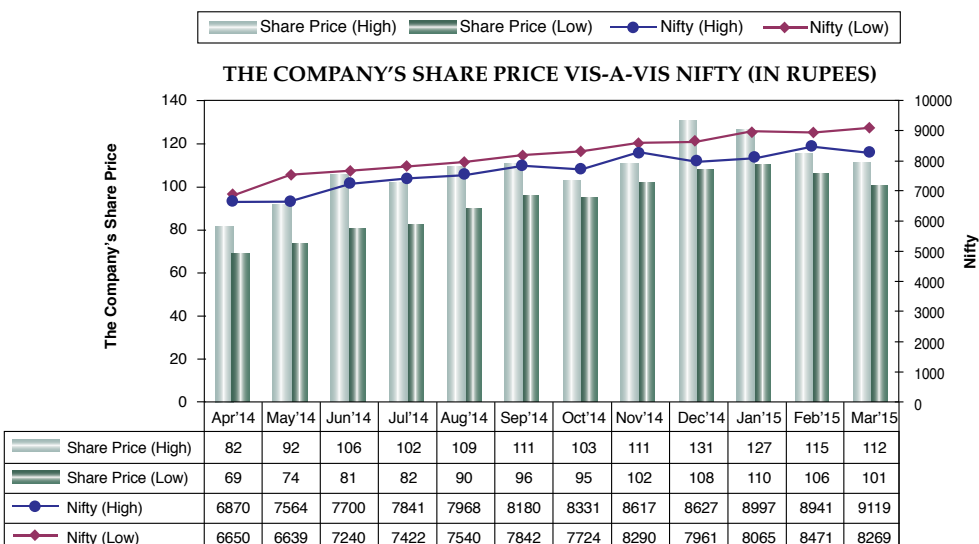
f. Market Price of the Company's share versus Sensex and Nifty (in Rupees)

The Company's monthly share price pattern during the financial year versus the Sensex and the Nifty has been as follows:

A. The Company's Share Price versus Sensex



B. The Company's Share Price versus Nifty



- g. The Company has a demat account namely “EIH Ltd-Unclaimed Suspense A/c” with ICICI Bank Limited. The Shares remaining unclaimed as on 31st March, 2015 in the said suspense account are as under:

<u>No. of Shareholders</u>	<u>No of Shares</u>	<u>% of Shareholders</u>
3057	1421718	0.25

- h. In accordance with Section 20 of the Companies Act, 2013 read with rule 35 of the Companies (Incorporation) Rules, 2014, the Annual Report and Accounts, Notices, Annual General Meeting Notice, Postal Ballot Notice, circulars etc. will be sent by electronic transmission to those shareholders whose e-mail addresses are made available to the Company by the shareholders and the depository. Documents e-mailed to shareholders will be available on the Company’s website www.eihltd.com to enable shareholders to read and download a copy, if required. Physical copies of the documents will be sent to those shareholders who have made a specific request in writing for the same. For the year 2014-15, the Company will follow the same procedure.

13. Outstanding global depository receipts

As on 31st March, 2015, the total shares held as Global Depository Receipts is 0.33 million shares. This constitute 0.06% of the total paid-up share capital of the Company.

14. Share Transfers

The Company is a SEBI recognised category II share transfer agent. Requests for dematerialisation and rematerialisation should be sent to the Company’s Investors Services Division, (“ISD”), 7, Sham Nath Marg, Delhi - 110 054.

The Company’s shares are traded on the stock exchanges in the dematerialised form. Shareholders are requested to ensure that their depository participants (“DPs”) promptly send physical documents, i.e., dematerialisation request form (“DRF”), share certificates, etc., to the ISD by providing the dematerialisation request number (“DRN”). Documents of transfer in the physical form, i.e., the transfer deeds, share certificates, etc., should similarly be sent to the ISD.

As on 31st March, 2015, 561.26 million shares of the Company (representing 98.20% of the total shares issued) were held in the dematerialised form and 10.31 million shares (representing 1.80% of the total shares) were held in the physical form. As on 31st March, 2015, the total number of shareholders are 70962 out of which 55,149 (77.72%) are holding shares in a dematerialised form. The balance 15,813 (22.28%) shareholders continue to hold shares in the physical form.

15. Distribution of shareholding as on 31st March, 2015

Shareholding Range	No. of shareholders	% of shareholders	No. of shares	% of Shareholding
Upto – 1000	56330	79.38	14262717	2.50
1001 – 5000	12703	17.90	26137924	4.57
5001 – 10000	1200	1.69	8297924	1.45
10001 – 50000	585	0.82	11456231	2.00
50001 – 100000	47	0.07	3313013	0.58
100001 and above	97	0.14	508101605	88.90
Total	70962	100.00	571569414	100.00

16. Pattern of shareholding as on 31st March, 2015

Category of Shareholders	Number of shareholders	Total number of shares	Total shareholding as a percentage of total number of shares
(A) PROMOTER AND PROMOTER GROUP			
(1) INDIAN			
Individual/HUF	5	26352663	4.61
Central Government/State Government(s)	-	-	-
Bodies Corporate	9	175105576	30.64
Financial Institutions / Banks	-	-	-
Others	-	-	-
Sub-Total A(1) :	14	201458239	35.25
(2) FOREIGN			
Individuals (NRIs/Foreign Individuals)	-	-	-
Bodies Corporate	-	-	-
Institutions	-	-	-
Qualified Foreign Investor	-	-	-
Others (specify)	-	-	-
Sub-Total A(2) :	-	-	-
Total Shareholding of Promoter and Promoter Group (A1+A2)	14	201458239	35.25
(B) PUBLIC SHAREHOLDING			
(1) INSTITUTIONS			
Mutual Funds /UTI	12	15958460	2.79

Category of Shareholders	Number of shareholders	Total number of shares	Total shareholding as a percentage of total number of shares
Financial Institutions / Banks	37	939424	0.16
Central Government/ State Government(s)	-	-	-
Venture Capital Funds	-	-	-
Insurance Companies	7	56992371	9.97
Foreign Institutional Investors	68	17138708	3.00
Foreign Venture Capital Investors	-	-	-
Qualified Foreign Investor	-	-	-
Others (specify)	-	-	-
Sub-Total B(1)	124	91028963	15.93
(2) NON-INSTITUTIONS			
Bodies Corporate	1139	211401027	36.99
Individuals			
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	68788	54726830	9.57
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	47	10609805	1.86
Qualified Foreign Investor	-	-	-
Others			
Non Resident Indians	755	1844577	0.32
Trusts	10	38373	0.01
Foreign Nationals	6	38953	0.01
Directors Relatives	1	435	-
Clearing Members	77	89182	0.02
Sub-Total B(2)	70823	278749182	48.77
Total Public Shareholding (B1+B2)	70947	369778145	64.70
Total of Promoter & Promoter Group + Public Shareholdings	70961	571236384	99.94
(C) Shares held by custodians, against which Depository Receipts have been issued			
Promoter and Promoter Group	-	-	-
Public	1	333030	0.06
GRAND TOTAL (A+B+C) :	70962	571569414	100.00

17. Unclaimed dividends

All unclaimed dividends upto and including the financial year ended 31st March, 2007, have been transferred either to the General Revenue Account of the Central Government or to the Investor Education and Protection Fund ("IEPF") as mandated under law.

Pursuant to Section 125(2) (c) of the Companies Act, 2013 read with Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 ("IEPF Rules"), the Company had filed Form 5 INV with the Ministry of Corporate Affairs giving detailed information on unclaimed dividends for the years 2008, 2009, 2010, 2011, 2012, 2013 and 2014. The yearwise unclaimed dividend position as on 31st March, 2015 are as under:

Year	No of Shareholders	Unclaimed Amount (₹ Million)
2008	5726	5.53
2009	6230	3.87
2010	7230	4.50
2011	8537	3.76
2012	8818	4.84
2013	9490	4.21
2014	7337	5.51

The information has also been uploaded on the Company's website www.eihltd.com

Shareholders who have not encashed their dividend warrants relating to the subsequent financial years are reminded by the Investors Services Division from time to time to claim their dividends before transfer to the IEPF. Under the extant provisions of the Companies Act, 2013, no claims shall lie against the IEPF or the Company in respect of individual dividend amounts which remain unclaimed for a period of 7 years from the date of disbursement. Shareholders who have not encashed their dividend warrants relating to the financial year ended 31st March, 2008 and subsequent years are requested to contact the Investors Services Division.

18. Location of Hotels

A list of hotels and other business units owned as well as managed by the Company appears as an Annexure to this Report.

19. Address for Correspondence

The Company's Registered Office is located at 4, Mangoe Lane, Kolkata-700 001.

Correspondence from Shareholders on all matters should be addressed to:

The Investors Services Division (ISD)

EIH Limited

7, Sham Nath Marg,

Delhi-110 054

Telephone No. : 91-11-2389 0505

Fax Nos. : 91-11-2389 0605

e-mail : isdho@oberoigroup.com
invcom@oberoigroup.com

20. Compliance with Clause 47(f) of the listing agreement

In compliance with Clause 47(f) of the listing agreement, a separate e-mail ID [**invcom@oberoigroup.com**](mailto:invcom@oberoigroup.com) operates as a dedicated ID solely for the purposes of registering investor complaints.

21. Information as per Clause 49 VIII E of the listing agreement

Information pursuant to clause 49 VIII E of the listing agreement pertaining to particulars of directors to be reappointed at the forthcoming Annual General Meeting is enclosed as an annexure to the notice convening the Annual General Meeting.

22. Compliance Certificate of the auditors

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. The certificate is annexed.

For and on behalf of the Board

New Delhi
30th May, 2015

VIKRAM OBEROI
Managing Director and Chief Executive Officer

Declaration by the Managing Director & Chief Executive Officer under Clause 49(II)E2 of the listing agreement regarding adherence to the Code of conduct.

In accordance with sub-clause 49(II) E2 of clause 49 of the listing agreement with the Stock Exchanges, I hereby confirm that all directors and senior management personnel of the Company have affirmed compliance with *The Oberoi Dharma*, the code of conduct, as applicable to them, for the financial year ended 31st March, 2015.

New Delhi
30th May, 2015

VIKRAM OBEROI
Managing Director and Chief Executive Officer

List of Subsidiary Companies**A. Companies Incorporated in India**

- (1) Mumtaz Hotels Limited
- (2) Mashobra Resort Limited
- (3) Oberoi Kerala Hotels and Resorts Limited

B. Companies Not Incorporated in India

- (1) EIH Flight Services Ltd
- (2) EIH International Ltd
- (3) EIH Holdings Ltd
- (4) EIH Marrakech Ltd
- (5) J&W Hong Kong Limited
- (6) EIHH Corporation Limited
- (7) EIH Investments N.V.
- (8) EIH Management Services B.V.
- (9) PT Widja Putra Karya
- (10) PT Waka Oberoi Indonesia
- (11) PT Astina Graha Ubud

Locations of the Various Hotels and Other Business Units

- A. Hotels owned and managed by EIH Limited
- | | |
|---------------------------|-------------------------------------|
| The Oberoi, Mumbai | The Oberoi Udaivilās, Udaipur |
| The Oberoi, New Delhi | The Oberoi Vanyavilās, Ranthambhore |
| The Oberoi, Bangalore | Trident, Nariman Point, Mumbai |
| The Oberoi Grand, Kolkata | Trident, Bandra Kurla, Mumbai |
- B. Hotels owned through Subsidiary / Associate Companies and managed by EIH Limited
- | | |
|---|----------------------|
| The Oberoi Amarvilās, Agra | Trident, Chennai |
| The Oberoi Rajvilās, Jaipur | Trident, Agra |
| Wildflower Hall, Shimla
(An Oberoi Resort) | Trident, Jaipur |
| The Oberoi Cecil, Shimla | Trident, Udaipur |
| The Oberoi, Bali | Trident, Cochin |
| The Oberoi, Lombok | Trident, Bhubaneswar |
| The Oberoi, Mauritius | Trident, Hyderabad |
| The Oberoi, Sahl Hasheesh, Egypt | |
- C. Hotels managed by EIH Limited / Subsidiary
- The Oberoi, Gurgaon
The Oberoi, Dubai
The Oberoi Zahra, Nile Cruiser
Trident, Gurgaon
- D. Other Business Units owned / jointly owned and managed by EIH Limited
- | | | |
|---|---------------------------------|-------------------------------|
| Motor Vessel Vrinda, Cochin
(A Luxury Cruiser) | Oberoi Flight Services, | Mumbai,
Delhi,
Chennai. |
| Maidens Hotel, Delhi | | |
| Printing Press, Manesar, Gurgaon | Oberoi Airport Services, | Mumbai |
| | Luxury Car Hire and Car Leasing | |
| | Business Aircraft Charters | |

Note:

EIH Limited has strategic / substantial investments in hotels owned by Subsidiary / Associate Companies. Overseas hotels are managed through a foreign subsidiary.

Luxury Car Hire and Car Leasing business is managed through a Jointly Controlled entity.

AUDITOR'S CERTIFICATE

To
The Members of
EIH Limited

We have examined the compliance of conditions of Corporate Governance by **EIH Limited** ('the Company') for the year ended on 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RAY & RAY
Chartered Accountants
Firm's Registration Number 301072E
R.N. ROY
Partner
Membership Number 8608

New Delhi
30th May, 2015

SECRETARIAL AUDIT REPORT

To

The Members

EIH Limited

4, Mangoe Lane

Kolkata - 700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**EIH Limited**” (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. However, the regulations are not applicable to the Company during the audit period since the Company has not raised any money from the public and hence, these regulations have not been considered for the purpose of this report.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. However, the regulations are not applicable to the Company during the audit period since

the Company does not have any such scheme in operation and hence, these guidelines have not been considered for the purpose of this report.

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. However, the regulations are not applicable to the Company during the audit period since the Company has not raised any money through debt securities from the public and hence, these regulations have not been considered for the purpose of this report.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time, regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. However, the regulations are not applicable to the Company during the audit period since the Company has not opted for delisting of its equity shares and hence, these regulations have not been considered for the purpose of this report.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. However, the regulations are not applicable to the Company during the audit period since the Company has not bought back any of its securities and hence, these regulations have not been considered for the purpose of this report.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India. Since these standards are applicable with effect from July 1, 2015, they have not been considered for the purpose of this report.
- ii. The Listing Agreements entered into by the Company with the National Stock Exchange of India, Bombay Stock Exchange, Calcutta Stock Exchange Limited and London Stock Exchange, U.K.

During the period under review, the Company has generally complied with the provisions of the Act, Rules Regulations, Guidelines, etc. mentioned above.

We further report that:

- 1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director in terms of Companies Act 2013 and Clause 49 of Listing Agreement. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 2. Adequate notice has been given to all directors to schedule the Board Meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3. All the decisions are carried unanimously. None of the members of the Board have expressed dissenting views on any of the agenda items during the financial year under review.

4. The Company has obtained approval of shareholders through postal ballot in respect of two ordinary resolutions during the year under review, after due compliance with the relevant provisions of the Companies Act, 2013 and Rules made there under.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and State legislations, reliance has been placed on the Compliance Certificate issued by the Company Secretary at each Board meeting, based on the report received by the Company from its hotels, resorts and service units etc, as part of the Company's Compliance Management and Reporting System. Based on the aforesaid internal compliance certificates, we are of the opinion that the Company has generally complied with the following:

- i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues.
- ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations.
- iii) Deposit of taxes relating to Income Tax, Value Added Tax, Central Sales Tax, Luxury Tax, Expenditure Tax, Professional Tax and other applicable taxes including Tax deducted at source. However, cases of disputed tax liabilities of substantial amount are brought up at each Board meeting, appropriate action is taken and recorded in the minutes of meetings. Such cases form part of the contingent liabilities in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report.
- iv) Applicable state and central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights and Measures, pertaining to the operations of the Company. However, notices received from the statutory authorities, if any, are reported as part of Board process for compliance reporting and appropriate action is taken from time to time.

For JUS & Associates
Company Secretaries

New Delhi
May 30, 2015

Jyoti Upmanyu Sharma
FCS-7985
CP No.-8987

INDEPENDENT AUDITOR'S REPORT

To
The Members of
EIH Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of EIH LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements on a going concern basis that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and consistent application of appropriate accounting policies and making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that operate effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) Note 13 to the standalone financial statements, wherein the Company's investments in the Equity shares of EIH Flight Services Ltd, Mauritius, amounting to ₹ 547.89 Million has been disclosed as Non-Current Investments at cost though the net worth stands fully eroded due to continuous losses. No adjustment for impairment has been considered necessary by the management for reasons stated in Note 37 to the Standalone Financial Statements.
- b) Note 41 to the standalone financial statements relating to the stay order given by the High Court of Himachal Pradesh against the issue and offer of shares by Mashobra Resort Limited to the Company against the advances made by the Company thereby making the adjustment of such advances dependent upon the Hon'ble High Court's decision.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015, ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015, from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements in respect of claims and demands on the Company which are being contested as mentioned in Note 31 (A) (i) and 41.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For RAY & RAY
Chartered Accountants
(Firm's Registration No.301072E)

Place: New Delhi,
Date: 30th May, 2015

R.N. ROY
Partner
Membership No. 8608

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report at even date)

- i
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) The fixed assets have been physically verified by the Management during the year in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification which were not material have been properly dealt with in the books of account.
- ii
 - (a) As explained to us, inventories have been physically verified by the Management during the year at reasonable intervals. In respect of stocks lying with third parties, certificates confirming stocks have been received for stocks held.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Therefore, clause (iii) (a) and (b) of paragraph 3 of the aforesaid Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system of the Company.
- v. The Company has not accepted any deposit from the public. As such requirement of clause (v) of paragraph 3 of aforesaid order is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act for the Company.
- vii
 - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and any other statutory dues applicable to it.

According to information and explanations given to us, there are no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess that were outstanding, as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the following dues of income tax, value added tax/sales tax, customs duty, excise duty, service tax and luxury tax have not been deposited by the Company on account of disputes:

Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (Rupees Million)
1	Income Tax Act, 1961	Income Tax	CIT (Appeals), Kolkata for Assessment Years 2000-2001, 2005-2006 to 2008-2009, 2010-2011 to 2011-2012.	290.01
			ITAT, Kolkata for Assessment Years 2002-2003 to 2006-2007, and 2008-2009 to 2009-2010.	422.48
			TOTAL	712.49
2.	Income Tax Act, 1961	Tax deducted at source	CIT (Appeals), Delhi for Assessment Years 2004-2005 to 2007-2008, 2010-2011 and 2011-2012.	14.59
			DCIT (Appeals), Delhi for Assessment Year 2011-2012.	0.43
			TOTAL	15.02
3.	Value Added Tax of various States	Value Added Tax/ Sales Tax	Maharashtra Sales Tax Tribunal/Joint Commissioner of Sales Tax Appeals, Mumbai for 1999-2000, 2008-2009 and 2009-2010.	7.87
			Maharashtra Sales Tax Tribunal, Mumbai for 2005-2006.	3.07
			Joint Commissioner of Sales Tax (Appeals), Mumbai for 2007-08 & 2008-09.	24.14
			Additional Commissioner of Sales Tax & VAT, Kolkata for 2008-2009 and 2011-2012.	2.34
			W.B. Commercial Taxes Appellate and Divisional Board, Addnl. Commissioner of Sales Tax Appeals, Kolkata for 2005-2006, 2007-2011.	10.58
			Additional Commissioner (Appeals) Commercial Tax Dept., Udaipur for 2011-12 to 2013-14.	9.47
			TOTAL	57.47

Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (Rupees Million)
4.	Customs Act, 1962	Customs Duty	CESTAT Tribunal, Delhi for 2008-2009.	429.66
			TOTAL	429.66
5.	Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, Mumbai for 2005-2006 and 2006-2007.	69.53
			Customs, Excise and Service Tax Appellate Tribunal, Delhi for 2004-2005 and 2005-2006.	26.01
			TOTAL	95.54
6.	Service Tax	Service Tax	CEST Appellate Tribunal, Chennai for 2009-10.	4.35
			Various Show Cause Notices served for 2004-2006 and 2009-2013 and replied.	62.79
			Commissioner of Central Excise (Appeal-I), Kolkata 2001-2006.	0.27
			Commissioner of Service Tax, Kolkata for 2009-2010 to 2011-2012.	22.98
			CEST Appellate Tribunal, Bangalore for 2004-2006.	1.11
			Commissioner of Service Tax, Division-I, Delhi for 2007-2008 to 2009-2010.	6.40
			Customs, Excise and Service Tax Appellate Tribunal, New Delhi for 2011-2012.	6.69
			Commissioner of Service Tax, Delhi for 2003-2004 to 2006-2007.	48.90
			Commissioner of Service Tax, Kolkata for 2008-2009 to 2011-2012.	4.07
			CEST Appellate Tribunal, Delhi for 2008-2010.	0.36
			Additional Commissioner of Service Tax, Delhi for 2010-2012.	0.98
			Commissioner of Service Tax-I, Mumbai for 2012-2013.	16.77
			TOTAL	175.67

Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (Rupees Million)
7.	Rajasthan Tax on Luxuries (In Hotels and Lodging House) Act, 1990	Luxury Tax	Additional Commissioner (Appeals), Commercial Tax Department, Udaipur for 2010-2011 to 2013-2014.	32.96
TOTAL				32.96

- (c) According to the records of the Company the amount which was required to be transferred to Investor Education and Protection Fund has been transferred as per the requirement of clause (vii) (c) of paragraph 3 of this order.
- viii The Company has no accumulated losses and has not incurred any cash loss during the year covered by our Report and in the immediately preceding financial year.
- ix In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. There are no debenture holders.
- x The Company has given guarantees amounting ₹ 1,241.59 Million for loans taken by its subsidiary company from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions on which the Company has given guarantees for loans taken from banks and financial institutions are not, prima-facie, prejudicial to the interest of the Company.
- xi According to the information and explanations given to us, the term loans raised by the Company have been applied for the purpose for which they were raised.
- Xii According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For RAY & RAY
Chartered Accountants
(Firm's Registration No.301072E)

New Delhi
30th May, 2015

R.N. ROY
Partner
Membership No. 8608

Balance Sheet

as at 31st March, 2015

			As at 31st March	
		Rupees	2015	2014
EQUITY AND LIABILITIES	Note	Million	Rupees	Rupees
SHAREHOLDERS' FUNDS			Million	Million
SHARE CAPITAL	2	1,143.14		1,143.14
RESERVES AND SURPLUS	3	25,430.04		25,332.72
			26,573.18	26,475.86
NON-CURRENT LIABILITIES				
LONG TERM BORROWINGS	4	640.12		1,035.17
DEFERRED TAX LIABILITIES - NET	5	1,903.17		1,924.56
OTHER LONG TERM LIABILITIES	6	48.74		20.71
LONG TERM PROVISIONS	7	166.17		150.82
			2,758.20	3,131.26
CURRENT LIABILITIES				
SHORT TERM BORROWINGS	8	1,038.75		1,364.41
TRADE PAYABLES	9	764.46		894.13
OTHER CURRENT LIABILITIES	10	1,785.18		1,539.49
SHORT TERM PROVISIONS	11	752.22		722.28
			4,340.61	4,520.31
TOTAL			33,671.99	34,127.43
ASSETS				
NON-CURRENT ASSETS				
FIXED ASSETS				
TANGIBLE ASSETS	12	19,463.40		20,676.46
INTANGIBLE ASSETS	12	3.68		4.30
CAPITAL WORK-IN-PROGRESS		788.43		456.84
INTANGIBLE ASSETS - COMPUTER SOFTWARE (UNDER DEVELOPMENT AND IMPLEMENTATION)		69.11		-
NON-CURRENT INVESTMENTS	13	7,290.75		7,039.50
LONG TERM LOANS AND ADVANCES	14	3,145.92		3,311.93
OTHER NON-CURRENT ASSETS	15	-		-
			30,761.29	31,489.03
CURRENT ASSETS				
INVENTORIES	16	390.92		397.50
TRADE RECEIVABLES	17	1,886.67		1,701.24
CASH AND BANK BALANCES	18	236.69		164.60
SHORT TERM LOANS AND ADVANCES	19	393.82		370.90
OTHER CURRENT ASSETS	20	2.60		4.16
			2,910.70	2,638.40
TOTAL			33,671.99	34,127.43

NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE BALANCE SHEET.

This is the Balance Sheet referred
to in our report of even date.

For RAY & RAY
Chartered Accountants

R.N. ROY
Partner
Membership Number 8608

P.R.S. OBEROI
Executive Chairman

VIKRAM OBEROI
Managing Director and Chief Executive Officer

L. GANESH
Director

New Delhi
30th May, 2015

BISWAJIT MITRA
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2015

	Note	Year ended 31st March 2015 Rupees Million	2014 Rupees Million
INCOME			
REVENUE FROM OPERATIONS	21	13,230.85	12,380.43
OTHER INCOME	22	432.24	408.98
TOTAL REVENUE		13,663.09	12,789.41
EXPENSES			
CONSUMPTION OF PROVISIONS, WINES & OTHERS	23	1,932.73	1,783.65
EMPLOYEE BENEFIT EXPENSES	24	3,632.96	3,350.81
FINANCE COSTS	25	306.08	406.50
DEPRECIATION AND AMORTISATION EXPENSE	26	1,240.81	991.75
OTHER EXPENSES	27	5,038.02	4,862.28
TOTAL EXPENSES		12,150.60	11,394.99
PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX		1,512.49	1,394.42
EXCEPTIONAL ITEMS - PROFIT	28	–	118.44
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		1,512.49	1,512.86
EXTRAORDINARY ITEMS - (LOSS)	29	–	(65.04)
PROFIT BEFORE TAX		1,512.49	1,447.82
TAX			
CURRENT TAX	30	488.42	311.72
DEFERRED TAX		57.74	185.69
PROFIT FOR THE YEAR		966.33	950.41
BASIC AND DILUTED EARNINGS PER SHARE			
(in Rupees) Face Value ₹ 2	43		
- BEFORE EXTRAORDINARY ITEMS		1.69	1.78
- AFTER EXTRAORDINARY ITEMS		1.69	1.66

NOTES TO THE ACCOUNTS FORM AN INTEGRAL PART OF THE STATEMENT OF PROFIT AND LOSS

This is the Statement of Profit & Loss referred
to in our report of even date.

For RAY & RAY
Chartered Accountants

R.N. ROY
Partner
Membership Number 8608

P.R.S. OBEROI
Executive Chairman

VIKRAM OBEROI
Managing Director and Chief Executive Officer

L. GANESH
Director

New Delhi
30th May, 2015

BISWAJIT MITRA
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Cash Flow Statement for the year ended 31st March, 2015

	Year ended 31st March 2015 Rupees Million	2014 Rupees Million
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	1,512.49	1,447.82
Adjustments for:		
Depreciation	1,240.81	991.75
(Profit) / Loss on Sale/diminution in value of Investments (Net)	-	(53.40)
(Profit) / Loss on Sale of Fixed Assets (Net)	7.88	21.59
Interest Income	(12.97)	(10.75)
Dividend Income	(236.96)	(257.06)
Interest Expenditure	306.08	406.50
Operating Profit before Working Capital Changes	2,817.33	2,546.45
Adjustments for:		
Trade & Other Receivables	(152.15)	(85.74)
Inventories	6.58	(56.34)
Trade & Other Payables	172.29	191.45
Cash Generated from Operations	2,844.05	2,595.82
Payment of Direct Taxes	(376.94)	(375.95)
Net cash from Operating Activities	2,467.11	2,219.87
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(697.27)	(634.47)
Sale of Fixed Assets	28.65	20.07
Purchase of Investments	(251.25)	(109.61)
Sale of Investments	-	180.81
Advance towards Equity	-	1.60
Interest Received	12.98	10.98
Dividend Received	236.96	257.06
Changes in other bank balances	(65.46)	(4.49)
Cash used in Investing Activities	(735.39)	(278.05)

Cash Flow Statement for the year ended 31st March, 2015 — *Contd.*

	Year ended 31st March 2015 Rupees Million	2014 Rupees Million
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds for Borrowings		
Cash Credit	174.34	-
Short Term	100.00	750.00
Repayment of		
Long Term	(400.00)	(400.00)
Cash Credit	-	(339.55)
Short Term	(600.00)	(1,000.00)
Interest Paid	(306.12)	(414.83)
Dividend Paid	(628.23)	(513.47)
Tax on Dividend	(65.07)	(67.50)
Net Cash used in Financing Activities	(1,725.08)	(1,985.35)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	6.64	(43.53)
Cash and Cash Equivalents at beginning of year	123.13	166.66
Cash and Cash Equivalents at end of year	129.77	123.13

Notes:

- The Cash Flow Statement has been prepared in indirect method except in case of dividend income, purchase and sale of investments which have been considered on the basis of actual cash movement, with corresponding adjustments in Assets and Liabilities.
- Additions to Fixed Assets are stated inclusive of movements of Capital Work-In-Progress between the beginning and end of the year and treated as part of Investing Activities.

This is the Cash Flow Statement referred
to in our report of even date.

For RAY & RAY
Chartered Accountants

R.N. ROY
Partner
Membership Number 8608

P.R.S. OBEROI
Executive Chairman

VIKRAM OBEROI
Managing Director and Chief Executive Officer

L. GANESH
Director

New Delhi
30th May, 2015

BISWAJIT MITRA
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Notes to Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These Financial Statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('The Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified).

The Financial Statements are prepared on accrual basis under historical cost convention except for certain Fixed Assets which are carried at revalued amounts and on going concern basis.

USE OF ESTIMATES

In preparing the Financial Statements in conformity with accounting principles generally accepted in India, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of Financial Statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

PRIOR PERIOD ADJUSTMENTS, EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND CHANGES IN ACCOUNTING POLICIES

Prior period adjustments, exceptional items, extraordinary items and changes in accounting policies having material impact on the financial affairs of the Company are disclosed.

FIXED ASSETS

Tangible Assets are stated at cost of acquisition or construction and in case of revaluation of assets at revalued amounts net of impairment loss if any, less depreciation/amortisation. Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Assets acquired under lease are capitalised at the present value of minimum lease payments and are stated at the capitalised value net of accumulated depreciation.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use on the reporting date and materials at site.

Intangible Assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

DEPRECIATION

Depreciation on fixed assets other than land, the hotel buildings, certain buildings on leasehold land and leased vehicles and machinery is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. Leased vehicles, leased machineries and building installed on leasehold land (other than perpetual lease) are depreciated over the lives of the respective leases or over the remaining lease period from the date of installation whichever is shorter. Long term leasehold land (other than perpetual lease) are depreciated over the balance period of the lease, commencing from the date the land is put to use for commercial purposes.

The hotel buildings are depreciated equally over the balance useful life ascertained by independent technical expert, which ranges between 30 years and 60 years. The management believes that the balance useful lives so assessed best represent the periods over which the hotel buildings are expected to be in use.

In case of certain land and building which were revalued in the past, the additional depreciation on the increased value of the assets due to revaluation is debited to the Statement of Profit and Loss and an equivalent amount is transferred from Revaluation Reserve to General Reserve.

REVENUE RECOGNITION

- Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable. Revenue from sale of printed and other materials is recognised on despatch of materials. Revenue from Shop Licence Fee, Management and Marketing Fee included under "Other Services" is recognised on accrual basis as per terms of contract.
- Revenue from interest is recognised on accrual basis and determined by contractual rate of interest.
- Dividend income is stated at gross and is recognised when right to receive payment is established.

Notes to Accounts — *Contd.*

IMPAIRMENT OF ASSETS

Impairment is ascertained at each Balance Sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount.

LEASES

In respect of assets acquired on or after 1st April, 2001, the same are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term. Lease payments are apportioned between the interest charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Interest component is charged to the Statement of Profit and Loss under Finance costs.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on straight line basis, over the lease period.

INVESTMENTS

Investments held by the Company which are long term in nature are stated at cost unless there is any permanent diminution in value where provision for diminution is made on individual investment basis. Current investments are valued at cost or market price or fair value, whichever is lower. Earnings on investments are accounted for on accrual basis.

INVENTORIES

Inventories are valued at cost which is based on First-In-First-Out method or net realisable value, whichever is lower. Unserviceable/damaged/discarded stocks and shortages are charged to the Statement of Profit and Loss.

TRANSACTIONS IN FOREIGN CURRENCY

Sales made in foreign currency are converted at the prevailing applicable exchange rate. Gain/Loss arising out of fluctuations in exchange rate is accounted for on realisation.

Payments made in foreign currency including for acquiring investments are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

Revenue expenditure of all the overseas Sales Offices are converted at the average exchange rate for the year. Assets and liabilities other than Fixed Assets are converted at the exchange rate prevailing at the close of the accounting year and Fixed Assets are converted at the month-end exchange rate of the month of acquisition.

Foreign currency loans covered by forward contracts are realigned at the forward contract rates, while those not covered by forward contracts are realigned at the rates ruling at the year end. The differences on realignment is accounted for in the Statement of Profit and Loss.

EMPLOYEE BENEFITS

Short Term Employee Benefit is recognized as expense in the Statement of Profit and Loss of the year in which related service is rendered.

Post employment and other Long Term Employee Benefits are provided in the Accounts in the following manner:

- (i) Gratuity - Maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India, as per Company's Scheme. Provision/ write back, if any, is made on the basis of the present value of the liability as at the Balance Sheet date determined by actuarial valuation following Projected Unit Credit Method and is treated as liability under Other Current Liability.
- (ii) Leave encashment on termination of service - As per actuarial valuation as at the Balance Sheet date following Projected Unit Credit Method.
- (iii) Provident Fund - Provident Fund for most of the employees is a Defined Contribution Scheme, where the contribution is made to a Fund administered by the Government Provident Fund Authority.

For a few employees, Provident Fund, administered by a Recognised Trust, is a Defined Benefit Plan wherein the employee and the Company make monthly contributions. Pending the issuance of Guidance Note from the Actuarial Society of India, actuarial valuation is not carried out and the Company provides for required liability at year end, in respect of the shortfall, if any, upon confirmation from the Trustees of such Fund.

BORROWING COST

Borrowing cost that is attributable to the acquisition / construction of fixed assets are capitalised as part of the cost of the respective assets. Other borrowing costs are recognised as expenses in the year in which they arise.

Notes to Accounts — *Contd.*

SHARE ISSUE EXPENSES

Share issue expenses are written off against the Securities Premium Account in accordance with Section 52 of the Companies Act, 2013.

TAXES ON INCOME

Income-tax is accounted for in accordance with Accounting Standard on 'Accounting for taxes on income' notified under the Companies (Accounting Standards) Rules, 2006.

Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future income tax liability is adjusted and is recognized as an asset in the balance sheet.

Deferred tax is provided and recognized on timing differences between taxable income and accounting income subject to prudential consideration. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is virtual certainty about availability of future taxable income to realize such assets.

PROPOSED DIVIDEND

Dividend recommended by the Board of Directors is provided for in the Accounts pending Shareholders' approval.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when there is a present legal or statutory obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an on going basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognised in the Financial Statements.

Notes to Accounts — Contd.

		As at 31st March	
		2015	2014
		Rupees	Rupees
		Million	Million
2			
SHARE CAPITAL			
AUTHORISED			
1,500,000,000 Equity Shares of ₹ 2 each		3,000.00	3,000.00
(2014-1,500,000,000)			
		3,000.00	3,000.00
ISSUED, SUBSCRIBED & FULLY PAID UP			
571,569,414 Equity Shares of ₹ 2 each		1,143.14	1,143.14
(2014-571,569,414)			
		1,143.14	1,143.14

a) Reconciliation of Share Capital

		As at 31st March		
	2015		2014	
	Number of Shares	₹ Million	Number of Shares	₹ Million
Balance at the beginning of the year	571,569,414	1,143.14	571,569,414	1,143.14
Balance at the end of the year	571,569,414	1,143.14	571,569,414	1,143.14

b) The Company has one class of equity shares having a par value of ₹ 2 per share. These shares rank *pari passu* in all respects including voting rights and entitlement to dividend.

c) Shares held by Shareholders holding more than 5 percent shares in the Company :

		As at 31st March		
		2015	2014	
	Number of Shares	% holding	Number of Shares	% holding
(1) Reliance Industrial Investments and Holdings Limited	105,907,273	18.53	105,907,273	18.53
(2) ITC Limited	85,621,473	14.98	85,621,473	14.98
(3) Oberoi Hotels Private Limited	83,646,328	14.63	83,646,328	14.63
(4) Life Insurance Corporation of India	32,433,881	5.67	34,747,348	6.08
(5) Oberoi Holdings Private Limited	35,257,278	6.17	35,257,278	6.17
(6) Oberoi Investments Private Limited	29,968,293	5.24	29,968,293	5.24

Notes to Accounts — Contd.

		As at 31st March	
	Rupees Million	2015 Rupees Million	2014 Rupees Million
3			
RESERVES AND SURPLUS			
CAPITAL REDEMPTION RESERVE			
As per last Account		1,024.21	1,024.21
SECURITIES PREMIUM ACCOUNT			
As per last Account		12,373.41	12,373.41
REVALUATION RESERVE			
As per last Account	2,232.53		2,262.52
Less : Transfer to General Reserve / Adjustment (Note 36b)	21.38		29.99
		2,211.15	2,232.53
GENERAL RESERVE			
As per last Account	6,450.00		6,300.00
Add : Transfer from Revaluation Reserve (Note 36b)	21.38		–
Add: Transfer from Surplus	150.00		150.00
		6,621.38	6,450.00
SURPLUS			
Opening Balance	3,252.57		3,145.96
Add: Profit during the year as per Statement of Profit & Loss	966.33		950.41
	4,218.90		4,096.37
Less: Carrying amount of fixed assets where remaining useful life is nil as on 1st April, 2014 (Sch II of the Companies Act, 2013) net of deferred tax	153.67		-
	4,065.23		4,096.37
Less: Allocations / Appropriations			
Transfer to General Reserve	150.00		150.00
Proposed Dividend on Equity Shares	628.73		628.73
Tax on Dividend	86.61		65.07
		3,199.89	3,252.57
		25,430.04	25,332.72

Dividend of ₹ 1.10 per share (2014 - ₹ 1.10 per share) amounting to ₹ 628.73 Million (2014 - ₹ 628.73 Million) has been recommended by the Board of Directors. This dividend will be paid to the shareholders if approved at the forthcoming Annual General Meeting.

Notes to Accounts — Contd.

4	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
LONG TERM BORROWINGS		
Secured Loan from Bank		
ICICI Bank Limited (ICICI)	600.00	1,000.00
Long Term maturity of Finance Lease Obligations	40.12	35.17
	<u>640.12</u>	<u>1,035.17</u>

PARTICULARS OF TERM LOANS:

- (i) Term Loan from ICICI carries interest at the rate of 1.5% above bank's base rate, repayable in quarterly installments of ₹ 100 million each. Repayment will be complete in July 2017.
- (ii) The Finance Lease obligations are secured by hypothecation of vehicles taken under Lease. Repayments are done by equated monthly installments over 36 to 60 months.

PARTICULARS OF SECURITIES:

Term loan from ICICI is secured by way of equitable mortgage by deposit of title deeds in respect of the Company's hotel in Delhi known as Maidens Hotel, ranking *pari passu*.

5	Rupees Million	As at 31st March	
		2015 Rupees Million	2014 Rupees Million
DEFERRED TAX LIABILITIES - NET			
Deferred Tax Liabilities on account of :			
Depreciation		2,071.08	2,075.60
Deferred Tax Assets on account of :			
Accrued Expenses Deductible on Payment	64.54		54.93
Leave Encashment	32.79		24.20
Provision For Debts, Advances and Investments	70.58		71.91
		<u>167.91</u>	<u>151.04</u>
Deferred Tax Liabilities (Net)		<u>1,903.17</u>	<u>1,924.56</u>

Notes to Accounts — Contd.

6	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
OTHER LONG TERM LIABILITIES		
Liability for Capital Expenditure	0.16	0.29
Security Deposits	48.58	20.42
	<u>48.74</u>	<u>20.71</u>
 7		
LONG TERM PROVISIONS		
Leave Encashment	166.17	150.82
	<u>166.17</u>	<u>150.82</u>
 8		
SHORT-TERM BORROWINGS		
SECURED		
Short Term Loan From Banks		
The Hongkong & Shanghai Banking Corporation Limited (HSBC)	450.00	450.00
Cash Credit From Banks		
United Bank of India	424.27	201.97
The Hongkong & Shanghai Banking Corporation Limited (HSBC)	164.48	212.44
UNSECURED		
From Bank		
AXIS Bank Limited	—	500.00
	<u>1038.75</u>	<u>1,364.41</u>

PARTICULARS OF SHORT TERM BORROWINGS :

Cash credit facilities and short term loan from HSBC are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the company, both present and future, ranking *pari passu*. Cash credit with United Bank of India is additionally secured by way of second charge in respect of the Company's hotel in Kolkata known as The Oberoi Grand. Cash Credit is repayable on demand and carries interest at floating rate linked to the base rates of the respective banks.

Short term loan from HSBC carries interest at the rate of 10.50%.

Notes to Accounts — *Contd.*

	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
9		
TRADE PAYABLES		
Total Outstanding dues of Micro Enterprises and Small Enterprises (Note 40)	3.62	3.24
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	760.84	890.89
	764.46	894.13
10		
OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt	400.00	400.00
Current Maturities of Finance Lease Obligations	25.93	26.95
Interest accrued but not due on borrowings	2.26	2.30
Advance from Customer	400.07	243.76
Unclaimed Dividend	32.25	31.75
Unclaimed Fractional Share sale proceeds (against Bonus Issue)	0.18	0.18
Other Payables		
Contribution payable towards Gratuity Fund	28.80	36.85
Liability for Capital Expenditure	34.85	41.55
Security Deposits	47.21	70.36
Others (includes taxes payable ₹ 304.09 Million (2014 - ₹ 213.58 Million))	813.63	685.79
	1,785.18	1,539.49
11		
SHORT TERM PROVISIONS		
Leave Encashment	22.41	14.18
Proposed Dividend on Equity Shares	628.73	628.73
Tax on Dividend	86.61	65.07
Wealth Tax (net of advance)	14.47	14.30
	752.22	722.28

Notes to Accounts — Contd.

		GROSS BLOCK			DEPRECIATION				NET BLOCK		Rupees Million	
		Original Cost/ Revaluation as at 31st March, 2014	Addi- tions	Sales/ Adjust- ments	Original Cost/ Revaluation as at 31st March, 2015	As at 31st March, 2014	Adjustment against Retained Earnings	For the Year	Less: Sales/ Adjust- ments	As at 31st March, 2015		As at 31st March, 2014
D) TANGIBLE ASSETS	Freehold Land including development cost	1,410.85	1.28	0.10	1,412.03	-	-	-	-	-	1,412.03	1,410.85
	Leasehold Land	2,643.62	-	-	2,643.62	129.42	-	36.83	-	166.25	2,477.37	2,514.20
	Buildings	13,072.93	25.46	38.72	13,059.67	2,538.68	-	234.70	36.90	2,736.48	10,323.19	10,534.25
	Office Equipment	95.41	1.92	4.97	92.36	45.87	17.58	9.67	3.12	70.00	22.36	49.54
	Plant & Machinery	8,606.82	173.86	106.19	8,674.49	3,615.32	203.68	723.93	83.73	4,459.20	4,215.29	4,991.50
	Leased Machinery (Note 38)	239.43	-	239.43	-	239.43	-	-	-	239.43	-	-
	Furniture & Fittings	1,387.86	18.06	13.90	1,392.02	796.65	7.53	138.24	12.86	929.56	462.46	591.21
	Vehicles	360.36	31.70	8.69	383.37	208.85	4.00	39.62	7.93	244.54	138.83	151.51
	Leased Vehicles (Note 38)	129.77	41.99	51.32	120.44	73.03	-	30.45	43.56	59.92	60.52	56.74
	Boats	50.17	1.20	1.21	50.16	16.85	-	1.72	0.47	18.10	32.06	33.32
Aircrafts	558.77	-	-	558.77	215.43	-	24.05	-	239.48	319.29	343.34	
TOTAL TANGIBLE ASSETS		28,555.99	295.47	464.53	28,386.93	7,879.53	232.79	1,239.21	428.00	8,923.53	19,463.40	20,676.46
Previous year		28,171.02	576.23	191.26	28,555.99	7,008.45	-	1,020.67	149.59	7,879.53	20,676.46	-
ii) INTANGIBLE ASSETS												
Business Rights		78.72	-	-	78.72	78.72	-	-	-	-	-	-
Computer Softwares		9.65	0.98	-	10.63	5.35	-	1.60	-	6.95	3.68	4.30
TOTAL INTANGIBLE ASSETS		88.37	0.98	-	89.35	84.07	-	1.60	-	85.67	3.68	4.30
Previous year		87.24	1.20	0.07	88.37	83.06	-	1.07	0.06	84.07	4.30	-

Notes to Accounts — Contd.

		As at 31st March	
		2015 Rupees Million	2014 Rupees Million
13			
NON-CURRENT INVESTMENTS			
Investments In Equity Instruments			
Trade Investments			
Quoted -			
25,000 (2014 - 25,000) Equity Shares of ₹ 10 each of Tourism Finance Corporation of India Limited fully paid		0.50	0.50
Associate			
11,215,118 (2014 - 11,215,118) Equity Shares of ₹ 10 each of EIH Associated Hotels Limited fully paid		1,010.72	1,010.72
Unquoted -			
Joint Ventures			
9,796,632 (2014 - 7,907,612) Equity Shares of ₹ 10 each of Mercury Car Rentals Private Limited fully paid		215.36	150.00
Subsidiary Companies			
96,607,800 (2014 - 93,607,800) Equity Shares of \$1 each of EIH International Ltd fully paid		4,401.67	4,215.79
25,999,995 (2014 - 25,999,995) Equity Shares of ₹ 10 each of Mashobra Resort Limited fully paid		260.04	260.04
2,176,000 (2014 - 2,176,000) Equity Shares of ₹ 10 each of Oberoi Kerala Hotels and Resorts Limited fully paid		21.76	21.76
12,390,000 (2014 - 12,390,000) Equity Shares of ₹ 10 each of Mumtaz Hotels Limited fully paid		394.72	394.72
35,338,006 (2014 - 35,338,006) Equity Shares of Mauritius Rupees 10 each of EIH Flight Services Ltd, Mauritius fully paid (Note 37)		547.89	547.89
Other Investments : Unquoted			
41,858,400 (2014 - 41,858,400) Equity Shares of ₹ 10 each of Golden Jubilee Hotels Limited fully paid		418.58	418.58
849,575 (2014 - 849,575) Equity Shares of ₹ 10 each of Mercury Travels Limited fully paid		18.70	18.70
18,000 (2014 - 18,000) Equity Shares of ₹ 10 each of Green Infra Wind Generation Limited fully paid		0.18	0.18
3,200 (2014 - 3,200) Equity Shares of ₹ 10 each of ReNew Wind Energy (Karnataka) Pvt. Ltd. fully paid		0.32	0.32
Investment in Government Securities (Unquoted) Non Trade			
National Savings Certificate (lodged with Government Authorities as Security Deposit)		0.31	0.30
		7,290.75	7,039.50
		Book Value Rupees Million	Market Value Rupees Million
Quoted		1,011.22 (1,011.22)	2,491.45 (1,794.45)
Unquoted		6,279.53 (6,028.28)	
		7,290.75 (7,039.50)	

(Figures in bracket represent figures for 2014)

Notes to Accounts — Contd.

	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
14		
LONG TERM LOANS AND ADVANCES (Unsecured)		
(Considered good unless otherwise stated)		
Loans and Advances to Related Parties		
Advances towards Equity in Subsidiary Company :		
Mashobra Resort Limited (Note 41)	1,361.93	1,361.93
Loans and Advances to Others		
Capital Advances	14.97	7.27
Advances recoverable in cash or in kind or for value to be received	27.20	50.27
Other Advances recoverable - considered doubtful	186.74	188.42
Sundry Deposits	921.46	957.74
Prepaid Expenses	4.82	7.70
Income Tax Advance/Refund (net of provision)	815.54	818.30
MAT credit entitlement	-	108.72
	<u>3,332.66</u>	<u>3,500.35</u>
Less: Provision for Doubtful Advances	186.74	188.42
	<u>3,145.92</u>	<u>3,311.93</u>
15		
OTHER NON-CURRENT ASSETS		
Long Term Trade Receivables (Unsecured)		
Considered doubtful	17.20	22.31
	<u>17.20</u>	<u>22.31</u>
Less: Provision for Doubtful Debts	17.20	22.31
	<u>-</u>	<u>-</u>
16		
INVENTORIES		
(At lower of cost or net realisable value)		
Provisions, Wines & Others	178.02	205.55
(includes stock lying with third party ₹ 3.50 Million (2014 - ₹ 4.72 Million))		
Stores & Operating Supplies	212.90	191.95
	<u>390.92</u>	<u>397.50</u>

Notes to Accounts — *Contd.*

	Rupees Million	As at 31st March	
		2015 Rupees Million	2014 Rupees Million
17			
TRADE RECEIVABLES (Unsecured)			
Outstanding for a period exceeding six months from the due date - Considered good		143.51	139.20
Other Debts - Considered good		1,743.16	1,562.04
Other Debts - Considered doubtful		-	0.47
		1,886.67	1,701.71
<i>Less: Provision for Doubtful Debts</i>		-	0.47
		1,886.67	1,701.24
18			
CASH & BANK BALANCES			
Cash & Cash Equivalents			
Cash in hand	15.94		16.79
Cheques in hand	28.09		39.31
Balances with Banks			
Current Accounts	82.13		52.28
Fixed Deposits with maturity within 3 months	3.61		14.75
		129.77	123.13
Other Bank Balances			
Fixed Deposits maturing within 3 - 12 months		69.96	6.12
Margin Deposits		4.53	3.42
Unpaid Dividend Accounts		32.25	31.75
Escrow Accounts / Fractional Share sale proceeds (against Bonus Issue)		0.18	0.18
		236.69	164.60
19			
SHORT-TERM LOANS AND ADVANCES			
Unsecured - Considered good			
Advances recoverable in cash or in kind or for value to be received			
Related Parties		-	2.41
Others		187.10	170.41
Prepaid Expenses		95.66	116.76
Sundry Deposits		111.06	81.32
		393.82	370.90
20			
OTHER CURRENT ASSETS			
Interest Accrued on deposits		1.75	1.75
Assets held for disposal		0.10	-
Other Receivables - Considered good (Unsecured)		0.75	2.41
		2.60	4.16

Notes to Accounts — Contd.

		Year ended 31st March	
	Rupees Million	2015 Rupees Million	2014 Rupees Million
21			
REVENUE FROM OPERATIONS			
Rooms	5,083.97		4,576.52
Food and Beverage	5,813.19		5,554.97
Other Services	1,789.12		1,699.38
Sale of Printed Materials	549.51		555.01
		13,235.79	12,385.88
Less: Excise Duty (on printed materials)		4.94	5.45
		<u>13,230.85</u>	<u>12,380.43</u>

22			
OTHER INCOME			
Interest		12.97	10.75
(includes interest from Income tax ₹ Nil (2014 - ₹ 0.90 Million))			
Dividend			
From Subsidiary Companies - Long Term Investments (Trade)	203.26		245.82
From Others - Long Term Investments (Trade)	33.70		11.24
		236.96	257.06
Miscellaneous Income		120.82	128.32
Gain on Exchange		0.59	5.78
Provisions/ Liabilities Written Back		60.90	7.07
		<u>432.24</u>	<u>408.98</u>

23			
CONSUMPTION OF PROVISIONS, WINES, & OTHERS			
Opening Stock		205.55	165.79
Add: Purchases		1,905.20	1,823.41
		<u>2,110.75</u>	<u>1,989.20</u>
Less : Closing Stock		178.02	205.55
		<u>1,932.73</u>	<u>1,783.65</u>

24			
EMPLOYEE BENEFIT EXPENSES			
Salaries & Wages		3,102.13	2,849.49
Contribution to Provident Fund and Other Funds		188.41	187.01
Staff Welfare Expenses		342.42	314.31
		<u>3,632.96</u>	<u>3,350.81</u>

Notes to Accounts — *Contd.*

		Year ended 31st March	
	Rupees Million	2015 Rupees Million	2014 Rupees Million
25			
FINANCE COSTS			
Interest Expense		306.08	406.50
		<u>306.08</u>	<u>406.50</u>
26			
DEPRECIATION AND AMORTISATION EXPENSE			
Tangible Assets		1,239.21	990.68
Intangible Assets		1.60	1.07
		<u>1,240.81</u>	<u>991.75</u>
27			
OTHER EXPENSES			
Power & Fuel		1,105.42	1,033.66
Rent		285.33	279.37
Repairs :			
Buildings	178.57		164.13
Plant & Machinery	404.61		367.46
Others	<u>102.31</u>		<u>120.36</u>
		685.49	651.95
Insurance		38.08	34.91
Rates & Taxes		386.64	431.88
Expenses on Apartment & Board		211.45	191.47
Royalty		118.84	111.29
Advertisement, Publicity & Other Promotional Expenses		278.73	295.55
Commission to Travel Agents & others		237.11	194.96
Passage & Travelling		322.29	309.32
Postage, Telephone, etc.		86.98	110.35
Professional Charges		111.73	97.33
Linen, Uniform Washing & Laundry Expenses		34.63	35.53
Renewals & Replacement		112.27	105.43
Musical, Banquet & Kitchen Expenses		85.49	86.21
Auditors' Remuneration (Note 42)		15.53	13.63
Directors' Fees and Commission		101.55	85.39
Loss on Sale/Discard of Assets etc. (Net)		7.88	21.59
Bad Debts & Advances Written Off		8.55	0.30
Provision for Doubtful Debts & Advances		1.95	4.94
CSR Expenses (Note 32)		23.80	-
Expenses on Contracts for Services		346.03	325.69
Miscellaneous Expenses		432.25	441.53
		<u>5,038.02</u>	<u>4,862.28</u>

Notes to Accounts — *Contd.*

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
28		
EXCEPTIONAL ITEMS		
Profit on sale of Investment	—	118.44
	—	118.44
29		
EXTRAORDINARY ITEMS		
Loss on Sale of Investment in L&T Bangalore Airport Hotel Limited	—	(65.04)
	—	(65.04)
30		
CURRENT TAX		
Income Tax	488.42	311.72
	488.42	311.72

Notes to Accounts — *Contd.*

31. (A) Contingent Liabilities and commitments (to the extent not provided) -

(i) Claims against the Company pending appellate/judicial decisions not acknowledged as debts :

- (a) Value Added Tax ₹ 57.47 Million (2014 - ₹ 38.76 Million)
- (b) Income-tax ₹ 712.49 Million (2014 - ₹ 717.50 Million)
- (c) Tax Deducted at Source ₹ 15.02 Million (2014 - ₹ 28.87 Million)
- (d) Service Tax ₹ 175.67 Million (2014 - ₹ 132.60 Million)
- (e) Property Tax ₹ 60.59 Million (2014 - ₹ 50.43 Million)
- (f) Entertainment Tax ₹ 4.33 Million (2014 - ₹ 4.31 Million)
- (g) Customs Duty ₹ 429.66 Million (2014 - ₹ 429.66 Million)
- (h) Excise Duty ₹ 95.54 Million (2014 - ₹ 99.07 Million)
- (i) Others ₹ 45.01 Million (2014 - ₹ 13.48 Million)

The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company.

(ii) Guarantees :

- a. Guarantees given to Banks & Financial Institutions for ₹ 1,241.59 Million (2014 - ₹ 1,199.19 Million) against financial facilities availed by the subsidiary company.
- b. Counter guarantees issued to banks and remaining outstanding ₹ 196.94 Million (2014 - ₹ 199.45 Million).

(B) Commitments:

- a. The estimated amount of contracts remaining to be executed on capital account and not provided for net of advances ₹ 823.23 Million (2014 - ₹ 581.64 Million).
- b. Investment commitment in subsidiary and joint venture companies ₹ 100.10 Million (2014 - ₹ 365.63 Million)

32. CSR Expenses

- a) Company was required to spend an amount of ₹ 23.80 Million on account of CSR activities during the year ended 31st March, 2015.
- b) Details of amounts spent on account of CSR activities during the year ended 31st March, 2015 are given below :

	Rupees Million
SOS Children's Villages of India	15.13
Prime Minister's National Relief Fund	7.81
Expenses for Swachh Bharat Abhiyan	0.86
	23.80

Notes to Accounts — Contd.

33. Defined Benefit Plans/Long Term Compensated Absences on 31st March, 2015 as per Actuarial Valuations using Projected Unit Credit Method and recognised in the Financial Statements in respect of Employee Benefit Schemes:

(Rupees Million)

		Year ended 31st March, 2015		Year ended 31st March, 2014	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		(Funded)	(Unfunded)	(Funded)	(Unfunded)
I	Components of Employer Expense				
1	Current Service Cost	26.71	35.21	25.60	33.10
2	Interest Cost	35.97	12.14	30.40	10.27
3	Expected return on Plan Assets	(35.36)	-	(36.27)	-
4	Curtailment Cost/(Credit)	-	-	-	-
5	Settlement Cost/(Credit)	-	-	-	-
6	Past Service Cost	-	-	-	-
7	Actuarial Losses/(Gains)	23.87	20.54	41.04	16.24
8	Total expense recognised in the Statement of Profit and Loss	51.19	67.89	60.77	59.61
The Gratuity Expenses have been recognised in "Contribution to Provident Fund and other Funds" and Leave Encashment in "Salaries & Wages".					
II	Net Asset / (Liability) recognised in Balance Sheet as at 31st March, 2015				
1	Present Value of Defined Benefit Obligation	492.26	188.58	447.67	165.00
2	Fair Value of Plan Assets	463.46	-	410.82	-
3	Status [Surplus/(Deficit)]	(28.80)	(188.58)	(36.85)	(165.00)
4	Unrecognised Past Service Cost	-	-	-	-
5	Net Asset/(Liability) recognized In Balance Sheet	(28.80)	(188.58)	(36.85)	(165.00)
III	Change in Defined Benefit Obligations (DBO) during the year ended 31st March, 2015				
1	Present Value of DBO at the Beginning of Year	447.67	165.00	406.17	151.32
2	Current Service Cost	26.71	35.21	25.60	33.10
3	Interest Cost	35.97	12.14	30.40	10.27
4	Curtailment Cost/(Credit)	-	-	-	-
5	Settlement Cost/(Credit)	-	-	-	-
6	Plan Amendments	-	-	-	-
7	Acquisitions	-	-	-	-
8	Actuarial (Gains)/Losses	30.79	20.54	37.87	16.24
9	Benefits Paid	(48.88)	(44.31)	(52.37)	(45.93)
10	Present Value of DBO at the end of Year	492.26	188.58	447.67	165.00
IV	Change in Fair Value of Assets during the year ended 31st March, 2015				
1	Plan Assets at the Beginning of Year	410.82	-	394.05	-
2	Acquisition Adjustment	-	-	-	-
3	Actual Return on Plan Assets	35.36	-	36.27	-
4	Actuarial Gains/(Losses)	6.92	-	(3.16)	-
5	Actual Company Contribution	59.24	-	36.03	-
6	Benefits Paid	(48.88)	-	(52.37)	-
7	Plan Assets at the end of Year	463.46	-	410.82	-
V	Investments Details				
	Invested with LIC in Group Gratuity Scheme		-		-
VI	Actuarial Assumptions				
1	Discount Rate (%)	7.80%	7.80%	8.50%	8.50%
2	Expected rate of return	8.50%	-	8.50%	-
3	Salary Escalation (%)	3.00%	3.00%	3.00%	3.00%
4	Mortality	Indian assured lives mortality (2006-08) (modified) Ultimate		Indian assured lives mortality (2006-08) (modified) Ultimate	

Notes to Accounts — Contd.

(Rupees Million)

	Year ended 31st March, 2015		Year ended 31st March, 2014		Year ended 31st March, 2013		Year ended 31st March, 2012		Year ended 31st March, 2011	
	Gratuity	Leave	Gratuity	Leave	Gratuity	Leave	Gratuity	Leave	Gratuity	Leave
	(Funded)	(Unfunded)	(Funded)	(Unfunded)	(Funded)	(Unfunded)	(Funded)	(Unfunded)	(Funded)	(Unfunded)
VII. Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)										
1. Present Value of Defined Benefit Obligation	492.26	188.58	447.67	165.00	406.17	151.32	399.58	149.36	362.74	137.76
2. Fair Value of Plan Assets	463.46	-	410.82	-	394.05	-	366.42	-	317.45	-
3. Status [Surplus/ (Deficit)]	(28.80)	(188.58)	(36.85)	(165.00)	(12.12)	(151.32)	(33.16)	(149.36)	(45.29)	(137.76)
4. Experience Adjustments on Plan Liabilities [Gain/(Loss)]	(30.79)	(20.54)	(37.87)	(16.24)	(18.48)	19.97	(37.84)	7.86	(50.23)	(4.47)
5. Experience Adjustments on Plan Assets [Gain/(Loss)]	6.92	-	(3.16)	-	-	-	-	-	-	-

34. Freehold/Leasehold Land of perpetual nature and Buildings at some locations were revalued on 31st March, 1982 and 31st March, 1993 resulting in a surplus of ₹ 2,863.88 Million which is included in the original cost. The valuation was carried out by an approved valuer on the basis of depreciated replacement cost. The surplus was transferred to Revaluation Reserve.
35. Capital Work-In-Progress shown in the Balance Sheet inter-alia includes ₹ 379.08 Million being the cost of a building under construction by the Company. Under a Tripartite Agreement amongst the Company, DLF Cyber City Developers Limited and DLF Limited the building is being constructed by the Company on the Land which belongs to DLF Cyber City Developers Limited. After the completion of construction the same building will be acquired by the Company at an agreed value as per the terms of agreement and DLF Cyber City Developers Limited will execute necessary deed of conveyance.
36. (a) The Company has adopted useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013 except for the hotel buildings for computing depreciation. In the case of the hotel buildings of the Company, due to superior structural condition, management decided to assess the balance useful life by independent technical expert. As per the certificates of the technical expert, the balance useful life of the hotel buildings of the Company ranges between 50-60 years except for The Oberoi Vanyavilas where the balance useful life is 30 years. The carrying amount of each of the hotel buildings is being depreciated over its residual life. Had the Company continued to compute depreciation at the same method and rates as applied in the previous year, depreciation charge for the current year would have been lower by ₹ 332.79 Million.
- (b) Depreciation for the year as per the Statement of Profit and Loss includes ₹ 21.38 Million being depreciation on the increased value of Land and Building due to the effect of revaluation in line with the 'Application Guide on the Provisions of Schedule II to the Companies Act, 2013' of the Institute of Chartered Accountants of India. Equivalent amount has also been transferred from Revaluation Reserve to General Reserve. Corresponding figure of ₹ 29.99 Million in the previous year was adjusted from Revaluation Reserve.
37. Company's investment in the Equity shares of EIH Flight Services Ltd, Mauritius is of long term in nature and the management does not consider the present decline in the value of investment as permanent in nature. As such no adjustment has been made to modify the carrying cost.

Notes to Accounts — Contd.

38. Fixed Assets as on 31st March, 2015 include assets acquired under finance lease amounting to ₹ 120.44 Million (2014 - ₹ 369.20 Million). These include an amount of ₹ 41.99 Million (2014 - ₹ 26.03 Million) being assets acquired during the year under finance lease and capitalised in line with the requirements of Accounting Standard (AS -19) . Depreciation for the year includes an amount of ₹ 30.45 Million (2014 - ₹ 84.45 Million) being depreciation charged on these assets.

The year-wise break-up of the outstanding lease obligation as on 31st March, 2015 in respect of these assets are as under:-

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
Assets taken on lease		
Total Minimum Lease Payments at the year end	83.53	78.31
Present Value of Minimum Lease Payments	66.05	62.12
Not later than one year		
Minimum Lease Payments	32.90	35.48
Present Value	30.32	32.47
Later than one year but not later than five years		
Minimum Lease Payments	50.63	42.83
Present Value	35.73	29.65
Later than five years		
Minimum Lease Payments	—	—
Present Value	—	—

39. Disclosures in respect of Company's operating lease arrangements entered on or after 1st April, 2001 under Accounting Standard (AS-19) on Leases.

- a) The Company gives shops located at various hotels on operating lease arrangements. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving notice. Some shops have been given under non-cancellable operating lease, for which the future minimum lease payments recoverable by the company are as under:-

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
As Lessor		
Not later than one year	112.54	110.12
Later than one year but not later than five years	76.86	106.76
Later than five years	67.78	71.02

Rent in respect of the above is credited to the Statement of Profit and Loss.

Notes to Accounts — Contd.

- b) The Company has entered into operating lease arrangements primarily for office premises, site offices, airport/flight services and residential premises for its employees. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving a notice. The future minimum lease payments payable by the company for office space taken under non-cancellable operating lease, are as under:-

	Year ended 31st March	
	2015	2014
	Rupees	Rupees
	Million	Million
As Lessee		
Not later than one year	1.75	3.77
Later than one year but not later than five years	–	1.75
Later than five years	–	–

Rent in respect of the above is charged to the Statement of Profit and Loss.

40. Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 are based on information made available to the Company. Neither there was any delay in payment nor any interest is due and remaining unpaid on the above.

41. In the case of Mashobra Resort Limited (“MRL”), several disputes with the Government of Himachal Pradesh, the joint venture partner, were referred by the High Court of Himachal Pradesh on 17th December, 2003 to an arbitral tribunal consisting of a single arbitrator whose award has been challenged by both the Company and MRL, amongst others. The operation of the arbitration award has been stayed pending substantive hearing of the applications by the High Court. Consequently, the status quo ante of the entire matter stands restored to the position as on 17th December, 2003 and the hotel is being operated by MRL accordingly. The Company vide its letter dated 4th April, 2012 requested MRL to account for the entire amount of ₹ 1,361.93 Million provided to MRL upto 31st March, 2012 as ‘Advance Towards Equity’, including ₹ 130.00 Million being the opening balance of ‘Advance Towards Equity’. In view of the above, the Company has shown the said amount of ₹ 1,361.93 Million as ‘Advance Towards Equity’ in its books.

An extraordinary general meeting of MRL was called on 14.10.2010 to pass a resolution for issue and offer of equity shares of MRL to the Company against the above advance for shares. The Government of Himachal Pradesh obtained a stay order from the High Court of Himachal Pradesh and the passing of the said resolution was deferred by the High Court. Consequently the issue of equity shares against the said advance has become subjudice and dependent upon the resolution of the legal cases.

MRL is earning profits in the last couple of years and even paid dividend for the year 2013-2014. It also has accumulated funds of ₹ 386.26 Million in fixed deposit pursuant to Court direction.

	Year ended 31st March	
	2015	2014
	Rupees	Rupees
	Million	Million
42. Auditors’ Remuneration (excluding Service tax)		
As Auditors	13.00	12.13
For Tax Audit	1.00	0.60
For Taxation Matters	1.25	0.50
For Other Services (Certification)	0.28	0.40
	15.53	13.63

Notes to Accounts — Contd.

		Year ended 31st March	
		2015 Rupees Million	2014 Rupees Million
43.	Earnings per Equity share :		
	Net Profit after Tax before Extraordinary Items	966.33	1,015.45
	Net Profit after Tax after Extraordinary Items	966.33	950.41
	Weighted average of number of Equity Shares outstanding	571,569,414	571,569,414
	Basic and Diluted earnings per Equity Share of face value ₹ 2 (in Rupees)		
	– Before Extraordinary Items	1.69	1.78
	– After Extraordinary Items	1.69	1.66
44.	Value of imports calculated on CIF basis		
	In respect of :		
	(i) Provisions, Wines & Others	102.94	119.35
	(ii) Components & Spares	50.08	38.68
	(iii) Capital Goods	82.88	115.02
		<u>235.90</u>	<u>273.05</u>
45.	(a) Inventory of Provisions, Wines & Others includes Stock of Paper, Ink etc. at year end ₹ 49.05 Million (2014 - ₹ 69.66 Million).		
	(b) Consumption of Provisions, Wines and Others includes consumption of Paper, Ink etc. ₹ 386.24 Million (2014 - ₹ 356.74 Million).		
	(c) Inventory of Stores & Operating Supplies includes Boutique Stock at year end ₹ 6.82 Million (2014 - ₹ 6.69 Million). Corresponding opening stock was ₹ 6.69 Million (2014 - ₹ 6.74 Million).		
	(d) Other Services includes revenue from sale of Boutique Stock ₹ 94.48 Million (2014 - ₹ 94.86 Million).		
	(e) Purchases includes purchase of Boutique Stock ₹ 66.69 Million (2014 - ₹ 66.91 Million).		
46.	Details of dividend remitted during the year in foreign currency are given below :		
		Year ended 31st March	
		2015	2014
	(a) Number of non-resident shareholder	1	1
	(b) Number of equity shares held	333,030	333,030
	(c) Amount of dividend paid (Rupees Million)	0.37	0.30
	(d) Year to which dividend relates	2013-14	2012-13

Notes to Accounts — *Contd.*

		Year ended 31st March	
		2015	2014
		Rupees	Rupees
		Million	Million
47.	(a) Expenditure in foreign currencies :		
	(i) Professional & Consultancy	24.97	29.48
	(ii) Foreign Sales Office Expenses	108.66	109.41
	(iii) Other Matters	203.19	233.44
	(b) Earning in foreign currencies:		
	(i) On sales (as per return submitted to DGFT)	5,022.17	5,626.89
	(ii) Consultation Fees	40.38	50.55
	(iii) Export of Printing and other materials on FOB basis	24.27	27.88
	(iv) Dividend	61.16	59.97

48. Total Value of Consumption of Indigenous & Imported materials :

	Year ended 31st March, 2015		Year ended 31st March, 2014	
	Rupees Million	Percentage	Rupees Million	Percentage
Imported	302.80	15.67%	283.23	15.88%
Indigenous	1,629.93	84.33%	1,500.42	84.12%
	1,932.73	100.00%	1,783.65	100.00%

49. Unhedged Foreign Currency exposure outstanding :

Currency	As at 31st March, 2015			As at 31st March, 2014		
	Receivable	Payable	Net	Receivable	Payable	Net
EURO	405	80,922	(80,517)	665	122,341	(121,676)
US Dollar	286,102	471,907	(185,805)	239,512	394,882	(155,370)
Mauritius Rupee	6,604,224	-	6,604,224	7,853,020	-	7,853,020
Swiss Franc	-	524	(524)	-	11,770	(11,770)
Thai Baht	-	-	-	-	251,370	(251,370)
GBP	13,267	18,859	(5,592)	-	5,577	(5,577)

Notes to Accounts — *Contd.*

50. The details of transactions entered into with Related Parties during the year are as follows :

(A) Names of the Related Parties

(I) Subsidiary Companies

**Country of
Incorporation**

(i)	Mumtaz Hotels Limited	India
(ii)	Mashobra Resort Limited	India
(iii)	Oberoi Kerala Hotels and Resorts Limited	India
(iv)	EIH Flight Services Ltd	Mauritius
(v)	EIH International Ltd	British Virgin Islands
(vi)	EIH Holdings Ltd	British Virgin Islands
(vii)	EIH Marrakech Ltd	British Virgin Islands
(viii)	J&W Hong Kong Limited	Hong Kong
(ix)	EIHH Corporation Limited	Hong Kong
(x)	EIH Investments N.V.	Netherlands Antilles
(xi)	EIH Management Services B.V.	The Netherlands
(xii)	PT Widja Putra Karya	Indonesia
(xiii)	PT Waka Oberoi Indonesia	Indonesia
(xiv)	PT Astina Graha Ubud	Indonesia

(II) Associates & Joint Ventures

**Country of
Incorporation**

(i)	EIH Associated Hotels Limited	India
(ii)	Oberoi Mauritius Ltd	British Virgin Islands
(iii)	Mercury Car Rentals Private Limited	India

(III) Enterprises in which Key Management Personnel have significant influence

**Country of
Incorporation**

(i)	Oberoi Hotels Private Limited	India
(ii)	Oberoi Properties Private Limited	India
(iii)	Oberoi Holdings Private Limited	India
(iv)	Oberoi Investments Private Limited	India
(v)	Oberoi Buildings and Investments Private Limited	India
(vi)	Oberoi Plaza Private Limited	India
(vii)	Bombay Plaza Private Limited	India
(viii)	Oberoi Leasing & Finance Company Private Limited	India
(ix)	Aravali Polymers LLP	India
(x)	Golden Jubilee Hotels Limited	India
(xi)	Oberoi International LLP	India
(xii)	B I Publications Private Limited	India
(xiii)	Vikramaditya Exports Private Limited	India

(IV) Key Management Personnel

(i)	Mr. P.R.S. Oberoi	- Executive Chairman
(ii)	Mr. S.S. Mukherji	- Executive Vice Chairman
(iii)	Mr. Vikram Oberoi	- Managing Director and Chief Executive Officer
(iv)	Mr. Arjun Oberoi	- Managing Director - Development
(v)	Mr. Samit Guha	- Chief Financial Officer (up to 28.11.2014)
(vi)	Mr. Biswajit Mitra	- Chief Financial Officer (w.e.f. 29.11.2014)
(vii)	Mr. S.N.Sridhar	- Company Secretary

Notes to Accounts — Contd.

(B) Transactions with Related Parties for the year ended 31st March, 2015 and Outstanding Balances as on 31st March, 2015.

NATURE OF TRANSACTIONS	(Rupees Million)							
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have significant influence		Key Management Personnel / Relative of Key Management Personnel	
	2015	2014	2015	2014	2015	2014	2015	2014
PURCHASES								
Purchase of Goods & Services								
Mercury Car Rentals Private Limited	–	49.09	101.70	57.78	–	–	–	–
Mashobra Resort Limited	7.56	0.92	–	–	–	–	–	–
Mumtaz Hotels Limited	4.54	1.56	–	–	–	–	–	–
PT Waka Oberoi Indonesia	0.07	0.09	–	–	–	–	–	–
PT Widja Putra Karya	0.27	0.22	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	22.72	11.38	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	2.66	0.29	–	–
Oberoi Mauritius Ltd	–	–	0.18	0.04	–	–	–	–
Oberoi Hotels Private Limited	–	–	–	–	0.05	–	–	–
Oberoi International LLP	–	–	–	–	2.90	6.68	–	–
Total	12.44	51.88	124.60	69.20	5.61	6.97	–	–
Purchase of Fixed Assets								
Mumtaz Hotels Limited	–	0.17	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	0.57	0.25	–	–	–	–
Total	–	0.17	0.57	0.25	–	–	–	–
EXPENSES								
Rent								
Oberoi Kerala Hotels & Resorts Limited	0.59	0.43	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	1.01	0.92	–	–	–	–
Oberoi Hotels Private Limited	–	–	–	–	0.36	0.36	–	–
Mrs. Goodie Oberoi, W/o Mr. P.R.S.Oberoi	–	–	–	–	–	–	0.36	0.36
Total	0.59	0.43	1.01	0.92	0.36	0.36	0.36	0.36
Royalty								
Oberoi Hotels Private Limited	–	–	–	–	133.53	125.05	–	–
Total	–	–	–	–	133.53	125.05	–	–
Remuneration								
Mr. P.R.S. Oberoi	–	–	–	–	–	–	34.15	31.39
Mr. S.S. Mukherji	–	–	–	–	–	–	52.02	48.93
Mr. Vikram Oberoi	–	–	–	–	–	–	27.17	20.05
Mr. Arjun Oberoi	–	–	–	–	–	–	26.50	19.62
Mr. Samit Guha (upto 28th November, 2014)	–	–	–	–	–	–	6.73	–
Mr. Biswajit Mitra (w.e.f. 29th November, 2014)	–	–	–	–	–	–	2.21	–
Mr. S N Sridhar	–	–	–	–	–	–	6.58	–
Ms. Priyanka Mukherjee, D/o Mr. S.S. Mukherji	–	–	–	–	–	–	1.51	1.27
Total	–	–	–	–	–	–	156.87	121.26
SALES								
Sale of Goods and Services								
Mercury Car Rentals Private Limited	–	2.50	9.97	3.80	–	–	–	–
Mashobra Resort Limited	33.65	29.56	–	–	–	–	–	–
Mumtaz Hotels Limited	72.78	72.37	–	–	–	–	–	–
PT Waka Oberoi Indonesia	0.37	0.10	–	–	–	–	–	–
PT Widja Putra Karya	1.96	0.99	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	311.00	283.31	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	93.72	86.22	–	–
EIH Flight Services Ltd, Mauritius	0.03	0.12	–	–	–	–	–	–
Oberoi Mauritius Ltd	–	–	3.20	3.37	–	–	–	–
Oberoi Hotels Private Ltd	–	–	–	–	0.78	–	–	–
Silhouette Beauty Salon (Owned by Mrs. Prem Mehra, sister of Mr. P.R.S. Oberoi)	–	–	–	–	–	–	0.30	–
Total	108.79	105.64	324.17	290.48	94.50	86.22	0.30	–

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	(Rupees Million)							
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have significant influence		Key Management Personnel / Relative of Key Management Personnel	
	2015	2014	2015	2014	2015	2014	2015	2014
Sale of Fixed Assets								
EIH Associated Hotels Limited	–	–	0.23	0.97	–	–	–	–
EIH Flight Services Ltd, Mauritius	–	0.01	–	–	–	–	–	–
Total	–	0.01	0.23	0.97	–	–	–	–
INCOME								
License Agreement								
Mercury Car Rentals Private Limited	–	0.74	1.59	0.71	–	–	–	–
EIH Associated Hotels Limited	–	–	0.24	0.24	–	–	–	–
Oberoi Holdings Private Limited	–	–	–	–	0.64	0.64	–	–
Oberoi Investments Private Limited	–	–	–	–	0.24	0.24	–	–
Oberoi Building and Investments Private Limited	–	–	–	–	1.01	1.03	–	–
Oberoi Plaza Private Limited	–	–	–	–	2.38	2.46	–	–
Bombay Plaza Private Limited	–	–	–	–	1.94	1.93	–	–
Silhouette Beauty Salon (Owned by Mrs. Prem Mehra, sister of Mr. P.R.S. Oberoi)	–	–	–	–	–	–	15.78	13.67
Total	–	0.74	1.83	0.95	6.21	6.30	15.78	13.67
Management Contract								
Mumtaz Hotels Limited	85.77	81.74	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	156.36	151.01	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	28.33	6.84	–	–
EIH Flight Services Ltd, Mauritius	12.58	15.02	–	–	–	–	–	–
Total	98.35	96.76	156.36	151.01	28.33	6.84	–	–
Dividend Received								
Mashobra Resort Limited	18.20	–	–	–	–	–	–	–
Mumtaz Hotels Limited	123.90	185.85	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	33.65	11.22	–	–	–	–
EIH International Limited	61.16	59.97	–	–	–	–	–	–
Total	203.26	245.82	33.65	11.22	–	–	–	–
FINANCE								
PAYMENTS								
Investment in Equity Shares								
Mercury Car Rentals Private Limited	–	22.40	65.36	41.84	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	–	45.00	–	–
EIH International Ltd	185.88	–	–	–	–	–	–	–
Total	185.88	22.40	65.36	41.84	–	45.00	–	–
Security Deposit								
Oberoi Kerala Hotels & Resorts Limited	–	1.60	–	–	–	–	–	–
Total	–	1.60	–	–	–	–	–	–
RECEIPTS								
Loans & Advances received back								
Oberoi Kerala Hotels & Resorts Limited	–	1.60	–	–	–	–	–	–
Total	–	1.60	–	–	–	–	–	–
OUTSTANDING BALANCES								
PAYABLES								
For Goods & Services								
Mercury Car Rentals Private Limited	–	–	7.86	7.37	–	–	–	–
Mashobra Resort Limited	0.19	0.07	–	–	–	–	–	–
Mumtaz Hotels Limited	0.43	0.13	–	–	–	–	–	–
Oberoi Kerala Hotels & Resorts Limited	0.02	0.15	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	2.10	1.67	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	–	0.01	–	–
EIH Flight Services Ltd, Mauritius	–	1.31	–	–	–	–	–	–
Oberoi Mauritius Ltd	–	–	0.01	–	–	–	–	–
Oberoi Investments Private Ltd	–	–	–	–	0.06	–	–	–
Oberoi International LLP	–	–	–	–	0.37	–	–	–
Total	0.64	1.66	9.97	9.04	0.43	0.01	–	–
Royalty								
Oberoi Hotels Private Limited	–	–	–	–	34.45	31.85	–	–
Total	–	–	–	–	34.45	31.85	–	–

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	(Rupees Million)							
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have significant influence		Key Management Personnel / Relative of Key Management Personnel	
	2015	2014	2015	2014	2015	2014	2015	2014
Security Deposit								
Bombay Plaza Private Limited	–	–	–	–	0.50	0.50	–	–
Total	–	–	–	–	0.50	0.50	–	–
LOANS & ADVANCES AND RECEIVABLES								
For Goods & Services								
Mercury Car Rentals Private Limited	–	–	0.49	0.61	–	–	–	–
Mashobra Resort Limited	0.26	0.29	–	–	–	–	–	–
Mumtaz Hotels Limited	3.52	5.16	–	–	–	–	–	–
PT Widja Putra Karya	0.02	0.01	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	24.45	16.95	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	92.70	79.11	–	–
EIH Flight Services Ltd, Mauritius	–	2.47	–	–	–	–	–	–
Oberoi Mauritius Ltd	–	–	1.66	–	–	–	–	–
Oberoi Hotels Private Limited	–	–	–	–	0.11	–	–	–
Silhouette Beauty Salon (Owned by Mrs. Prem Mehra, sister of Mr. P.R.S. Oberoi)	–	–	–	–	–	–	0.02	–
Total	3.80	7.93	26.60	17.56	92.81	79.11	0.02	–
Advance against Equity Shares								
Mashobra Resort Limited	1,361.93	1,361.93	–	–	–	–	–	–
Total	1,361.93	1,361.93	–	–	–	–	–	–
Management Contract								
Mumtaz Hotels Limited	28.64	30.78	–	–	–	–	–	–
EIH Associated Hotels Limited	–	–	50.28	55.20	–	–	–	–
Golden Jubilee Hotels Limited	–	–	–	–	10.03	4.42	–	–
EIH Flight Services Ltd, Mauritius	11.21	15.55	–	–	–	–	–	–
Total	39.85	46.33	50.28	55.20	10.03	4.42	–	–
Security Deposit								
Oberoi Kerala Hotels & Resorts Limited	1.60	1.60	–	–	–	–	–	–
Total	1.60	1.60	–	–	–	–	–	–
OUTSTANDING FINANCIAL FACILITIES								
Against Corporate Guarantees								
EIH Flight Services Limited, Mauritius	1,199.09	1,179.44	–	–	–	–	–	–
Total	1,199.09	1,179.44	–	–	–	–	–	–

Notes to Accounts — Contd.

51. Segment Reporting :

There are no reportable segments other than hotels as per Accounting Standard (AS-17) on Segment Reporting.

52. Financial Reporting of Interest in Joint Ventures :

Disclosure pursuant to Para 51,52,53 & 54 of Accounting Standard (AS-27) is given below.

(Rupees Million)

Name and Country of Incorporation of the Jointly Controlled Entities	Proportion of ownership Interests (%)	Description of Interest	Aggregate amount related to EIH Limited's interest in jointly controlled entities			
			Total Assets	Total Liabilities	Total Income	Total Expenses
Oberoi Kerala Hotels & Resorts Limited (India)	80.00	Jointly Controlled Entity	16.56	16.56	0.47	0.31
Mashobra Resort Limited (India)	78.79	- do -	975.90	975.90	299.75	188.42
Mumtaz Hotels Limited (India)	60.00	- do -	663.41	663.41	541.55	305.54
Mercury Car Rentals Private Limited (India)	40.00	- do -	1,340.55	1,340.55	878.85	836.28
Oberoi Mauritius Ltd (British Virgin Islands)	50.00	- do -	1,414.01	1,414.01	357.70	435.39

- a) EIH Limited has neither incurred any contingent liability in relation to its interests in joint ventures nor incurred any contingent liability jointly with other venturers.
- b) EIH Limited's share of the contingent liabilities of the joint ventures themselves: ₹ 80.24 Million (2014 - ₹ 95.09 Million)
- c) EIH Limited is not liable for the liabilities of the other venturers of any joint venture.
- d) EIH Limited has a capital commitment for ₹ 100.10 Million (2014 - ₹ 184.10 Million) in relation to its interest in joint ventures and there are no other capital commitments that have been incurred jointly with other venturer.
- e) EIH Limited's share of capital commitments of the joint ventures themselves amounts to ₹ 23.19 Million (2014 - ₹ 0.51 Million).

53. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

ElH Limited
CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To
The Members of
EIH Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **EIH LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that operate effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a. Note 44 to the consolidated financial statements relating to the stay order given by the High Court of Himachal Pradesh against the issue and offer of shares by Mashobra Resort Limited to the Company against the advances made by the Company thereby making the adjustment of such advances dependent upon the Hon'ble High Court's decision.
- b. Note 46 to the consolidated financial Statements, which indicates that Oberoi Kerala Hotels & Resorts Limited will not commence any construction / operation of the hotel on the freehold land at Thekkady having a cost of ₹ 17.18 Million, the Company has taken a decision for its disposal. Necessary approvals are still awaited from Government of Kerala as the matter is under their active consideration. However, the accounts have been drawn up on going concern basis. On receipt of approval from Government of Kerala, this would be treated as Current Assets. These conditions indicate the existence of material uncertainty that cast significant doubt about the Company's ability to continue as a going concern.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of twelve subsidiaries, and one jointly controlled entity, whose financial statements reflect total assets of ₹ 4548.07 Million as at 31st March, 2015, total revenues of ₹ 2456.94 Million and net cash flows amounting to ₹ 179.45 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position in respect of claims and demands of the Group, its associates and jointly controlled entities which are being contested as mentioned in Note 33 (A) (i) and 44.
 - ii. The Group, its associates and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For RAY & RAY
Chartered Accountants
(Firm's Registration No.301072E)

New Delhi
30th May, 2015

R.N. ROY
Partner
Membership No. 8608

Annexure to Independent Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report at even date)

- i.
 - (a) The Group, its associates and jointly controlled entities have maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) The fixed assets have been physically verified by the Management during the year in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Group, its associates and jointly controlled entities and the nature of its assets. The discrepancies noticed on such verification which were not material have been properly dealt with in the books of account.
- ii.
 - (a) As explained to us, inventories have been physically verified by the Management during the year at reasonable intervals. In respect of stocks lying with third parties, certificates confirming stocks have been received for stocks held.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Group, its associates and jointly controlled entities and the nature of its business.
 - (c) The Group, its associates and jointly controlled entities are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. The Group, its associates and jointly controlled entities have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Therefore, clause (iii) (a) and (b) of paragraph 3 of the aforesaid Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Group, its associates and jointly controlled entities and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system of the Company.
- v. The Group, its associates and jointly controlled entities have not accepted any deposit from the public. As such requirement of clause (v) of paragraph 3 of aforesaid order is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act for the Group, its associates and jointly controlled entities.
- vii.
 - (a) The Group, its associates and jointly controlled entities are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues applicable to it.
According to the information and explanations given to us, except for Value Added Tax of ₹ 2.42 Million in case of Mercury Car Rentals Private Limited, there are no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess were outstanding, as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, the following dues of income tax, value added tax/sales tax, custom duty, excise duty, service tax, luxury tax and expenditure tax have not been deposited by the Group, its associates and jointly controlled entities on account of disputes:
Holding Company

Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (₹ Million)
1	Income Tax Act, 1961	Income Tax	CIT (Appeals), Kolkata for Assessment Years 2000-2001, 2005-2006 to 2008-2009, 2010-2011 to 2011-12	290.01
			ITAT, Kolkata for Assessment Years 2002-2003 to 2006-2007, and 2008-2009 to 2009-2010	422.48
			TOTAL	712.49

Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (₹ Million)
2.	Income Tax Act, 1961	Tax deducted at source	CIT (Appeals), Delhi for Assessment Years 2004-2005 to 2007-2008, 2010-2011 and 2011-2012.	14.59
			DCIT (Appeals), Delhi for Assessment Year 2011-2012.	0.43
			TOTAL	15.02
3.	Value Added Tax of various States	Value Added Tax/ Sales Tax	Maharashtra Sales Tax Tribunal /Joint Commissioner of Sales Tax Appeals, Mumbai for 1999-2000, 2008-2009 and 2009-2010.	7.87
			Maharashtra Sales Tax Tribunal, Mumbai for 2005-2006.	3.07
			Joint Commissioner of Sales Tax (Appeals) Mumbai for 2007-08 & 2008-09.	24.14
			Additional Commissioner of Sales Tax & Vat, Kolkata for 2008-2009 and 2011-2012.	2.34
			W.B. Commercial Taxes Appellate and Divisional Board, Addnl. Commissioner of Sales Tax appeals, Kolkata for 2005-2006, 2007-2011.	10.58
			Additional Commissioner (Appeals) Commercial Tax Dept., Udaipur for 2011-12 to 2013-14.	9.47
			TOTAL	57.47
4.	Customs Act, 1962	Customs Duty	CESTAT Tribunal, Delhi for 2008-2009.	429.66
			TOTAL	429.66
5.	Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, Mumbai for 2005-2006 and 2006-2007.	69.53
			Customs, Excise and Service Tax Appellate Tribunal, Delhi for 2004-2005 and 2005-2006.	26.01
			TOTAL	95.54
6.	Service Tax	Service Tax	CEST Appellate Tribunal, Chennai for 2009-10.	4.35
			Various Show Cause Notices served for 2004-2006 and 2009-2013 and replied.	62.79
			Commissioner of Central Excise (Appeal-I), Kolkata 2001-2006.	0.27
			Commissioner of Service Tax, Kolkata for 2009-2010 to 2011-2012.	22.98
			CEST Appellate Tribunal, Bangalore for 2004-2006.	1.11
			Commissioner of Service Tax, Division-I Delhi for 2007-2008 to 2009-2010.	6.40
			Custom Excise and Service Tax Appellate Tribunal, New Delhi for 2011-2012.	6.69
			Commissioner of Service Tax, Delhi for 2003-2004 to 2006-2007.	48.90
			Commissioner of Service Tax, Kolkata for 2008-2009 to 2011-2012.	4.07
			CEST Appellate Tribunal, Delhi for 2008-2010.	0.36
			Additional Commissioner of Service Tax, Delhi for 2010-2012.	0.98
			Commissioner of Service Tax-I, Mumbai for 2012-2013.	16.77
			TOTAL	175.67
7.	Rajasthan Tax on Luxuries (In Hotels and Lodging House) Act, 1990	Luxury Tax	Additional Commissioner (Appeals), Commercial Tax Department, Udaipur for 2010-2011 to 2013-2014.	32.96
			TOTAL	32.96

Subsidiaries, associates and jointly controlled entity in India

Name of the Company	Name of statute	Nature of dues	Forum where dispute is pending	Amount (₹ Million)
Mercury Car Rentals Private Limited	Income Tax Act, 1961	Income Tax (including Fringe Benefit Tax) for AY 2006-07, 2007-08 and AY 2009-10	CIT (Appeals) Kolkata	1.67
	Income Tax Act, 1961	Income Tax (including Fringe Benefit Tax) for AY 2006-07 and AY 2007-08	ITAT, Kolkata	0.77
Total				2.44
Mashobra Resort Limited	Service Tax	Service Tax for FY 2004-2005 to FY 2008-2009	Customs Excise and Service Tax Appellate Tribunal	5.16
Total				5.16
Mumtaz Hotels Limited	Expenditure Tax Act, 1987	Expenditure Tax for AY 2002-2003	Assessing Officer, Kolkata	0.10
	Uttar Pradesh Trade Tax Act , 1948	Sales Tax for FY 2006-2007	Uttar Pradesh Commercial Tax, Tribunal, Agra	0.76
		Sales Tax for FY 2007-2008	Allahabad High Court, UP	0.19
	Uttar Pradesh Value Added Tax Act , 2008	Value Added Tax for FY 2007-2008 (3 months)	Uttar Pradesh Commercial Tax, Tribunal, Agra	0.33
		Value Added Tax for FY 2007-2008	Additional Commissioner (Judicial) Commercial Tax, Agra	0.34
		Value Added Tax for FY 2009-2010	Uttar Pradesh Commercial Tax, Tribunal , Agra	0.18
	Central Excise Act, 1944	Excise Duty for FY 2003-2004 to FY 2007-2008	Customs Excise and Service Tax Appellate Tribunal (CESTAT), Delhi	0.30
	Income Tax Act, 1961	Fringe Benefit Tax for AY 2008-2009	Commissioner of Income Tax (Appeals) Kolkata	0.44
	Income Tax Act, 1961	Income Tax for AY 2009-2010	Commissioner of Income Tax (Appeals) Kolkata	0.13
		Income Tax for AY 2012-2013	Commissioner of Income Tax (Appeals) Kolkata	20.79
Total				23.56

- (c) According to the records of the Group, its associates and jointly controlled entities, the amount which was required to be transferred to Investor Education and Protection Fund has been transferred as per the requirement of clause (vii) (c) of paragraph 3 of the this order.
- viii The Group, its associates and jointly controlled entities have no accumulated losses except in case of Mashobra Resort Limited which is having accumulated losses more than fifty percent of its net worth. The Group, its associates and jointly controlled entities have not incurred any cash loss during the year covered by our Report and in the immediately preceding financial year.
- ix In our opinion and according to the information and explanations given to us, the Group, its associates and jointly controlled entities have not defaulted in repayment of dues to financial institutions and banks. There are no debenture holders.

- x The Group, its associates and jointly controlled entities have not given guarantees except holding company which has given guarantees amounting ₹ 1,241.59 Million for loans taken by its subsidiary company from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions on which the Group, its associates and jointly controlled entities has given guarantees for loans taken from banks and financial institutions are not, *prima-facie*, prejudicial to the interest of the Group, its associates and jointly controlled entities.
- xi According to the information and explanations given to us, the term loans raised by the Group, its associates and jointly controlled entities have been applied for the purpose for which they were raised.
- xii According to the information and explanations given to us, no fraud on or by the Group, its associates and jointly controlled entities has been noticed or reported during the course of our audit.

For RAY & RAY
Chartered Accountants
(Firm's Registration No.301072E)

R.N. ROY
Partner
Membership No. 8608

New Delhi
30th May, 2015

Balance Sheet

as at 31st March, 2015

As at 31st March				
	Note	Rupees Million	2015 Rupees Million	2014 Rupees Million
EQUITY AND LIABILITIES				
SHAREHOLDERS FUNDS				
SHARE CAPITAL	4	1,143.14		1,143.14
RESERVES AND SURPLUS	5	24,956.72		25,008.94
			26,099.86	26,152.08
MINORITY INTEREST			777.04	586.73
NON-CURRENT LIABILITIES				
LONG TERM BORROWINGS	6	2,196.15		2,530.77
DEFERRED TAX LIABILITIES - NET	7	1,963.35		1,939.72
OTHER LONG TERM LIABILITIES	8	504.89		451.82
LONG TERM PROVISIONS	9	177.76		160.23
			4,842.15	5,082.54
CURRENT LIABILITIES				
SHORT TERM BORROWINGS	10	1,044.76		1,394.16
TRADE PAYABLES	11	1,053.41		1,105.21
OTHER CURRENT LIABILITIES	12	2,558.51		1,930.56
SHORT TERM PROVISIONS	13	815.49		790.81
			5,472.17	5,220.74
TOTAL			37,191.22	37,042.09
ASSETS				
NON-CURRENT ASSETS				
FIXED ASSETS				
TANGIBLE ASSETS	14	22,829.94		23,845.39
INTANGIBLE ASSETS	14	5.78		6.99
CAPITAL WORK-IN-PROGRESS		855.59		500.43
INTANGIBLE ASSETS - COMPUTER SOFTWARE (UNDER DEVELOPMENT AND IMPLEMENTATION)		69.62		-
GOODWILL (ON CONSOLIDATION)		3,315.03		3,254.28
NON-CURRENT INVESTMENTS	15	2,540.82		2,465.39
LONG TERM LOANS AND ADVANCES	16	2,347.23		2,334.11
OTHER NON-CURRENT ASSETS	17	-		-
			31,964.01	32,406.59
CURRENT ASSETS				
INVENTORIES	18	485.05		502.98
TRADE RECEIVABLES	19	2,231.22		2,020.85
CASH AND BANK BALANCES	20	1,986.98		1,641.18
SHORT TERM LOANS AND ADVANCES	21	518.30		465.24
OTHER CURRENT ASSETS	22	5.66		5.25
			5,227.21	4,635.50
TOTAL			37,191.22	37,042.09

NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE BALANCE SHEET

This is the Balance Sheet referred
to in our report of even date.

For RAY & RAY
Chartered Accountants

R.N. ROY
Partner
Membership Number 8608

P.R.S. OBEROI
Executive Chairman

VIKRAM OBEROI
Managing Director and Chief Executive Officer

L. GANESH
Director

New Delhi
30th May, 2015

BISWAJIT MITRA
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2015

		Year ended 31st March	
	Note	2015 Rupees Million	2014 Rupees Million
INCOME			
REVENUE FROM OPERATIONS	23	16,682.72	15,465.72
OTHER INCOME	24	289.08	312.50
TOTAL REVENUE		16,971.80	15,778.22
EXPENSES			
CONSUMPTION OF PROVISIONS, WINES & OTHERS	25	2,214.08	2,070.22
EMPLOYEE BENEFIT EXPENSES	26	4,260.90	3,914.35
FINANCE COSTS	27	461.84	527.06
DEPRECIATION AND AMORTISATION EXPENSE	28	1,678.07	1,349.22
OTHER EXPENSES	29	6,906.36	6,146.02
TOTAL EXPENSES		15,521.25	14,006.87
PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX		1,450.55	1,771.35
EXCEPTIONAL ITEMS - PROFIT	30	-	118.44
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		1,450.55	1,889.79
EXTRAORDINARY ITEMS - (LOSS)	31	-	(65.04)
PROFIT BEFORE TAX		1,450.55	1,824.75
TAX			
CURRENT TAX	32	656.84	479.21
DEFERRED TAX		123.45	235.49
PROFIT AFTER TAX BEFORE MINORITY'S SHARE		670.26	1,110.05
Less: MINORITY'S SHARE IN PROFIT AFTER TAXATION		130.28	125.86
EIH'S SHARE IN PROFIT/(LOSS)		539.98	984.19
Add: SHARE IN PROFIT OF ASSOCIATES		91.02	86.96
PROFIT FOR THE YEAR		631.00	1,071.15
BASIC AND DILUTED EARNINGS PER SHARE	47		
(in Rupees) Face Value ₹ 2			
– BEFORE EXTRAORDINARY ITEMS		1.10	1.99
– AFTER EXTRAORDINARY ITEMS		1.10	1.87

NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE STATEMENT OF PROFIT AND LOSS

This is the Statement of Profit & Loss referred
to in our report of even date.

For RAY & RAY
Chartered Accountants

R.N. ROY
Partner
Membership Number 8608

New Delhi
30th May, 2015

P.R.S. OBEROI
Executive Chairman

BISWAJIT MITRA
Chief Financial Officer

VIKRAM OBEROI
Managing Director and Chief Executive Officer

S.N. SRIDHAR
Company Secretary

L. GANESH
Director

Cash Flow Statement for the year ended 31st March, 2015

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	1,450.55	1,824.75
Adjustments for:		
Depreciation	1,678.07	1,349.22
Effect of Exchange Rate	314.80	(25.21)
(Profit) / Loss on Sale/diminution in value of Investments (Net)	-	(53.40)
(Profit) / Loss on Sale of Fixed Assets (Net)	10.63	23.22
Interest Income	(72.48)	(61.18)
Dividend Income	(7.75)	(5.70)
Interest Expenditure	461.84	527.06
Operating Profit before Working Capital Changes	3,835.66	3,578.76
Adjustments for:		
Trade & Other Receivables	(315.44)	(107.78)
Inventories	16.37	(54.36)
Trade & Other Payables	279.69	119.56
Cash Generated from Operations	3,816.28	3,536.18
Payment of Direct Taxes	(604.91)	(549.69)
Net cash from Operating Activities	3,211.37	2,986.49
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,498.30)	(1,094.32)
Advance against sale of Assets	0.95	-
Sale of Fixed Assets	65.26	33.18
Purchase of Investments	(0.01)	(92.93)
Sale of Investments	-	287.78
Interest Received	70.51	61.78
Dividend Received	7.75	5.70
Changes in other bank balances	(190.04)	(114.94)
Cash used in Investing Activities	(1,543.88)	(913.75)

Cash Flow Statement for the year ended 31st March, 2015 — *Contd.*

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	–	64.24
Proceeds from Borrowings		
Long Term	576.13	320.93
Cash Credit	180.35	29.75
Short Term	100.00	750.00
Repayment of		
Long Term	(400.00)	(514.56)
Cash Credit	(25.55)	(339.55)
Short Term	(600.00)	(1,000.00)
Vehicle Loans	(210.28)	-
Loan from Finance Companies	(1.92)	
Interest Paid	(341.20)	(534.79)
Dividend Paid	(720.27)	(668.50)
Tax on Dividend	(69.00)	(70.26)
Net Cash used in Financing Activities	<u>(1,511.74)</u>	<u>(1,962.74)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	155.75	110.00
Cash and Cash Equivalents at beginning of year	1,212.76	1,163.82
Less: Adjustment on account of cessation as Subsidiary	-	(61.06)
Cash and Cash Equivalents at end of year	<u>1,368.51</u>	<u>1,212.76</u>

Notes:

- The Cash Flow Statement has been prepared in indirect method except in case of dividend income, purchase and sale of investments which have been considered on the basis of actual cash movement, with corresponding adjustments in Assets and Liabilities.
- Additions to Fixed Assets are stated inclusive of movements of Capital Work-In-Progress between the beginning and end of the year and treated as part of Investing Activities.

This is the Cash Flow Statement
referred to in our report of even date.

For RAY & RAY
Chartered Accountants

R.N. ROY
Partner
Membership Number 8608

New Delhi
30th May, 2015

P.R.S. OBEROI
Executive Chairman

BISWAJIT MITRA
Chief Financial Officer

VIKRAM OBEROI
Managing Director and Chief Executive Officer

S.N. SRIDHAR
Company Secretary

L. GANESH
Director

Notes to Accounts

1

SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- a. The Consolidated Financial Statements relate to EIH Limited ('the Company'), its subsidiary companies, jointly controlled entities and associates. The Financial Statements of the Company, its subsidiary companies, jointly controlled entities and associates which are incorporated in India have been prepared on accrual and going concern basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('The Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). The Financial Statements have been prepared under the historical cost convention except in case of certain assets which were revalued. Financial Statements of the subsidiary companies and the jointly controlled entity which are incorporated outside India have been prepared following the Accounting Standards applicable in the respective countries but suitably modified to conform to the uniform accounting policies (Indian GAAP), except where disclosed otherwise.

b. Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- (i) The Financial Statements of the Company, its subsidiary companies and jointly controlled entities are combined on line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard on "Consolidated Financial Statements" (AS-21) read with Accounting Standard on "Financial Reporting of Interests in Joint Ventures" (AS-27).
 - (ii) In case of foreign subsidiaries and foreign jointly controlled entity, revenue items are consolidated at the average exchange rate prevailing during the year. Assets and liabilities are converted at exchange rates prevailing at the respective Balance Sheet dates. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.
 - (iii) The difference between the cost of investment in the subsidiaries and jointly controlled entities, over the net assets at the time of acquisition of shares in the subsidiaries and jointly controlled entities is recognised in the Financial Statements as Goodwill or Capital Reserve, as the case may be.
 - (iv) In case of associates which are not jointly controlled entities as per Accounting Standard on "Financial Reporting of Interests in Joint Ventures" (AS-27), where EIH Limited holds more than 20% and upto 50% of voting power, investments in such associates are accounted for using equity method in accordance with Accounting Standard on "Accounting for Investments in Associates in Consolidated Financial Statements" (AS-23).
 - (v) The Company accounts for its share in the post-acquisition change in net assets of the associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates, to the extent of its share, through its statement of profit and loss to the extent such change is attributable to the associates' statement of profit and loss and through its reserves for the balance, based on available information.
 - (vi) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the Financial Statements as Goodwill or Capital Reserve, as the case may be.
- c. Investments other than in subsidiaries, associates and jointly controlled entities have been accounted for as per Accounting Standard on "Accounting for Investments" (AS-13).
- d. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the standalone Financial Statements of EIH Limited.

Notes to Accounts — *Contd.*

2. (A) Details of subsidiaries whose Financial Statements have been considered for consolidation in pursuance of Accounting Standard on “Consolidated Financial Statements” (AS-21) are given below.

Name of Subsidiary Company		Country of Incorporation	Proportion of Ownership Interest
i)	Mumtaz Hotels Limited	India	60.00%
ii)	Mashobra Resort Limited	India	78.79%
iii)	Oberoi Kerala Hotels & Resorts Limited	India	80.00%
iv)	EIH Flight Services Ltd	Mauritius	100.00%
v)	EIH International Ltd	British Virgin Islands	100.00%
vi)	EIH Holdings Ltd *	British Virgin Islands	100.00%
vii)	EIH Marrakech Ltd *	British Virgin Islands	100.00%
viii)	J&W Hong Kong Limited *	Hong Kong	100.00%
ix)	EIHH Corporation Limited *	Hong Kong	100.00%
x)	EIH Investments N.V. *	Netherlands Antilles	100.00%
xi)	EIH Management Services B.V. *	The Netherlands	100.00%
xii)	PT Widja Putra Karya *	Indonesia	70.00%
xiii)	PT Waka Oberoi Indonesia *	Indonesia	83.23%
xiv)	PT Astina Graha Ubud *	Indonesia	60.00%

* Considered as subsidiary companies by virtue of being subsidiary of EIH International Ltd, a wholly owned subsidiary of EIH Limited.

Out of the above Subsidiary Companies, Oberoi Kerala Hotels & Resorts Limited, Mashobra Resort Limited and Mumtaz Hotels Limited, are also Jointly Controlled Entities.

- (B) The Jointly Controlled Entities consolidated in pursuance of the Accounting Standard on – “Financial Reporting of Interests in Joint Ventures” (AS-27) are:

Sl. No.	Name of the Jointly Controlled Entity	Description of Interest	Country of Incorporation	Proportion of ownership Interest (%)
(i)	Mercury Car Rentals Private Limited	Jointly Controlled Entity	India	40.00%
(ii)	Oberoi Mauritius Ltd *	-do-	British Virgin Islands	50.00%

* Considered as jointly controlled entity by virtue of being jointly controlled entity of EIH International Ltd, a wholly owned subsidiary of EIH Limited.

- (C) The Associate Company considered in the Financial Statements in pursuance of Accounting Standard on “Accounting for Investments in Associates in Consolidated Financial Statements” (AS-23) is:

	Country of Incorporation	Proportion of Ownership
EIH Associated Hotels Limited	India	36.81%

3. The carrying amount of investments includes goodwill (net) arising on acquisition in the associates EIH Associated Hotels Limited of ₹ 182.46 Million (2014 - ₹ 182.46 Million) computed as per Accounting Standard on “Accounting for Investments in Associates in Consolidated Financial Statements” (AS-23).

Notes to Accounts — Contd.

		As at 31st March	
		2015 Rupees Million	2014 Rupees Million
4			
SHARE CAPITAL			
AUTHORISED			
1,500,000,000 Equity Shares of ₹ 2 each		3,000.00	3,000.00
(2014-1,500,000,000)			
		3,000.00	3,000.00
ISSUED, SUBSCRIBED & FULLY PAID UP			
571,569,414 Equity Shares of ₹ 2 each, as per last account		1,143.14	1,143.14
(2014-571,569,414)			
		1,143.14	1,143.14

a) Reconciliation of Share Capital

		As at 31st March		
	2015		2014	
	Number of Shares	₹ Million	Number of Shares	₹ Million
Balance at the beginning of the year	571,569,414	1,143.14	571,569,414	1,143.14
Balance at the end of the year	571,569,414	1,143.14	571,569,414	1,143.14

b) The Company has one class of equity shares having a par value of ₹ 2 per share. These shares rank *pari passu* in all respects including voting rights and entitlement to dividend.

c) Shares held by Shareholders holding more than 5 percent shares in the Company :

		As at 31st March		
		2015	2014	
	Number of Shares	% holding	Number of Shares	% holding
(1) Reliance Industrial Investments and Holdings Limited	105,907,273	18.53	105,907,273	18.53
(2) ITC Limited	85,621,473	14.98	85,621,473	14.98
(3) Oberoi Hotels Private Limited	83,646,328	14.63	83,646,328	14.63
(4) Life Insurance Corporation of India	32,433,881	5.67	34,747,348	6.08
(5) Oberoi Holdings Private Limited	35,257,278	6.17	35,257,278	6.17
(6) Oberoi Investments Private Limited	29,968,293	5.24	29,968,293	5.24

Notes to Accounts — Contd.

5	Rupees Million	As at 31st March	
		2015 Rupees Million	2014 Rupees Million
RESERVES AND SURPLUS			
EXCHANGE FLUCTUATION RESERVE		329.07	39.96
CAPITAL REDEMPTION RESERVE			
As per last Account		1,024.21	1,024.21
SECURITIES PREMIUM ACCOUNT			
As per last Account	12,743.64		12,744.55
Less : Adjustment on account of consolidation	-		46.58
	12,743.64		12,697.97
Add : Additions during the Year	46.47		45.67
		12,790.11	12,743.64
REVALUATION RESERVE			
As per last Account	2,232.53		2,262.52
Less : Transfer to General Reserve / Adjustment (Note 37b)	21.38		29.99
		2,211.15	2,232.53
GENERAL RESERVE			
As per last Account	6,535.50		6,359.10
Add : Transfer from Revaluation Reserve (Note 37b)	21.38		-
Add: Transfer from Surplus	150.00		176.40
		6,706.88	6,535.50
SURPLUS			
Opening Balance	2,029.98		1,798.05
Add/(Less) : Adjustment of earlier loss/(profit) on account of cessation of Subsidiary/Joint Ventures	-		162.31
Add/(Less) : Adjustment on account of inclusion of Joint Venture	-		5.21
Add : Profit during the year as per Statement of Profit and Loss	631.00		1,071.15
	2,660.98		3,036.72
Less : Carrying amount of fixed assets where remaining useful life is nil as on 1st April, 2014 (Sch II of the Companies Act, 2013) net of deferred tax	193.48		-
	2,467.50		3,036.72
Less: Allocations / Appropriations			
Transfer to General Reserve	150.00		176.40
Interim Dividend paid on Equity Shares	41.30		48.55
Proposed Dividend on Equity Shares	670.03		674.93
Tax on Dividend	128.27		106.86
		1,477.90	2,029.98
		24,539.32	24,605.82
Less : Adjustment on acquisition		(490.85)	(476.57)
Less : Minority Interest		73.45	73.45
		24,956.72	25,008.94

Dividend of ₹ 1.10 per share (2014 - ₹ 1.10 per share) amounting to ₹ 628.73 Million (2014 - ₹ 628.73 Million) has been recommended by the Board of Directors of EIH Limited. This dividend will be paid to the shareholders if approved at the forthcoming Annual General Meeting.

Notes to Accounts — *Contd.*

6	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
LONG TERM BORROWINGS		
SECURED LOANS		
From Banks :		
ICICI Bank Limited	600.00	1,000.00
ICICI Bank Limited - T/L II	1.86	4.72
ICICI Bank Limited - T/L III	65.41	89.19
Yes Bank Limited	32.70	32.54
Yes Bank Limited - T/L II	1.98	-
The Ratnakar Bank Limited	44.24	36.72
Barclays Bank PLC	278.27	52.30
HDFC Bank Limited	66.01	32.85
State Bank of Mauritius	952.69	1,154.93
From Financing Companies :		
Kotak Mahindra Primus Limited	38.41	29.64
Reliance Capital Limited	-	14.86
Tata Capital Limited	8.88	19.26
Daimler Financial Services India Pvt Ltd	13.07	-
Toyota Financial Services India Ltd	11.94	-
BMW India Financial Services Limited	2.33	18.70
BMW India Financial Services Limited - T/L II	23.27	-
Long Term maturity of Finance Lease Obligations	50.09	40.06
UNSECURED LOANS		
From Government of Himachal Pradesh	5.00	5.00
	<u>2,196.15</u>	<u>2,530.77</u>

Notes to Accounts — *Contd.*

6**LONG TERM BORROWINGS (Contd.)****PARTICULARS OF TERM LOANS**

- (i) Term Loan from ICICI Bank Limited carries interest at the rate of 1.5% above bank's base rate, repayable in quarterly installments of ₹ 100 million each. Repayment will be complete in July 2017.
- (ii) Term Loan From Dhanlakshmi Bank, ICICI Bank Limited (T/L II), ICICI Bank Limited (T/L III), Yes Bank, Yes Bank (T/L II), The Ratnakar Bank Limited, Barclays Bank PLC and HDFC Bank Limited carries interest between 9.24% to 12.50%, repayable in monthly installments starting from the month in which the loans are availed and are payable in 36 to 50 months.
- (iii) Term Loan From State Bank of Mauritius carries interest at 500 basis points over 3 months LIBOR. Loan will be repayable in 20 equal quarterly installments.

As of 8th April, 2015, EIH Flight Services Ltd, Mauritius renegotiated the bank loan such that the principal amount only becomes payable as from April, 2016, in quarterly instalments of USD 1,187,500 (with the full principal amount to be paid by January, 2020), and that the borrowings bear an interest rate of 3 months LIBOR plus 400 basis points."

- (iv) Loans from Finance Companies are repayable in monthly payment of equated installments starting from the month subsequent to taking on finance lease and carries interest between 9.25% to 12.50%. The monthly installments are payable in 36 to 48 months.
- (v) The Finance Lease obligations are secured by hypothecation of vehicles taken under lease. Repayments are done by equated monthly installments over 36 to 60 months.

PARTICULARS OF SECURITIES

- (i) Term Loan From ICICI Bank Limited is secured by way of equitable mortgage by deposit of title deeds in respect of the Company's hotel in Delhi known as Maidens Hotel, ranking *pari passu*.
- (ii) Term Loan From Dhanlakshmi Bank, ICICI Bank Limited (T/L II), Yes Bank and HDFC Bank Limited against hire purchase arrangement in case of Mercury Car Rentals Private Limited are secured by hypothecation of vehicles.
- (iii) Term Loan From ICICI Bank Limited (T/L III), The Ratnakar Bank Limited, Barclays Bank PLC, Yes Bank (T/L II) against Hire Purchase arrangement in case of Mercury Car Rentals Private Limited are secured by hypothecation of vehicles and book debts of lease vertical.
- (iv) Term Loan From State Bank of Mauritius in case of EIH Flight Services Ltd, Mauritius, is secured by assignment of leasehold rights on land taken on lease from Airports of Mauritius Limited and floating charge on all other asset in favour of the bank and by corporate guarantee of EIH Limited.
- (v) Loans from Finance Companies against auto loan arrangement in case of Mercury Car Rentals Private Limited are secured by hypothecation of vehicles.

Notes to Accounts — Contd.

		As at 31st March	
7	Rupees Million	2015 Rupees Million	2014 Rupees Million
DEFERRED TAX LIABILITIES - NET			
Deferred Tax Liabilities on account of :			
Depreciation	2,372.63		2,359.09
Accelerated Capital Allowance	18.45		21.47
Translation Adjustment	1.83		4.61
		2,392.91	2,385.17
Deferred Tax Assets on account of :			
Unabsorbed Depreciation Carried Forward Under Income Tax Act	213.23		197.52
Unabsorbed Loss Carried Forward Under Income Tax Act	31.63		68.38
Accrued Expenses Deductible on Payment	66.31		55.72
Gratuity Provision	1.23		0.82
Leave Encashment	45.26		38.74
Provision For Debts,Advances & Investments	71.01		72.60
Reserve For Furniture Fixture & Equipment	0.89		11.67
		429.56	445.45
Deferred Tax Liabilities (Net)		1,963.35	1,939.72
8			
OTHER LONG TERM LIABILITIES			
Liability For Capital Expenditure		0.16	0.30
Security Deposits		52.69	24.50
Others		452.04	427.02
		504.89	451.82
9			
LONG TERM PROVISIONS			
Leave Encashment		172.52	157.49
Gratuity		5.24	2.74
		177.76	160.23

Notes to Accounts — Contd.

10	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
SHORT TERM BORROWINGS		
SECURED		
Short Term Loans from Bank :		
– The Hongkong & Shanghai Banking Corporation Limited (HSBC)	450.00	450.00
Cash Credit from Banks :		
– United Bank of India	424.27	201.97
– The Hongkong & Shanghai Banking Corporation Limited (HSBC)	164.48	212.44
– HDFC Bank Limited	6.01	-
– State Bank of Mauritius	-	29.75
UNSECURED		
Short Term Loan from Bank :		
– AXIS Bank Limited	-	500.00
	<u>1,044.76</u>	<u>1,394.16</u>

PARTICULARS OF SHORT TERM BORROWINGS :

- (i) Cash Credit arrangements with United Bank of India and HSBC and short term loan from HSBC relate to EIH Limited and are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the Company, both present and future, ranking *pari passu*. Cash credit with United Bank of India is additionally secured by way of second charge in respect of the Company's hotel in Kolkata known as The Oberoi Grand. Cash Credit is repayable on demand and carries interest at floating rate linked to the base rates of the respective banks.
- (ii) Short term loan from HSBC carries interest at the rate of 10.50%.
- (iii) Cash credit from State bank of Mauritius is secured by charge on building and corporate guarantee of EIH Limited. The loan bears an interest rate of 9.65%.
- (iv) Cash Credit from HDFC Bank Limited is payable on demand and is secured against, receivables of Rent a Cab Business. The rate of interest is base rate + 1.75% p.a. plus interest tax & any other statutory levy, if applicable.

Notes to Accounts — *Contd.*

	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
11		
TRADE PAYABLES		
Total Outstanding dues of Micro Enterprises and Small Enterprises (Note 35)	3.62	3.24
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,049.79	1,101.97
	<u>1,053.41</u>	<u>1,105.21</u>
12		
OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt	909.84	563.40
Current Maturities of Finance Lease Obligations	30.35	29.21
Interest accrued but not due on borrowings	4.22	4.02
Advance from Customer	419.06	263.04
Unclaimed Dividend	32.25	31.75
Unclaimed Fractional Share sale proceeds (against Bonus Issue)	0.17	0.18
Other Payables		
Contribution payable towards Gratuity Fund	28.80	36.85
Liability for Capital Expenditure	100.03	45.84
Security Deposits	100.59	110.73
Others (includes Statutory Dues)	933.20	845.54
	<u>2,558.51</u>	<u>1,930.56</u>
13		
SHORT TERM PROVISIONS		
Leave Encashment	22.99	14.85
Proposed Dividend on Equity Shares	670.03	674.93
Tax on Dividend	107.63	86.55
Gratuity	0.09	0.09
Wealth Tax (net of Advance)	14.75	14.39
	<u>815.49</u>	<u>790.81</u>

Notes to Accounts — Contd.

14

FIXED ASSETS

Rupees Million

NET BLOCK													
DEPRECIATION										NET BLOCK			
GROSS BLOCK										NET BLOCK			
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Notes to Accounts — Contd.

15	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
NON-CURRENT INVESTMENTS		
Investments In Equity Instruments		
Trade Investments : Quoted -		
25,000 (2014 - 25,000) Equity Shares of ₹ 10 each of Tourism Finance Corporation of India Limited fully paid	0.50	0.50
Associate (Note 3)		
11,215,118 (2014 - 11,215,118) Equity Shares of ₹ 10 each of EIH Associated Hotels Limited fully paid	1,430.09	1,372.72
Other Investments : Unquoted -		
41,858,400 (2014 - 41,858,400) Equity Shares of ₹ 10 each of Golden Jubilee Hotels Limited fully paid	418.58	418.58
849,575 (2014 - 849,575) Equity Shares of ₹ 10 each of Mercury Travels Limited fully paid	18.70	18.70
18,000 (2014 - 18,000) Equity Shares of ₹ 10 each of Green Infra Wind Generation Limited fully paid	0.18	0.18
1,078,826 (2014 - 1,078,826) Equity Shares of Egyptian Pound 10 each of Tourism Investments Company at Sahl Hasheesh fully paid	316.22	307.72
2,400 (2014 - 2,400) Equity Shares of La Roseaie De L'Atlas SA, Marrakech of Face Value Moroccan Dirham 1,000 per share fully paid	355.92	346.36
3,200 (2014 - 3,200) Equity Shares of ₹ 10 each of ReNew Wind Energy (Karnataka) Pvt Ltd fully paid	0.32	0.32
Investment in Government Securities (Unquoted) Non Trade		
National Savings Certificate (lodged with Government Authorities as Security Deposit)	0.31	0.31
	2,540.82	2,465.39
	Book Value	Market Value
	Rupees	Rupees
	Million	Million
Quoted	1,430.59	2,491.45
	(1,373.22)	(1,794.45)
Unquoted	1,110.23	
	(1,092.17)	
	2,540.82	
	(2,465.39)	

(Figures in bracket represent figures for 2014)

Notes to Accounts — *Contd.*

	As at 31st March	
	2015 Rupees Million	2014 Rupees Million
16		
LONG TERM LOANS AND ADVANCES (Unsecured)		
(Considered good unless otherwise stated)		
Loans and Advances to other than Related Parties		
Capital Advances	23.74	39.13
Advances recoverable in cash or in kind or for value to be received	456.48	333.03
Other Advances recoverable - considered doubtful	27.20	188.42
Sundry Deposits	928.28	964.07
Prepaid Expenses	33.83	40.54
Income Tax Advance/Refund (net of Provision)	852.22	840.43
MAT credit entitlement	52.68	116.91
	<u>2,374.43</u>	<u>2,522.53</u>
Less: Provision for Doubtful Advances	27.20	188.42
	<u>2,347.23</u>	<u>2,334.11</u>
17		
OTHER NON-CURRENT ASSETS		
Long Term Trade Receivables (Unsecured)		
Considered doubtful	18.26	23.40
	<u>18.26</u>	<u>23.40</u>
Less: Provision for Doubtful Debts	18.26	23.40
	<u>-</u>	<u>-</u>
18		
INVENTORIES *		
(At lower of cost or net realisable value)		
Provisions, Wines & Others	209.19	242.47
(includes stock lying with third party ₹ 3.50 Million (2014 - ₹ 4.72 Million))		
Stores & Operating Supplies	275.86	260.51
	<u>485.05</u>	<u>502.98</u>

* Inventories are valued at cost which is based on First-In-First-Out method or net realisable value, whichever is lower. In the case of PT Widja Putra Karya inventory is valued at weighted average cost. Unserviceable/damaged/discarded stocks and shortages are charged to the Statement of Profit and Loss.

Notes to Accounts — *Contd.*

		As at 31st March	
19	Rupees Million	2015 Rupees Million	2014 Rupees Million
TRADE RECEIVABLES (Unsecured)			
Debts Outstanding for a period exceeding six months from the due date - Considered good		145.07	140.97
Other Debts			
Considered good	2,086.15		1,879.88
Considered doubtful	0.37		1.49
		2,086.52	1,881.37
		2,231.59	2,022.34
Less: Provision for Doubtful Debts		0.37	1.49
		2,231.22	2,020.85

20

CASH & BANK BALANCES

Cash & Cash Equivalents			
Cash in hand	18.29		19.13
Cheques in hand	34.25		44.72
Balances with Banks			
Current Accounts	1,158.64		948.80
Fixed Deposits with maturity within 3 months	157.33		200.11
		1,368.51	1,212.76
Other Bank Balances			
Earmarked Balances*	386.28		310.51
Fixed Deposits maturing within 3-12 months	195.00		76.65
Margin Deposits	4.77		9.33
Unpaid Dividend Accounts	32.25		31.75
Escrow Accounts / Fractional Share sale proceeds (against Bonus Issue)	0.17		0.18
		618.47	428.42
		1,986.98	1,641.18

*Earmarked Balances represent the deposit maintained by Mashobra Resort Limited with a Nationalised Bank as per directions of the High Court in reference to the dispute with the Government of Himachal Pradesh.

21

SHORT-TERM LOANS AND ADVANCES (Unsecured)

(Considered good unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received	275.17	226.95
Prepaid Expenses	120.40	148.86
Sundry Deposits	122.73	89.43
	518.30	465.24

22

OTHER CURRENT ASSETS

Interest Accrued on deposits	4.62	2.66
Assets held for disposal	0.11	-
Other Receivables - Considered good (Unsecured)	0.93	2.59
	5.66	5.25

Notes to Accounts — *Contd.*

	Rupees Million	Year ended 31st March	
		2015 Rupees Million	2014 Rupees Million
23			
REVENUE FROM OPERATIONS			
Rooms	6,618.76		5,997.90
Food and Beverage	6,772.01		6,472.26
Other Services	1,958.70		1,847.70
Sale of Printed Materials	539.98		545.60
Transport & Car Hire Charges	798.21		607.71
		16,687.66	15,471.17
<i>Less: Excise Duty (on printed materials)</i>		4.94	5.45
		<u>16,682.72</u>	<u>15,465.72</u>
24			
OTHER INCOME			
Interest (includes interest from Income tax ₹ Nil (2014 - ₹ 0.90 Million))		72.48	61.18
Dividend			
From Others - Long Term Investments (Trade)		0.06	0.03
From Mutual Fund - Current Investments (Non-trade)		7.69	5.67
Miscellaneous Income		145.12	139.81
Gain on Exchange		-	103.47
Provisions/ Liabilities Written Back		63.73	2.34
		<u>289.08</u>	<u>312.50</u>
25			
CONSUMPTION OF PROVISIONS, WINES, & OTHERS			
Opening Stock		242.47	195.81
<i>Add: Purchases</i>		2,180.80	2,116.88
		<u>2,423.27</u>	<u>2,312.69</u>
<i>Less : Closing Stock</i>		209.19	242.47
		<u>2,214.08</u>	<u>2,070.22</u>
26			
EMPLOYEE BENEFIT EXPENSES			
Salaries, Wages & Bonus		3,646.21	3,356.01
Contribution to Provident Fund and Other Funds		202.78	196.94
Staff Welfare Expenses		411.91	361.40
		<u>4,260.90</u>	<u>3,914.35</u>

Notes to Accounts — Contd.

		Year ended 31st March	
	Rupees Million	2015 Rupees Million	2014 Rupees Million
27			
FINANCE COSTS			
Interest Expense (includes interest capitalised ₹ 0.16 Million (2014 - ₹ 0.07 Million))		461.00	526.54
Other Borrowing Costs		0.84	0.52
		<u>461.84</u>	<u>527.06</u>
28			
DEPRECIATION AND AMORTISATION EXPENSE			
Tangible Assets		1,675.34	1,346.99
Intangible Assets		2.73	2.23
		<u>1,678.07</u>	<u>1,349.22</u>
29			
OTHER EXPENSES			
Power & Fuel		1,332.85	1,261.51
Rent		327.67	318.15
Repairs & Maintainance :			
Buildings	229.25		212.22
Plant & Machinery	574.92		518.16
Others	119.66		136.15
		923.83	866.53
Insurance		70.71	61.15
Rates & Taxes		417.09	458.76
Expenses on Apartment & Board		307.11	286.05
Royalty		156.92	143.80
Advertisement, Publicity & Other Promotional Expenses		326.47	349.60
Commission to Travel Agents & others		346.40	272.61
Passage & Travelling		316.97	299.62
Postage, Telephone, etc.		104.09	125.95
Professional Charges		145.90	139.31
Linen, Uniform Washing & Laundry Expenses		55.53	57.38
Renewals & Replacement		125.16	117.56
Auditors' Remuneration		26.48	23.76
Car Hire Expenses		170.31	153.01
Musical, Banquet & Kitchen Expenses		97.56	98.47
Directors' Fees and Commission		101.55	85.39
Loss on Sale/Discard of Assets (Net)		10.63	23.22
Bad Debts & Advances Written Off		8.55	0.30
Provision for Doubtful Debts & Advances		3.38	6.66
CSR Expenses (Note 34)		31.99	-
Expenses on contracts for services		432.29	345.02
Miscellaneous Expenses		599.65	652.21
Loss on exchange (Net)		467.27	-
		<u>6,906.36</u>	<u>6,146.02</u>

Notes to Accounts — *Contd.*

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
30		
EXCEPTIONAL ITEMS		
Profit on sale of Investment	—	118.44
	—	118.44
31		
EXTRAORDINARY ITEMS		
Loss on Sale of Investment in L&T Bangalore Airport Hotel Limited	—	(65.04)
	—	(65.04)
32		
TAX		
Income Tax	695.72	490.45
Less: MAT Credit Entitlement / (Reversal)	38.50	10.12
	657.22	480.33
Tax adjustment relating to earlier years after final assessment	(0.38)	(1.12)
	656.84	479.21

Notes to Accounts — *Contd.*

33. Contingent Liabilities and commitments (to the extent not provided)

(A) Contingent Liabilities not provided for in respect of:

- (i) Claims against the Company / Companies pending appellate/judicial decisions not acknowledged as debts:
 - (a) Value Added Tax ₹ 59.27 Million (2014 - ₹ 42.80 Million)
 - (b) Income-tax ₹ 874.09 Million (2014 - ₹ 914.46 Million)
 - (c) Tax deducted at Source - ₹ 15.02 Million (2014 - ₹ 28.87 Million)
 - (d) Service Tax ₹ 180.83 Million (2014 - ₹ 137.76 Million)
 - (e) Property Tax ₹ 60.59 Million (2014 - ₹ 50.43 Million)
 - (f) Entertainment Tax ₹ 4.33 Million (2014 - ₹ 4.31 Million)
 - (g) Stamp Duty ₹ 10.23 Million (2014 - ₹ 10.23 Million)
 - (h) Expenditure Tax ₹ 0.10 Million (2014 - ₹ 0.10 Million)
 - (i) Customs Duty ₹ 429.66 Million (2014 - ₹ 429.66 Million)
 - (j) Excise Duty ₹ 95.84 Million (2014 - ₹ 99.38 Million)
 - (k) Others ₹ 49.01 Million (2014 - ₹ 15.13 Million)

The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company.

- (ii) Counter guarantees issued to banks and remaining outstanding ₹ 200.95 Million (2014 - ₹ 221.88 Million).

(B) Commitments:

- a. The estimated amount of contracts remaining to be executed on capital account and not provided for net of advances ₹ 846.45 Million (2014 - ₹ 582.15 Million).
- b. Investment commitment in subsidiary and joint venture companies ₹ 100.10 Million (2014 - ₹ 365.63 Million).

34. CSR Expenses

- (a) Some of the Companies within the group were required to spend amounts totalling to ₹ 32.31 Million on account of CSR activities during the year ended 31st March, 2015.
- (b) Details of amounts spent on account of CSR activities during the year ended 31st March, 2015 are given below :

	Rupees Million
SOS Children's Villages of India	15.13
Prime Minister's National Relief Fund	14.73
Expenses for Swachh Bharat Abhiyan	1.01
Expenses on promoting education, setting up homes & hostels for differently abled children at Dhalli in the district of Shimla, Himachal Pradesh	1.12
	<u>31.99</u>

An amount of ₹ 0.32 Million has remained unspent by Mashobra Resort Limited.

35. Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 are based on information made available to the Company. Neither there was any delay in payment nor any interest is due and remaining unpaid on the above.
36. Capital Work-In-Progress shown in the Balance Sheet inter-alia includes ₹ 379.08 Million, being the cost of a building under construction by EIH Limited. Under a Tripartite Agreement amongst the Company, DLF Cyber City Developers Limited and DLF Limited the building is being constructed by the Company on the Land which belongs to DLF Cyber City Developers Limited. After the completion of construction the same building will be acquired by the Company at an agreed value as per the terms of agreement and DLF Cyber City Developers Limited will execute necessary deed of conveyance.

Notes to Accounts — *Contd.*

37. (a) EIH Limited, Mumtaz Hotels Limited and Mashobra Resort Limited have adopted useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013 except for the hotel buildings for computing depreciation. In the case of the hotel buildings of the Companies, due to superior structural condition, management decided to assess the balance useful life by independent technical expert. As per the certificates of the technical expert, the balance useful life of the hotel buildings of the Company ranges between 50-60 years except for The Oberoi Vanyavilas where the balance useful life is 30 years. The carrying amount of each of the hotel buildings is being depreciated over its residual life.

In case of Mercury Car Rentals Private Limited, the Company has applied the estimated useful lives as mentioned in Schedule II of the Companies Act, 2013, except in respect of vehicles and mobile phones.

The management based on its internal assessment and independent evaluation carried out by an external valuer believes that the useful life of following assets best represents the period over which the management expects to use these assets:

Particulars	Useful life considered	Residual Value
Vehicles - Rent-a-Cab	42-48 months	25-27.5% of the cost
Vehicles - operating lease	12-60 months	35-70% of the cost
Mobile phones	24 months	5% of the cost

Had the Companies continued to compute depreciation at the same method and rates as applied in the previous year, depreciation charge for the current year would have been lower by ₹ 342.38 Million.

- (b) Depreciation for the year as per the Statement of Profit and Loss includes ₹ 21.38 Million being depreciation on the increased value of Land and Building due to the effect of revaluation in line with the 'Application Guide on the Provisions of Schedule II to the Companies Act, 2013' of the Institute of Chartered Accountants of India. Equivalent amount has also been transferred from Revaluation Reserve to General Reserve. Corresponding figure of ₹ 29.99 Million in the previous year was adjusted from Revaluation Reserve.
- (c) In case of the foreign subsidiary companies and jointly controlled entity the assets are depreciated on a straight line basis over the estimated useful life of the respective assets. The residual lives are reviewed every year and adjustments, if required, are made accordingly. Such rates of depreciation differ from those applied by the Company and its domestic subsidiary companies, jointly controlled entities and associate, the impact of which has not been ascertained.
38. EIH Limited's investment of ₹ 547.89 Million in the Equity shares of EIH Flight Services Ltd, Mauritius is of long term in nature and the management does not consider the present decline in the value of investment as permanent in nature. As such no adjustment has been made to modify the carrying cost in the accounts of EIH Limited.

Notes to Accounts — *Contd.*

39. Fixed Assets as on 31st March, 2015 includes assets acquired under Finance Lease amounting to ₹ 143.51 Million (2014 - ₹ 380.93 Million). These include an amount of ₹ 54.65 Million (2014 - ₹ 30.66 Million) being assets acquired during the year under finance lease and capitalised in line with the requirements of Accounting Standard (AS-19). Depreciation for the year includes an amount of ₹ 33.94 Million (2014 - ₹ 88.02 Million) being depreciation charged on these assets.

The year-wise break up of the outstanding lease obligations as on 31st March, 2015 in respect of these assets are as under:

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
Assets taken on lease		
Total minimum lease payments at the year end	101.81	87.98
Present value of minimum lease payments	80.44	69.27
Not later than one year		
Minimum Lease payments	38.66	38.62
Present value	34.74	34.74
Later than one year but not later than five years		
Minimum Lease Payments	63.15	49.36
Present value	45.70	34.53
Later than five years		
Minimum Lease Payments	--	--
Present value	--	--

40. Disclosures in respect of operating lease arrangements entered on or after 1st April, 2001 under Accounting Standard (AS-19) on Leases.

- a) EIH Limited gives shops located at various hotels on operating lease arrangements. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving notice. Some shops have been given under non-cancellable operating lease, for which the future minimum lease payments recoverable by the company are as under :

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
As Lessor		
Not later than one year	112.54	110.12
Later than one year but not later than five years	76.86	106.76
Later than five years	67.78	71.02

Rent in respect of the above is credited to the Statement of Profit and Loss.

Notes to Accounts — Contd.

- b) EIH Limited has entered into operating lease arrangements primarily for office premises, site offices, airport / flight services and residential premises for its employees. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving a notice. The future minimum lease payments payable by the company for office space taken under non-cancellable operating lease, are as under:

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
As Lessee		
Not later than one year	1.75	3.77
Later than one year but not later than five years	-	1.75
Later than five years	-	-

Rent in respect of the above is charged to the Statement of Profit and Loss.

- (c) Mercury Car Rentals Private Limited has provided vehicles on operating lease to customers. Gross Block of Fixed Assets includes vehicles given on operating lease as at 31st March 2015 aggregating to ₹ 1974.48 Million (2014 - ₹ 785.48 Million). Depreciation for the year includes an amount of ₹ 204.25 Million (2014 - ₹ 69.43 Million) being depreciation charged on these Assets given on such operating lease.

The year-wise breakup of the total future minimum lease receivable in respect of the vehicles given on operating lease are as under:

	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
Total Future Lease payments	1292.36	596.28
Not Later than one year	471.73	195.10
Later than one year but less than five years	820.63	401.18
Later than five years	Nil	Nil

41. The Group has adopted Accounting Standard (AS-15) (revised 2005) on "Employee Benefits". These Consolidated Financial Statements include the obligations as per requirement of this standard and for those subsidiaries which are incorporated outside India on the basis of valuation / provision for employee benefits as per requirements of their respective countries.
42. (a) Inventory of Provisions, Wines & Others includes Stock of Paper, Ink etc. at year end ₹ 49.05 Million (2014 - ₹ 69.66 Million).
- (b) Consumption of Provisions, Wines and Others includes consumption of Paper, Ink etc. ₹ 386.24 Million (2014 - ₹ 356.74 Million).
- (c) Inventory of Stores & Operating Supplies includes Boutique Stock at year end ₹ 10.02 Million (2014 - ₹ 10.08 Million). Corresponding opening stock was ₹ 10.08 Million (2014 - ₹ 10.45 Million).
- (d) Other Services includes revenue from sale of Boutique Stock ₹ 115.95 Million (2014 - ₹ 121.68 Million).
- (e) Purchases includes purchase of Boutique Stock ₹ 77.59 Million (2014 - ₹ 82.77 Million).
43. Other Long Term Liabilities and Other Current Liabilities inter alia include advances of ₹ 25.75 Million (2014 - ₹ 23.38 Million) received by Mercury Car Rentals Private Limited against the residual value of the vehicles in fixed sums which would be adjusted when the vehicle will be transferred / sold to parties.

Notes to Accounts — *Contd.*

44. In the case of Mashobra Resort Limited ("MRL"), several disputes with the Government of Himachal Pradesh, the joint venture partner, were referred by the High Court of Himachal Pradesh on 17th December, 2003 to an arbitral tribunal consisting of a single arbitrator whose award has been challenged by both the Company and MRL, amongst others. The operation of the arbitration award has been stayed pending substantive hearing of the applications by the High Court. Consequently, the status quo ante of the entire matter stands restored to the position as on 17th December, 2003 and the hotel is being operated by MRL accordingly. The Company vide its letter dated 4th April, 2012 requested MRL to account for the entire amount of ₹ 1,361.93 Million provided to MRL upto 31st March, 2012 as 'Advance Towards Equity', including ₹ 130.00 Million being the opening balance of 'Advance Towards Equity'. In view of the above, the Company has shown the said amount of ₹ 1,361.93 Million as 'Advance Towards Equity' in its books.

An extraordinary general meeting of MRL was called on 14.10.2010 to pass a resolution for issue and offer of equity shares of MRL to the Company against the above advance for shares. The Government of Himachal Pradesh obtained a stay order from the High Court of Himachal Pradesh and the passing of the said resolution was deferred by the High Court. Consequently the issue of equity shares against the said advance has become subjudice and dependent upon the resolution of the legal cases.

MRL is earning profits in the last couple of years and even paid dividend for the year 2013-14. It also has accumulated funds of ₹ 386.26 Million in fixed deposit pursuant to Court direction.

45. Other Current Assets includes cost of land of ₹ 5.19 Million acquired by the Uttar Pradesh Shasan Van Anubhag in case of Mumtaz Hotels Limited. The Company's claim for compensation is pending adjudication before the Additional District Judge, Agra, Uttar Pradesh.
46. As Oberoi Kerala Hotels & Resorts Limited will not commence any construction / operation of the hotel on the freehold land at Thekkady having a cost of ₹ 17.18 Million, the Company has taken a decision for its disposal. Necessary approvals are still awaited from Government of Kerala as the matter is under their active consideration. However, the accounts have been drawn up on going concern basis. On receipt of approval from Government of Kerala, this would be treated as Current Assets.

47. Earnings per Equity share :	Year ended 31st March	
	2015 Rupees Million	2014 Rupees Million
Net Profit after Tax before Extraordinary Items	631.00	1,136.19
Net Profit after Tax after Extraordinary Items	631.00	1,071.15
Weighted average number of Equity shares outstanding	571,569,414	571,569,414
Basic and diluted earnings per equity share of face value ₹ 2 (in Rupees)		
- Before Extraordinary items	1.10	1.99
- After Extraordinary items	1.10	1.87

Notes to Accounts — *Contd.*

48. The details of transactions entered into with related parties during the year are as follows:

(A) Names of the Related Parties

(I) Associates & Joint Ventures		Country of Incorporation
(i)	EIH Associated Hotels Limited	India
(ii)	Oberoi Mauritius Ltd	British Virgin Islands
(iii)	Mercury Car Rentals Private Limited	India
(II) Enterprises in which Key Management Personnel have significant influence		Country of Incorporation
(i)	Oberoi Hotels Private Limited	India
(ii)	Oberoi Properties Private Limited	India
(iii)	Oberoi Holdings Private Limited	India
(iv)	Oberoi Investments Private Limited	India
(v)	Oberoi Buildings and Investments Private Limited	India
(vi)	Oberoi Plaza Private Limited	India
(vii)	Bombay Plaza Private Limited	India
(viii)	Oberoi Leasing & Finance Company Private Limited	India
(ix)	Aravali Polymers LLP	India
(x)	Golden Jubilee Hotels Limited	India
(xi)	Oberoi International LLP	India
(xii)	B I Publications Private Limited	India
(xiii)	Vikramaditya Exports Private Limited	India
(III) Key Management Personnel		
(i)	Mr. P.R.S. Oberoi	- Executive Chairman
(ii)	Mr. S.S. Mukherji	- Executive Vice Chairman
(iii)	Mr. Vikram Oberoi	- Managing Director and Chief Executive Officer
(iv)	Mr. Arjun Oberoi	- Managing Director - Development
(v)	Mr. Samit Guha	- Chief Financial Officer (up to 28.11.2014)
(vi)	Mr. Biswajit Mitra	- Chief Financial Officer (w.e.f. 29.11.2014)
(vii)	Mr. S.N.Sridhar	- Company Secretary

Notes to Accounts — *Contd.*

(B) Transactions with Related Parties for the year ended 31st March, 2015 and Outstanding Balances as on 31st March, 2015

NATURE OF TRANSACTIONS	(Rupees Million)					
	Associate & Joint Ventures		Enterprises in which Key Management Personnel have significant influence		Key Management Personnel/ Relative of Key Management Personnel	
	2015	2014	2015	2014	2015	2014
PURCHASES						
Purchase of Goods & Services						
Mercury Car Rentals Private Limited	61.02	34.67	—	—	—	—
EIH Associated Hotels Limited	22.72	11.38	—	—	—	—
Golden Jubilee Hotels Limited	—	—	2.66	0.29	—	—
Oberoi Mauritius Ltd	0.09	0.02	—	—	—	—
Oberoi Hotels Private Limited	—	—	0.05	—	—	—
Oberoi International LLP	—	—	2.90	6.68	—	—
Total	83.83	46.07	5.61	6.97	—	—
Purchase of Fixed Assets						
EIH Associated Hotels Limited	0.57	0.25	—	—	—	—
Total	0.57	0.25	—	—	—	—
EXPENSES						
Rent						
EIH Associated Hotels Limited	1.01	0.92	—	—	—	—
Oberoi Hotels Private Limited	—	—	0.36	0.36	—	—
Mrs. Goodie Oberoi, W/o Mr. P.R.S. Oberoi	—	—	—	—	0.36	0.36
Total	1.01	0.92	0.36	0.36	0.36	0.36
Royalty						
Oberoi Hotels Private Limited	—	—	133.53	125.05	—	—
Total	—	—	133.53	125.05	—	—
Remuneration						
Mr. P.R.S. Oberoi	—	—	—	—	34.15	31.39
Mr. S.S. Mukherji	—	—	—	—	52.02	48.93
Mr. Vikram Oberoi	—	—	—	—	27.17	20.05
Mr. Arjun Oberoi	—	—	—	—	26.50	19.62
Mr. Samit Guha (upto 28th November, 2014)	—	—	—	—	6.73	—
Mr. Biswajit Mitra (w.e.f. 29th November, 2014)	—	—	—	—	2.21	—
Mr. S N Sridhar	—	—	—	—	6.58	—
Ms. Priyanka Mukherjee, D/o Mr.S.S. Mukherji	—	—	—	—	1.51	1.27
Total	—	—	—	—	156.87	121.26
SALES						
Sale of Goods and Services						
Mercury Car Rentals Private Limited	5.98	2.28	—	—	—	—
EIH Associated Hotels Limited	311.00	283.31	—	—	—	—
Golden Jubilee Hotels Limited	—	—	93.72	86.22	—	—
Oberoi Mauritius Ltd	1.60	1.69	—	—	—	—
Oberoi Hotels Private Limited	—	—	0.78	—	—	—
Silhouette Beauty Salon (Owned by Mrs. Prem Mehra, sister of Mr. P.R.S. Oberoi)	—	—	—	—	0.30	—
Total	318.58	287.28	94.50	86.22	0.30	—
Sale of Fixed Assets						
EIH Associated Hotels Limited	0.23	0.97	—	—	—	—
Total	0.23	0.97	—	—	—	—
INCOME						
Management Contract						
EIH Associated Hotels Limited	156.36	151.01	—	—	—	—
Golden Jubilee Hotels Limited	—	—	28.33	6.84	—	—
Total	156.36	151.01	28.33	6.84	—	—

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	(Rupees Million)					
	Associate & Joint Ventures		Enterprises in which Key Management Personnel have significant influence		Key Management Personnel/ Relative of Key Management Personnel	
	2015	2014	2015	2014	2015	2014
License Agreement						
Mercury Car Rentals Private Limited	0.96	0.43	—	—	—	—
EIH Associated Hotels Limited	0.24	0.24	—	—	—	—
Oberoi Holdings Private Limited	—	—	0.64	0.64	—	—
Oberoi Investments Private Limited	—	—	0.24	0.24	—	—
Oberoi Buildings and Investments Private Limited	—	—	1.01	1.03	—	—
Oberoi Plaza Private Limited	—	—	2.38	2.46	—	—
Bombay Plaza Private Limited	—	—	1.94	1.93	—	—
Silhouette Beauty Salon (Owned by Mrs. Prem Mehra, sister of Mr. P.R.S. Oberoi)	—	—	—	—	15.78	13.67
Total	1.20	0.67	6.21	6.30	15.78	13.67
Dividend Received						
EIH Associated Hotels Limited	33.65	11.22	—	—	—	—
Total	33.65	11.22	—	—	—	—
FINANCE						
PAYMENTS						
Investment in Equity Shares						
Golden Jubilee Hotels Limited	—	—	—	45.00	—	—
Total	—	—	—	45.00	—	—
OUTSTANDING BALANCES						
PAYABLES						
For Goods & Services						
Mercury Car Rentals Private Limited	4.72	4.42	—	—	—	—
EIH Associated Hotels Limited	2.10	1.67	—	—	—	—
Golden Jubilee Hotels Limited	—	—	—	0.01	—	—
Oberoi Investments Private Limited	—	—	0.06	—	—	—
Oberoi International LLP	—	—	0.37	—	—	—
Total	6.82	6.09	0.43	0.01	—	—
Royalty						
Oberoi Hotels Private Limited	—	—	34.45	31.85	—	—
Total	—	—	34.45	31.85	—	—
Security Deposit						
Bombay Plaza Private Limited	—	—	0.50	0.50	—	—
Total	—	—	0.50	0.50	—	—
LOANS & ADVANCES AND RECEIVABLES						
For Goods & Services						
Mercury Car Rentals Private Limited	0.29	0.36	—	—	—	—
EIH Associated Hotels Limited	24.45	16.95	—	—	—	—
Golden Jubilee Hotels Limited	—	—	92.70	79.11	—	—
Oberoi Mauritius Ltd	0.83	—	—	—	—	—
Oberoi Hotels Private Limited	—	—	0.11	—	—	—
Silhouette Beauty Salon (Owned by Mrs. Prem Mehra, sister of Mr. P.R.S. Oberoi)	—	—	—	—	0.02	—
Total	25.57	17.31	92.81	79.11	0.02	—
Management Contract						
EIH Associated Hotels Limited	50.28	55.20	—	—	—	—
Golden Jubilee Hotels Limited	—	—	10.03	4.42	—	—
Total	50.28	55.20	10.03	4.42	—	—

Notes to Accounts — *Contd.*

49 Financial Reporting of Interest in Joint Ventures :

Disclosure pursuant to Para 51,52,53 & 54 of Accounting Standard (AS-27) is given below.

Name and Country of Incorporation of the Jointly Controlled Entities	Proportion of ownership Interests (%)	Description of Interest	(Rupees Million)				
			Aggregate amount related to EIH Limited's interest in jointly controlled entities				
			Total Assets	Total Liabilities	Total Income	Total Expenses	
Oberoi Kerala Hotels & Resorts Limited (India)	80.00	Jointly Controlled Entity	16.56	16.56	0.47	0.31	
Mashobra Resort Limited (India)	78.79	- do -	975.90	975.90	299.75	188.42	
Mumtaz Hotels Limited (India)	60.00	- do -	663.41	663.41	541.55	305.54	
Mercury Car Rentals Private Limited (India)	40.00	- do -	1,340.55	1,340.55	878.85	836.28	
Oberoi Mauritius Ltd (British Virgin Islands)	50.00	- do -	1,414.01	1,414.01	357.70	435.39	

- EIH Limited has neither incurred any contingent liability in relation to its interests in joint ventures nor incurred any contingent liability jointly with other venturers.
- EIH Limited's share of the contingent liabilities of the joint ventures themselves: ₹ 80.24 Million (2014 - ₹ 95.09 Million)
- EIH Limited is not liable for the liabilities of the other venturers of any joint venture.
- EIH Limited has a capital commitment for ₹ 100.10 Million (2014 - ₹ 184.10 Million) in relation to its interest in joint ventures and there are no other capital commitments that have been incurred jointly with other venturer.
- EIH Limited's share of capital commitments of the joint ventures themselves amounts to ₹ 23.19 Million (2014 - ₹ 0.51 Million).

Notes to Accounts — *Contd.*

50. Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary / Associate / Joint Venture.

(Rupees Million)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Parent				
EIH Limited	87.86	18,759.23	95.82	729.43
Subsidiaries				
Indian				
1 Mumtaz Hotels Limited	0.78	165.85	20.50	156.05
2 Mashobra Resort limited	(0.95)	(202.57)	13.37	101.75
3 Oberoi Kerala Hotels & Resorts Limited	0.07	15.05	0.01	0.11
Foreign				
1 EIH Flight Services Ltd	(3.08)	(657.77)	(45.77)	(348.44)
2 EIH International Ltd	2.02	430.32	1.87	14.27
3 EIH Holdings Ltd	11.37	2,428.52	6.80	51.77
4 J & W Hongkong Limited	—	—	—	—
5 EIH Marrakech Ltd	—	0.01	—	—
6 EIH Corporation Limited	—	—	—	—
7 EIH Investments N.V.	(0.08)	(16.31)	(0.02)	(0.12)
8 EIH Management Services B.V.	(3.36)	(717.35)	(22.49)	(171.23)
9 PT Widja Putra Karya	0.75	160.47	8.03	61.17
10 PT Waka Oberoi Indonesia	(7.20)	(1,536.38)	(0.38)	(2.92)
11 PT Astina Graha Ubud	0.45	97.00	—	—
Minority Interests in all subsidiaries	3.64	777.04	17.11	130.28
Associates (Investment as per the equity method)				
Indian				
EIH Associated Hotels Limited	6.70	1,430.09	11.96	91.02
Joint Ventures (as per proportionate consolidation/investment as per the equity method)				
Indian				
Mercury Car Rentals Private Limited	1.25	267.56	3.49	26.57
Foreign				
Oberoi Mauritius Ltd	(0.23)	(50.05)	(10.30)	(78.43)

Note 51
Form AOC-I

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES
(PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)**

Part "A": Subsidiaries

(Rupees Million)

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Name of the subsidiary	Mashobra Resort Limited	Mumtaz Hotels Limited	Oberoi Kerala Hotels and Resorts Limited	EIH International Ltd	EIH Holdings Ltd	EIH Marrakech Ltd	J&W Hong Kong Limited	EHHH Corporation Limited	EIH Investments N.V.	EIH Management Services B.V.	PT Widjaja Putra Karya	PT Waka Oberoi Indonesia	PT Astina Graha Ubud	EIH Flight Services Ltd Mauritius
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries				US\$	US\$	US\$	US\$	US\$	US\$	Euro	US\$	US\$	US\$	Mauritian Rupees
Closing Rate				62.18	62.18	62.18	62.18	62.18	62.18	67.85	62.18	62.18	62.18	1.70
Average Rate				61.04	61.04	61.04	61.04	61.04	61.04	77.40	61.04	61.04	61.04	1.87
Share capital	330.00	206.50	27.20	6,007.07	2,305.99	0.01	621.80	-	0.37	1.23	41.01	711.96	161.67	600.75
Reserves & surplus	(532.57)	548.82	(8.39)	(359.15)	375.82	-	-	-	8.72	(31.79)	188.23	(2,248.34)	-	(1,122.79)
Total assets	1,238.61	1,105.68	20.70	5,651.03	2,686.94	0.01	621.80	-	1,024.92	975.98	310.80	150.60	382.99	759.37
Total Liabilities	1,238.61	1,105.68	20.70	5,651.03	2,686.94	0.01	621.80	-	1,024.92	975.98	310.80	150.60	382.99	759.37
Investments	-	-	-	5,265.11	725.80	-	621.80	-	25.41	690.88	-	-	-	-
Turnover	380.44	902.59	0.59	83.91	155.17	-	3.47	-	20.25	26.75	504.16	216.96	-	411.66
Profit before taxation	141.30	393.35	0.20	80.46	65.23	-	3.47	-	10.90	(159.22)	116.70	5.93	-	(350.62)
Provision for taxation	39.55	133.27	0.06	-	3.29	-	-	-	0.28	-	29.32	8.85	-	-
Profit after taxation	101.75	260.09	0.14	80.46	61.94	-	3.47	-	10.62	(159.22)	87.38	(2.92)	-	(350.62)
Proposed Dividend	-	103.25	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	78.79%	60.00%	80.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	70.00%	83.23%	60.00%	100.00%

1. Names of subsidiaries which are yet to commence operations :

- > Oberoi Kerala Hotels and Resorts Limited
- > EIH Marrakech Ltd
- > EHHH Corporation Limited
- > PT Astina Graha Ubud

2. Names of subsidiaries which have been liquidated or sold during the year : None

Part “B”: Associates and Joint Ventures

(Rupees Million)

	Name of Associates/Joint Ventures	EIH Associated Hotels Limited (Associate)	Mercury Car Rentals Private Limited (Joint Venture)	Oberoi Mauritius Ltd (Joint Venture)
1.	Latest audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015
2.	Shares of Associate/Joint Ventures held by the company on the year end			
	Number	11,215,118	9,796,632	7,375,001
	Amount of Investment in Associate/Joint Ventures	1,010.72	215.36	458.58
	Extent of Holding %	36.81%	40%	50%
3.	Description of how there is significant influence	More than 20% Shareholding	N.A.	N.A.
4.	Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	793	268	409
7.	Profit / Loss for the year			
	i. Considered in Consolidation	91.02	26.57	(78.43)
	ii. Not Considered in Consolidation	156.25	39.85	(91.19)

1. Names of associates or joint ventures which are yet to commence operations : None

2. Names of associates or joint ventures which have been liquidated or sold during the year : None

52. The previous year’s figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

P.R.S. OBEROI
Executive Chairman

VIKRAM OBEROI
Managing Director and Chief Executive Officer

L. GANESH
Director

New Delhi
30th May, 2015

BISWAJIT MITRA
Chief Financial Officer

S.N. SRIDHAR
Company Secretary



OBEROI HOTELS & RESORTS

INDIA

Agra	The Oberoi Amarvilās
Bangalore	The Oberoi
Gurgaon, National Capital Region	The Oberoi
Jaipur	The Oberoi Rajvilās
Kolkata	The Oberoi Grand
Shimla in the Himalayas	Wildflower Hall
Mumbai	The Oberoi
New Delhi	The Oberoi
Ranthambhore	The Oberoi Vanyavilās
Shimla	The Oberoi Cecil
Udaipur	The Oberoi Udaivilās
Cochin	Motor Vessel Vrinda (A luxury backwater cruiser)

EGYPT

Sahl Hasheesh	The Oberoi
	The Oberoi Zahra <i>Luxury Nile Cruiser</i>
	The Oberoi Philae <i>Luxury Nile Cruiser</i>

INDONESIA

Bali	The Oberoi
Lombok	The Oberoi

MAURITIUS

Mauritius	The Oberoi
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SAUDI ARABIA

Madina	Madina Oberoi
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UAE

Dubai	The Oberoi
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TRIDENT HOTELS

Agra	Trident
Bhubaneswar	Trident
Chennai	Trident
Cochin	Trident
Gurgaon	Trident
Hyderabad	Trident
Jaipur	Trident
Mumbai	Trident, Nariman Point Trident, Bandra Kurla
Udaipur	Trident

OTHER BUSINESS UNITS

Delhi	Maidens Hotel
Manesar, Gurgaon	Printing Press
Mumbai, Delhi and Chennai	Oberoi Flight Services
Mumbai	Oberoi Airport Services
	Luxury Car Hire and Car Leasing
	Business Aircraft Charters



PROJECTS UNDER CONSTRUCTION OR DEVELOPMENT

INTERNATIONAL

Marrakech	The Oberoi
Casablanca	The Oberoi
Ajman, UAE	The Oberoi

INDIA

Rajgarh, Madhya Pradesh	The Oberoi, Rajgarh Palace
Hyderabad	The Oberoi
Pune	The Oberoi
Chandigarh	The Oberoi
Bangalore	The Oberoi
Goa	The Oberoi
Navi Mumbai	Trident