

ORIENTAL HOTELS LIMITED_{46th} ANNUAL REPORT 2015-16



Vivanta by Taj - Surya, Coimbatore



Vivanta by Taj - Trivandrum, Kerala

ORIENTAL HOTELS LIMITED

BOARD OF DIRECTORS

Rakesh Sarna

Chairman

Pramod Ranjan

Managing Director

(appointed w.e.f. November 11, 2015)

D Varada Reddy

Director

Dr. G Sundaram

Director

S B P V Ramamohana Rao

Director

(resigned w.e.f. January 28, 2016)

Anil P Goel

Director

D R Kaarthikeyan

Director

Diwan Arun Nanda

Director

D Vijayagopal Reddy

Director

S Y Syed Meeran

Director

Ramesh D Hariani

Director

Vijay Sankar

Director

(appointed w.e.f. May 12, 2016)

Gita Nayyar

Director

(appointed w.e.f. July 31, 2015)

ORIENTAL HOTELS LIMITED

SHAREHOLDERS' INFORMATION

Annual General Meeting Venue	July 25, 2016 at 2.30 p.m. Sathguru Sri Gnanananda Hall, Narada Gana Sabha, 314, T.T.K Road, Chennai 600018
AVP Legal & Company Secretary	Tom Antony
Financial Controller & CFO	Mohan Jayaraman
Legal Advisor	T Raghavan New No.41, (Old No.40), Kasturi Ranga Road, Alwarpet, Chennai - 600018
Auditors	Messrs. Brahmayya & Co., Chartered Accountants No.48, Masilamani Road, Balaji Nagar, Royapettah, Chennai - 600014 Messrs. SNB Associates, Chartered Accountants No.12, III Floor, Gemini Parsn Complex, 121, Anna Salai, Chennai - 600006
Bankers	HDFC Bank Ltd Standard Chartered Bank
Debenture Trustee	Indian Overseas Bank
CIN	L55101TN1970PLC005897
Book Closure Date	July 19, 2016 to July 25, 2016 (both days inclusive)
e-Voting Window Period	July 22, 2016, 9.00 a.m. to July 24, 2016 5.00 p.m.
Registered Office	Taj Coromandel, 37, Mahatma Gandhi Road, Chennai - 600034 Telephone : 044-66002827 Fax : 044-66002089/98
Company Secretary's Office	Paramount Plaza 47, Mahatma Gandhi Road, Chennai - 600034 Telephone : 044-66172828 Fax : 044-28254447 / 28278138 ohlshares.mad@tajhotels.com www.orientalhotels.co.in
E-mail	
Website	
Listing	
• Equity Shares	BSE Ltd. 1st Floor, New Trading Ring, Rountana Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Telephone : 022-22721233 / 34 Fax : 022-22721919 The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, 'G' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400051 Telephone : 022-26598100 / 8114 Fax : 022-26598237 / 38
• Shares underlying Global Depository Receipts	Luxembourg Stock Exchange Societe De la Bourse de Luxembourg SA BP 165 L 2011, Luxembourg Fax : 00352473228/3298
ISIN Number	INE750A01020
Stock Code	NSE — ORIENTHOT EQ BSE — 500314
Registrar & Share Transfer Agent	M/s.Integrated Enterprises (India) Limited, II Floor, Kences Towers, 1, Ramakrishna Street, T.Nagar, Chennai-600017

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**Forty Sixth Annual General Meeting on Monday July 25, 2016 at 2.30 p.m.
at Sathguru Sri Gnanananda Hall, Narada Gana Sabha,
314, T.T.K Road, Chennai 600018**

ORIENTAL HOTELS LIMITED

FINANCIAL HIGHLIGHTS

(₹ lakhs)					
HIGHLIGHTS	2015-16	2014-15	2013-14	2012-13	2011-12
Gross Revenue	31,393.26	30,671.52	30,234.02	29,662.62	27,020.53
Profit Before Tax	-1,203.16	-602.82	-1,044.13	1,390.01	1,880.96
Taxation	-410.1	-303.45	-324.57	-39.80	617.76
Profit After Tax	-793.06	-299.37	-719.56	1,429.81	1,263.20
Dividend, Dividend Tax, Surcharge and Cess	429.92	859.83	1,149.24	1,149.24	934.08
Retained Earnings	1,206.91	1,388.30	925.63	2,897.36	2,284.27
Total Assets	66,729.32	66,807.72	67,295.80	67,038.50	67,579.19
Net Worth	22,251.51	23,413.74	27,900.75	29,769.55	29,488.98
Borrowings	32,073.22	31,096.83	30,755.82	28,340.00	29,036.85
Net Worth per Equity Share (₹)	12.46	13.11	15.62	16.67	16.51
Earnings per Equity Share(₹)	-0.44	-0.17	-0.40	0.80	0.71
Dividend on Equity Share	20%	40%	55%	55%	45%
Debt : Equity Ratio	1.27:1	1.14:1	1.07:1	0.88:1	0.98:1
Note : Net worth per share is based on equity share of ₹1/- each					

ORIENTAL HOTELS LIMITED

CIN: L55101TN1970PLC005897

Reg. Office: Taj Coromandel, #37, M.G.Road, Chennai 600034

Phone No.(044) 28222827 Fax No.(044) 28254447

E-mail: ohlshares.mad@tajhotels.com / Website: www.orientalhotels.co.in

NOTICE TO MEMBERS

NOTICE is hereby given that the 46th Annual General Meeting of Oriental Hotels Limited will be held on Monday, July 25, 2016 at 2.30 pm at Sathguru Sri Gnanananda Hall, Narada Gana Sabha, 314, T.T.K Road, Chennai 600018 to transact the following business:

Ordinary Business

- 1) To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the Report of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with the report of the Auditors thereon.
- 2) To declare a dividend on Equity Shares for the financial year 2015-16.
- 3) To appoint a Director in place of Mr. D Vijayagopal Reddy (DIN:0051554), who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint a Director in place of Mr. D Varada Reddy (DIN:0052200) who retires by rotation and being eligible offers himself for re-appointment.
- 5) Ratification of Appointment of Statutory Auditors of the Company.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

“Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. SNB Associates, Chartered Accountants, (Firm Registration No:015682N) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in the year 2017 at such remuneration plus service tax, out-of-pocket, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

Special Business

- 6) Appointment of Ms. Gita Nayyar (DIN:07128438) as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

“Resolved that Ms. Gita Nayyar, (DIN:07128438), who was appointed as an Additional Director of the Company by the Board of Directors with effect from July 31, 2015, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (Act) but who is eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company;

Resolved further that pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Act, read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time including applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Gita Nayyar who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from July 31, 2015 up to July 30, 2020.”

- 7) Appointment of Mr. Vijay Sankar (DIN:0007875) as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

“Resolved that Mr. Vijay Sankar, (DIN:00007875), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 12, 2016, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (Act) but who is eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

Resolved further that pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Act, read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time including applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vijay Sankar, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from May 12, 2016 up to May 11, 2021.”

NOTES:

- 1) The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business under Item Nos.6 & 7 of the Notice, is annexed hereto. An explanatory statement is also provided in respect of Item No.5 of the Notice. The relevant details as required under Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of persons seeking appointment/re-appointment as directors are also annexed.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 3) The instrument appointing a proxy should however be deposited at the Registered Office of the Company or at the office of the Company Secretary not less than 48 hours before the commencement of the meeting. Proxies be submitted on behalf of limited companies, societies must be supported by appropriate resolution / authority as applicable.
- 4) Members/Proxies should bring their Attendance Slip sent herewith duly filled in for attending the Meeting. ONLY MEMBERS/PROXIES WILL BE ADMITTED INTO THE AUDITORIUM FOR THE MEETING.
- 5) **MEMBERS SEEKING ANY INFORMATION WITH RESPECT TO FINANCIALS OR ANY OTHER INFORMATION ARE REQUESTED TO WRITE TO THE COMPANY AT THE EARLIEST SO AS TO ENABLE THE COMPANY TO PROVIDE APPROPRIATE REPLY.**
- 6) Members please note that the Board of Directors of the Company recommended payment of dividend at ₹0.20 per equity share (20%) at its meeting held on May 12, 2016.

- 7) **The Register of Members and the Transfer Books will remain closed from July 19, 2016 to July 25, 2016 (both days inclusive) for payment of dividend.**
- 8) The dividend on Equity Shares as recommended by the Directors for the year ended March 31, 2016, if approved at the Annual General Meeting, will be paid on or before August 24, 2016 as under: (a) to all beneficial owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of closure of the business hours on July 19, 2016 and (b) to all the members in respect of shares held in physical form after giving effect to valid transfer in respect of transfer request lodged/deposited with the Company on or before of closure of business hours on July 19, 2016.
- 9) The Company is extending National Electronic Clearing Service (NECS) facility to the shareholders, which will enable the shareholders of the Company to receive dividend amount directly credited into their bank account.
- 10) SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has instructed all Companies for usage of electronic payment modes for making cash payments to the investors. Companies whose securities are listed on Stock Exchanges are directed to use, either directly or through their RTI & STA, any Reserve Bank of India approved electronic mode of payment such as ECS [ECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT etc. Thus, Members are requested to kindly provide their requisite bank account particulars by quoting their reference folio number(s) in case shares are held in physical form. If shares are held in dematerialised form, Members may kindly provide the requisite bank account details to their Depository Participant, to ensure that dividend payments are correctly credited to the respective account.
- 11) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form may submit the PAN copy to their depository participants, in the case of physical form the PAN copy be submitted to the Company/ RTA.
- 12) Pursuant to Section 205A of the Companies Act, 1956 all dividends remaining unclaimed for more than seven years from the date they first became due for payment are required to be transferred to the "Investor Education and Protection Fund" (IEPF) established by the Central Government.
- 13) **Unclaimed dividend pertaining to the financial year 2008 – 2009, declared on July 23, 2009 can be claimed by the members on or before August 15, 2016.**
- 14) Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company by submitting Form No.SH-14.
- 15) As per the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has transferred all the share certificates remaining undelivered, unclaimed by the shareholders to "Unclaimed Suspense Account" and also has dematerialized the shares held in the said Unclaimed Suspense Account.
- 16) Members holding shares in physical form are requested to intimate the Company regarding any change in their addresses/bank mandates to enable the Company to address future communications to their correct addresses. Members holding shares in electronic / dematerialised form are requested to inform the Depository Participant (DP) with whom they hold their demat account about changes in their address / bank details for necessary update.
- 17) As a measure of economy, NO copies of the Annual Report will be distributed at the venue of the Annual General Meeting. Members are requested to kindly bring their copy of the Annual Report for the Meeting.
- 18) Members may also note that the Notice of the 46th Annual General Meeting and the Annual Report for 2015-16 is also available on the Company's website www.orientalhotels.co.in.
- 19) The Companies Act, 2013 referred to as the "ACT" in this notice.
- 20) DIN refers to Director Identification Number.
- 21) SEBI (LODR) wherever appears refers to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- 22) Pursuant to Section 108 of the Act, members may exercise their right to vote by electronic means for the resolutions to be passed at the meeting. A note on the e-voting process is provided hereunder:

23) **Voting through Electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (LODR), the Company is pleased to inform you a facility to exercise your voting right for the business to be transacted at the 46th Annual General Meeting by electronic means (e-Voting) through e-voting Services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL/ Company (for members whose email IDs are registered with the Company / Depository Participants(s)):

Open e-mail and open PDF file viz. “AGM46_2016.pdf” with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password for e-voting. Please note that the password is an initial password.

- B. In case a Member receives physical copy of the Notice:

a. The User Id and Password are provided in the Attendance Slip / Proxy Form.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
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b. E-Voting Procedure:

- a) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- b) Click on Shareholder – Login
- c) Put User ID and Password as initial password noted in step (i) above. Click Login.
- d) Password change menu appears, Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof, note down the new password. It is strongly recommended not to share your password with any other person(s) and take utmost care to keep your password confidential.
- e) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- f) Select “EVEN” of Oriental Hotels Limited.
- g) Now you are ready for e-Voting as Cast Vote page opens.
- h) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- i) Upon confirmation, the message “vote cast successfully” will be displayed.
- j) Once you have voted on the resolutions, you will not be allowed to modify your vote.
- k) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: evoting.ksmassociates@gmail.com with a copy marked to evoting@nsdl.co.in
- l) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the “downloads” section of www.evoting.nsdl.com
 - i. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTICE TO MEMBERS

- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - iii. The e-voting window commences on July 22, 2016 @ 9:00 am and ends on July 24, 2016 @ 5:00pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date July 18, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
 - iv. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
 - v. M/s. K.S.M. Associates Practcing Company Secretary (Membership No.FCS 6447 / CP No. 7039) has been appointed by Board of Dirctors of the Company as scrutinizers for scrutinizing the remote e-voting process as well as voting through poll paper at the meeing in fair and transparent manner.
 - vi. The Scrutinizers shall submit his report to the Chairman / Managing Director of the Company and the results of the ballot & e-voting shall be declared on July 27, 2016 at its Corporate Office, Paramount Plaza – III Floor, 47 Mahatma Gandhi Road, Nungambakkam, Chennai 600034 and displayed alongwith the Scrutinizer's Report on the website of the Company www.orientalhotels.co.in. The results will also be communicated to the Stock Exchanges and NSDL (e-voting agency).
 - vii. Subject to the receipt of requisit number of votes, the Resolutions forming part of this AGM Notice shall be deemed to be passed on the date of AGM (ie) July 25, 2016.
- 24) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Directors
For and on behalf of
ORIENTAL HOTELS LIMITED

Place: Chennai
Date: May 12, 2016

Tom Antony
Company Secretary

Explanatory Statement pursuant to Section 102 of the Companies Act 2013 forming part of the Notice of the 46th Annual General Meeting of the Company.

The following Explanatory Statement sets out all material facts relating to the Ordinary Business under Item 5 and Special Business under Item Nos. 6 & 7 mentioned in the accompanying Notice dated May 12, 2016.

Item No.5

1. This explanatory statement is provided though not mandatory under Section 102 of the Act.
2. M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No:000511S) and M/s SNB Associates, Chartered Accountants (Firm Registration No:015682N) were appointed at the 45th Annual General Meeting (AGM) of the Company held on July 30, 2015 as the Joint Statutory Auditors of the Company for a term commencing from the conclusion of the 45th AGM till the conclusion of the 47th AGM of the Company to be held in the year 2017.
3. As per provisions of Section 139(1) of the Companies Act, 2013, the appointment for the above tenure is subject to ratification by members at every AGM.
4. The provisions under Section 139 (2) of the Companies Act, 2013 dealing with mandatory rotation of Auditors provides that no listed company, shall appoint or re-appoint an audit firm as Auditor for more than two terms of five consecutive years and any audit firm which has completed its term as above shall not be eligible for re-appointment as Auditor in the same company for five years from the completion of such term. Provided also that every company, existing on or before the commencement of this Act which is required to comply with provisions of this sub-section, shall comply with the requirements of this sub-section within three years from the date of commencement of this Act.
5. In line with above requirement of the Companies Act, 2013, M/s SNB Associates, Chartered Accountants have completed their tenure of two terms of five consecutive years and will, therefore, not be eligible to seek reappointment as auditor upon the completion of their term at the conclusion of the 47th AGM of the Company to be held in the year 2017.
6. M/s. Brahmayya & Co., Chartered Accountants, the Joint Auditors of the Company, have however, recently informed the Company of their decision not to seek re-appointment as Joint Auditors from the conclusion of this 46th AGM vide their letter dated May 12, 2016, in order to facilitate the mandatory auditor rotation pursuant to Section 139(2). Accordingly, M/s SNB Associates, Chartered Accountants are being appointed as the sole auditors with effect from July 25, 2016.
7. The Company is intended to do away with the past practice of "Joint auditors" for the Company. Accordingly, M/s.SNB Associates, Chartered Accountants are being appointed as the sole auditors of the Company, for a term commencing from date of conclusion of the ensuing AGM till the date of conclusion of 47th AGM to be held in the year 2017 subject to ratification of their appointment by the members at the ensuing AGM.
8. Accordingly, ratification of the members is being sought for the proposal contained in the Resolution set out at Item no. 5 of the Notice.
9. The Board commends the Resolution at Item No. 4 for approval by the Members.
10. None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

Item No.6 & 7

- (1) The Board of Directors based on the recommendations of Nomination and Remuneration Committee appointed Ms. Gita Nayyar and Mr.Vijay Sankar as Additional Directors under the category of Independent Directors with effect from July 31, 2015 and May 12, 2016 respectively. Pursuant to Section 161 of the Companies Act 2013, read with applicable articles of the Articles of Association of the Company, they hold office as Additional Directors of the Company up to the date of this Annual General meeting but are eligible for appointment as Directors. The Company has received notices pursuant to Section 160 of the Companies Act 2013, along with the requisite deposit from a Member proposing their candidature for the office of Director of the Company at the forthcoming Annual General Meeting. The Board commends to the Members their respective appointments as Directors of the Company.

NOTICE TO MEMBERS

- (2) Ms. Gita Nayyar is a finance professional with 28 years of leadership experience with MNC banks (UK and India) and Venture Capital Funds. She has extensive cross-functional expertise in corporate banking, investment banking, wealth management, fund raising, and risk management. She is a seasoned advisor, with experience in guiding Companies, Venture Capital Funds, large NGOs and early stage enterprises. Ms. Gita Nayyar, is an MBA from Amos Tuck School of Business Administration, Dartmouth College, USA and is a BA, Economics (Hons.), from the University of Delhi. She is currently also on the Board of the following Companies:
 - (i) Religare Capital Markets Limited
 - (ii) Religare Wealth Management Limited
 - (iii) Religare Securities Limited
 - (iv) Taj SATS Limited
- (3) Mr. Vijay Sankar earned his Bachelor of Commerce degree from Loyola College in Chennai and holds a Masters in Business Administration from the J L Kellogg Graduate School of Management, Northwestern University. He is also a qualified Chartered Accountant. Mr. Vijay Sankar is the Deputy Chairman of the Sanmar Group. The Sanmar Group has revenues of around USD 1 Billion and an asset base of over USD 1.5 Billion. As Deputy Chairman, he is responsible for the Group's operational management. Apart from organic growth of the main businesses, Mr Vijay Sankar has been actively involved in Sanmar's entry into overseas countries in the Groups' core areas of strengths. The Sanmar Group has manufacturing facilities in Mexico, the United States of America and Egypt, apart from its many manufacturing units in South India. Mr Vijay Sankar is a Director on the Board of KCP Limited. He also serves as a Vice President of the Tamil Nadu Tennis Association and Additional Vice President of the Indian Chemical Council.
- (4) Ms. Gita Nayyar and Mr. Vijay Sankar are Non-Executive Directors and considered as Independent under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (5) As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and is not liable to retire by rotation. Ms. Gita Nayyar and Mr Vijay Sankar have given declarations to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act.
- (6) In the opinion of the Board, they fulfil the conditions specified in the Act and the Rules made thereunder for appointment as Independent Directors and are independent of the management.
- (7) In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointments of Ms. Gita Nayyar and Mr Vijay Sankar are now being placed before the Members for their approval.
- (8) Ms. Gita Nayyar and Mr. Vijay Sankar may be deemed to be concerned and interested in Item Nos. 6 and 7, respectively, as they relate to their respective appointments as Directors and Independent Directors of the Company. Other than the aforesaid Directors none of the other Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested in the Resolutions mentioned at Item Nos. 6 and 7 of the accompanying Notice.
- (9) The Board commends the Resolutions at Item Nos. 6 and 7 of the accompanying Notice for acceptance by the Members.

By Order of the Board of Directors
For and on behalf of
ORIENTAL HOTELS LIMITED

Place: Chennai
Date: May 12, 2016

Tom Antony
Company Secretary

ORIENTAL HOTELS LIMITED

NOTICE TO MEMBERS

This information forms part of the notice for the Annual General Meeting

Details of Directors seeking appointment / re-appointment at the 46th Annual General Meeting of the Company:

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Mr. D Vijayagopal Reddy	Mr. D Varada Reddy
Date of Birth	August 22, 1952	August 11, 1946
Occupation	Industrialist	Industrialist
Qualification	B.Com., MBA	B.Sc., (Electrical), Brighton College of Technology, UK
Date of appointment	November 11, 2005	November 11, 2007
Shares held in the Company	22,97,060	69,15,687
Directorship in other Companies	(1) Vijay Garments Ltd (2) Bhavan Garments Ltd (3) Vijay Appliances Pvt Ltd (4) Televijay Technologies Pvt Ltd (5) DPS Builders & Developers Pvt Ltd	(1) TAL Maldives Resorts Pvt Ltd (2) Taj Lanka Resorts Ltd, Srilanka (3) OHL International (HK) Ltd., Hong Kong (4) Dodla International Limited
Chairman / Member of the Committees of other Companies on which he is a Director	Nil	Nil

NOTICE TO MEMBERS

Name	Ms. Gita Nayyar	Mr. Vijay Sankar
Date of Birth	11/10/1963	26/12/1972
Occupation	Professional	Industrialist
Qualification	B.A; MBA	B.Com; MBA; ACA
Date of appointment	July 30, 2015	May 12, 2016
Shares held in the Company	Nil	Nil
Directorship in other Companies	1) Religare Capital Markets Limited 2) Religare Wealth Management Limited 3) Religare Securities Limited 4) Taj SATS Limited	(1) The KCP Ltd (2) Poes Garden Properties Pvt Ltd (3) Sanmar Consolidations Ltd (4) NS Family Consolidations Pvt Ltd (5) SCL Consultancy and Trading Ltd (6) SHL Securities (Alpha) Ltd (7) NS Family Investments Pvt Ltd (8) N Sankar Properties and Holdings Pvt Ltd (9) Sanmar Holdings Ltd (10) SHL Research Foundation (11) SCL Research Foundation (12) SilkrouteIndchem Ltd (13) Stargate Enterprises Pvt Ltd (14) V S Trading and Consultancy Pvt Ltd (15) C Sankar Trading and Consultancy Pvt Ltd (16) M Sankar Trading and Consultancy Pvt Ltd
Chairman/Member of the Committees of other Companies on which he is a Director	1) Religare Capital Markets Limited- Member of the Audit, Nomination and Remuneration, Risk and CSR committees 2) Religare Wealth Management Limited- Member of the Audit and Nomination and Remuneration committees 3) Religare Securities Limited- Member of the Audit, Nomination and Remuneration, and CSR committees 4) Taj SATS Limited- Member of the Audit, Nomination and Remuneration, and Investment Committees	The KCP Limited Member – Audit Committee Investment Committee CSR Committee Risk Management Committee Stakeholders Relationship Committee Nomination & Remuneration Committee Innovation & Best Practices Committee

The attendance records of the Directors seeking re-appointment are furnished in the Corporate Governance report which forms part of the Annual Report 2015-16.

By Order of the Board of Directors
For and on behalf of
ORIENTAL HOTELS LIMITED

Place: Chennai
Date: May 12, 2016

Tom Antony
Company Secretary

Boards' Report**To the Members:**

The Directors are pleased to present the 46th Annual Report of the Company along with the audited financial statements for the financial year ended March 31, 2016.

1. Financial Results

Particulars	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs
Profit before Depreciation, Finance Cost & Tax	3714	4950
Finance Cost	2290	3005
Depreciation and Amortization expenses	2429	2548
Profit/(Loss) before Tax and Exceptional Items	(1005)	(603)
Exceptional Items (net)	(198)	-
Profit/(Loss) before Tax	(1203)	(603)
Less:		
Provisions for Tax		
- Current Tax	105	114
- Deferred Tax	(515)	(376)
- Tax related to previous years	-	(42)
Profit/(Loss) after Tax	(793)	(299)
Balance brought forward from previous year	2053	3145
Distributable profit	1321	2913
Dividend	357	714
Tax on Dividend	73	146
Amount transferred:		
- General Reserve	-	-
- Debenture Redemption Reserve	-	1853
Balance carried forward	891	2053
Earnings per share (₹)	(0.44)	(0.17)

State of Company's affairs**Operating Results**

The Company achieved a turnover of ₹31,393 lakhs for the period ended March 31, 2016; increased by ₹722 lakhs (2.35%) as compared to previous year.

Room Income stood at ₹15,097 lakhs, an increase of ₹769 lakhs (5.37%) compared to previous year. The F&B Income decreased by ₹179 lakhs compared to previous year.

Total expenditure for the period ended as at March 31, 2016 amounted to ₹32,399 lakhs, increased by ₹1,124 lakhs (3.59%) as compared to previous year.

The Profit (EBITDA) before Depreciation, Finance Cost & Tax for the year ended March 31, 2016 amounted to ₹3,714 lakhs, decreased by ₹1,236 lakhs (24.95%) compared to previous year.

The Loss before Tax and Exceptional item(s) for the year ended March 31, 2016 amounted to ₹1005 lakhs as against a loss of ₹603 lakhs of the previous year.

The Provision for Tax for the year ended March 31, 2016 amounted to (₹410) lakhs. The Loss after Tax for the year ended March 31, 2016 stood at ₹793 lakhs as against a loss of ₹299 lakhs of the previous year. No transfer was made to General Reserve and NCD Redemption Reserve during the year ended March 31, 2016.

Dividend

Your Directors are pleased to recommend a dividend of ₹0.20 (20%) per equity share of ₹1/- each for the financial year ended March 31, 2016 out of past year's profit for the approval of members. If the dividend, as recommended above, is declared by the members at the Annual General Meeting would involve a cash outflow of ₹429.92 lakhs comprising of ₹357.20 lakhs as dividend and ₹72.72 lakhs as tax on dividend as against ₹859.83 lakhs comprising of ₹714.40 lakhs as dividend and ₹145.43 lakhs as tax on dividend for the previous year.

Share Capital

The paid up Equity Share Capital of the Company as on March 31, 2016 was ₹1,758.99 lakhs comprising of 17,85,99,180 Equity Shares having face value of ₹1/- each. The Company has not issued any Equity Shares during the financial year 2015-16.

Borrowings

The Company's borrowings as at March 31, 2016 on a standalone basis stood at ₹32,073 lakhs as against ₹31,097 lakhs as at March 31, 2015 and on a consolidated basis borrowings stood at ₹34,893 lakhs as on March 31, 2016 as against ₹34,820 lakhs as compared to the previous year.

Non Convertible Debentures (NCD)

During the year the Company has neither issued nor redeemed any NCDs. As on March 31, 2016, the outstanding NCDs amounts to ₹2,000 lakhs comprising of 'Series-A Senior Secured Redeemable Non Convertible Debentures' having face value of ₹10 lakhs aggregating to ₹1000 lakhs with coupon rate of 10.25% per annum and 'Series-B Senior Secured Redeemable Non Convertible Debentures' having face value of ₹10 lakhs aggregating to ₹1,000 lakhs with coupon rate of 2% at an yield to maturity rate of 10.25% per annum. The said debentures are listed in the Wholesale Debt Market (WDM) segment of National Stock Exchange of India Ltd.

Fixed Deposits

The Company has not accepted any public deposit or renewed of the same during the period under review. Acceptance of fixed deposits was discontinued effective February 17, 2003 and also discontinued renewal of Fixed Deposits with effect from July 2009. The Liability on account of unclaimed Fixed Deposits amounts to ₹0.30 lakhs as on March 31, 2016 as against ₹0.45 lakhs as on March 31, 2015.

Business Overview

The hotel industry is sensitive to economic cycles and witnesses cyclicalities, accentuated both by supply and demand. The Indian hotel industry, over the past nine years (financial year 2008 - financial year 2016), has been in a state of flux starting from the financial year 2008 peak to a trough in financial year 2010, a brief pickup in financial year 2011 and downhill till it bottomed out in financial year 2015-2016. After strong headwinds from an adverse demand environment and excess room inventory, the situation has improved over the past 12 months with the pace of room addition slowing down and domestic demand being supportive. (Source ICRA Research Report – Indian Hotel Industry)

According to a report by HVS Global Hospitality Services, a hospitality consulting firm, published during September 2015, hotel occupancies in India stand at 60.3%. This is the first time in five years that pan-India hotel occupancy has crossed 60%. During the period 2010-2014, occupancies have ranged between 57% and 58%. Estimates by property consultant JLL show demand for hotel rooms is growing at 11-12%, while fresh supply has fallen as much as 5% in the past year. The overall occupancy level across the country has grown by about 8-9% India's hotel industry is primarily driven by demand from business travelers. Government initiatives such as Make in India, Digital India and the e-visa scheme will further drive demand. This year, the electronic visa facility made available by the Government to citizens of certain countries has been expanded to 113 countries from 40. The fact that the growth in room demand is outpacing supply growth for all key markets in India and so far this year occupancy improved countrywide because fewer rooms were added.

Financial information of Subsidiary & Associates

The Consolidated Financial Statements of the Company and its subsidiary/associates, is prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual accounts of the subsidiary and related detailed information will be kept at the Registered Office of the Company, and will be available to members seeking information at any time.

The Company is having an overseas subsidiary as on March 31, 2016 and there has been no material change in the nature of business of subsidiary. The Minutes of the subsidiary company along with the financial statements were placed and reviewed by the Board of Directors.

Salient features pertaining to Subsidiary / Joint Venture / Associate as required by Sub-Section 3 of Section 129 of the Companies Act, 2013 ('Act') read with Rule 5 of Companies (Accounts) Rules, 2014 is furnished hereto in the Annexure-1.

Particulars of Loans, Guarantees and Investments of the Company under Section 186 of the Act.

The Company has not given any loans or provided any security during the financial year under review. However it has renewed the Inter Corporate Deposit amounting to ₹560 lakhs placed with Taj Karnataka Hotels and Resorts Ltd.

Related Party Transactions.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant Related Party Transactions made by the Company during the year that would have required Shareholder approval under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Related Party Transactions are placed before the Audit Committee for approval. A statement containing the details of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis. The Company has adopted a Policy governing the Related Party Transactions as approved by the Board which is uploaded on the Company's website.

Disclosures as required under AS-18 in respect of Related Party Transactions have been made in Note.36 of the Notes to the standalone financial statements. There were no transactions during the year which would require to be reported in Form AOC – 2.

Risk Management

The Company has constituted a Risk Management Committee as a measure of good governance. The policy framework enables the Company to identify and evaluate risks and opportunities. This framework seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage. The risk framework defines the risk management approach across the Company at various levels including documentation and reporting.

The Policy framework enables the Company to evaluate risks, appropriately rate these risks and grade the same in accordance with their potential impact and likelihood. The two key components of risks are the probability (likelihood) of occurrence and the impact (consequence) of occurrence, if the risk occurs. Risk is analyzed by combining estimates of probability and impact in the context of existing control measures.

Existing control measures are evaluated against Critical Success Factors (CSFs) and Key Performance Indicators (KPIs) identified for those specific controls. Guiding principles to determine the risk consequence (impact), probability of occurrence (likelihood factor) and mitigation plan effectiveness.

The Company has laid down procedures to inform Audit Committee as well as the Board of Directors about the risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

Directors and Key Managerial Personnel (KMP)

The Board of Directors based on the recommendations of Nomination and Remuneration Committee appointed Ms. Gita Nayyar and Mr. Vijay Sankar as Additional Directors under the category of Independent Directors with effect from July 31, 2015 and May 12, 2016 respectively. They hold office upto the date of the forthcoming Annual General Meeting and are further proposed to be appointed as Independent Directors of the Company for a period of five years commencing from their respective date of appointment.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with provisions under the Companies Act, 2013 and Articles of Association of the Company, Mr. D. Vijayagopal Reddy and Mr. D Varada Reddy, Directors retire by rotation and are being eligible for re-appointment.

Mr. SBPV Ramamohana Rao, one of the Independent Director on the Board of the Company had resigned from the Board, w.e.f. January 28, 2016 due to ill health.

Mr. Pramod Ranjan was appointed as Managing Director and Chief Executive Officer of the Company for a period of 3 years with effect from November 11, 2015 vide Members approval obtained through Postal Ballot on March 28, 2016. Mr. Pramod Ranjan being part of the Promoters of the Company has been associated with the Company for a number of years. He has rich experience in the hospitality industry and expertise in project planning and execution.

Mr. K.C. Raman, Company Secretary one of the Key Managerial Personnel of the Company had resigned w.e.f. August 20, 2015. Consequent to the resignation of Mr. K.C. Raman, the Board on the recommendation of the Nomination and Remuneration Committee appointed Mr. Tom Antony as Company Secretary and Compliance Officer of the Company with effect from November 16, 2015.

Mr. Pramod Ranjan, Managing Director, Mr. Mohan Jayaraman, Chief Financial Officer and Mr. Tom Antony, Company Secretary are designated as Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013.

Board and Committee Meetings

The Board of Directors has met four (4) times during the year mainly to review and consider the quarterly audited financials of the Company. Details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Director's Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015 – 16.

Accordingly, pursuant to Section 134(3) (c) and 134(5) of the Act, the Board of Directors to the best of their knowledge and ability, confirm that:–

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. they have selected such accounting policies and applied them consistently made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2016 and of the profit or loss of the Company for that period;
- iii. they have taken proper and sufficient care for 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 fraud and other irregularities;
- iv. they had prepared the annual accounts on a going concern basis;
- v. they have laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Controls Systems and Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems of the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

Internal financial controls means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

Vigil Mechanism / Whistle Blower Policy

The Company has adopted a Whistle Blower Policy to provide a mechanism for the Directors and employees to report genuine concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The provisions of this policy which is uploaded on the Company's website are in line with the provisions of Section 177 (9) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/Listing Agreement.

Significant and Material Orders passed by the Regulators

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and future operation of the Company.

Corporate Social Responsibility

Your Company is intrinsically associated with the society and environment by upholding its businesses with transparency and commitment. It has evolved an approach to leverage CSR as a potent, long-term goal towards 'Value Creation' for all its stakeholders.

Your Company works towards facilitating sustainable livelihoods by providing adequate opportunities to the youth of rural and less-privileged sectors of society. Your Company's hotel units, which are in smaller cities, are engaged in community initiatives such as education and nutritional awareness. The units have consumed homemade local produces from self-help groups, without compromising the product quality.

Even though not mandatory, the Company, through its various hotel units had spent ₹37.31 lakhs during the financial year 2015 – 16 towards education and other social welfare measures which includes payment of school fees, distributing rice to the fisherman's family during the non-fishing period etc.,

Remuneration Policy

The Company had adopted a Remuneration Policy for the Directors, KMP and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

The key principles governing the Company's Remuneration Policy are as follows:

Remuneration for Independent Directors and Non-Independent Non-Executive Directors

- Independent Directors (ID) and Non-Independent Non-Executive Directors (NINED) may be paid sitting fees for attending the meetings of the Board and of Committees of which they may be members, and receive commission within regulatory limits, as recommended by the NRC and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives.
- Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

Remuneration for Managing Director (MD)/ Key Managerial Personnel (KMP)/ rest of the Employees

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company also provides all employees with a social security net subject to limits, by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death etc. The Company provides retirement benefits as applicable.

- In addition to the basic / fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.
- The Company provides the management employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

It is affirmed that the remuneration paid to Directors, KMP and all other employees is as per the Remuneration Policy of the Company.

Evaluation of Board of Directors

The Board of Directors of the Company presently comprises eleven (11) Non-Executive Directors and one Executive Director viz., the Managing Director. The Directors appointed on the Board are from diverse fields relevant to the Company's business, having long-standing experience and expertise in their respective fields. They have considerable experience in managing large corporate and have been in public life for decades.

Non-Executive Directors add substantial value through the deliberations at the meetings of the Board and Committees thereof. To safeguard the interests of the investors, they also play a control role. In important Committees of the Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee etc., the Directors play an important role by contributing to the deliberations of the Committee Meetings. Besides contributing at the meetings of the Board and Committees, the Non-Executive Directors also have off-line deliberations with the Management of the Company and add value through such deliberations.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive and non-executive directors.

Listing

The Equity Shares of your Company are listed at BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai and the Global Depositary Receipts (GDRs) are listed at Luxembourg Stock Exchange. NCD's issued by the Company are listed at National Stock Exchange of India Limited in the Wholesale Debt Market (WDM). The Listing fees to these Stock Exchanges and custodian fees to NSDL and CDSL have been paid by the Company for the financial year 2015-16.

Auditors

(i) Statutory Auditors:

M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No:000511S) and M/s SNB Associates, Chartered Accountants (Firm Registration No:015682N) were appointed in 45th Annual General Meeting (AGM) of the Company as the Joint Statutory Auditors of the Company for a term commencing from the conclusion of the 45th AGM of the Company held on July 30, 2015 till the conclusion of the 47th AGM of the Company to be held in 2017 (subject to ratification of their appointment at the AGM to be held in 2016).

Considering that the existing Statutory Auditors of the Company viz., M/s. Brahmayya & Co., Chartered Accountants and M/s SNB Associates, Chartered Accountants have already completed their tenure of two terms of five consecutive years, the Company has to comply with the requirement under Section 139 (2) by appointing a new audit firm latest by the date of conclusion of the 47th AGM of the Company to be held in the year 2017. M/s. Brahmayya & Co., Chartered Accountants, the Joint Auditors of the Company, have however, recently informed the Company of their decision not to seek re-appointment as Joint Auditors from the conclusion of this 46th AGM vide their letter dated May 12, 2016, in order to facilitate the mandatory auditor rotation pursuant to Section 139(2).

The Company is also intended to do away with the past practice of "Joint auditors" for the Company. Accordingly, M/s SNB Associates, Chartered Accountants are being appointed as the sole auditors of the Company, for a term commencing from date of conclusion of the ensuing AGM till the date of conclusion of 47th AGM to be held in the year 2017 subject to ratification of their appointment by the members at the ensuing AGM.

(ii) Secretarial Auditors:

Pursuant to provisions under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s.KSM Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2016. The Secretarial Audit Report is attached as Annexure 5.

The Auditors' Report and Secretarial Audit Report for the financial year ended March 31, 2016 do not contain any qualification, reservation, adverse remark or disclaimer requiring explanation in the Boards' Report.

Corporate Governance Report, Management Discussion & Analysis Report

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report on Management Discussion & Analysis, Corporate Governance as well as the Auditor's certificate on the compliance of Corporate Governance thereon are attached and form part of the Annual Report.

Conservation of Energy, Technology Transfer and Foreign Exchange Earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 is furnished in the Annexure 2 to this report:

Particulars of Employees & Remuneration

The information required under section 197(12) of the Act, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in the Annexure 3 to this report.

The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in the Annexure forming part of the Report. In terms of the first proviso to section 136 of the Act, the Report and accounts are being sent to the shareholders excluding the aforesaid Annexure. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has zero tolerance for sexual harassment at its workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During the year under review the Company has received four complaints on sexual harassment and all the complaints have been disposed of and appropriate action taken and no cases remain pending.

Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Extract of the Annual Return in Form MGT 9 is attached as Annexure 4 to this report.

Acknowledgement

The Directors thank the Company's employees, customers, vendors, investors and bankers for their continued support during the year.

Place: Chennai

Date: May 12, 2016

For and behalf of the Board of Directors

Rakesh Sarna (DIN:01875340)

Chairman

Annexure – 1

FORM AOC-1

Statement containing the salient features of the financial statement of Subsidiary/Associate/Joint Venture

[Pursuant to Section 129(3) of the Act read with Rule 5 of Companies (Accounts) Rules, 2014].

PART "A" : Subsidiary

₹ in lakhs

Name of Subsidiary Company	OHL International (HK) Ltd	
Reporting Currency:	USD	INR Equivalent
Share Capital	150.00	9939.00
Reserves & Surplus	-4.08	-270.39
Total Assets	145.92	9668.61
Total Liabilities	145.92	9668.61
Investments	140.58	9314.89
Total Income	2.00	132.71
Profit Before Taxation	4.60	304.84
Provision for Taxation	-	-
Profit After Taxation	4.60	304.84
Interim Dividend	4.50	298.17
% of Shareholding	100%	

Note:- 1. Exchange conversion rate used for USD is ₹66.26

2. Subsidiary accounts include results of its associate, Lanka Island Resorts Ltd.

Part B: Associate & Joint Venture

Entity Name	Taj Madurai Ltd	TAL Hotels & Resorts Ltd
Associate/Joint Venture	Associate	Joint Venture
Latest audited Balance Sheet Date	31-Mar-16	31-Mar-16
Shares Held by the Company at the Year end		
No	9,12,000	38,03,718
Investment Held ₹ in lakhs	118.60	2,005.76
Holding %	26%	21.736%
Significant Influence	Voting Power	Voting Power
Reasons for Not Consolidation	Not Applicable	Not Applicable
Net Worth ₹ in lakhs	783.48	33,221.52
Profit/(Loss) for the Year		
Considered in Consolidation ₹ in lakhs	28.81	656.64
Not Considered in Consolidation ₹ in lakhs	81.99	2364.34

The Company earned a dividend income from its subsidiary during the financial year amounting to ₹298lakhs.

Mr. Rakesh Sarna
Chairman
DIN:01875340

Dr. G.Sundaram
Director
DIN:00051093

Place: Chennai
Date: May 12, 2016

Mr. Mohan Jayaraman
Chief Financial Officer

Mr. Tom Antony
Company Secretary

Annexure - 2**- Conservation of Energy:**

The Company continued to use green energy to its potential through a group captivity scheme and saved considerable cost on power. Apart from the above, the hotel unit(s) reduced the consumption of power (electricity) through alternative energy resources and has also reduced the consumption of fossil fuel by reducing the usage of electricity generators. The Company, for effective utilization of alternative energy resource has invested ₹15.30 lakhs as on March 31, 2016 under group captivity scheme in the equity share capital of private power producing companies. Solar lighting and heating panels are being installed by a few hotel units to reduce the consumption of power. Hot water is being generated through heat recovery process from AC plants and Automatic Power factor control panels through Screw chiller and De-super heater are being used to reduce power consumption. The units are using CFL & LED lightings instead of conventional lightings, which also reduced the consumption of energy.

- Water and Waste Management

The water used by the guests and in other areas is recycled by in-house treatment plants and the recycled water is being used for gardening. Rainwater harvesting system is adopted to recharge the wells within unit premises. Wastes are segregated at source, such as de-gradable, non-gradable and hazardous wastages, and disposed off through authorized vendors. A few units have a compost yard, converting the wet garbage and horticultural waste into manure and have also installed bio-mass cooking application. Effective water management gadgets are in place to minimize the usage of water in toilets and other places.

- Environmental Initiatives

Given the relatively low ecological footprint of the hospitality industry vis-à-vis other larger industries, the Group's key objective in environmental responsibility is to increase the sustainability of its hotels & tourism operations and optimize resource efficiency. The Group's internal EARTH vision, which outlines its commitment to renewing and regenerating the environment, conserving natural resources and endeavoring to extend these actions to products, services, partners, associates, vendors and communities. Your Company focuses on implementing responsible energy management practices aimed at reducing its direct and indirect emissions, increasing use of renewable energy in the overall energy mix being used, water conservation through rain water harvesting, recycling & reuse of water and responsible waste management through composting food & horticulture waste as well as ensuring responsible disposal of hazardous & e waste.

- Foreign exchange earnings and outgo:

The information relating to foreign exchange earnings and outgo is furnished in Note No. 28 & 30 of the notes to the standalone financial statements.

Annexure – 3

The information as required under section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial Year:

(Explanation: (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values)

The ratio of remuneration of Managing Director to the Median Remuneration of all employees who were on the payroll of the Company during the financial year 2015-16 is given below:

Managing Director	Ratio to median remuneration
Mr. D. Varada Reddy Till November 10, 2015	17.66:1
Mr. Pramod Ranjan w.e.f. November 11, 2015	5.95:1

Even though non-executive directors are eligible for a profit linked commission as remuneration, no payment in this regard was made due to the absence of profits. However non-executive directors other than those representing The Indian Hotels Company Ltd., were paid sitting fee for attending the Board/Committee meetings which was not considered as remuneration.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any in the financial year:

The percentage increase in remuneration of the Managing Director, Chief Financial Officer, Company Secretary during the financial year 2015-16 is given below:

Name - Designation	Percentage Increase in Remuneration
Mr. D. Varada Reddy - Managing Director (Till November 10, 2015)	Nil
Mr. Pramod Ranjan – Managing Director (w.e.f. November 11, 2015)	Not Applicable
Mr. Mohan Jayaraman – Chief Financial Officer	5%
Mr. K.C.Raman – Company Secretary (Till August 30, 2015)	Nil
Mr. Tom Antony – Company Secretary (w.e.f November 16, 2015)	Not Applicable

3. The percentage increase in the median remuneration of employees in the financial year: 10.57%.

4. The number of permanent employees on the rolls of Company: 1,118.

5. The explanation on the relationship between average increase in remuneration and Company performance:

The remuneration applicable to the employees who are members of trade union is governed by the wage settlement agreements entered into by the Management and Union periodically. In the case of other employees, the Company follows a performance management system which is interlinked to both the performance of the Individual and the Company to ensure that the remuneration reflects the performance of the Company also.

6. Comparison of the remuneration of the Key Managerial Personnel (KMPs) against the performance of the Company:

The total revenue increased by ₹722 lakhs (2.35%) in 2015 – 16 as compared to previous year. The loss before tax for the year 2015-16 amounted to ₹1,203 lakhs as compared to previous year loss of ₹603 lakhs. The aggregate remuneration of KMPs in 2015-16 amounts to ₹170.44 constituting 0.54% of the total revenue.

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

The market capitalization of the Company as at March 31, 2016 (calculated based on the closing price of shares as on March 31 traded on BSE Ltd) is ₹36,970 lakhs, as against ₹35,631 lakhs as at March 31, 2015, an increase of 3.76% during the year under review. The price earnings ratio is not applicable in view of the losses reported during the current and previous financial years.

8. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

The initial public offer of the equity shares of the Company was made in the year 1974 where 8,10,000 equity shares with face value of ₹10/- were issued at par. The market price of equity share of the Company with a face value of ₹1/- quoted at BSE as at March 31, 2016 was ₹21.15/- (high) & ₹ 20.40 (low) and closing price at ₹20.70/- . Though not comparable, the market value represents an increase of 9029% (adjusted for Bonus Shares Issued) over the period.

9. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase in the salaries of employees other than the managerial personnel during the last financial year was around 7%, as compared to no increase to the Managing Director and an increase of 5% to the Chief Financial Officer. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also industry trend.

10. **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:**

The gross sales of the Company (standalone) for the year 2015-16 were ₹31,393 lakhs, represents an increase of 2.35% over the previous year. The loss before tax for the year 2015-16 amounted to ₹1,005 lakhs as compared to previous year loss of ₹603 lakhs. There was a change in the Key Managerial Personnel during the year wherein new Managing Director and Company Secretary has joined the Company. Considering the Company's operational requirements and the individual performances during the year 2015-16, the remuneration of Chief Financial Officer, as Key Managerial Personnel was increased by 5%.

11. **The key parameters for any variable components of remuneration availed by the Directors:**

The Company during the year 2015-16 has reported loss on account of which no commission was paid to non-executive directors. The Company also pays a portion of remuneration by way performance incentive, as variable component to the Managing Director. This is determined by the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, subject to the overall statutory ceilings limits.

12. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:**

The highest paid Director is the Managing Director. No employee has received remuneration in excess of the Managing Director during the year.

13. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure - 4

EXTRACT OF ANNUAL RETURN – MGT -9
As on the financial year ended on 31/03/2016

[Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other Details:

i)	CIN:	L55101TN1970PLC005897
	Foreign Company Registration Number/GLN	Not Applicable
	Registration Date	18/09/1970
ii)	Category of the Company	Public Company
iii)	Sub Category of the Company	Company having share capital
iv)	Whether shares listed on recognized Stock Exchange(s) Details of the Stock Exchanges 1. BSE Limited Code: 500314 2. National Stock Exchange of India Code: ORIENTHOT	Yes
	AGM details:	
v)	Whether extension of AGM was granted – Yes / No.	NO
	If Annual General Meeting was not held, specify the reasons	Not Applicable
vi)	Name and Registered office Address:	
	Company Name	ORIENTAL HOTELS LIMITED
	Address Town / City /Country/PIN	“Taj Coromandel”, No.37 Mahatma Gandhi Road, Nungambakkam, Chennai, Tamil Nadu, India PIN 600034
	Telephone : 044-66002827:Fax No. 044-28254447 Email address: Ohlshares.mad@tajhotels.com Website: www.orientalhotels.co.in	
	Name of the Police Station having jurisdiction where the registered office is situated : Nugambakkam Police Station	
	Address for correspondence, if different from address of registered office:	Corporate office: Paramount Plaza, II Floor, No.47 Mahatma Gandhi Road, Nungambakkam, Chennai, Tamilnadu 600034
vii)	Name and Address of Registrar & Transfer Agents (RTA):-	
	Registrar & Transfer Agents (RTA):-	Integrated Enterprises (India) Ltd
	Address	Kences Towers, No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai, Tamilnadu, India, 600017
	Telephone	044 – 28140801 / 0802 / 0803
	Fax Number	044 – 28147039
	Email Address	Corpserv@integratedindia.in

- 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)

SL. NO.	Name and Description of main products / services	NIC Code group of Products/services	% to total turnover of the company
1	Hoteliering, including accommodation, restaurants and catering services	5520,5610 & 5621	100%

- III. **Particulars of holding, subsidiary & Associate Companies**

SL. No.	Name & Address of the Company	CIN/GLN	Status	% of Shareholding	Applicable Section
1	OHL International (HK) Ltd	NA*	Subsidiary	100.000%	2(87)
2	Taj Madurai Ltd	U55101T-N1990PLC018883	Associate	26.000%	2(6)
3	Lanka Island Resorts Ltd	NA*	Associate	23.080%	2(6)
4	TAL Hotels & Resorts Ltd	NA*	Joint Venture	21.736%	

*Incorporated outside India.

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category - wise of Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/ HUF	4108965	0	4108965	2.30	4071925	0	4071925	2.28	-0.02
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	59961430	0	59961430	33.57	59961430	0	59961430	33.57	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other – Directors & Relatives	28398506	0	28398506	15.90	31679276	0	31679276	17.74	1.84
Sub Total (A) (1)	92468901	0	92468901	51.77	95712631	0	95712631	53.59	1.82
1. 2. Foreign									
a) NRIs –Individuals	0	0	0	0	0	0	0	0	0
b) Other –Individuals	6264947	0	6264947	3.51	6164169	0	6164169	3.45	-0.06
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	000
e) Any Other - Directors & Relatives	8878590	0	8878590	4.97	8878590	0	8878590	4.97	0
Sub-total (A) (2):-	15143537	0	15143537	8.48	15042759	0	15042759	8.42	-0.06
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	107612438	0	107612438	60.25	110755390	0	110755390	62.01	1.76
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	16605272	0	16605272	9.30	16259872	0	16259872	9.10	-0.19
b) Banks / FI	888400	0	888400	0.50	888400	0	888400	0.50	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	2912506	0	2912506	1.63	2771313	0	2771313	1.55	- 0.08
g) FIs	10000	0	10000	0.01	20000	0	20000	0.01	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0		0	0	0	0	0	0	0
Sub-total (B)(1)	20416178	0	20416178	11.43	19939585	0	19939585	11.16	-0.27

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% Change during the year
2. Non-Institutions								
c) Bodies Corp.								
i) Indian	4408814	105870	4514684	2.53	4507072	5870	4512942	2.53
ii) Overseas	0	0	0	0	0	0	0	0
b) Individuals								
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	18535769	3381787	21917556	12.27	20360672	3100963	23461635	13.14
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5180820	1505350	6686170	3.74	7231822	1505350	8737172	4.89
c) Others (specify)								
Non Resident Indians	2385264	16690	2401954	1.34	389529	16690	406219	0.23
Overseas Corporate Bodies	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0
Clearing Members	10849	0	10849	0.01	14287	0	14287	0.00
Trusts	5420	0	5420	0.00	5370	0	5370	0.00
Directors & Relatives	859692	0	859692	0.48	17250	0	17250	0.01
HQJF	971021	18	971039	0.54	705882	18	705900	0.40
Foreign Bodies – DR	0	0	0	0	0	0	0	0
NBSC – RBI Registered	0	0	0	0	71000	0	71000	0.04
Sub-total (B)(2):-	32357649	5009715	37367364	20.92	33302884	4628891	37931775	21.24
Total Public Shareholding (B) = (B)(1) + (B)(2)	52773827	5009715	57783542	32.35	53242469	4628891	57871360	32.41
C. Shares held by Custodian for GDRs	13203200	0	13203200	7.39	9972430	0	9972430	5.58
Grand Total (A + B + C)	173589465	5009715	178599180	100.00	173970289	4628891	178599180	100.00

ii. Shareholding of promoters:

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			Cumulative shareholding during the year			% C
		No. of Shares	% A	% B	No. of Shares	% A	% B	
1	THE INDIAN HOTELS COMPANY LIMITED	33764550	18.91	0.00	33764550	18.91	0.00	0.00
2	TIFCO HOLDINGS LIMITED	17208360	9.64	0.00	17208360	9.64	0.00	0.00
3	TAJ TRADE AND TRANSPORT COMPANY LIMITED	1664090	0.93	0.00	1664090	0.93	0.00	0.00
4	TATA INVESTMENT CORPORATION LTD	1076000	0.60	0.00	1076000	0.60	0.00	0.00
5	PIEM HOTELS LIMITED	3657170	2.05	0.00	3657170	2.05	0.00	0.00
6	TATA CHEMICALS LTD	2523000	1.41	0.00	2523000	1.41	0.00	0.00
7	TAJ MADURAI LIMITED	68260	0.04	0.00	68260	0.04	0.00	0.00
8	NAVEEN REDDY D.	663900	0.37	0.00	663900	0.37	0.00	0.00
9	PEDDINENIKALVA VIDYAREDDY	0	0.00	0.00	162960	0.09	0.00	0.09
10	D KARTHIK REDDY	300	0.00	0.00	300	0.00	0.00	0.00
11	DODLA PADMAPRIYAREDDY	20162	0.01	0.00	20162	0.01	0.00	0.00
12	DODLA SUDHAKARA REDDY.	231500	0.13	0.00	156500	0.09	0.09	-0.04
13	D DEEPTHA	4030	0.00	0.00	4030	0.00	0.00	0.00
14	D USHA REDDY	227835	0.13	0.00	102835	0.06	0.00	-0.07
15	SUDHAKAR REDDY	5700	0.00	0.00	5700	0.00	0.00	0.00
16	D SUNDER NISCHAL	99000	0.06	0.00	99000	0.06	0.00	0.00
17	D.NAVEEN K. REDDY	650000	0.36	0.00	650000	0.36	0.00	0.00
18	D PRASANNA REDDY	25000	0.01	0.00	25000	0.01	0.00	0.00
19	DODLA VEERU RAGHAVA REDDY	792890	0.44	0.00	792890	0.44	0.00	0.00
20	PRASAD REDDY D V S	155500	0.09	0.09	155500	0.09	0.09	0.00
21	M NITYA REDDY	467300	0.26	0.00	467300	0.26	0.00	0.00
22	C LEENAJA REDDY	311250	0.17	0.00	311250	0.17	0.00	0.00
23	KIRAN REDDY JAKKA	54830	0.03	0.00	54830	0.03	0.00	0.00
24	DODLA ABISHEK	22770	0.01	0.00	22770	0.01	0.00	0.00
25	D RAHUL REDDY	38420	0.02	0.00	38420	0.02	0.00	0.00
26	P VIDYA REDDY	154010	0.09	0.00	154010	0.09	0.00	0.00
27	J CHAITANYA REDDY	16820	0.01	0.00	16820	0.01	0.00	0.00
28	S RAMALINGA REDDY	80358	0.04	0.00	80358	0.04	0.00	0.00
29	P DWARAKNATH REDDY	87390	0.05	0.00	87390	0.05	0.00	0.00
30	D.VARADA REDDY.	2334227	1.31	0.00	2334227	1.31	0.00	0.00
31	D. VARADA REDDY	4581460	2.57	0.00	4581460	2.57	0.00	0.00
32	D.AMIT REDDY.	27521	0.02	0.00	27521	0.02	0.00	0.00
33	DODLA ARUNA REDDY	49630	0.03	0.00	49630	0.03	0.00	0.00
34	DODLA KAMESWARI REDDY	5200	0.00	0.00	5200	0.00	0.00	0.00
35	PRAMOD RANJAN	732450	0.41	0.00	732450	0.41	0.00	0.00
36	PRAMOD RANJAN	6190960	3.47	0.00	6190960	3.47	0.00	0.00
37	PRAMOD RANJAN	7272730	4.07	0.00	7272730	4.07	0.00	0.00
38	M KALA REDDY	406030	0.23	0.00	406030	0.23	0.00	0.00
39	G V K RANJAN	12000	0.01	0.00	12000	0.01	0.00	0.00

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			Cumulative shareholding during the year			% C
		No. of Shares	% A	% B	No. of Shares	% A	% B	
40	PRAVIN RANJAN	366220	0.21	0.00	366220	0.21	0.00	0.00
41	D. LALITHAMMA	320090	0.18	0.14	320090	0.18	0.09	0.00
42	LALITHAMMA D	300000	0.17	0.00	300000	0.17	0.00	0.00
43	D. ARUNA REDDY	1234080	0.69	0.00	1234080	0.69	0.00	0.00
44	P. SHOBA REDDY	1081450	0.61	0.00	1081450	0.61	0.00	0.00
45	D. SUDHA REDDY	4310	0.00	0.00	4310	0.00	0.00	0.00
46	DODLA SUDHA REDDY	152320	0.09	0.09	152320	0.09	0.09	0.00
47	D. VIJAYAGOPAL REDDY	2297060	1.29	0.29	2297060	1.29	0.10	0.00
48	M.V. SURESH REDDY	130000	0.07	0.00	130000	0.07	0.00	0.00
49	ROHIT REDDY D	2212500	1.24	0.00	2212500	1.24	0.00	0.00
50	AMITH REDDY D	2112900	1.18	0.00	2112900	1.18	0.00	0.00
51	D K PAVAN	40850	0.02	0.00	40850	0.02	0.00	0.00
52	D V SHARAN	40850	0.02	0.00	40850	0.02	0.00	0.00
53	JAKKA SUREKHA REDDY	1041398	0.58	0.00	1041398	0.58	0.00	0.00
54	DODLA SHILPA	247520	0.14	0.00	247520	0.14	0.00	0.00
55	KODANDARAMA REDDY JAKKA	5000	0.00	0.00	5000	0.00	0.00	0.00
56	DAULATRAM PRIBHDAS HARIANI	60000	0.03	0.00	60000	0.03	0.00	0.00
57	DOULATRAM PRIBHDAS HARIANI	0	0.00	0.00	807692	0.45	0.00	0.45
58	RAMESH DAULATRAM HARIANI	1130710	0.63	0.00	1130710	0.63	0.00	0.00
59	RAMESH DOULATRAM HARIANI	0	0.00	0.00	807694	0.45	0.00	0.45
60	PARMESHWARI D HARIANI	200000	0.11	0.00	200000	0.11	0.00	0.00
61	PARMESHWARI DOULATRAM HARIANI	0	0.00	0.00	807692	0.45	0.00	0.45
62	CHILAMILIKA LALINI HARIANI	0	0.00	0.00	807692	0.45	0.00	0.45
63	D K PAVAN.	25000	0.00	0.00	25000	0.01	0.00	0.01
64	D V SHARAN.	25000	0.00	0.00	25000	0.01	0.00	0.01
65	NEETHA REDDY.	270767	0.15	0.00	169989	0.10	0.00	-0.06
66	G V REDDY	1258450	0.70	0.00	1258450	0.70	0.00	0.00
67	DODLA PRAKASH REDDY	1309320	0.73	0.00	1309320	0.73	0.00	0.00
68	DODLA PREMALEELA REDDY	2019980	1.13	0.00	2019980	1.13	0.00	0.00
69	DODLA POORNIMA REDDY	900000	0.50	0.00	900000	0.50	0.00	0.00
70	C HEMALATHA REDDY	506430	0.28	0.00	506430	0.28	0.00	0.00
71	GIRIJA GOLLAMUDI REDDY	2687630	1.50	0.00	2687630	1.50	0.00	0.00

Reference: A: i.e of total Shares of the Company

B: i.e of Shares Pledged / encumbered to total shares

C: i.e % of change in share holding during the year

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

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company	No. of shares	% to total shares of the Company
1	D.VARADA REDDY Opening Balance as on 01/04/2014	6915687	3.87	09/10/2015	Sale	-2123	0.000	6913564	3.87
				16/10/2015	Sale	-1587	0.000	6911977	3.87
				23/10/2015	Purchase	3710	0.002	6915687	3.87
	Closing Balance as on 31/03/2016							6915687	3.87
2	RAMESH D HARIANI Opening Balance as on 01/04/2015	1130710	0.63	26/06/2015	GDR Conversion	807694	0.45	1938404	1.08
								1938404	1.08
3	NEETHA REDDY. Opening Balance as on 01/04/2015	270767	0.15	18/12/2015	Sale	-22576	-0.01	248191	0.14
				08/01/2016	Sale	-78202	-0.04	169989	0.10
								169989	0.10
	Closing Balance as on 31/03/2016								
4	SUDHAKAR REDDY Opening Balance as on 01/04/2016	237200	0.13	26/02/2016	Inter-se Transfer	125000	0.07	362200	0.20
				31/03/2016	Sale	-200000	-0.11	162200	0.09
								162200	0.09
	Closing Balance as on 31/03/2016								
5	D USHA REDDY Opening Balance as on 01/04/2015	227835	0.13	26/02/2016	Inter-se Transfer	-125000	-0.07	102835	0.06
								102835	0.06
	Closing Balance as on 31/03/2016								
6	PARAMESHWARI D HARIANI Opening Balance as on 01/04/2015	200000	0.11	26/06/2015	GDR Conversion	807692	0.45	1007692	0.56
								1007692	0.56
	Closing Balance as on 31/03/2016								
7	DULATRAM PRIBHDAS HARIANI Opening Balance as on 01/04/2015	60000	0.03	26/06/2015		807692	0.45	867692	0.48
								867692	0.48
	Closing Balance as on 31/03/2016								
8	CHILAMILIKA LALINI HARIANI Opening Balance as on 01/04/2015	0	0.00	26/06/2015	GDR Conversion	807692	0.45	867692	0.45
								867692	0.45
	Closing Balance as on 31/03/2016								

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

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company		
1	RELANCE CAPITAL TRUSTEE CO LTD-RELANCE LONGTERM EQUITY FUND								
	Opening Balance as on 01/04/2015	13335961	7.47	28/08/2015	Sale	2600	0.00	13338561	7.47
				18/12/2015	Sale	-114800	0.06	13223761	7.40
				01/01/2016	Sale	-46000	0.03	13177761	7.38
			08/01/2016	Sale	-212200	0.12	12965561	7.26	
			29/01/2016	Purchase	25000	0.01	12990561	7.27	
	Closing Balance as on 31/03/2016							12990561	7.27
2	THE ORIENTAL INSURANCE COMPANY LIMITED								
	Opening Balance as on 01/04/2015	2912506	1.63	25/12/2015	Sale	-21300	-0.01	2891206	1.62
				31/12/2015	Sale	-43916	-0.02	2847290	1.59
				01/01/2016	Sale	-15977	-0.01	2831313	1.58
			08/01/2016	Sale	-45000	-0.02	2786313	1.56	
			15/01/2016	Sale	-15000	-0.01	2771313	1.55	
	Closing Balance as on 31/03/2016							2771313	1.55
3	V. GOPALAKRISHNAN	688893	0.39	03/04/2015	Purchase	2000	0.00	690893	0.39
	Opening Balance as on 01/04/2015			17/07/2015	Purchase	7794	0.00	698687	0.39
				24/07/2015	Purchase	5206	0.00	703893	0.39
				07/08/2015	Purchase	23120	0.01	727013	0.41
				14/08/2015	Purchase	908	0.00	727921	0.41
				28/08/2015	Purchase	15000	0.01	742921	0.42
				04/09/2015	Purchase	2615	0.00	745536	0.42
				11/12/2015	Sale	-320	0.00	745216	0.42
				18/12/2015	Sale	-1591	0.00	743625	0.42
				08/01/2016	Sale	-17550	0.01	726075	0.41
				15/01/2016	Purchase	5000	0.00	731075	0.41
				22/01/2016	Purchase	12500	0.01	743575	0.42
				29/01/2016	Purchase	5000	0.00	748575	0.42
				05/02/2016	Purchase	6971	0.00	755546	0.42
				12/02/2016	Purchase	7529	0.00	763075	0.43
			19/02/2016	Purchase	5000	0.00	768075	0.43	
			18/03/2016	Purchase	5000	0.00	773075	0.43	
	Closing Balance as on 31/03/2016							773075	0.43

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

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company	No. of shares	% to total shares of the Company
4	G. SHANTHA Opening Balance as on 01/04/2015	635256	0.36	07/08/2015	Purchase	7001	0.00	642257	0.36
	Closing Balance as on 31/03/2016			30/09/2015	Purchase	614	0.00	642871	0.36
5	MRS NARGESH K PARAKH Opening Balance as on 01/04/2015	1223110	0.69	04/12/2015	Sale	1000	0.00	641871	0.36
	Closing Balance as on 31/03/2016			18/03/2016	Purchase	42944	0.02	684815	0.38
6	Indian Syntans Investments (P) Ltd Opening Balance as on 01/04/2015	1000000	0.56					684815	0.38
	Closing Balance as on 31/03/2016							1223110	0.69
7	ALISHA DODLA REDDY Opening Balance as on 01/04/2015	1000000	0.56						
	Closing Balance as on 31/03/2016							1000000	0.56
8	ASHNA DODLA REDDY Opening Balance as on 01/04/2015	1000000	0.56						
	Closing Balance as on 31/03/2016							1000000	0.56
9	BANK OF INDIA Opening Balance as on 01/04/2015	888400	0.50						
	Closing Balance as on 31/03/2016							888400	0.50
10	VINOD CHANDRA MANSUKHLAL PAREKH Opening Balance as on 01/04/2015	787220	0.44						
	Closing Balance as on 31/03/2016							787220	0.44

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	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	Mr. Rakesh Sarna	-	-	-	-
2	Mr. Pramod Ranjan (MD) (From November 11, 2015)	2927660	1.64	14196140	7.95
3	Mr. D.Varada Reddy (Till November 10, 2015)	6979522	3.91	6915687	3.87
4	Mr. Anil Goel	-	-	-	-
5	Mr. SBPV Ramamohnana Rao*	6750	0.00	6750	0.00
6	Dr. G. Sundarm	-	-	-	-
7	Mr. D.Vijayagopal Reddy	1502070	0.84	2297060	1.29
8	Mr. S Y Syed Meeran	10500	0.01	10500	0.01
9	Mr. D.R. Kaarthikeyan	-	-	-	-
10	Mr. Ramesh D Hariani	1130710	0.63	1130710	0.63
11	Ms. Gita Nayyar	-	-	-	-
12	Mr. Mohan Jayaraman (CFO)	-	-	-	-
13	Mr. K.C.Raman (till August 20, 2015)	-	-	-	-
14	Mr. Tom Antony (CS) (From November 16, 2015)	-	-	-	-

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as on April 1, 2015	27,179	4,407	-	31,586
i) Principal Amount	26,797	4,300	-	31,097
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	382	107	-	489
Change in Indebtedness during the financial year				
* Addition	3,194	-	-	3,194
* Reduction	1,785	399	-	2,184
Net Change	1,409	-399	-	1,010
Indebtedness as on March 31, 2016	28,588	4,008	-	32,596
i) Principal Amount	28,148	3,925	-	32,073
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	440	83	-	523

ORIENTAL HOTELS LIMITED

BOARDS' REPORT

VI. Remuneration Of Directors And Key Managerial Personnel-

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

(Amount in ₹)

Particulars	Mr. D. Varada Reddy	Mr.Pramod Ranjan
Salary, Incentive and perquisites	74,36,047	24,45,206
Contribution to Provident and Gratuity Fund	6,70,890	2,00,972
Performance Incentive Payable	Nil	Nil
Shares held as on March 31, 2016.	69,15,687	1,41,96,140

B. Remuneration to other Directors

Sl. No.	Name of Director	Fees paid for attending Board/Committee Meetings (amount in ₹)
Independent Directors		
1	Mr. S.B.P.V. Ramamohana Rao	40,000
2	Dr. G. Sundaram	1,30,000
3	Mr. D.R.Karthikeyan	70,000
4	Mr. S.Y.SyedMeeran	50,000
5	DiwanArun Nanda	30,000
6	Ms. Gita Nayyar	10,000
	Total (a)	3,30,000
Other Non Executive Directors		
7	Mr. D.Vijayagopal Reddy	550,000
8	Mr. Pramod Ranjan	30,000
9	Mr. Ramesh. D. Hariani	40,000
10	Mr. D Varada Reddy	50,000
	Total (b)	1,70,000
	Grand Total (a+b)	5,00,000

No Commission was paid during the year.

C. Remuneration to key managerial personnel other than Managing Director

₹ in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Gross Salary		Performance incentive	Total
		(a)*	(b)+		
1	Mr.Mohan Jayaraman, CFO	45.93	1.47	2.88	50.28
2	Mr. K.C.Raman, CS (Till August 20, 2015)	13.93	-	4.91	18.84
3	Mr. Tom Antony (w.e.f. November 16, 2015)	15.48	-	-	15.48

(a) * Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961

(b) + Value of perquisites u/s 17(2) Income-tax Act, 1961

VII. Penalties / Punishment/ Compounding of Offences: No penalty, punishment or compounding of offences under the provisions of the Act, to the Company, its directors and its other officers in default.

FORM-MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Oriental Hotels Limited
Taj Coromandel, 37, Mahatma Gandhi Road,
Nungambakkam, Chennai : 600034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Oriental Hotels 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 authorized 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 March 31, 2016 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 within the prescribed time including certain forms filed delayed with adequate late fees (which are taken as compliance of requirements of the Act for filing) and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (with effect from 15th May 2015);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable for the year under review
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (with effect from 28th October 2014); Not Applicable for the year under review
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable for the year under review
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable for the year under review

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable for the year under review and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable for the year under review.
- (vi) Following other laws applicable specifically to the Company:
 1. Legal Metrology Act, 2009
 2. Tamil Nadu Liquor (Licence and Permit) Rules, 1981 issued under the Tamil Nadu Prohibition Act, 1937
 3. Food Safety and Standards Act, 2006
 4. Tamil Nadu Public Health Act, 1939
 5. Tamil Nadu Shops and Establishments Act, 1947
 6. The Karnataka Shops and Commercial Establishments Act, 1961
 7. The Kerala Shops and Commercial Establishments Act, 1960
 8. The Andhra Pradesh Shops and Establishment Act, 1988
 9. Chennai City Municipal Corporation Act, 1919
 10. The Kerala Places of Public Resort Act, 1963
 11. Tamil Nadu Lifts Act, 1997 and Tamil Nadu Lifts Rules, 1997
 12. The Karnataka Lifts Act, 1974.
 13. The Kerala Lifts and Escalators Act, 2013 and The Kerala Lifts and Escalators Rules, 2012
 14. Petroleum Rules, 2002 issued under the Petroleum Act, 1934
 15. Indian Boilers Act, 1923 and Boiler Rules, 1950

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS_2) issued by The Institute of Company Secretaries of India (made mandatory with effect from July 01, 2015)
- (ii) The Listing Agreements entered into by the Company for equity shares listed with BSE Limited and National Stock Exchange of India Limited and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 01, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as noticed by us:

The optimum composition of independent & non-independent directors and woman director as required by the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Listing Agreement has been complied with effect from July 31, 2015 and onwards for the year under review. Office of an independent director vacated due to resignation on January 28, 2016 was filled on the date of signing of this report.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except as mentioned in the observations above. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent before the 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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.

We further report that during the period under review no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc referred to above have taken place.

This report is to be read with our report of even date which is annexed as Annexure A and forms integral part of this report.

For KSM Associates, Company Secretaries

Krishna Sharan Mishra

Practicing Company Secretary

FCS 6447; CP 7039

Place : Chennai

Date : May 12, 2016

ANNEXURE – A

To

The Members

Oriental Hotels Limited

Taj Coromandel, 37, Mahatma Gandhi Road,

Nungambakkam, Chennai : 600 034

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the relevant records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial and tax records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KSM Associates, Company Secretaries

Krishna Sharan Mishra

Practicing Company Secretary

FCS 6447; CP 7039

Place : Chennai

Date : May 12, 2016

ORIENTAL HOTELS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Annexure to the Directors' Report

Management Discussion and Analysis

Your Company has been reporting consolidated results taking into account the results of its subsidiaries, joint ventures and associates. This discussion, therefore, covers the financial results of the Company during April, 2015 to March, 2016. Your Company being part of the Taj Group (Group), this section also includes important developments and initiatives undertaken during the above period at the Group level which has a bearing on the performance and business of your Company. Some statements in this discussion describing the projections, estimates, expectations or outlook may be forward looking. Actual results may, however, differ materially from those stated, on account of various factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which your Company conducts its business, exchange rates and interest rates fluctuations, impact of competition, demand and supply constraints, etc.

Global Economic Environment and Outlook

Major macroeconomic realignments are being witnessed across countries and regions. These include the slowdown and rebalancing in China; a further decline in commodity prices, especially for oil, with sizable redistributive consequences across sectors and countries across the globe leading to a related slowdown in investment and trade; and declining capital flows to emerging market and developing economies. These realignments, together with a host of noneconomic factors such as geopolitical tensions and political discord, are generating substantial uncertainty. On the whole, they are consistent with a subdued outlook for the world economy—but risks of much weaker global growth have also risen. (Source: IMF: Recent Developments and Prospects, April 2016).

Preliminary data suggest that global growth during the second half of 2015, at 2.8%, was weaker than previously forecast, with a sizable slowdown during the last quarter of 2015. The unexpected weakness in late 2015 reflected to an important extent softer activity in advanced economies, especially in the United States, Japan and other advanced Asian economies. The picture for emerging markets is quite diverse, with high growth rates in China and most of emerging Asia, but severe macroeconomic conditions in Brazil, Russia, and a number of other commodity exporters resulting in an overall decline in the rate of growth in emerging economies for the fifth consecutive year. (Source: IMF: Recent Developments and Prospects, April 2016; ICRA Bulletin, Money & Finance, April 2016).

Additionally, financial market volatility, which had subsided in October–November, increased again in December and especially in early 2016, amid rising global risk aversion, substantial declines in global equity markets, widening of credit spreads, and historically low yields for safe-haven government bonds. These developments were triggered by concerns about lack of policy space in advanced economies to respond to a potential worsening in the outlook, worries about the effects of very low oil prices, and questions about the speed at which China's economy is slowing as well as its authorities' policy intentions. (Source: IMF: Recent Developments and Prospects, April 2016).

Within the emerging economies, India is expected to outperform other economies with GDP growth of 7.3% for 2015, with forecast GDP growth of 7.5% in each of 2016 and 2017. The thrust to the Indian economy is due to a combination of low inflation, depressed commodity prices (with specific emphasis on oil), relatively stable currency and its continued ability to attract capital flows. (Source: IMF: Recent Developments and Prospects, April 2016).

Overview of the Global & Indian Tourism Industry

The year under review proved to be a successful year for the Travel & Tourism sector, off the back of a modestly stronger economic environment. As per the United Nations World Tourism Organisation (UNWTO), it is estimated that international tourist arrivals grew by 4.4% in 2015 reaching a total of 1.18 billion.

International tourism receipts were estimated to be US\$1,232 billion (UNWTO world tourism barometer). In addition to income generated from international passenger transport, total receipts stood at US\$ 1.4 trillion.

Demand for International tourism was strongest for destinations in the Americas (+5%), Asia and the Pacific (+5%) while the increase in Europe (+5%), the Middle East (+4%) and Africa (-3%) was at a slightly more modest pace. By sub region, South East Asia and Oceania (+7%) saw the best results, Central America and the Caribbean, all increasing by 7%. China, United States and United Kingdom led outbound tourism last year fueled by their strong currencies and economies.

MANAGEMENT DISCUSSION AND ANALYSIS

The last few years have seen an upsurge in travelers from Asian countries like China and India. The total contribution of travel and tourism to GDP is expected to be around 3.7% and the forecast is that it would rise to 3.8% pa by 2025. It is estimated that the travel and tourism industry generated about 107,519,000 jobs which is 2% more than last year. The number of jobs added is forecast to grow at 2% annually till 2025. (Source: World Travel & Tourism Council).

The long term outlook for the Indian hospitality business continues to be positive, both for the business as well as the leisure segments with potential for economic growth, increases in disposable incomes and the burgeoning middle class. 2015-16 saw the supply grow by 3.9% where as demand increased by 10.5% over last year (Source: STR).

The Company is looking at various revenue enhancement and cost containment measures so that it can take advantage of the upswing, as the business and economy recovers and the demand supply imbalance gets corrected.

Future Trends

In 2016, the industry's contribution to global GDP is expected to grow by 3.3%. In view of the long term trend the industry is expected to support 370 million jobs by 2026 which would equate to 1 in 9 jobs across the world.

World Travel & Tourism GDP growth estimated at 3.3% thus represents a stronger rate of growth than the global economic growth estimated at 2.9%, and this trend in GDP growth is expected in over half of the 184 countries covered by the World Travel & Tourism Council's annual economic impact research. South Asia is expected to experience the highest growth in 2015 at 6.9%, whilst Europe and Latin America are the regions with the lowest forecast growth of 2.4%.

In 2015, Travel & Tourism was 9.5% of total employment (283,578,000 jobs) and this is expected to rise by 2.2% in 2016 (289,756,000 jobs). Investments in 2015 stood at US\$ 774.6 billion or 4.3% of total investment. In 2016 this is expected to rise by 4.7%.

India is expected to be a driving force for the global economy in the foreseeable future. It also makes it a ripe market for travel and tourism. The key drivers for international travel demand growth to India include the easier e-visa regime, Swachh Bharat Abhiyan, Make in India and other similar initiatives which are expected to build a positive global image for the country and will thus have a long term impact for the travel and tourism industry. WTTC predicts that the strong forecast on travel and tourism industry in India will propel it to the 7th spot in terms of travel and tourism GDP by 2026.

Leisure travel spending is expected to grow by 5.9% in 2016 to ₹6,297.5 billion and domestic travel spending is expected to grow by 6.6% in 2016 to ₹6,284.4 billion. Domestic travel is strong and remains the demand bedrock of the industry; as the economy improves, domestic business, leisure and Meetings, Incentives, Convention, Exhibition (MICE) travel will grow rapidly, spreading over many cities and towns.

Indian Hospitality Industry Landscape and Outlook

Across the industry, there are key business, technology and hotel marketing trends that are set to take root and impact the industry as a whole. These range from the rise of the millennial traveler as the dominant consumer group by 2017, to the increased interest in using mobile devices and apps to enable more personalized hotel guest services.

Consumers are shopping on multiple platforms and there is an ever increasing transparency in rates and guest reviews driven by booking brands such as Expedia, Priceline, Booking.com, Make My Trip and Trip Advisor. Consumer behaviour has seen a change which is demonstrated in shorter booking windows and consumers seeking unique experiences which in real time are shared on multiple social media platforms.

Triggered by these developments, the industry has witnessed consolidation on the supply side such as Marriott's acquisition of Starwood and Accor's acquisition of Fairmont, Raffles and Swissotel brands. Additionally, more and more global chains are expected to be attracted to the low penetration combined with high growth rates in the Indian market and this is expected to further spur competition pressures which will influence the demand supply dynamics.

The foreign visitor shall continue to drive the demand and it is expected that an increase in foreign tourists going forward would result in enhanced foreign visitor spend, which is currently low due to the limited number of foreign tourist arrivals, when compared to other global destinations. However, the domestic tourist, characterized by low value and high volume is expected to drive the total growth in demand as the trend of growth in domestic tourists continues.

ORIENTAL HOTELS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Strategy

Your Company's strategic initiatives are guided by the Group's Strategy. The portfolio of brands will continue to be the differentiator, delighting our guests, consistently offering unmatched experiences. Going into the future, there will be concerted efforts to raise the guest experience across all our hotels and achieve excellence in service delivery. Further, applying business intelligence and analytics, we can increase its personalization and customer need anticipation manifolds to achieve even higher degrees of service excellence. The digital journey will also continue to build on the mobile platform with the introduction of an app to better engage with loyalty members and new customers. The experience we will curate for the guests shall reflect "Tajness" in everything we do through a high level of personalized offerings unique to the Indian hospitality philosophy. The "Tajness" would be an all pervasive theme at every guest touch point, from the rooms, F&B outlets and service quality.

Improved Return on Invested Capital

Your Company's strategy is to create and deliver profitable growth for all its stakeholders. Your Company's ability to deliver improved returns on capital would be driven through rigorous asset management, revenue maximization, cost control and reduced leverage and exit from non-core underperforming assets.

Human Capital

Your Company's employees are its most valuable asset who deliver a level of service that is among the highest in the hospitality industry. Your Company's culture and reputation as a leader in the hospitality industry will drive the effort to attract and retain the best available talent through a combination of talent management strategy combined with a robust and transparent performance management system which leads to an attractive long term compensation philosophy.

Some of the key initiatives rolled out by the Group during 2016 towards business promotion includes relaunch of the loyalty program, launch of a new website, implementation of a new organization structure which enables more agility in responding to the customer and market situations, standardization of property management system and implementing revenue management systems in key hotels.

Tata Business Excellence Model

Two focus areas were identified under the guidelines of the Tata Business Excellence Model and in partnership with Tata Quality Managements Services, specially identified teams worked on the following:

1. Human Resources: A deep-dive on the Performance Management System. The existing performance management system was revisited and aligned to more sharply drive overall business performance across all locations through systematic implementation.
2. Customer: A "Voice of Customer Study" (Qualitative) was conducted for select top accounts of Taj to understand the various elements on how to serve the Customers (Key accounts) better.

Brand Standards and Mystery Shopper Audits

Keeping the guest experience uppermost in mind, your company has given a deep focus to brand standards through continuous improvement. Competition benchmarks are used effectively to measure performance against best in class hotel brands. Audit mechanisms have been improved to ensure better feedback to hotels.

Guest Feedback

The introduction of Medallia last year to ensure capture of guest feedback not only during and post stay and but also from online agents and social media. The Net Promoter Scores are carefully monitored and improvement opportunities identified to ensure positive guest experience.

Risks & Concerns

Industry Risk

General economic conditions

The hospitality industry is prone to the impact of changes in global and domestic economies, changes in local market conditions, excess hotel room supply, reduced international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other social factors. Since demand for hotels is affected by the global economic sentiment, a prolonged global recession could also lead to a downturn in the hotel industry.

Socio-political risks

In addition to economic risks, your Company faces risks from the socio-political environment, internationally as well as within the country and is affected by events like political instability, conflict between nations, threat of terrorist activities, occurrence of infectious diseases, extreme weather conditions and natural calamities, etc. which may affect the level of travel and business activity.

Company specific Risks

The following are considered as risks specific to the Company:-

Heavy Dependence on India

A significant portion of your Company's revenues are realised from its Indian operations, making it susceptible to domestic socio-political and economic conditions. Moreover, within India, the operations and earnings are primarily concentrated in South India with key properties located in Chennai.

Competition from Global Hotel Chains

The Indian subcontinent, South East Asia and Asia Pacific with high growth rates have become the focus area of major international chains. Several of these chains have announced their plans to increase their presence in India to take advantage of the demand supply imbalance. These entrants are expected to intensify the competitive environment. The success of the Taj Group of hotels will be dependent upon its ability to compete in areas such as room rates, quality of accommodation, brand recognition, service level, convenience of location and to a lesser extent, the quality and scope of other amenities, including food and beverage facilities and reduced costs.

Increased outbound travel

Recent competitiveness in international airfares and strengthening financial health of Indian people resulted in destinations like Europe, South East Asia and Australia becoming more affordable to the average Indian traveler. This has increased outbound travel and presents a risk to the domestic segment for leisure resorts.

High Operating Leverage

The industry in general has a high operating leverage which has further increased with on-going renovations, increased staff costs and cost of light, power and fuel.

Risk Mitigation Initiatives

Your Company employs various policies, processes and methods to counter these risks effectively. By extensively improving its service standards, as also progressively renovating its properties, across the multi brand portfolio, your Company counters the risk from growing competition and new supply.

Internal control systems and their adequacy

Your Company has in place an adequate framework of internal controls, with documented procedures covering all corporate functions and hotel operating units. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

Adequate internal control measures are in the form of various policies & procedures issued by the Management covering all critical and important activities viz. Revenue Management, Hotel Operations, Purchase, Finance, Human Resources, Safety, etc. These policies & procedures are updated from time to time and compliance is monitored by Group Internal Audit. The Company continues its efforts to align all its processes and controls with global best practices.

The internal audit process, through its unique 'Taj Positive Assurance Model', which is an objective methodology of providing a positive assurance based on the audits of operating units and corporate functions, is a convergence of Process Framework, Risk and Control Matrix and a Scoring Matrix. A framework developed for each functional area identified on the basis of an assessment of risk & control as also providing a score, allowing the Unit to improve on high risk areas.

MANAGEMENT DISCUSSION AND ANALYSIS

The effectiveness of internal controls is reviewed through the internal audit process, which is undertaken for every operational unit and all major corporate functions under the direction of the Group Internal Audit department. The focus of these reviews is as follows:

- Identify weaknesses and areas of improvement
- Compliance with defined policies and processes
- Safeguarding of tangible and intangible assets
- Management of business and operational risks
- Compliance with applicable statutes
- Compliance with the Tata Code of Conduct

The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them.

Management Discussion and Analysis of Operating Results and Financial Positions

The Annual Report contains Financial Statements of your Company, both on a stand-alone and consolidated basis. An analysis of the financial affairs is discussed below under summarized headings.

Results of Operations for the year ended March 31, 2016

Standalone Financial Results

The following table sets forth financial information for your Company for the year ended March 31, 2016:

₹ in lakhs

Particulars	Standalone	
	March 31, 2016	March 31, 2015
Income		
Sales & Other Operating Income	30,758	30,005
Other Income	635	667
Total Income	31,393	30,672
Expenditure		
Consumption of Raw Materials	3,635	3,584
Employee Benefits Expense	8,839	7,907
License Fees	824	753
Fuel, Power and Light	3,564	3,565
Depreciation/Amortisation	2,429	2,548
Other Expenditure	10,817	9,913
Total Expenditure	30,108	28,270
Profit before Finance Cost and Tax	1,285	2,402
Finance Costs	2,290	3,005
Profit before Tax and Exceptional Items	(1,005)	(603)
Exceptional Items	(198)	-
Profit/(Loss) before Tax	(1,203)	(603)
Provision for Tax (including for earlier years)	(410)	(304)
Profit/(Loss) after Tax	(793)	(299)

Revenues

The summary of total Income is provided in the table below:

₹ in lakhs

Particulars	Year Ended		% Change
	March 31, 2016	March 31, 2015	
Room Income	15,097	14,328	5.37
Food, Beverage & Banqueting Income	13,459	13,638	-1.31
Other Operating Income	2,202	2,039	7.99
Non-Operating Income	635	667	-4.8
Total Income	31,393	30,672	2.35
Statistical Information			
Average Room Rate (₹)	6,167	5,884	5
Occupancy (%)	63	63	-

- Room sales increased by 5.37% compared to the previous year driven by improved occupancy across hotels.
- Food & Beverages income decreased by 1.31% over the previous year.
- Other Operating Income increased by 7.99% compared to the previous year.

Operating Expenses

The operating expenses increased by 6.50% from ₹28,270 lakhs to ₹30,108 lakhs. Payroll expenses were higher than the previous year due to annual increments. Repairs and Maintenance expenses were higher due to increased preventive maintenance, adherence to safety and security measures and upkeep undertaken at the hotels.

Finance Costs

Finance costs for the year ended March 31, 2016, amounts to ₹2,290 lakhs.

Profit before Tax & Exceptional Item

Loss before Tax & Exceptional Item at ₹1,005 lakhs.

Exceptional Items

Exceptional items consists of profit on sale of investments amounting to ₹177 lakhs and provision made for advances recoverable to the tune of ₹374.92 lakhs.

Profit (Loss) before Tax

The Loss before Tax for the year was at ₹1,203 lakhs, as compared to the previous year's loss of ₹603 lakhs.

Profit (Loss) after Tax

The Loss after Tax for the year was at ₹793 lakhs, as compared to the previous year's loss of ₹299 lakhs.

Cash Flow Data

₹ in lakhs

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Net Cash from operating activities	2,950	4,825
Net Cash used for investing activities	(1,140)	(1,466)
Net Cash from /(used for) financing activities	(1,824)	(3,757)
Net Increase/(Decrease) in cash and cash equivalents	(14)	(398)

Operating Activities

Net cash generated from operating activities was ₹2,950 lakhs compared to ₹4,825 lakhs for the previous year.

ORIENTAL HOTELS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Investing Activities

During the year under review, your Company incurred ₹1,996 lakhs towards capital expenditure, as well as the new IT initiatives and renovations at certain hotels.

Financing Activities

During the year, your Company borrowings increased by ₹1,234 lakhs

Particulars Financial Ratios for Standalone Financials	Year Ended	
	March 31, 2016	March 31, 2015
Net Debt to Total Capital (total debt less cash and cash equivalents divided by the sum of net debt and net worth)	0.59	0.57
Net Debt to Equity (total debt less cash and cash equivalents divided by Equity and Reserves)	1.43	1.32

Consolidated Financial Results

Your Company has consolidated its Financial Statements with those of its Subsidiaries, Joint Ventures and Associates in accordance with Generally Accepted Accounting Principles prevailing in India.

The following table sets forth the Consolidated Financial results for the year ended March 31, 2016.

₹ in lakhs

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Income		
Sales & Other operating income	37,983	36,643
Other Income	348	463
Total Income	38,331	37,106
Expenditure		
Consumption of Raw Materials	4,398	4,286
Employee Benefits Expense	10,335	9,297
License Fees	823	754
Fuel, Power & Light	4,080	4,214
Depreciation	3,351	3,337
Other Expenditure	13,270	12,084
Total Expenditure	36,257	33,972
Profit Before Finance Cost and Tax	2,074	3,134
Finance Costs	2,486	3,199
Profit before Tax and Exceptional Items	(412)	(65)
Exceptional Items	(234)	(104)
Profit / (Loss) before Tax	(646)	(169)
Provision for Tax (incl. for earlier years)	(335)	(210)
Loss after Tax before Minority Interest and Share of Associates	(311)	41
Profit/ (Loss) attributable to Minority Interest	(35)	51
Share of Profit/(Loss) of Associates	222	72
Loss after Tax, Minority Interest and Share of Associates	(124)	164

Consolidated Profits Before Finance Cost and Exceptional Items:

Profit before Finance Costs and Exceptional items amounts to ₹2,074 lakhs as compared to ₹3,134 lakhs in the previous year.

Finance Costs:

Finance costs for the year ended March 31, 2016, amounts to ₹2,486 lakhs as against ₹3,199 lakhs in the previous year.

Loss after Tax, Minority Interest and Share of Associates:

Loss after tax, Minority Interest and Share of Associates for the year was lower at ₹(60.53) crores as compared to ₹(378.10) crores for the preceding year.

Cash Flow Data:

The following table sets forth selected items from the consolidated cash flow statements:

₹ in lakhs

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Net Cash from operating activities	5,362	6,432
Net Cash used in investing activities	(1,917)	(2,638)
Net Cash from financing activities	(3,082)	(4,342)
Net Increase/(decrease) in cash and cash equivalents	363	(548)

Operating Activities:

Net Cash from operating activities was lower at ₹5,362 lakhs as compared to ₹6,432 lakhs in the previous year.

Particulars Financial Ratios for Consolidated Financials:	Year Ended	
	March 31, 2016	March 31, 2015
Net Debt to Total Capital (total debt less cash and cash equivalents divided by the sum of net debt and net worth)	1.96	1.97
Net Debt to Equity (total debt less cash and cash equivalents divided by Equity and Reserves)	0.96	0.97

OUR VISION AND VALUES**VISION :**

“To lead and become the international benchmark in the hospitality industry, in India and in key regions of the world.

To dazzle and delight the customer with the highest quality of hotel products, F & B experiences and above all, exceptional service standards.”

TAJ CORE VALUES :

Courage

Excellence

Integrity

Team Work

Respect & concern for others, Reliability

Environment & Society Concern

Report on Corporate Governance**Philosophy on Corporate Governance**

Corporate Governance has been in existence in your Company since its inception, before it was mandated. The principles of Corporate Governance are embedded as a fundamental principle of businesses. The Corporate Governance framework of the Company is to manage the affairs in a fair and transparent manner, which has assisted in evolving guidelines and best practices over the years to ensure adequate disclosure of information.

The Company has complied with the requirements of Corporate Governance as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Clause 49 of the erstwhile Listing Agreement executed with the Stock Exchanges) ('Listing Regulations') as detailed below for the year ended March 31, 2016:

The Board of Directors:

1. The Board of Directors comprises Executive, Non-Executive as well as Independent Directors. The Board as on March 31, 2016 comprises of 11 directors out of which five (5) are independent directors and six (6) are promoter directors. The Directors possess experience in fields as varied as banking, finance, real estate, marketing and hoteliering to social service. The Company under the Board of Directors along with the Committees, provides leadership, guidance to the Management, directs and supervises the performance of the Company thereby enhancing stakeholders value. The Board has fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Company with the help of expertise and knowledge of the Directors have optimized its value in the business. The details of Directors seeking re-appointment are furnished in the Notice of the Annual General Meeting.
2. "Independent Directors" of the Company have been appointed as per the provision of the Companies Act, 2013 and the Governance Guidelines for Board effectiveness as adopted by the Company. Directors who apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding company, its subsidiaries and associates, which may affect the independence of the Director. Formal appointment letters have been issued to the Independent Directors. The terms and conditions of their appointment being disclosed in the website of the Company.
3. The Directors made necessary disclosures with regard to committee positions across all the Companies in which he/she is a Director as per the Regulation 26 of the Listing Regulations.
4. None of the Directors of the Board serve as members of more than 10 committees nor Chairman of more than 5 Committees, as per the requirements of the Listing Regulations. "Committees" for this purpose include the Audit Committee and the Stakeholder's Relationship Committee and the details of the same forms part of this report.
5. Pursuant to Regulation 25(1) of the Listing Regulations all the Directors are in compliance with the limit prescribed to hold Independent Directorship in the listed companies.
6. During the year under review, the Board of Directors of the Company met four times and the period between any two meetings did not exceed 120 days. The dates of the Board Meetings held during each quarter are as follows

Sl. No.	For The Quarter	Date of Meeting
1.	April to June	May 15, 2015
2.	July to September	July 30, 2015
3.	October to December	October 29, 2015
4.	January to March	February 1, 2016

7. Independent Directors of the Company separately met twice on May 15, 2015 and May 12, 2016 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. None of the Non Independent Directors and members of the Management were present at the meeting.

8. Independent Directors at their meeting reviewed/assessed the following
 - a) Reviewed the performance of Non Independent Directors and the Board as a whole;
 - b) Reviewed the performance of the Chairman of the Company, taking into consideration of the views of Managing Director and Non-Executive Directors; and
 - c) Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
9. All Independent Directors were present at the meeting of Independent Directors and Dr.G.Sundaram, Independent Director, Chaired the meeting.
10. The Independent Directors are already familiar with the nature of the Industry, and business model of the Company, considering their expertise contribution no familiarization program was organised during the year.
11. All the relevant information, as recommended by the Securities and Exchange Board of India (SEBI) / Stock Exchanges, is being furnished to the Board from time to time.
12. The details of remuneration sitting fees paid to the directors are being furnished in this report
13. The Company has adopted a Code of Conduct for its Non-Executive Directors and all Non-Executive Directors have affirmed compliance with the said Code for the financial year ended March 31, 2016. The said code of conduct is also displayed on the Company's website.
14. All Board Members and senior management personnel, pursuant to Regulation 26(3) of the Listing Regulation have affirmed compliance with the applicable code of conduct. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.
15. Other than the transactions entered into in the normal course of business, no materially significant related party transactions entered by the Company during the year, which could have potential conflict of interest between the Company and its Promoters, Directors, Management and/or relatives. The Company has adopted Policy for Related Party transactions, which is made available at the website of the Company.
16. Due to changes in directorship during the financial year that the Company was required to appoint an Independent Director to comply with Regulation 17 of the Listing Regulations. Mr. Vijay Sankar (DIN.00007875) was appointed an Independent Director with effect from May 12, 2016.

ORIENTAL HOTELS LIMITED
CORPORATE GOVERNANCE

Name of the Director	DIN No.	Category	No. of Meetings attended							Other Companies		
			Board Meeting	Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Ethics Committee	Share Transfer Committee	Whether attended AGM on July 30, 2015	Director ship		Committee Membership
Mr. Rakesh Sarna	1875340	NN	3	1	-	-	-	-	Y	Indian	7	Chairman
Mr. Pramod Ranjan	0887569	MD	4	-	-	-	-	1	Y	Foreign	8	Member
Mr. D. Varada Reddy	0052200	NP	4	4	1	-	1	1	Y	Indian	1	-
Mr. S.B.P.V.Ramamohana Rao*	0051157	NI	1	1	1	1	-	-	Y	Indian	-	-
Dr. G. Sundaram	0051093	NI	4	4	1	2	1	-	Y	Indian	-	-
Mr. Anil P Goel	0050690	NN	4	-	-	-	-	-	Y	Indian	9	3
Mr. D. Vijayagopal Reddy	0051554	NP	4	-	-	-	-	1	Y	Indian	5	5
Mr. S. Y. Syed Meeran	0547775	NI	4	-	-	-	-	-	Y	Indian	4	-
Mr. D. R. Kaarthikeyan	0327907	NI	3	3	1	2	-	-	Y	Indian	11	6
Diwan Arun Nanda	0034744	NI	2	-	-	-	-	-	-	Indian	8	2
Mr. Ramesh D Hariani	0131240	NP	4	-	-	-	-	-	Y	Indian	7	-
Ms. Gita Nayyar +	07128438	NI	1	-	-	-	-	-	-	Indian	4	10

NI → Non Executive – Independent: NN → Non Executive – Non Independent:

NP → Non Executive – Promoter: MD → Managing Director:

* Mr. SBPV Ramamohana Rao, Director resigned from the Board w.e.f. January 28, 2016.

+ Ms. Gita Nayyar was appointed as an Independent Woman Director w.e.f. July 31, 2015

Composition of Committees Membership as on March 31, 2016:

Name of the Member(s)	Name of the Committees of the Board						
	Audit	Nomination & Remuneration	Stakeholders Relationship	Share Transfer	Ethics	Property Acquisition	Approval
Mr. Rakesh Sarna	-	M	-	-	-	-	M
Mr. Pramod Ranjan	M	-	-	M	-	-	M
Mr. D.Varada Reddy	-	-	M	C	M	C	-
Mr. Anil Goel	M	-	-	-	-	-	-
Dr. G.Sundaram	C	C	C	-	C	M	-
Mr. S.B.P.V.Ramamohana Rao**	M	M	M	M	-	M	M
Mr. D.R.Karthikeyan	M	M	M	-	-	-	-
Mr. D.Vijayagopal Reddy	-	-	-	M	-	M	M
Mr. S Y Syed Meeran	-	-	-	-	-	-	M
Ms. Gita Nayyar	M	-	-	-	-	-	-

C – Chairman M - Member

** Mr. SBPV Ramamohana Rao resigned with effect from January 28, 2016

The Mandatory Committees of the Company constituted by the Board are as hereunder inter alia includes the following:

1. Audit Committee:

The Company's Audit Committee comprises of Independent Directors and Non Independent Directors. Each Member of the Committee has relevant experience in the field of finance and accounting.

Powers of Audit Committee:

The powers of audit committee shall include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it consider necessary.

Terms of reference of Audit Committee:

The terms of reference of Audit Committee inter alia are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditor(s) for any other services rendered by them.

4. Reviewing; with management, the annual financial statements before submission to the Board for its approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (C) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management, if any.
 - d. Significant adjustments made in the financial statements arising out of audit findings, if any.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of related party transactions, if any.
 - g. Qualifications in the (draft) audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing; with management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors for any significant findings and follow up there on.
15. Reviewing the findings by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditor(s) before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividend(s) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other functions as mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee reviewed the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review of the Audit Committee;

The Committee met four times during the period under review. Audit Committee meetings were attended by the Internal Auditors and the Statutory Auditors. The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting.

2. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee's term of reference includes the following

- a. Consider and resolve grievances of all classes of investors of the company;
- b. Review statutory compliance relating to stakeholders.
- c. Ensure setting of proper controls and oversee the performance of Registrar and Share Transfer Agent;
- d. Look into the redressing of the shareholders complaints and queries;
- e. Review movement in shareholdings and ownership structure of the Company;
- f. Oversease compliance in respect of dividend payment and transfer of unclaimed dividend amount to IEPF.
- g. Consider and resolve greavences of stakeholders including compliance related to transfer of securities, non receipt of Annual Report / Dividend Warrant ect.,

Share transfers are processed weekly and approved by the Share Transfer Committee. Investor grievances are also placed before the Committee. The Committee met on March 31, 2016 to review the various matters related to the Stakeholders during the year under review. There were no pending investor complaints which remained unresolved. The Company has also cleared complaints received through SEBI Complaints Redress System (SCORES). The Company also uploads its Action Taken Reports (ATRs) with respect to the complaints, enable online viewing by investors about the current status. All valid share transfers lodged up to March 31, 2016, have been processed by the Committee. The status of the complaints received (inclusive of SCORES) from members from 01.04.2015 to 31.03.2016 is as under:

Status of Request/Complaints during the period April 01, 2015 to March 31, 2016			
Sl. No.	Subject	Received	Replied/ Resolved
A. Requests			
1.	Change/Correction of Address	102	102
2.	Receipt of Dividend Warrant Order for Revalidation	14	14
3.	Change/Correction of Bank Mandate	6	6
4.	Change/Correction of Bank Mandate/Name/Damage-DW	-	-
5.	Request for issue of Duplicate Dividend Warrant	-	-
6.	Receipt of IB For issue of Duplicate Dividend Warrant	-	-
7.	Query Regarding Payment of Dividend Warrant	-	-
8.	Receipt of DD(s) Against DW From Company/Bank	-	-
9.	Request for ECS Facility	-	-
10.	Letters from Clients Regarding Bills/Payments	-	-
11.	Postal Return Documents (Reminder Letters)	-	-
12.	Letter from SEBI/Stock Exchange/Acknowledgement	-	-
13.	Registration of Power of Attorney	-	-
14.	Loss of Securities and Request for Issue of Duplicate	7	7
15.	Receipt of IB and Affidavit for issue of Duplicate Securities	10	10
16.	Request for Consolidation/Split of Securities	-	-
17.	Deletion of Joint Name Due to Death	-	-
18.	Request for Transfer/Transmission of Securities	11	11
19.	DD Received from Banks Against ECS Rejections	-	-
20.	Change & Correction of Name on Securities	-	-
21.	Specimen Sign Change / Not mentioned in Application	-	-
22.	Change & Correction of Name on Dividend Warrant	-	-
23.	Request for Demat/Remat	-	-
24.	Clarification Regarding Shares	-	-
25.	Request for Exchange of Securities	11	11
26.	Others (Clarification / Acknowledgement / NSDL Operation)	-	-
27.	Non-Receipt of Annual Report	-	-
28.	Non-Receipt of Fresh/ New Securities	-	-
29.	Non-Receipt of Refund Orders	-	-
Total (A)			
B. Complaints			
1.	Non-Receipt of Dividend Warrants	-	-
2.	Non-Receipt of Securities	3	3
Total (B)		3	3

Amounts Transferred to IEPF

As per the provisions of Section 205A of the Companies Act 1956, (Section 124 read with Section 125 of the Companies Act, 2013), the Company is required to transfer unpaid dividends, matured deposits, redeemed debentures and interest accrued thereon remaining unclaimed and unpaid for a period of 7 years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

It may be noted that no claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2016 nor shall any payment be made in respect of such claim. During the year, the Company made renewed attempts to establish contact with those members/shareholders who had not claimed dividend(s).

Given below are the proposed (indicative) dates for transfer of the unclaimed dividend to the IEPF by the Company: -

Financial Year	Date of declaration	Proposed Date of transfer	Amount Outstanding (₹)
2008 – 2009	July 23, 2009	August 21, 2016	1155294.00
2009 – 2010	July 27, 2010	August 25, 2017	879082.50
2010 – 2011	July 28, 2011	August 26, 2018	961001.60
2011 – 2012	July 17, 2012	August 16, 2019	599897.70
2012 – 2013	August 6, 2013	August 5, 2020	1470585.60
2013 – 2014	July 31, 2014	July 31, 2021	1125945.70
2014 – 2015	July 30, 2015	July 30, 2022	928862.00

The Company transferred the following amounts to the IEPF of the Central Government of the unclaimed dividend belongs to the financial year 2015 – 16.

Particulars	Amount (₹)
Amounts transferred up to March 31, 2015	50,67,802.55
Amounts transferred during financial year 2015 – 16:	
- Unpaid / unclaimed dividend with the Company	8,56,873.50
- Unpaid / unclaimed matured deposits with the Company	-
Total	8,56,873.50
Amount transferred up to March 31, 2016	59,24,676.05

Unclaimed Shares

As per the Listing Agreement, the Company had transferred the unclaimed shares for which the certificates remaining undelivered/unclaimed by the shareholders to “Unclaimed Suspense Account” and dematerialized the shares, held in the name of “Unclaimed Suspense Account”. The said demat account as on March 31, 2016 is having 21,46,050 equity shares yet to be claimed.

Opening Balance		No. of Shareholders claimed	No. of shares transferred	Closing Balance	
No. of holders	No. of shares			No. of holders	No. of shares
1265	21,50,350	2	4300	1263	21,46,050

3. Nomination and Remuneration Committee:

The Committee consists of 4 members of which 3 are independent directors. The terms of reference of the Committee include inter-alia the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company disclosed the remuneration policy and the evaluation criteria in its Annual Report.

During the year under review, the Committee held one meeting on October 29, 2015 to consider the appointment of Managing Director and Company Secretary.

Service Contract, Notice Period and Remuneration of the Managing Director:

Mr. D.Varada Reddy's tenure as Managing Director expired on November 10, 2015. Mr. Pramod Ranjan's was appointed as Managing Director and Chief Executive Officer of the Company for a period of three years from November 11, 2015 upto to November 10, 2018 terminable by 6 months notice on either side.

The remuneration paid during the financial year 2015 – 2016 to the Managing Director is furnished hereunder:

(Amount in ₹)

Particulars	Mr. D. Varada Reddy	Mr.Pramod Ranjan
Salary, Incentive and perquisites	74,36,047	24,45,206
Contribution to Provident and Gratuity Fund	6,70,890	2,00,972
Performance Incentive Payable	Nil	Nil
Shares held as on March 31, 2016.	69,15,687	1,41,96,140

The Company does not have any stock option schemes for its employees/directors.

Sitting fee (remuneration) paid to Non-Executive Directors during the financial year 2015-16 and the details of share held by them as on March 31, 2016 are as under:

Name of Director	Amount (₹)	No of Shares held
Mr. S.B.P.V. Ramamohana Rao (till January 28, 2016)	40,000	6750
Dr. G. Sundaram	1,30,000	-
Mr. D Varada Reddy (from November 11, 2015)	50,000	69,15,687
Mr. D.Vijayagopal Reddy	50,000	22,97,060
Mr. S.Y.Syed Meeran	50,000	10,500
Mr. Pramod Ranjan (till November 10, 2015)	30,000	1,41,96,140
Mr. D.R.Kaarthikeyan	70,000	-
Diwan Arun Nanda	30,000	-
Mr. Ramesh. D. Hariani	40,000	11,30,710
Ms. Gita Nayyar	10,000	-

4. Risk Management Committee

Even though not mandatory, the Company has constituted a Risk Management Committee and also formulated a Risk Management policy, which lays down a vigorous and active process for identification and mitigation of risks.

Details on General Body Meetings:

Location, date and time of the Annual General Meetings held in the last 3 years are as under:

Location	Date & Time	Resolutions passed
The Music Academy, Chennai 600014	August 6, 2013 at 2.45 p.m	Ordinary Resolutions : - Adoption of accounts - Declaration of Dividends - Appointment of Directors retiring by rotation Special Resolutions : - Payment of commission to Non – Executive Directors
Narada Gana Sabha, Chennai 600018	July 31, 2014 at 3.00 p.m.	Ordinary Resolutions : - Adoption of accounts - Declaration of Dividends - Appointment of Directors retiring by rotation - Appointment of Auditors
Narada Gana Sabha, Chennai 600018	July 30, 2015 at 2.00 p.m.	Ordinary Resolutions : - Adoption of accounts - Declaration of Dividends - Appointment of Directors retiring by rotation Special Business – Ordinary Resolutions : - Appointment of Auditors

The resolutions of 45th Annual General Meeting held on July 30, 2015 were passed by means of Remote E-Voting and the votes cast by the Members of the Company who were present at the meeting. The resolutions were passed with requisite majority.

E-Voting/Postal Ballot:

The postal ballot/e-Voting results were declared on March 30, 2016 based on the report of the scrutinizers M/S.KSM Associates, Practicing Company Secretaries, Chennai with respect to the notice dated February 1, 2016 issued by the Company.

Special Resolution: Approval for appointment and terms of remuneration of Mr. Pramod Ranjan (DIN.00887569) as Managing Director and Chief Executive Officer:

Manner of Voting	Votes in favour of the resolution	Votes against the resolution	Invalid Votes
E-Voting	7,58,93,282	10,520	-
Postal Ballot	1,65,40,591	29,895	-
Total	9,24,33,873	40,415	-
Total %	99.96	0.04	-

Disclosures

The Board of Directors receives, from time to time, disclosures relating to financial and commercial transactions from key managerial personnel of the Company, where they and/ or their relatives have personal interest.

The Company has complied with the requirements of the Stock Exchanges/ Securities and Exchange Board of India/ statutory authorities on all matters relating to capital markets, during the last 3 years. No penalty or strictures were imposed on the Company by these authorities.

Pursuant Part B of Schedule II to the Listing Regulations Managing Director (CEO) and the Chief Financial Officer has issued a certificate to the Board, for the year ended March 31, 2016.

The Company receives continuous disclosure of holdings by the Directors in accordance SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the Company makes regular disclosure to all the Stock Exchange(s) in which the Company is listed the information.

The Non Executive Chairman of has a separate office in his capacity as chairman of the Company and hence a separate office is not maintained.

The Company has adopted necessary guidelines for composition of the Board of Directors, Committees of the Board which are taken into account of the provisions of the Listing Agreement, the Companies Act, 2013 and other applicable laws.

The Company has complied with all the mandatory and major non mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (2) relating to the dissemination of information on the website of the Company. As regard the status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, the financial statements of the Company are with unmodified audit opinion. The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO and the Internal Auditor reports to the Audit Committee

(1) Subsidiary Company

The Company does not have any material unlisted Indian subsidiary and is not required to have an Independent Director of the Company on the Board of such Subsidiary. The financial statements including the investments made by the Company's wholly owned subsidiary, OHL International (HK) Limited were placed before the Board. The minutes of the Board meeting of the subsidiary Company are periodically placed before and reviewed by the Board of Directors of the Company.

(2) Code of Conduct:

1. The Company has adopted a Code of Conduct for prevention of insider trading and Code for fair disclosure in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code, inter-alia, prohibits purchase/sale of shares of the Company by employees and other connected person while in possession of unpublished price sensitive information in relation to the Company.
2. The Company receives continuous disclosure of holdings by the Directors / Promoters / KMP's in accordance with Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the Company makes regular disclosure to all the Stock Exchange(s) in which shares of the Company are listed the information received under the said clause in compliance with the applicable Regulations

(3) Whistle Blower Policy

The Company has adopted the Whistle Blower policy pursuant to which employees can raise their concerns relating to fraud, malpractice or any other activity or event which is against the Company's interest. No employee has been denied access to the Audit Committee in this regard.

Means of Communication

Quarterly, Half-yearly and Annual results of the Company were published in leading English and vernacular newspapers viz. The Indian Express and Dinamani. Additionally, the results and other important information are also periodically updated on the Company's website viz. www.orientalhotels.co.in.

Corporate Filing and Dissemination System

All disclosures and communications to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are filed electronically to the designated portal.

Ministry of Corporate Affairs (MCA)

The Company has periodically filed all the necessary documents with the MCA & the Company has also filed its Annual Financial Statements on MCA through XBRL.

SEBI Complaints Redress System (SCORES)

A centralized web based complaints redressal system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ARTs) by the concerned companies and the investors can view the of actions taken on the complaint and its current status.

Means of Communication

Quarterly, Half-yearly and Annual results of the Company were published in leading English and vernacular newspapers viz. The Indian Express and Dinamani. Additionally, the results and other important information are also periodically updated on the Company's website viz. www.orientalhotels.co.in.

Corporate Filing and Dissemination System

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ORIENTAL HOTELS LIMITED

CORPORATE GOVERNANCE

General Shareholder Information

Corporate Identification Number	L55101TN1970PLC005897
Registered office	Taj Coromandel 37, Mahatma Gandhi Road Chennai – 600034 Telephone. No. - 044 66002827 Facsimile No. - 044 66002089
Name, Contact details of Company Secretary & Compliance officer's	Mr. Tom Antony Paramount Plaza, III Floor 47, Mahatma Gandhi Road Chennai – 600034 Telephone. No.- 044 66172828 Facsimile No.- (044)28254447/28278138 E-mail: ohlshares.mad@tajhotels.com
Registrar and Share Transfer Agent	M/S Integrated Enterprise (India) Limited Kences Towers, 1 Ramakrishna Street North Usman Road, T Nagar, Chennai – 600017 Facsimile No.- 044 28140801 - 803 E-mail: corpserv@integratedindia.com
Date, Time and venue of AGM	July 25, 2016 at 2:30 pm Sathguru Sri Gnanananda Hall, Narada Gana Sabha, Alwarpet, Chennai 600018
Financial Calendar	
Financial year	1st April – 31st March
Financial Report for:	
Quarter ending 30th June	On or before August 15
Quarter ending 30th September	On or before November 15
Quarter ending 31st December	On or before February 15
Quarter ending 31st March	On or before May 30
Cut Off for e-Voting	July 18, 2016
E-Voting window dates	July 22, 2016 9:00 am to July 24, 2016 5:00 pm
Date of book closure	July 19, 2016 to July 25, 2016 (both the days inclusive)
Dividend payment date	On or before August 1, 2016
Equity Shares	
Stock Exchanges	Stock Code
The National Stock Exchange of India Ltd	ORIENTHOT EQ
BSE Limited	500314
ISIN No. (INDIA)	INE750A01020
Global Depository Receipts	Luxembourg Stock Exchange,
NCD Series A ISIN No.INE750A07027	NCD Series B ISIN No.INE750A07035

The Company has paid annual listing fees to the Stock Exchanges in respect of the financial year 2016 – 2017.

Committees of the Board other than the mandatory Committees under the Act and Listing Regulations

The details of the committees of the Board which are not mandatory but constituted as a good governance measure are furnished below:

1. Share Transfer Committee

The Share Transfer Committee inter alia, with matters relating to transfers/transmissions/transposition/consolidation/issue of share certificates in exchange for sub-divided/consolidated/defaced share certificates/issue of duplicate share certificates.

2. Approval Committee

The Board has constituted an Approval Committee with the responsibilities and powers as detailed below:

- Opening new banking accounts and or Closure of non-operative bank accounts of the company, changes in signatories authorised to operate bank accounts, inter change in the credit facilities with the same bank and between banks within the overall limits availed and such other routine banking matters as it may deem fit and approving different account-related services offered by the Banks.
- To authorize execution of Bonds/Counter Guarantees on behalf of the Company in favour of Export-Import authorities, Customs/Excise authorities, Export promotion authorities, wherever required under the Common Seal of the Company.
- To borrow by way of acceptance and/or renewal of Inter Corporate Deposits (ICDs) from time to time, on short-term basis, up to an overall limit of ₹100 Crores outstanding at any point of time.
- To place and/or renewal of Inter Corporate Deposits (ICDs) from time to time, on short-term basis, up to an overall limit of ₹50 Crores outstanding at any point of time.
- To borrow by way of temporary loans/short term secured or unsecured debentures/commercial paper and other similar/financial instruments, from time to time, up to an overall limit of ₹150 Crores outstanding at any point of time.
- Opening new depository accounts and or Closure of non-operative Depository accounts of the Company, changes in signatories authorised to operate such depository accounts and including opening/closing/change of operating signatories safe deposit locker(s).
- To issue, extension and or revocation of powers of attorney to the executives and officers of the Company;
- To nominate officers as 'Manager' and 'Alternate Manager' under the Prevention of Food Adulteration Act and to nominate Officers to represent the Company before various licensing authorities e.g. Excise, Health, Trade, Police, etc. and or to nominate officers as required under the respective enactments to comply with various statutory enactments such as Shops and Establishments Act, Packaged Commodities Rules, etc.
- To authorise the execution of agreements in favour of authorities providing services, utilities to the Company and to indemnify / counter guarantee the issue of any guarantees by banks on behalf of the Company in favour of such Authorities/Utilities, wherever required under the Common Seal of the Company.
- To appoint and/or change the trustees of the Company's Gratuity Fund;

3. Ethics Committee

The Board has constituted the Ethics Committee with the terms of references as detailed below:

- Set forth the policies relating to and oversee the implementation of the Code of Conduct of the Company
- Consider matters relating to the Insider Trading Code
- Take on record the status reports prepared by the Compliance Officer detailing the dealings in securities by the specified persons
- Decide penal action in respect of violation of the Regulations/Code by any person

4. POSH Committee: Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

A Policy on Prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and constituted Apex POSH Committee, and its unit level committee to provide protection against sexual harassment of women at workplace and redressal of complaints and for the matters connected or incidental thereto.

During the year 2015 – 2016 the Company has received four complaints on sexual harassment and all the complaints have been disposed of and appropriate action taken and no complaints remains pending.

5. Property Acquisition Committee

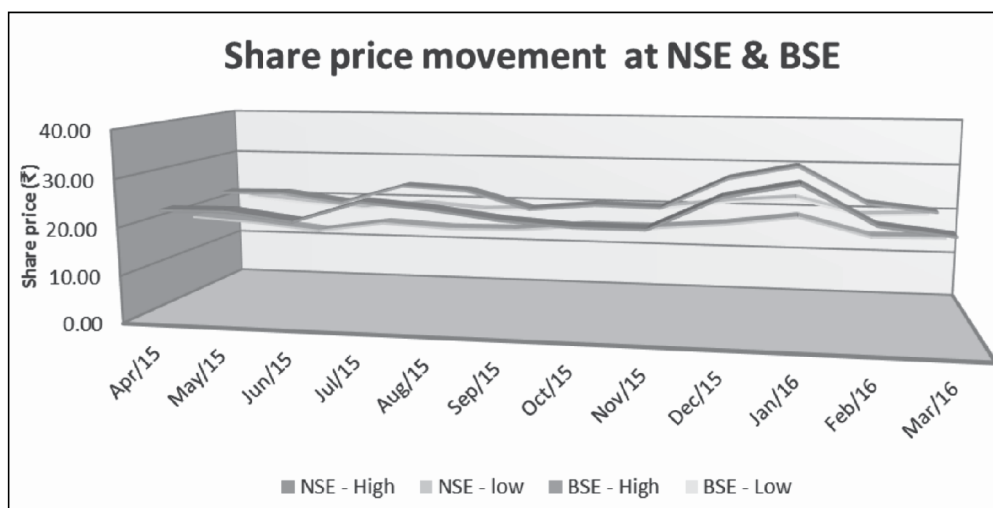
The Board has constituted the Property Acquisition Committee to consider specific business and powers with the terms of references as detailed below:

- Set forth the policies relating to purchase / acquisition of properties of the Company
- Acquisition of new properties
- Take on record the market scenario related to real estate
- Decide and recommend to the Board about the purchase of properties of the Company

Market Price Data: High, Low during each month in last financial year

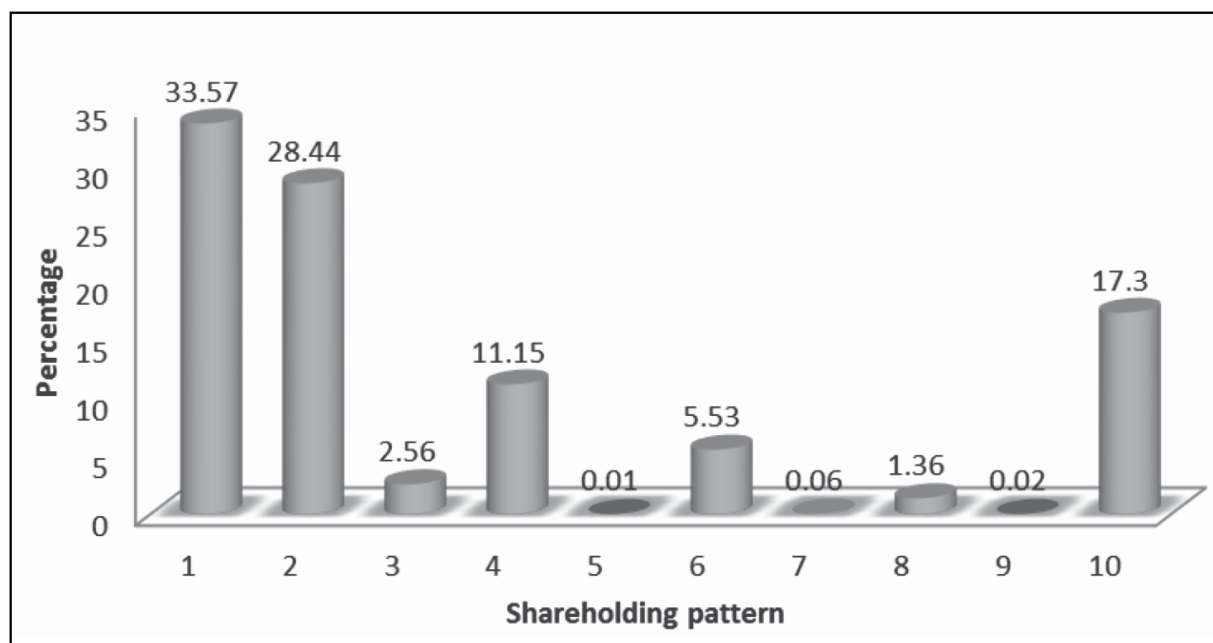
Month	National Stock Exchange Ltd (NSE) - Share price in ₹		Nifty		Bombay Stock Exchange Ltd (BSE) - Share price in ₹		Sensex	
	High	Low	High	Low	High	Low	High	Low
Apr-15	23.15	19.60	8844.80	8144.75	23.00	20.20	29094.61	26897.54
May-15	23.30	18.75	8489.55	7997.15	23.20	19.00	28071.16	26423.99
Jun-15	21.50	17.35	8467.15	7940.30	21.40	18.00	27968.75	26307.07
Jul-15	25.90	19.40	8654.75	8315.40	25.45	19.35	28578.33	27416.39
Aug-15	24.75	18.65	8621.55	7667.25	24.75	18.30	28417.59	25298.42
Sep-15	22.95	18.80	8055.00	7539.50	20.95	19.00	26471.82	24833.54
Oct-15	22.00	20.00	8336.30	7930.65	22.25	20.05	27618.14	26168.71
Nov-15	21.95	20.00	8116.10	7714.15	21.95	20.00	26824.30	25451.42
Dec-15	28.60	21.15	7979.30	7551.05	28.65	21.65	26256.42	24867.73
Jan-16	31.40	23.00	7972.55	7241.50	31.50	22.75	26197.27	23839.76
Feb-16	23.85	19.40	7600.45	6825.80	24.00	19.35	25002.32	22494.61
Mar-16	22.25	19.65	7777.60	7035.10	22.50	20.00	25479.62	23133.18

Source: www.bseindia.com and www.nseindia.com



Shareholding pattern as on March 31, 2016

Sl. No	Particulars	No. of shares	% of Shares
A. Promoters			
1	Taj Group	59,961,430	33.57
2	Promoters	50,793,960	28.44
B. Public			
3	Corporate Entities	4,569,312	2.56
4	Directors	17,250	0.01
5	Financial Institutions/Mutual Funds	19,031,185	10.65
6	Commercial Banks	888,400	0.50
7	Mutual Fund Trust Clearing	14,287	0.01
8	Foreign Financial Institution	20,000	0.01
9	Non- Resident Indian	2,426,219	1.36
10	Indian Residents	30,904,707	17.30
C. GDRs Underlying Equity Shares:			
11	Promoters and Promoters Group	9,872,360	5.53
12	Public	100,070	0.06
	Grand Total	178,599,180	100.00



ORIENTAL HOTELS LIMITED

CORPORATE GOVERNANCE

List of persons holding more than 1% of the total number of shares as on March 31, 2016

Sl. No	Name of the Shareholders	No. of shares	% of Share Capital
A. Promoter and Promoter Group			
1	The Indian Hotels Company Ltd	33,764,550	18.91
2	TIFCO Holdings Ltd	17,208,360	9.64
3	Mr. Pramod Ranjan	14,196,140	7.95
4	Mr. D Varada Reddy	6,915,687	3.87
5	PIEM Hotels Ltd	3,657,170	2.05
6	Ms. Girija Gollamudi Reddy	2,687,630	1.50
7	Tata Chemicals Ltd	2,523,000	1.41
8	Mr. Rohit Reddy D	2,212,500	1.24
9	Mr. D. Vijayagopal Reddy	2,297,060	1.29
10	Mr. Amith Reddy D	2,140,421	1.20
11	Ms. Dodla Premaleela Reddy	2,019,980	1.13
B. Public			
12	The Oriental Insurance Company Ltd	2,912,506	1.63
13	Birla Sun Life Trustee Company Pvt Ltd A/c Birla Sun Life Dividend Yield	3,005,311	1.68
14	Reliance Capital Trustee Co Ltd (Reliance Long term Equity Fund)	13,335,961	7.47

Note: "Others" include Trusts, Clearing Members, Directors & their Relatives, Global Depository Receipts, Central / State Governments and Foreign Banks.

Distribution Schedule of Share Holding as on March 31, 2016

Sl. No	Category of Shares	No of holders	% to Total no. of shareholders	No of shares	% to Capital
1	Up to 500	10,548	68.65	10,21,286	0.57
2	501 - 1000	1,214	7.90	10,36,536	0.58
3	1001 - 2000	1,028	6.69	16,10,688	0.90
4	2001 - 3000	629	4.09	15,92,914	0.90
5	3001 - 4000	345	2.25	12,22,437	0.68
6	4001 - 5000	479	3.12	21,82,953	1.22
7	5001 - 10000	569	3.70	42,66,048	2.39
8	10001 & Above	553	3.60	16,56,66,318	92.76
	Total	15,365	100.00	17,85,99,180	100.00

Reconciliation of Share Capital Audit

In keeping with the requirements of the SEBI and the Stock Exchanges, a Reconciliation of Share Capital Audit by a Practicing Company Secretary is carried out at the end of every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid – up capital tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Dematerialisation of Shares & Liquidity

As of the end of March 31, 2016, shares comprising approximately 97.41% of the Company's Equity Share Capital have been dematerialized.

Status on Dematerialised shares (Equity ISIN No. INE750A01020)

Shares held in	No. of Shares	% of holding
NSDL	16,36,95,559	91.66
CDSL	1,02,74,730	5.75
Physical	46,28,891	2.59
TOTAL	17,85,99,180	100.00

During the financial year 32,30,770 GDR underlying equity shares were converted into equity shares. The Balance outstanding GDR underlying equity shares is 99,72,430 as on March 31, 2016.

Investor Correspondence

For any queries, investors are requested to get in touch with the Secretarial department at Paramount Plaza, 47, Mahatma Gandhi Road, Chennai 600034. A dedicated e-mail address ohlshares.mad@tajhotels.com is available for investor complaints.

Usage of electronic payment modes of making cash payments to the investors

SEBI vide its Circular No. CIR / MRD/DP/10/2013 dated March 21, 2013 has instructed all Companies for making cash payments to the investors, companies whose securities are listed on Stock Exchange shall use, either directly or through their RTI & STA, any RBI (Reserve Bank of India) approved electronic mode of payment such as ECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS), NEFT etc.

Investors are requested to kindly provide their requisite bank account particulars by quoting their reference folio number (s) in case shares are held in physical form.

In case shares are held in dematerialised form, investors may kindly provide the requisite bank account details to their Depository Participant, to ensure that future dividend payments are correctly credited to the respective account.

Location of Hotel Units of the Company:

1. Taj Coromandel, Chennai
2. Vivanta by Taj, Fisherman's Cove, Chennai
3. Vivanta by Taj, Malabar, Kochi
4. Vivanta by Taj, Trivandrum, Thiruvananthapuram
5. Vivanta by Taj, Surya, Coimbatore
6. The Gateway Hotel, Vishakhapatnam
7. The Gateway Hotel, Madurai
8. The Gateway Hotel, Coonoor
9. The Gateway Hotel, Mangalore

ORIENTAL HOTELS LIMITED

CORPORATE GOVERNANCE

DECLARATION BY THE MANAGING DIRECTOR UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with para D of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2016.

For ORIENTAL HOTELS LIMITED

Place : Chennai
Date : May 12, 2016

Pramod Ranjan
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Oriental Hotels Limited,**

We have examined the compliance of conditions of Corporate Governance by Oriental Hotels Limited for the year ended on March 31, 2016 as stipulated in clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period April 01, 2015 to November 30, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period 1st December 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / Listing Regulations, as applicable.

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.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 12, 2016

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No. 015682N

R.SRIDHAR
Partner
Membership No.028317

To
The Members of
Oriental Hotels Limited

Report on the standalone financial statements

1. We have audited the accompanying standalone financial statements of Oriental Hotels Limited("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 of these standalone financial statements 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 application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. 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.
6. 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. 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

8. 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 March 31, 2016, and its Loss and its cash flows for the year ended on that date.

ORIENTAL HOTELS LIMITED
INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B", and
 - (g) 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 litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 12, 2016

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R.SRIDHAR
Partner
Membership No.028317

Annexure "A" to Auditors' Report

Referred to in paragraph 9 of our report of even date

- i) a) The company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the Management during the year based on a phased programme of verifying all the assets over three years, which in our opinion is reasonable having regard to the size of the company and the nature of its Fixed Assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
- ii) The Management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. Accordingly, sub-clauses (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not provided any guarantees / security.
- v) The Company has not accepted any deposits from the public.
- vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- vii) a. According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Luxury Tax, Sales Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues during the year with the appropriate authorities. There are no outstanding statutory dues as at 31st March 2016 for a period of more than six months from the date they became payable.
- b. According to the records of the company and information and explanations given to us, in respect of duty of customs and duty of excise, there are no outstanding amounts that have not been deposited with the appropriate authorities on account of any dispute. The details of disputed income tax, value added tax, sales tax, luxury tax and service tax that have not been deposited with the appropriate authorities are as follows:

ORIENTAL HOTELS LIMITED

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Nature of Dues	Amount (₹. In lakhs)	Forum where dispute is pending
Income tax		
Income tax demand for the Assessment year 2008-09	0.46	Income tax Appellate tribunal Chennai
Income tax demand for the Assessment year 2009-10	32.36	Commissioner of Income tax (Appeals), Chennai
Sales Tax		
Sales Tax Demand for the Financial Years 1990-91 & 1991-92	23.68	Appellate Deputy Commissioner, Chennai
Sales Tax Demand for the Financial Years 1992-93 to 1996-97	17.58	Hon'ble High Court of Madras, Chennai
Sales Tax Demand for the Financial Years 2004-05 & 2005-06	30.76	The Assistant Commissioner (Commercial Taxes), Chennai
Sales Tax Demand for the Financial Years 2009-10	3.41	The Assistant Commissioner (Commercial Taxes), Special Circle, Thiruvananthapuram
Sales Tax Demand for the Financial Years 2010-11 to 2012-13	2.17	Sales Tax Appellate Tribunal, Visakhapatnam
Sales tax Demand for the Financial Years 2013-14	0.95	The Assistant Commissioner-III, Special Circle, Thiruvananthapuram
Sales Tax Demand for the Financial Years 2012-13 to 2013-14	1.61	Sales Tax Appellate Tribunal, Visakhapatnam
Luxury Tax		
Luxury tax demands for the Financial Years 2004-05 and 2005-06	28.15	Hon'ble Kerala High court, Ernakulum
Luxury tax demands for the Financial Years 2010-11 and 2011-12	14.17	Deputy Commissioner (Appeals), Ernakulum
Luxury tax demands for the Financial Years 2012-13	5.74	Deputy Commissioner (Appeals), Ernakulum
Luxury tax demands for the Financial Years 2012-13, 2013-14 and 2014-15	9.20	Deputy Commissioner (Appeals), Madurai
Service tax		
Service Tax Demand for the Financial Years 2008-09 to 2009-10	44.08	Commissioner of Central excise (Appeals), Cochin
Service Tax Demand for the Financial Year 2010-11	38.11	Customs, Excise and Service Tax Appellate Tribunal, Chennai
Service Tax Demand for the Financial Years 2004-05 and 2005-06, 2006-07, 2007-08, 2010-11	74.21	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Service Tax Demand for the Financial Years 2006-07 to 2010-11	7.96	Customs, Excise and Service Tax Appellate Tribunal, Chennai
Service Tax Demand for the Financial Years 2005-06 to 2010-11	88.74	Commissioner of Central excise(Appeals), Mangalore
Service Tax Demand for the Financial Years 2010-11	36.22	Commissioner of Central Excise (Appeals), Cochin

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 12, 2016

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R.SRIDHAR
Partner
Membership No.028317

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Annexure “B” to Auditors’ Report**Referred to in paragraph 10(f) of our report of even date**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

1. We have audited the internal financial controls over financial reporting of Oriental Hotels Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 12, 2016

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R.SRIDHAR
Partner
Membership No.028317

ORIENTAL HOTELS LIMITED

BALANCE SHEET

Balance Sheet as at March 31, 2016

₹ in lakhs

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	1,785.99	1,785.99
(b) Reserves and Surplus	3	20,465.52	21,627.75
		22,251.51	23,413.74
Non-current Liabilities			
(a) Long-term Borrowings	4	21,781.43	23,781.32
(b) Other Long-term Liabilities	5	5,306.70	5,294.27
(c) Long-term Provisions	6	456.28	463.05
		27,544.41	29,538.64
Current Liabilities			
(a) Short-term Borrowings	7	7,916.55	5,154.76
(b) Trade Payables	8		
A. Total outstanding dues of micro enterprises & small enterprises		29.23	67.54
B. Total outstanding dues of creditors other than micro enterprises & small enterprises		3,368.35	2,889.01
(c) Other Current Liabilities	9	5,097.02	4,798.34
(d) Short-term Provisions	10	522.25	945.69
		16,933.40	13,855.34
TOTAL		66,729.32	66,807.72
ASSETS			
Non-current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		43,929.93	44,744.33
(ii) Intangible Assets		364.93	233.96
(iii) Capital Work-in-Progress		439.44	459.90
(b) Non-current Investments	12	6,452.78	6,649.38
(c) Deferred Tax Assets (net)	13	1,541.29	1,025.72
(d) Long-term Loans and Advances	14	8,486.21	8,399.37
		61,214.58	61,512.66
Current Assets			
(a) Inventories	15	775.78	696.68
(b) Trade Receivables	16	1,544.62	1,319.26
(c) Cash and Bank Balances	17	324.02	335.09
(d) Short-term Loans and Advances	18	1,798.19	1,548.85
(e) Other Current Assets	19	1,072.13	1,395.18
		5,514.74	5,295.06
TOTAL		66,729.32	66,807.72
Significant Accounting Policies	1		
The accompanying notes 1 to 42 form an integral part of the financial statements.			

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board

Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN:00887569

Dr. G. Sundaram
Director
DIN : 00051093

PROFIT AND LOSS STATEMENT

Statement of Profit and Loss for the year ended March 31, 2016

₹ in lakhs

Particulars	Note	March 31, 2016	March 31, 2015
INCOME			
Revenue from Operations	20	30,757.86	30,004.66
Other Income	20	635.40	666.86
Total Revenue		31,393.26	30,671.52
EXPENSES			
Cost of Materials Consumed	21	3,634.56	3,584.09
Employee Benefit Expense	22	8,839.29	7,906.81
Finance Costs	23	2,289.75	3,004.68
Depreciation and Mmortization	12	2,429.89	2,547.50
Other Expenses	24	15,205.01	14,231.26
Total Expenses		32,398.50	31,274.34
Profit/ (Loss) before Exceptional Items and Tax		(1,005.24)	(602.82)
Exceptional Items			
Profit on Sale of Investments (Refer Note 12(vi))		177.00	-
Provisions for Advances Recoverable (Refer Note 19 & 25(f))		(374.92)	-
Profit/ (Loss) before Tax		(1,203.16)	(602.82)
Tax Expense:			
(1) Current Tax		105.45	114.79
(2) Deferred Tax		(515.55)	(376.31)
(3) Tax Adjustments		-	(41.93)
Total Taxes		(410.10)	(303.45)
Profit/ (Loss) for the year after Tax		(793.06)	(299.37)
Earnings per Equity Share :			
Basic & Diluted (Face value ₹1/- per share) (Refer Note: (38)		(0.44)	(0.17)
Significant Accounting Policies	1		
The accompanying notes 1 to 42 form an integral part of the Financial Statements.			

As per our Report attached
For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board
Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN:00887569

Dr. G. Sundaram
Director
DIN : 00051093

ORIENTAL HOTELS LIMITED

CASHFLOW STATEMENT

Cashflow Statement for the year ended March 31, 2016

₹ in lakhs

Particulars	As at March 31, 2016	As at March 31, 2015
A. Cashflow from Operating Activities		
Net profit before Tax and Extraordinary Items	(1,203.16)	(602.82)
a) Depreciation	2,429.89	2,547.50
b) Loss/(Profit) on Sale of Assets	6.83	9.38
c) Profit on Sale of Investments	(177.00)	-
d) Assets Written off	35.65	-
e) Bad Debts / Advances Written off	-	-
f) Provision for Doubtful Debts and Advances	465.13	1.43
g) Provision and Balances Written Back	(91.38)	(129.82)
h) Interest	(169.73)	(246.66)
i) Dividend Income	(319.89)	(235.36)
j) Interest Paid	2,289.75	3,004.68
	4,469.25	4,951.15
Operating Profits before Working Capital Changes	3,266.09	4,348.33
Adjustments for		
a) Trade and other Receivables	(616.43)	420.11
b) Inventories	(79.10)	(52.39)
c) Trade Payables and other Liabilities	589.45	388.18
	(106.08)	755.90
Cash Generated from Operations	3,160.01	5,104.23
Adjustments for Direct Taxes Paid (net)	(209.65)	(279.62)
Net Cashflow from Operating Activities (A)	2,950.36	4,824.61
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,995.76)	(1,913.42)
Sale of Fixed Assets	15.62	26.73
Purchase of Investments	(2.40)	(65.74)
Sale of Investments	376.00	-
Interest Received	146.95	251.00
Dividend Received	319.89	235.36
Exchange Gain Realised on Funds Invested	(0.06)	0.02
Net Cashflow from Investing Activities (B)	(1,139.76)	(1,466.05)
Carried Forward	1,810.60	3,358.56

CASHFLOW STATEMENT

Cashflow Statement for the year ended March 31, 2016

₹ in lakhs

Particulars	As at March 31, 2016	As at March 31, 2015
Brought Forward	1,810.60	3,358.56
C. Cashflow from Financing Activities		
Proceeds from issue of Non Convertible Debentures	-	20,000.00
Redemption of Non Convertible Debentures	-	(10,000.00)
Increase/(Decrease) in Long Term Borrowings	(1,528.00)	(12,816.45)
Increase/(Decrease) in Short Term Borrowings	2,761.79	3,454.76
Debenture Issue Expenses	-	(77.84)
Interest Paid	(2,255.80)	(3,242.33)
Dividend Paid (Including Dividend Tax)	(802.39)	(1,075.12)
Net Cash Flow from Financing Activities (C)	(1,824.40)	(3,756.98)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(13.80)	(398.42)
Cash as per Books		
Cash as on Opening 01st April	221.67	620.09
Cash as on Closing 31st March	207.87	221.67
Net Increase / (Decrease) in Cash and Cash Equivalents	(13.80)	(398.42)
Notes to the Cash Flow Statement :	As at March 31, 2016	As at March 31, 2015
	₹ in lakhs	₹ in lakhs
i) Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	324.02	335.09
Bank Balances and Deposits Not Considered as Cash	(116.15)	(113.47)
Unrealised Exchange Loss/ (Gain)	-	0.05
Cash and Cash Equivalents as Restated	207.87	221.67

ii) Previous year's figures have been regrouped wherever necessary to confirm to current year's classification.

The accompanying notes 1 to 42 form an integral part of the Financial Statements.

As per our Report attached
For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board
Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN:00887569

Dr. G. Sundaram
Director
DIN : 00051093

NOTES TO FINANCIAL STATEMENTS

Notes to Financial Statements for the year ended March 31, 2016

Note 1

Significant Accounting Policies

The Financial Statements have been prepared on the basis of historical cost convention on the basis of a going concern following the accrual system of accounting and comply with the applicable mandatory accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities as on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Although, these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

a) Revenue Recognition

Revenue comprises sale of rooms, food and beverages, allied services relating to hotel operations, including net income from telecommunication services and management and operating fees. Revenue is recognised upon rendering of the service.

b) Export Benefit Entitlement

Benefits arising in the nature of Duty Free Scrips are recognised upon the actual utilisation of Duty credit Scrips for the purchase of Fixed Assets and Inventories and are adjusted against the cost of the related assets. Benefits under Services Exports from India Scheme will be recognised in the year in which the license is received.

c) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation/ amortisation. Costs include all expenses directly attributable to bring the assets to its present location and condition. None of the Assets were revalued during the course of the year.

d) Depreciation/Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The component accounting to the extent applicable has considered in providing depreciation.

Asset description	Useful life
Plant and machinery	10- 20 Years
Electrical installations and equipment	20 years
Hotel Wooden Furniture	15 years
EndUser devices-Computers,Laptops,etc	6 years
Asset costing less than ₹5000	4 years

In respect of improvements to leasehold premises depreciation is provided at the rates arrived at based on the number of years of the total lease or at the rates arrived at based on useful life whichever is earlier.

Intangible assets – computer software including licenced software is being amortised over a period of 6 years.

e) Investments

Long Term Investments are carried at cost. Provision for decline in the value, other than temporary, has been made wherever necessary.

Current Investments are carried at lower of cost and market value / net asset value.

f) Inventories

Inventories are valued at cost on weighted average basis.

g) Transactions in Foreign Exchange

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transactions. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate prevailing on the date of balance sheet date. Exchange differences arising on settlement and conversion of foreign currency transactions are recognised as income or expense in the period in which they arise, except in cases where they relate to long term monetary items utilized for acquisition of qualifying assets.

Consequent to the notification No.F.No.17/133/2008 – CL V dated 29th December, 2011 revising Accounting Standard (AS) 11 “The Effects of Changes in Foreign Exchange Rates”, the company has exercised the option in terms of paragraph 46A. Accordingly the exchange differences arising on settlement / translation of long term monetary items utilised for acquisition of depreciable fixed assets are adjusted to the carrying cost of fixed assets.

Non-monetary items denominated in foreign currency are carried at the exchange rate in force at the date of the transaction.

h) Employee Benefits

In respect of defined contributions schemes, contributions to Provident Fund and Family Pension are charged to profit and loss account as incurred.

In respect of defined benefit schemes, the post - retirement benefits such as gratuity, leave encashment and other retirement benefits are accounted for based on valuations, as at the balance sheet date, made by an independent actuary. Gratuity in respect of certain employees is covered by Group Gratuity scheme with the Life Insurance Corporation of India and the balance employees contribution is made to a recognised fund and is managed by the TATA AIA Life Insurance.

In respect of other employee benefits, provision for such benefits are provided in terms of Accounting Standard - 15 (Revised) - "Employee Benefits".

i) Borrowing Cost

Borrowing costs incurred on acquiring qualifying assets (i.e assets that necessarily take a substantial period of time to get ready for their intended use) are capitalised at the weighted average rate at which the funds have been borrowed for such acquisition. Other borrowing costs are recognised as an expense in the year in which they are incurred. Debenture issue costs and the premium on redemption of debentures are adjusted against the available Securities Premium Account in accordance with the provisions of Section 52 of the Companies Act 2013. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

j) Taxes on Income :

Income Tax including minimum alternate tax is computed in accordance with Accounting Standard 22 (AS-22) 'Accounting for Taxes on Income'. Tax expenses are accrued in the same period as the revenue and expenses to which they relate.

Provision for current income tax is made on the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws. The differences between taxable income and the net profit /loss before tax for the year as per the financial statements are identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing differences, i.e. differences that originate in one accounting period and reversed in another. The tax effect is calculated on accumulated timing differences at the end of the accounting year based on applicable tax rates. Deferred tax assets/ liabilities are reviewed as at each Balance Sheet date.

NOTES TO FINANCIAL STATEMENTS

Deferred tax assets, other than on unabsorbed depreciation and carried forward losses, are recognised only if there is reasonable certainty that they will be realised in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. In situations, where the company has unabsorbed depreciation and carried forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that the same can be realised against future taxable profits.

k) 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 exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

l) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised in terms of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', when there is a present legal or statutory obligation as a result of past events 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 recognised 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 made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognised in the financial statements.

m) Assets taken on Lease:

In respect of lease transactions, which are in nature of finance leases, Assets taken on lease after 1st April, 2001 are accounted as fixed assets at fair value in accordance with Accounting Standard 19 (AS-19) - "Leases". Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return.

Assets taken on lease/licence under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses in accordance with the respective lease/licence agreements.

Note 2 : Share Capital		As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
1 Authorised Share Capital			
a) Equity Shares 24,50,00,000 - Equity Shares of ₹1/- each (Previous year 24,50,00,000 Equity Shares of ₹1/- each)		2450.00	2450.00
b) Redeemable Cumulative Preference Shares 50,50,000 - Redeemable Cumulative Preference Shares of ₹100/- each		5050.00	5050.00
Total		7500.00	7500.00
2 Issued, Subscribed and Paid up			
Equity Shares 17,85,99,180 - Equity Shares of ₹1/- each fully paid (Previous year 17 85,99,180 Equity Shares of ₹1/- each)		1785.99	1785.99
Total		1,785.99	1,785.99

(a) The company has one class of equity shares having a par value of ₹1/- share. Each shareholder is eligible for one vote per share held. The Board of Directors in their meeting on May 12, 2016 proposed a dividend of ₹0.20 per equity share, which is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Reconciliation of Equity shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Shares outstanding at the beginning of the year	178,599,180	1,785.99	178,599,180	1,785.99
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	178,599,180	1,785.99	178,599,180	1785.99

(c) Shareholders holding more than 5% Equity Shares in the Company (Excluding GDR holdings)

Name of the Shareholder(s)	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
The Indian Hotels Company Limited	33,764,550	18.91%	33,764,550	18.91%
TIFCO Holdings Limited	17,208,360	9.64%	17,208,360	9.64%
Reliance Capital Trustee Co Ltd - Reliance Mid & Small Cap Fund	12,990,561	7.27%	13,335,961	7.47%
Pramod Ranjan	14,196,140	7.95%	14,196,140	7.95%

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 3 : Reserves and Surplus	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Securities Premium Reserve	7,613.88	11,009.40
Less: Debenture Issue Expenses (net of tax)	-	51.39
Less: Provision for Premium Payable on Redemption of Debentures (net of tax)	-	3,344.13
Closing Balance	7,613.88	7,613.88
Debenture Redemption Reserve		
Opening Balance	1,853.00	1,853.00
Less: Transfer to Surplus in Statement of Profit & Loss	-	1,853.00
Add: Transfer from Surplus in Statement of Profit & Loss	-	1,853.00
Closing Balance	1,853.00	1,853.00
Investment allowance utilised reserve	45.74	45.74
Export profits reserve	0.43	0.43
General reserve		
Opening Balance	10,061.47	10,061.47
Add: Transfer from Surplus in Statement of Profit & Loss	-	-
Closing Balance	10,061.47	10,061.47
Surplus in Statement of profit and loss		
Opening Balance	2,053.23	3,144.72
Add : Net profit / (Net loss) from Statement of Profit and Loss	(793.06)	(299.37)
Add: Transfer from Debenture Redemption Reserve	-	1,853.00
Less : Transfer to Debenture Redemption Reserve	-	1,853.00
Less : Transfer to General Reserves	-	-
Less : Proposed Dividend	357.20	714.40
Less : Tax on Proposed Dividend	72.72	145.43
Add : Tax credit for Dividend Distribution Tax	60.75	67.71
	891.00	2,053.23
	20,465.52	21,627.75

Note 4 : Long Term Borrowings		As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Secured (Refer Footnote (i) and (ii))			
- Non- Convertible Redeemable Debentures		20,000.00	20,000.00
		20,000.00	20,000.00
- Term Loans - From Banks (Refer Footnote iii)		1,781.43	3,781.32
		1,781.43	3,781.32
		21,781.43	23,781.32
Footnote :			
i) Details of Borrowings as at:	March 31, 2016		March 31, 2015
	₹ in lakhs	₹ in lakhs	₹ in lakhs
	Non - Current	Current	Non - Current
	Debtentures		Current
	Term Loans from Banks		
	20,000.00	-	20,000.00
	1,781.43	2,375.24	3,781.32
	21,781.43	2,375.24	23,781.32
			2,160.75
			2,160.75

ii) Terms

Particulars	Loan Outstanding in ₹ lakhs	No. of Installments	Security	Repayment Terms
Rupee Term Loan - II	2,674.00	7	Rupee Term Loan are secured by way of mortgage by deposit of title deeds in respect of immovable properties of Fisherman's Cove and Coonoor Hotel & additionally secured by way of exclusive first charge of credit card receivables of the Company.	19 Quarterly Installments of ₹382 lakhs commencing from April 2013 carrying interest rate of 11.8%
Non - Convertible Debentures NCDs)				
1000, 10.25% Series A Debentures of ₹10 lakhs each.	10,000.00		Secured by Mortgage of Buildings and other fixed assets of Taj Coromandel, Chennai.	Reedeembale at par at the end of the 5th year from the date of allotment.
1000, 2% Series B Debentures of ₹10 lakhs each.	10,000.00		Secured by Mortgage of Buildings and other fixed assets of Taj Coromandel, Chennai.	Reedeembale (at par) at the end of the 5th year from the date of allotment along with redemption premium of ₹5,06,610 per debentures.

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Maturity Profile of Debentures:	Statement of Profit and Loss over the tenure of the borrowing.			
Non- Convertible Debentures (NCDs)		₹ lakhs	₹ lakhs	₹ lakhs
Secured	Redemable on	Principal	Premium	Total
a) 10.25% Non- Convertible Debentures	November 21, 2019	10,000.00	-	10,000.00
a) 2% Non- Convertible Debentures with YTM rate of 10.25%	November 21, 2019	10,000.00	-	10,000.00
		20,000.00	-	20,000.00

- iii) Includes Exchange Loss in currency swap of the term loan of which non-current ₹635.43 lakhs (Previous Year ₹1,107.32 lakhs) and current portion is ₹847.24 lakhs (Previous Year ₹632.75 lakhs

Note 5 : Other Long Term Liabilities	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Deposits from Others		
Unsecured		
- Deposit - Sublease	200.00	200.00
- Shop Security Deposits	40.60	28.17
	240.60	228.17
Others		
Provision for Premium on Redemption of Debentures (Refer Note 4 Footnote (ii) Debentures))	5,066.10	5,066.10
	5,306.70	5,294.27

Note 6 : Long Term Provisions	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Provision for Employee Benefits	418.89	379.81
Provision for Pension liability for retired Directors and their relatives	37.39	83.24
Total	456.28	463.05

Note 7 : Short Term Borrowings	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
From Bank :		
Secured		
Loan repayable on demand		
Borrowings	1,750.00	-
Loan repayable on demand		
Short Term Loan (Refer Footnote (i))	2,000.00	700.00
Over draft	241.55	154.76
	3,991.55	854.76
Other Short Term Loans:		
Unsecured:		
Inter Corporate Deposits -From Related party (Refer Footnote (ii))	2,525.00	4,300.00
-From others	1,400.00	-
	3,925.00	4,300.00
	7,916.55	5,154.76

Footnote :

- (i) Secured loans from banks represents short term loan secured by way of mortgage by deposit of title deeds in respect of immovable properties of Fisherman's Cove and Coonoor Hotel & additionally secured by way of exclusive first charge of credit card receivables of the Company.
- (ii) Short term loan from related parties consisted of inter corporate deposits for a period of 90days with an option of prepayment carrying interest @ 11%.

Note 8 : Trade Payables	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Trade payables		
Total Outstanding dues of Micro, Small and Medium Enterprises (Refer Footnote Below)	29.23	67.54
Trade Payable	3,368.35	2,889.01
Total	3,397.58	2,956.55

Footnote : Amounts due to Micro, Small and Medium Enterprises:

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent of such parties have been identified on the basis of information available with the Company. No amount is outstanding over a period of 45 days.

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	29.23	67.54
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.22	0.43
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.22	0.43
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.22	0.43
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 9: Other Current Liabilities	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Current maturities of Long-term borrowings		
Term loans	2,375.24	2,160.75
	2,375.24	2,160.75
Payables on Current Account dues		
Related Parties	26.04	2.65
Others	150.00	6.14
	176.04	8.79
Deposits	20.29	7.64
Interest accrued but not due on borrowings	79.78	49.18
Interest accrued but not due on Debentures	443.01	439.66
Income received in advance	4.33	-
Advance collection from customers	306.39	276.82
Creditors for capital goods and services		
- Retention Money	66.34	124.03
- Others	117.32	50.99
Unclaimed dividends (Refer Footnote (i))	71.21	74.52
Unclaimed matured deposits & interest accrued thereon	1.01	1.16
Other liabilities		
- Employee Related Dues (Refer Footnote (ii))	560.35	688.16
- Statutory Dues	674.10	614.56
- Others	201.61	302.08
Total	5,097.02	4,798.34

Footnotes:

- (i) The amount reflects the position as on March 31, 2016, the actual amount to be transferred to the "Investor Education & Protection Fund" shall be determined and paid to the credit of the fund on due dates.
- (ii) Includes ₹Nil lakhs due to Directors(Previous Year ₹90 lakhs).

Note 10 : Short Term Provisions	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Provision for Employee Benefits	73.15	73.13
Provision for Pension liability for retired directors and their relatives	19.18	12.73
Proposed Dividend	357.20	714.40
Tax on Dividend	72.72	145.43
Total	522.25	945.69

NOTE 11: FIXED ASSETS									
Particulars	Gross Block			Depreciation			Net Block		₹ in lakhs
	At Cost as at 01.04.15	Additions	Deletions	At Cost as at 31.03.16	Up to 01.04.2015	Depreciation for the year	Withdrawals during the year	Up to 31.03.2016	
Tangible Assets									
Freehold Land *	8,888.82 (8,888.82)	-	-	8,888.82 (8,888.82)	-	-	-	-	8,888.82 (8,888.82)
Leasehold Land #	33.76 (33.76)	-	-	33.76 (33.76)	20.14 (18.99)	1.15 (1.15)	-	21.29 (20.14)	13.62 (14.77)
Owned Building on Owned Land	10,687.40 (9,749.36)	306.33 (948.64)	-	10,993.73 (10,687.40)	1,546.02 (1,228.96)	249.57 (319.81)	-	1,795.59 (1,546.02)	9,141.38 (8,520.40)
Improvements to Lease Buildings	9,072.48 (9,053.51)	1.41 (18.97)	-	9,073.89 (9,072.48)	1,388.71 (1,183.65)	194.54 (205.06)	-	1,583.25 (1,388.71)	7,683.77 (7,869.86)
Plant and Machinery	23,568.93 (22,468.84)	828.98 (1,289.33)	142.87 (189.24)	24,255.04 (23,568.93)	10,472.38 (9,498.00)	1,202.78 (1,144.09)	123.63 (169.71)	11,551.53 (10,472.38)	13,096.55 (12,970.84)
Furniture & Fixtures	12,389.60 (11,868.22)	295.96 (543.47)	34.78 (22.09)	12,650.78 (12,389.60)	6,886.49 (6,346.67)	560.41 (554.95)	23.79 (15.13)	7,423.11 (6,886.49)	5,503.11 (5,521.55)
Office Equipment	1,758.79 (1,748.31)	137.99 (45.07)	67.94 (34.59)	1,828.84 (1,758.79)	1,453.78 (1,272.47)	127.59 (205.69)	62.05 (24.38)	1,519.32 (1,453.78)	305.01 (475.84)
Vehicles	495.51 (497.66)	14.46 (12.06)	5.52 (14.21)	504.45 (495.51)	383.44 (336.47)	27.10 (58.63)	5.25 (11.66)	405.29 (383.44)	99.16 (112.07)
Total Tangible Assets	66,895.29 (64,308.48)	1,585.13 (2,857.54)	251.11 (270.73)	68,229.31 (66,895.29)	22,150.96 (19,885.21)	2,363.14 (2,489.38)	214.72 (223.63)	24,299.38 (22,150.96)	44,744.33 (44,423.27)
Intangible Assets									
Computer Software	583.71 (546.91)	216.01 (36.80)	107.24 (-)	692.48 (583.71)	349.75 (291.62)	66.75 (58.13)	88.95 (-)	327.55 (349.75)	233.96 (255.29)
Total Intangible Assets	583.71 (546.91)	216.01 (36.80)	107.24 (-)	692.48 (583.71)	349.75 (291.62)	66.75 (58.13)	88.95 (-)	327.55 (349.75)	233.96 (255.29)

Footnotes

* A portion of land measuring 1,071 acres costing ₹3.78 Crores is under compulsory acquisition by Tamil Nadu State Highway Department. Pending acquisition and fixing of compensation, the same has not been dealt with in the books of account as on March 31, 2016

Company has obtained long term Commercial lease rights from Ministry of Defence, Government of India. Lease rights are amortised over the lease period. The land is under sub-lease.

Fixed Assets includes Interest Capitalised ₹ Nil (Previous Year - ₹34.10 lakhs)

Fixed Assets include exchange fluctuation capitalised of which Buildings ₹206.674 Lakhs (Previous Year ₹124.47 Lakhs), Plant and Machinery ₹150.65 Lakhs (Previous Year ₹104.55 Lakhs), Furniture and Fixtures ₹108.17 Lakhs (Previous Year ₹51.31 Lakhs) and Vehicles ₹0.77 Lakhs (Previous Year ₹0.46 Lakhs) and Depreciation of which Buildings ₹27.23 Lakhs (Previous Year ₹24.10 Lakhs), Plant and Machinery ₹124.75 Lakhs (Previous Year ₹110.34 Lakhs), Furniture and Fixtures ₹53.55 Lakhs (Previous Year ₹36.33 Lakhs) and Vehicles ₹.87 Lakhs (Previous Year ₹0.68 Lakhs)

Figures have been regrouped wherever necessary.

Figures in brackets are in respect of previous year.

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 12 : Non Current Investments	Face Value	Holdings As at March 31, 2016	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Trade Investments:				
Investment in Subsidiaries - (Unquoted)				
OHL International (HK) Limited-Equity Shares (Refer Footnote (iii))	US\$10	1,500,000	4,683.00	4,683.00
Investment in Joint Ventures (Unquoted)				
TAL Hotels & Resorts Limited-Equity Shares (Refer Footnote iv)	US\$1	919,104	437.68	437.68
Investment in Associates (Unquoted)				
Taj Madurai Limited-Equity Shares	₹10	912,000	118.60	118.60
Other Trade Investment, Unquoted-Equity Shares				
Taj Kerala Hotels and Resorts Limited	₹10	1,515,000	151.50	151.50
Taj Karnataka Hotels and Resorts Limited	₹10	300,000	30.00	30.00
Taj Air Limited (Refer Footnote v)	₹10	6,250,000	625.00	625.00
Taj Trade & Transport Company Limited.	₹10	100,500	15.92	15.92
Lands End Properties Private Limited (Refer Footnote vi)	₹10	-	-	199.00
Green Infra Wind Farms Limited	₹10	45,000	4.50	4.50
Green Infra Wind Generation Limited (Refer Footnote vii)	₹10	108,000	10.80	8.40
Other Trade Investment, Quoted-Equity Shares				
The Indian Hotels Company Limited (Refer Footnote viii)	₹1	626,999	337.96	274.62
Hotel Leela Venture Limited	₹2	500	0.12	0.12
ElH Limited	₹2	1,125	0.53	0.53
Asian Hotels West Limited	₹10	70	0.08	0.08
Asian Hotels East Limited	₹10	70	0.08	0.08
Asian Hotels North Limited	₹10	70	0.07	0.07
Jaiprakash Associates Limited	₹2	150	0.06	0.06
Thomas Cook (I) Limited	₹1	600	0.37	0.37
Apollo Sindoori Hotels Limited	₹10	100	-	-
Tulip Star Hotels Limited	₹10	29,600	32.56	32.56
ElH Associated Hotels Limited	₹10	4,314	2.03	2.03
Benares Hotels Limited	₹10	50	0.06	0.06
Velan Hotels Limited	₹10	4,000	0.42	0.42
Debentures				
Compulsory Convertible Debentures in Indian Hotels Company Limited (Refer Footnote (viii)).	₹55	-	-	63.34
Non-Trade Investment, Quoted				
ICICI Bank Limited	₹2	7,730	1.36	1.36
Apollo Hospital Enterprises Limited.	₹5	200	0.08	0.08
Non-Trade Investment, Unquoted				
Chennai Willingdon Corporate Foundation	₹10	5	-	-
Indian Dairy Entrepreneurs Agricultural Company Limited. (Refer footnote (ix))	₹1	86,302	-	-
TOTAL			6,452.78	6,649.38

NOTES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Footnotes :		
i) Aggregate of quoted investments - Shares		
Cost	375.78	375.78
Market value	680.35	786.70
ii) Aggregate of unquoted investments - Shares		
Cost	6,077.00	6273.60
(iii) Stated at the exchange rate prevailing on the date of Initial deposit of loan which was converted into Shares.		
(iv) In terms of Share Retention Agreement with International Finance Corporation (IFC) for the loans availed by TAL Hotel and Resorts Limited (THRL), transfer of shareholding in this company is restricted during the subsistence of the loan agreement of THRL.		
(v) In terms of an undertaking, transfer of this shareholding is restricted to Taj / TATA group Companies.		
(vi) Sold during the year.		
(vii) 24,000 shares @ ₹10 per share acquired during the year.		
(viii) 1,15,163 Compulsory convertible debentures of ₹55 each converted in to equity shares of ₹1 each during the year.		
(ix) Equity Shares of ₹10/- each have been reduced to ₹1 /- each as confirmed by the order of the court and provision for diminution in value has been made in the earlier years.		

Note 13 : Deferred Tax Asset - (Net)	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Deferred Tax Assets:		
Provision for doubtful debts	45.10	30.80
Provision for Employee Benefits	129.89	117.00
Premium on Redemption of debenture	1,343.34	1,647.98
Loss u/s 35AD of Income Tax Act, 1961 (Refer Footnote)	5,901.93	5,149.58
Others	67.05	67.72
Total (A)	7,487.31	7,013.08
Deferred Tax Liabilities:		
Depreciation on fixed assets	5,946.02	5,987.36
Total (B)	5,946.02	5,987.36
Net Deferred Tax Assets / (Liabilities) (A-B)	1,541.29	1,025.72

Footnotes : Deferred tax asset on loss U/s 35AD of the Income Tax Act, 1961 has been recognised as equivalent deferred tax liability has been created on Depreciation on Fixed Assets.

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 14 : Long Term Loans and Advances	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Capital advances	78.56	115.66
Long term security deposits placed for Hotel Properties		
with related parties (Refer Footnote (i))	4,750.00	4,750.00
with Others	468.62	468.62
	5,218.62	5,218.62
Long Term Deposits		
Deposits with public bodies and others	610.71	520.73
	610.71	520.73
Other Loans and advances (including Advance Tax)		
Advance Income Tax Paid (Net of provisions) (Refer Footnote (ii), (iii) (iv))	2,319.15	2,154.44
MAT Credit Entitlement	189.12	294.57
Prepaid Expenses	9.00	4.82
Secured Loans - Mortgage loans to employees	61.05	90.53
	2,578.32	2,544.36
Total	8,486.21	8,399.37

Footnotes :

- (i) The related party under Long Term Deposits placed for hotel properties represent enterprises influenced by relatives of key management personnel.
- (ii) Advance Tax and Tax deducted at Source is net of Provision for Income tax amounting to ₹16,833.79 lakhs (previous year ₹16,833.79 lakhs).
- (iii) Provision for income tax considered above is net of MAT credit utilised of ₹105.45 lakhs (Previous year ₹114.79 lakhs).
- (iv) Advance income tax is net of provision for With Holding Tax of ₹44.94 lakhs.

Note 15 : Inventories	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
(valued at cost)		
Food and beverages	463.13	380.71
Stores and operating supplies	312.65	315.97
Total	775.78	696.68

Footnote : The inventories have been classified as per the nomenclature used in the hotel industry.

Note 16 : Trade Receivables	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Unsecured		
Outstanding over six months :		
Considered good	31.58	49.88
Considered doubtful	121.16	81.15
	152.74	131.03
Less :Provision for Doubtful Trade Receivable Over Six Months	121.16	81.15
	31.58	49.88
Others :		
Considered good	1,513.04	1,269.38
Considered doubtful	-	-
	1,513.04	1,269.38
Less :Provision for Doubtful Trade Receivable Others	-	-
	1,513.04	1269.38
Total	1,544.62	1,319.26

Note 17 : Cash and Bank balances	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Cash and cash equivalents		
Cash on hand	32.09	31.60
Cheques, drafts on hand	99.07	117.65
Current accounts	76.71	72.37
	207.87	221.62
Other Balances with Banks		
Margin money deposits	42.54	36.54
Earmarked balances (Refer Footnote i)	73.61	76.93
	116.15	113.47
Total	324.02	335.09

Footnote : (i) Include amounts in unpaid dividend accounts ₹71.21 lakhs (Previous year ₹74.52 lakhs)

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 18 : Short Term Loans and Advances	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
(Unsecured, considered good unless stated otherwise)		
Inter Corporate Deposits		
Others	560.00	560.00
	560.00	560.00
Deposits with Public Bodies & Others	137.01	85.49
Other advances		
Considered good		
Staff Advances (Refer Footnote)	186.81	159.93
Prepaid Expenses	321.61	263.50
Indirect Tax Recoverable	178.63	119.27
Supplier Advances	66.63	131.65
Claims Receivables	229.43	193.61
Others	126.33	43.24
	1109.44	911.20
Less: Provision for doubtful advances	8.26	7.84
	1101.18	903.36
Total	1,798.19	1,548.85
Footnote		
Staff Advances:		
Secured -Mortgage loans	56.52	51.64
Unsecured	130.29	108.29
Total	186.81	159.93

Note 19 : Other Current Assets	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Interest receivable	138.36	115.58
Amounts recoverable (Refer Footnote (i) & (ii))	1,151.79	1,151.79
Other Receivables		
Related party	102.66	67.24
Others	54.24	60.57
Less: Provision for advances recoverable	-374.92	-
Total	1,072.13	1,395.18

Footnote :

- (i) The company had a property in Coimbatore whose title was found to be defective by a Court order. The Company sued the original seller of the property and obtained partial settlement. The balance unrecovered amount has been provided in the books of account as on March 31, 2016. The company is however pursuing the legal process for recovery.
- (ii) The company entered into a long term agreement for development of hotel at Bannerghatta in Bengaluru in the year 2007. During the year 2013-14, the Company decided to terminate the lease agreement and recover the amount spent on the project along with the deposit made. As per the agreement the termination will take effect when the lessor fulfills the conditions laid in the termination agreement. In view of the above agreement an amount of ₹777.65 lakhs lying in long term deposits placed for hotel properties and capital work in progress have been transferred to amounts recoverable. The company has taken adequate steps for recovery of amounts.

NOTES TO FINANCIAL STATEMENTS

Note 20 : Rooms, restaurants, banquets and other income	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
(1) Operating Income		
Rooms, restaurants, banquets and other services		
Sale of products	13,467.93	13,651.11
Less: Excise duty	8.84	13.32
	13,459.09	13,637.79
Sale of Services	17,298.77	16,366.87
	30,757.86	30,004.66
(2) Other Income		
Interest Income	169.73	246.66
Dividend Income		
- From Other Long Term Investments	21.46	21.07
- From a Subsidiary	298.43	214.29
Exchange Gain/(Loss)	2.95	-
Miscellaneous Income	142.83	184.84
	635.40	666.86
Total	31,393.26	30,671.52

Note 21: Cost of materials consumed	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) Food & beverages consumed (Including smokes)		
1. Opening stock	380.71	351.24
2. Add Purchases	3,716.98	3,613.56
3. Less: Closing stock	463.13	380.71
Food & Beverages Consumed	3634.56	3584.09

Note 22 : Employee benefits Expenses and Payment to Contractors	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Salaries, Wages, Bonus etc.	4675.49	4178.06
Company's Contribution to Retirement Funds & Other Funds	309.21	306.75
Retiring Gratuity	178.80	216.29
Deputed Staff Salaries	1729.27	1445.03
Payment for contracted services	1021.04	896.33
Workmen / Staff Welfare Expenses	925.48	864.35
Total	8839.29	7,906.81

Note 23 : Finance Costs	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Interest expense		
Interest Expenses on Borrowings	2,289.75	3,038.78
Interest on others	-	-
	2,289.75	3,038.78
Less : Interest capitalised	-	34.10
Total	2,289.75	3004.68

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 24 : Other Expenses	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
i. Operating expenses consist of the following :		
Linen and room supplies	571.30	541.52
Catering supplies	348.31	339.79
Other supplies	71.40	71.91
Fuel, power and light	3,564.12	3,565.32
Banquet expenses	487.95	526.57
Repairs to buildings	644.82	550.31
Repairs to machinery	1,065.78	989.57
Repairs to others	263.52	260.42
Linen and uniform washing and laundry expenses	303.56	306.25
Payment to orchestra staff, artistes and others	57.07	48.87
Communication charges	298.79	218.32
Guest transportation	384.47	244.46
Travel agents' commission	367.36	299.39
Collecting Agents Commission	323.93	298.24
Fees to Consultants	1,297.76	1,279.00
Other operating expenses	113.42	208.68
Sub Total	10,163.56	9,748.62
ii. General expenses consist of the following :		
Rent	399.83	370.21
Licence fees	823.55	753.29
Rates and taxes	643.62	633.22
Insurance	80.28	83.98
Advertising and publicity	1,178.76	1,062.56
Reservation & Other Services	694.81	557.27
Printing and stationery	132.81	145.88
Passage and travelling	75.75	67.39
Provision for doubtful debts/claims	87.34	1.43
Provision for doubtful advances	2.87	-
Professional fees	393.47	320.94
Exchange Gain Loss	-	0.20
Loss on sale of fixed assets (net)	6.83	9.38
Assets Written Off	35.65	-
Corporate Social Responsibility	37.31	11.42
Other expenses	380.63	391.99
Directors' fees and commission	5.05	5.40
Payment made to statutory auditors :		
i. As auditors	25.74	25.74
ii. For taxation matters	9.65	9.65
iii. For other services	21.78	30.07
iv. For reimbursement of expenses & service tax	5.72	2.62
Sub Total	5,041.45	4,482.64
TOTAL	15,205.01	14,231.26

Note 25: Contingent Liabilities and Commitments

(i) Contingent Liabilities (to the extent not provided for) :

a) On account of income tax matters in dispute

The appeals mainly relate to part/full disallowance of certain deductions claimed by the company. The said amounts have been paid/pending adjustment and will be recovered as refund if the matters are decided in favour of the company. Based on the facts presently known, the Management believes that outcome of these appeals will not result in any material impact on the financial statements.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
In respect of tax matters for which appeals are pending amounting to	675.20	1,076.14

b) On account of other disputes:

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
- Luxury Tax	76.69	53.42
- Sales Tax	85.17	113.53
- Urban Land Tax	7.30	7.30
- Electricity Tax and Adjustment Charges	404.89	311.06
- Service Tax	297.99	260.93

The company is a defendant/party to claims (plus interest thereon) in various legal actions as listed above which arose during the ordinary course of business. Based on the facts presently known, the Management believes that the results of these actions will not have material impact on the company's financial statements.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
c) Bank Guarantee/Bond executed by the Company	174.82	150.66
d) Letter of credits opened by bankers	-	1.00
e) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	181.78	119.35

f) The company has also filed claims for recovery of amounts spent on certain projects that did not materialize from third parties involved in those contracts. The amount of such claims amounts to ₹777.65 lakhs net of provisionns (Previous Year ₹1152.57 lakhs). The company is in negotiations/legal proceedings. The management is confident that the results of the proceedings/negotiations will result in the company recovering the amount.

Note 26: Derivative Instruments

The company uses forward exchange contracts, interest rate swaps, currency swaps and options to hedge its exposure in foreign currency and interest rates. The information on derivative instruments is as follows:

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
i) Derivative instruments that are outstanding		
- Interest Swaps with embedded options - in US\$	-	-
- in ₹	-	-
- Principle only swaps- in US\$	69.08	94.98
- in ₹	2,674.00	4,202.00
ii) Unhedged Foreign Currency Exposure/the Foreign Currency Exposures that are not hedged by a Receivables/(Payables)		
Outstanding - in US\$	(0.06)	1.17
- in ₹	(4.16)	72.88

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 27: Income from Rooms, Restaurants, Banquets and other services	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) Room Revenues	15,096.79	14,327.90
b) Sale of food and Beverages	13,459.09	13,637.79
c) Other Services Income	2,201.98	2,038.97

Note 28 : Earnings in Foreign Exchange :	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) On account of Rooms, Restaurants etc.,	9,219.71	9,495.86
b) Operating and Management Fees	449.41	471.56
c) Dividend	298.43	214.29

Note 29: Value of Imports (CIF Value)	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) Raw Material - Food and Beverages	-	9.15
b) Stores & Spares	39.27	83.93
c) Capital Goods	179.27	147.50

Note 30: Expenditure in Foreign Currencies :	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) Consultancy Fees	71.58	120.71
b) Commission	189.94	121.65
c) Payment on other accounts	114.11	84.62

31 Expenditure on account of (i) Salaries, Wages, Bonus etc., (ii) Fuel, Power, Light & Water (iii) Repairs to Machinery and (iv) Other expenses are after adjusting (i) ₹71.13 Lakhs (Previous Year ₹167.44 Lakhs), (ii) ₹93.15 Lakhs (Previous Year ₹92.51 Lakhs), (iii) ₹6.61 Lakhs (Previous Year ₹5.64 Lakhs) and (iv) ₹46.99 Lakhs (Previous Year ₹37.26 Lakhs) respectively recovered from outside parties.

32 Passage & travelling includes travelling expenses of Auditors ₹5.66 Lakhs (Previous Year ₹2.00Lakhs).

33 The Company has not made any remittance in foreign currencies on account of dividends during the year and does not have any information as to the extent of which remittances in foreign currencies on account of dividends have been made by or on behalf of Non-Resident Shareholders. The particulars of dividends declared during the year and paid to Non-Resident Shareholders are as follows:

Particulars	March 31, 2016	March 31, 2015
a) Number of Non-resident Shareholders	122	134
b) Number of Equity Shares held by them.	27,501,007	34,331,820
c) Gross amount of Dividend (₹ in Lakhs)	110.00	188.83

34 The Company is exclusively engaged in the business of hoteliering. This, in the context of Accounting Standard 17 on Segment Reporting notified by the Companies (Accounting Standards) Rules, 2006 is considered to constitute one single primary segment and accordingly no segment information as required under Accounting Standard 17 is furnished.

Note: 35 Disclosure Under AS -15 (Revised) - Employee Benefits	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Staff Costs include the following		
Defined Contribution Schemes		
Company's contribution to Provident Fund	309.21	306.75
Defined Benefit Schemes (Gratuity - Funded Scheme)		
i) Liability Recognised in the Balance Sheet		
Present value of Obligation -		
As at April 01, 2015	1,686.03	1,403.51
Interest cost	135.12	122.68
Service Cost	96.12	76.41
Liabilities Assumed on Acquisition / (Settled on Divestiture)	5.81	(5.25)
Benefits Paid	(135.29)	(117.83)
Actuarial (gain) /loss on obligations	74.45	206.51
As at March 31, 2016	1,862.24	1,686.03
Less:		
Fair Value of Assets		
As at April 01, 2015	1,444.23	1,340.17
Expected return on plan assets less loss on investments	109.82	98.73
Actuarial gain /(loss) on Investments	0.63	123.16
Employers' Contribution	282.08	(90.15)
Benefits Paid	(135.29)	(117.83)
As at March 31, 2016	1,701.47	1,444.43
ii) Expense during the year		
Interest Cost	135.12	122.68
Service Cost	96.12	85.28
Liabilities Assumed on Acquisition / (Settled on Divestiture)	5.81	4.55
Expected Return on Plan assets	(109.82)	(98.73)
Actuarial (Gain) /Loss	73.82	69.23
Expense recognised in the profit and loss account * Total)	201.05	183.01
iii) Principal Actuarial Assumptions		
Discount Rate	8%	8%
Expected Return on Plan Assets	8%	8%
Rate of increase in Salaries	5%	5%

NOTES TO FINANCIAL STATEMENTS

Note: 35 Disclosure Under AS -15 (Revised) - Employee Benefits	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
iv) Amount to be recognised in the Balance Sheet Present Value of Funded Obligations Fair Value of Plan Assets Net Liability Amount in Balance Sheet Liability - Liability / (Asset)	 1,862.24 1,701.47 160.77 160.77	 1,692.07 1,422.45 269.62 269.62
Defined Benefit Schemes (Pension Non Funded Scheme)		
i) Liability Recognised in the Balance Sheet i) Present value of Obligation As at April 01, 2015 Interest cost Service Cost Benefits Paid Actuarial (gain) /loss on obligations As at March 31, 2016	 95.97 7.17 - (23.80) (34.27) 45.07	 95.15 8.04 - (11.78) 4.56 95.97
ii) Expense during the year Interest Cost Service Cost Expected Return on Plan assets Actuarial (Gain) /Loss Expense recognised in the profit and loss account *	 7.17 - - (34.27) (27.10)	 8.04 - - 4.56 12.60
iii) Principal Actuarial Assumptions Discount Rate Pension Increase rate Medical Inflation Rate	 7.55% 5% 6.5%	 8% 5% 6.5%
iv) Amount to be recognised in the Balance Sheet Present Value of Funded Obligations Fair Value of Plan Assets Net Liability Amount in Balance Sheet Liability	 45.07 - 45.07 45.07	 95.97 - 95.97 95.97

* Disclosure relating to only "post employment defined benefits plan".

NOTES TO FINANCIAL STATEMENTS

36 As per Accounting Standard - AS 18 "Related Parties Disclosure" notified by the Companies (Accounting Standards) Rules, 2006 the required information is given below:

I) List of Related Parties with whom transactions have taken place during the year:

A. Subsidiary Companies	OHL International (HK) Limited
B. Associate Companies	Taj Madurai Limited Lanka Island Resorts Limited
C. Joint Ventures	TAL Hotels & Resorts Limited
D. Significant Influence	The Indian Hotels Company Limited
E. Others	100% Subsidiaries of The Indian Hotels Company Limited <ul style="list-style-type: none"> - Roots Corporation Limited - TIFCO Holdings Limited - Taj International (HK) Limited Subsidiary of The Indian Hotels Company Limited <ul style="list-style-type: none"> - PIEM Hotels Limited - Taj Trade and Transport Company Limited - United Hotels Limited - Indi Travels Limited - Benares Hotels Limited
F. Key Management Personnel	Managing Director - Mr. Pramod Ranjan - w.e.f. November 11, 2016 Mr. D. Varada Reddy - still November 10, 2016
G. Enterprises influenced by Relatives of Key Management Personnel	Dodla International Limited and Kaveri Retreats and Resorts Limited.

II. Details of Transaction with the Related Parties are as Follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
A.	Sales of Goods / Services *				
	- The Indian Hotels Co Limited		750.30 (486.58)		750.30 (486.58)
	- PIEM Hotels Limited		27.65 (31.27)		27.65 (31.27)
	- Taj Trade & Transport Company Limited		12.19 (12.66)		12.19 (12.66)
	- United Hotels Limited		0.92 (4.03)		0.92 (4.03)
	- Inditravel Limited		0.86 (3.01)		0.86 (3.01)
	- Benaras Hotels Limited		8.57 (10.45)		8.57 (10.45)
	- Kaveri Retreats and Resorts Limited			22.66	22.66
	Sale of Investments		376.00	-	376.00

NOTES TO FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as Follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
B.	Purchase of Goods / Services *				
	- The Indian Hotels Co Limited		399.06 (829.56)		399.06 (829.56)
	- PIEM Hotels Limited		1.76 (23.16)		1.76 (23.16)
	- Inditravel Limited		-		-
	- Dodla International Limited**		(1.86)	1.07 (15.74)	(1.86) 1.07 (15.74)
C.	Interest Paid				
	- TIFCO Holdings Limited		140.69 (41.78)		140.69 (41.78)
	- PIEM Hotels Limited		306.35 (259.89)		306.35 (259.89)
D.	Reimbursement of deputed staff salaries				
	- The Indian Hotels Co Limited		1,637.89 (1,445.03)		1,637.89 (1,445.03)
	- PIEM Hotels Limited		22.33		22.33
	- Benaras Hotels Limited		-		-
	- Benaras Hotels Limited		10.77 -		10.77 -
E.	Dividend Received				
	- Taj Madurai Limited	18.24 (15.50)			18.24 (15.50)
	- Taj Trade & Transport Company Limited		2.51 (2.01)		2.51 (2.01)
	- Benaras Hotels Limited		0.01 (0.01)		0.01 (0.01)
F.	Dividend Paid				
	- Taj Madurai Limited	0.27 (0.38)			0.27 (0.38)
	- The Indian Hotels Co Limited		135.06 (185.71)		135.06 (185.71)
	- TIFCO Holdings Limited		68.83 (94.65)		68.83 (94.65)
	- PIEM Hotels Limited		14.63 (20.11)		14.63 (20.11)
	- Taj Trade & Transport Company Limited		6.66 (9.15)		6.66 (9.15)

NOTES TO FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as Follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
G.	Operating/License Fees Paid/ Provided				
	- The Indian Hotels Co Limited		1,296.99 (1,279.00)		1,296.99 (1,279.00)
H.	Lease Rentals for Hotel Premises				
	- Taj Madurai Limited	173.53 (155.89)			173.53 (155.89)
	- Dodla International Limited			279.18 (241.18)	279.18 (241.18)
I.	Sales & Marketing, Reservation & Other Service Costs				
	- The Indian Hotels Co Limited		1,320.38 (1,253.64)		1,320.38 (1,253.64)
J.	Operating/Management/License Fees Received/Accrued				
	- TAL Hotels & Resorts Ltd	449.41 (471.56)			449.41 (471.56)
K.	Intercompany Deposits Raised During the Year				
	- TIFCO Holdings Limited		2,600.00 (1,800.00)		2,600.00 (1,800.00)
	- PIEM Hotels Limited		- (6,500.00)		- (6,500.00)
	Loans outstanding as on March 31, 2016				
	- PIEM Hotels Limited		- (4,000.00)		- (4,000.00)
	- TIFCO Holdings Limited		2,525.00 (300.00)		2,525.00 (300.00)
L.	Intercompany Deposits Repaid During the year				
	- TIFCO Holdings Limited		375.00 (1,500.00)		375.00 (1,500.00)
	- PIEM Hotels Limited		4,000.00 (2,500.00)		4,000.00 (2,500.00)

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
M.	Receivables				
	- TAL Hotels & Resorts Ltd	(4.16)			(4.16)
	- The Indian Hotels Co Limited	(72.88)	48.25		(72.88)
	- Kaveri Retreats and Resorts Limited		(163.00)	2.17	48.25
				-	(163.00)
					2.17
					-
N.	Payables				
	- Taj Madurai Limited	51.60			51.60
	- The Indian Hotels Co Limited	(81.63)	1,338.88		(81.63)
	- Dodla International Limited		(840.73)	97.60	1,338.88
	- Kaveri Retreats and Resorts Limited			(92.80)	(840.73)
	- TIFCO Holdings Limited			0.23	97.60
	- PIEM Hotels Limited			-	(92.80)
			18.23		0.23
			(6.67)		-
			0.51		
			(88.96)		(88.96)
O.	Long Term Licence Deposit Receivable				
	- Dodla International Limited			4,750.00	4,750.00
				(4,750.00)	(4,750.00)

* Includes Reimbursement of deputed staff salaries and other expenses.

Key Management Personnel :

Key managerial personnel comprise of Managing Director who has the authority and the responsibility for planning, directing and controlling the activities of the Company. The remuneration paid to such directors is ₹93.04 Lakhs (Previous Year ₹137.70 Lakhs) which includes the remuneration paid to Mr. Varada Reddy as the Managing Director up to November 10, 2015 and to Mr. Pramod Ranjan as the Managing Director from November 11, 2015.

NOTE: Figures in brackets are in respect of Previous Year.

37 Disclosure Requirement under AS-19 - Lease/License Transaction

- a) The company has entered into a licensing arrangement in the year 2009 to operate a hotel for a period of 40 years and thereafter renewable for a further period of 30 years for a hotel property situated at Trivandrum..

The license fee payable is ₹175.00 Lakhs per annum or specified percentage of Gross Annual Turnover whichever is higher.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	175.00	175.00
ii. later than one year and not later than five years	875.00	700.00
iii. later than five years	4,783.33	5,118.75
b) License payments recognized in the profit and loss account	279.18	241.18

- b) The company has entered into a licensing arrangement in the year 2005 to operate a hotel for a period of 29 years and 11 months thereafter renewable for a further period of 29 years and 11 months for a hotel property situated at Coimbatore.

The license fee payable is ₹60.00 Lakhs per annum with an escalation of 10% once in three years plus a specific percentage of total revenues from the date of hotel operation.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	66.00	66.00
ii. later than one year and not later than five years	290.73	280.50
iii. later than five years	1,422.73	1,489.22
b) License payments recognized in the profit and loss account	171.66	160.90

- c) The company has taken certain vehicles on operating lease. The total lease rent paid on the same amounting to ₹23.13 Lakhs (Previous Year ₹23.13 Lakhs) have been recognised in profit and loss account.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	5.88	15.47
ii. later than one year and not later than five years	1.97	1.13

Note: 38 Earning Per Share :	March 31, 2016	March 31, 2015
Earning per share is computed based on the following :		
Profit after Tax (₹ in Lakhs)	(793.06)	(299.37)
Nominal Value of share (₹)	1.00	1.00
Number of Equity Shares	178599180	178599180
Earning Per Share ₹(Basic and Diluted)	(0.44)	(0.17)

NOTES TO FINANCIAL STATEMENTS

39 The Company has an investment of ₹30 Lakhs and advances outstanding of ₹560 Lakhs in Taj Karnataka Hotels and Resorts Limited (TKHRL) TKHRL has accumulated losses in excess of its networth. Considering the inherent value of the investee company's assets and proposed financial restructuring, the management is of the view that there is no permanent or long term diminution in the value of the investment and that outstanding will be fully recovered after the financial restructuring.

40 Disclosure of Company's Interest in Joint Ventures:

Name of the Company % of Interest	TAL Hotels & Resorts Limited	
	21.7360%	
	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Proportionate Share of Assets	12,721.80	13,135.78
Proportionate Share of Liabilities	4,127.34	5,104.53
Proportionate Share in Income	7,221.04	6,642.98
Proportionate Share in Expenses	6,418.82	5,938.39

41 As per Accounting Standards 21 on "Consolidated Financial Statement", Accounting Standard 23 on "Accounting for investments in Associates in Consolidated Financial Statements and AS 27 on "Financial Reporting of Interests in Joint Ventures" referred to in Section 133 of the Companies Act, 2013, the company has presented Consolidated Financial Statements separately, including that of its subsidiary, associates and joint venture entities in this annual report.

42 Previous year's figures have been re-grouped, reclassified wherever necessary so as to make them comparable with current year's figures.

As per our Report attached
For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board

Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN:00887569

Dr. G. Sundaram
Director
DIN : 00051093

(₹ IN LAKHS)

Year	CAPITAL ACCOUNTS						REVENUE ACCOUNTS								
	Capital	Reserves & Surplus	Borrowings	Gross Block	Net Block	Investments	Gross Revenue	Expenditure (Including Interest)	Depreciation	Profit before Tax	Taxes	Profit after Tax	Net Transfer to Reserves	Dividends	Rate of Dividend (on Equity Shares %)
1973-74	137.03	8.76	177.69	354.97	348.56	-	10.27	20.55	6.39	-25.43	-	-25.43	8.76	-	-
1974-75	142.03	21.00	286.34	423.45	401.24	-	101.24	124.77	15.79	-51.56	-	-51.56	12.24	-	-
1975-76	152.46	21.00	325.54	427.87	405.69	-	136.95	145.55	-	-8.60	-	-8.60	-	-	-
1976-77	155.00	21.18	333.72	428.30	406.12	-	158.35	158.26	-	0.08	-	0.08	0.18	-	-
1977-78	155.00	21.23	294.32	428.18	389.87	-	205.22	165.68	*16.15	23.29	-	23.29	0.05	-	-
1978-79	155.00	21.44	219.54	431.69	367.47	-	250.32	185.96	□25.95	38.41	-	38.41	0.21	-	-
1979-80	155.00	32.89	192.43	453.58	374.67	13.71	292.06	214.18	14.92	62.96	-	62.96	11.45	\$27.54	15
1980-81	155.00	65.74	182.56	477.16	381.84	18.13	364.31	284.13	16.42	63.76	-	63.76	32.84	\$29.95	20
1981-82	155.00	112.82	143.29	496.07	383.25	19.64	422.73	324.33	17.50	80.90	-	80.90	47.09	\$32.85	22
1982-83	155.00	130.09	123.46	547.51	408.06	24.59	479.18	368.82	27.13	83.23	32.15	51.08	17.27	\$32.85	22
1983-84	155.00	1358.57	110.25	570.34	402.79	26.59	557.40	435.12	29.99	92.29	50.00	42.29	17.24	\$32.85	22
1984-85	155.00	154.65	146.23	625.86	412.41	26.59	692.00	548.34	46.76	96.90	47.00	49.90	28.32	\$32.85	22
1985-86	155.00	206.49	225.85	825.16	595.57	26.59	908.29	792.47	^16.17	72.17	14.00	58.17	51.84	\$32.85	22
1986-87	155.00	269.11	344.24	966.34	688.39	17.96	1173.26	985.18	54.30	133.78	33.00	100.78	62.62	\$37.20	25
1987-88	155.00	334.39	411.39	1289.51	959.66	17.96	1397.99	1206.49	58.05	133.45	30.00	103.45	65.28	\$37.20	25
1988-89	#203.00	373.30	382.80	1457.32	1069.48	6.56	1256.93	1044.17	59.05	153.71	15.00	138.71	96.91	\$40.84	20
1989-90	€252.02	577.39	419.90	1625.06	1157.87	6.51	1865.64	1569.51	85.53	210.60	23.17	187.43	95.55	56.88	25
1990-91	252.02	719.02	783.59	1942.23	1382.58	16.51	2048.32	1702.49	100.98	244.86	40.22	204.64	127.32	63.01	25
1991-92	252.02	965.36	1207.10	2449.15	1780.95	32.89	2820.57	2321.93	121.68	376.95	55.00	321.95	250.00	75.61	30
1992-93	\$352.83	1067.51	1920.91	3452.86	2635.79	155.25	3506.32	2996.08	167.56	342.68	16.24	326.44	215.00	123.49	35
1993-94	~575.1	2741.69	1354.59	4033.13	3022.60	432.24	4542.82	3703.99	210.35	628.48	90.50	537.98	320.00	197.40	40
1994-95	¶1097.95	11729.02	1871.11	5311.47	4048.77	755.17	5290.02	4208.35	248.96	832.71	50.00	782.71	340.00	512.04	55
1995-96	1097.95	13119.15	1196.25	6284.42	4739.09	1519.56	8091.95	5289.34	348.82	2453.79	350.00	2103.79	1320.00	713.67	65
1996-97	@1646.92	14163.30	1615.07	8593.57	6727.38	1744.84	9311.24	5851.05	450.70	3009.52	420.00	2589.52	1580.27	905.81	55
1997-98	1646.92	16381.42	1723.93	10251.02	7847.77	1970.60	11504.06	7355.77	543.79	3604.50	390.00	3214.50	2133.00	905.81	55
1998-99	c1646.93	18451.69	1842.57	10656.45	7642.74	2413.60	10988.65	6745.10	627.93	3615.62	540.00	3075.62	2020.00	905.81	55
1999-00	1646.93	19201.58	1592.60	13313.65	9712.51	7409.40	9055.29	6194.94	680.00	2180.35	425.00	1755.35	480.00	905.81	55
2000-01	1646.93	19297.51	2688.53	15207.52	11062.52	7606.57	9498.40	6964.24	795.13	1738.97	410.00	1328.97	155.00	823.47	50
2001-02	1785.99	18553.33	866.15	19401.88	13494.53	6596.72	10286.34	7455.31	1124.79	1706.24	865.63	840.61	-295.00	803.70	45
2002-03	1785.99	18551.94	745.42	19943.29	12927.61	6570.00	9903.68	7785.84	1188.64	929.19	391.08	538.11	-31.00	604.45	30
2003-04	1785.99	18679.96	640.18	20456.72	12409.38	6563.70	11525.43	8753.30	1232.24	1557.89	623.94	933.95	-58.00	805.93	40
2004-05	1785.99	19091.81	645.93	21454.83	12253.50	6561.60	13527.13	9787.11	1262.77	2477.25	943.50	1533.75	140.00	1121.89	55
2005-06	1785.99	20473.44	458.03	21937.81	11672.27	7953.17	16847.37	1032.55	1189.83	4324.99	1716.00	2608.99	547.00	1527.36	75
2006-07	1785.99	22091.25	375.10	24087.79	12853.09	6946.60	19541.91	12511.84	1170.26	5859.81	2068.09	3791.72	846.13	1985.04	95
2007-08	1785.99	24246.61	304.82	28341.20	16181.95	6946.60	22004.60	14087.05	1259.95	6657.60	2308.24	4349.36	475.00	2194.00	105
2008-09	1785.99	26098.42	6766.42	34617.63	21424.98	12048.96	21836.08	14754.45	1323.79	5757.84	2025.46	3732.38	410.00	1880.57	90
2009-10	1785.99	26851.01	19065.95	42549.24	29648.96	12252.46	20216.69	15308.39	1371.31	3536.99	1222.43	2314.56	375.00	1561.97	75
2010-11	1785.99	27419.00	21667.90	50635.47	38623.68	7252.46	23904.11	19155.40	1542.72	3205.99	977.42	2228.57	500.00	1660.58	80
2011-12	1785.99	27702.99	29036.85	59196.37	43608.11	7215.81	27020.53	23184.42	1955.15	1880.96	617.76	1263.20	130.00	934.08	45
2012-13	1785.99	27983.56	28340.45	63872.33	46265.05	6583.64	29662.62	27092.06	2616.79	1390.01	-39.80	1429.81	250.00	1149.24	55
2013-14	1785.99	26114.76	30755.82	66480.93	46304.41	6583.64	30234.02	28483.72	2794.43	-1044.13	-324.57	-719.56	-	1149.24	55
2014-15	1785.99	21627.75	31096.83	67938.90	45438.19	6649.38	30671.52	28269.66	2547.50	-602.82	-303.45	-299.37	-	859.83	40
2015-16	1785.99	20465.52	32073.22	68668.75	44734.29	6452.78	31393.26	29968.61	2429.89	-1203.16 (410.10)	-793.06	-	-	429.92	20

* Includes adjustment for depreciation written back ₹0.15 lakhs
 • includes adjustment for depreciation written back ₹14.36 lakhs and arrears of depreciation for earlier year ₹26.62 lakhs. Depreciation for 1975-76 and 1976-77 provided in 1978-79
 \$ Preference and equity dividends.
 ^ includes adjustments for depreciation written back to the extent of ₹27.48lakhs.
 # After issue of Bonus Shares in the ratio 2:5
 & After issue of Rights Shares in the ratio 1 : 5

§ After issue of Bonus Shares in the ratio 2 : 5
 ~ Issue of Rights Shares in the ratio 3:5 after Bonus Issue.
 ¶ Issue of Bonus shares in the ratio 1:2 and 23,52,941 underlying Equity Shares Proportioante to Global Depository Receipts.
 @ Issue of Bonus Shares in the ratio 1 : 2
 c 162 Equity Shares withheld for allotment on rights basis pursuant to a Court Order were allotted during the year 1998-99
 d 13,90,536 Equity Shares of ₹ 10/- each issued on amalgamation of Covelong Beach Hotel (I) Ltd. With the Company, in the ratio 2:5.

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ORIENTAL HOTELS LIMITED

**CONSOLIDATED
FINANCIAL STATEMENTS
2015 - 2016**

**Independent Auditors' Report to the Members of
Oriental Hotels Limited on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of Oriental Hotels Limited(hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associate and a jointly controlled entity, comprising of the Consolidated Balance Sheet as at March 31, 2016, 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

2. 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 entity 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 associate and jointly controlled entity 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 were operating 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

3. 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.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards required 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. 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 associate and jointly controlled entity as at March 31, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

8. We did not audit the consolidated financial statements of one subsidiary and one jointly controlled entity, whose financial statements reflect total assets (net) of ₹18885.73 Lakhs as at March 31, 2016, total revenues of ₹7544.80 Lakhs including share of profit of an associate company of the subsidiary and net cash flows amounting to ₹376.93 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements

AUDITOR'S REPORT ON CONSOLIDATED 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 the subsidiary and the jointly controlled entity, 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 subsidiary and the jointly controlled entity, is solely based on the reports of the other auditors.

9. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is 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

10. 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 March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the holding company is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", and
- g) 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 of the holding company, its subsidiary, its associate and a jointly controlled entity- Refer Note 25 of the consolidated financial statements.
 - (ii) The Group, its subsidiary and jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 12, 2016

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.28317

Annexure “A” to Auditors’ Report

Referred to in paragraph 10(f) of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting Oriental Hotels Limited(hereinafter referred to as “the Holding Company”)and its associate company which is a company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its associate, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

ORIENTAL HOTELS LIMITED
ANNEXURE TO AUDITOR'S REPORT

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its associate company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 12, 2016

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.28317

FORTY SIXTH ANNUAL REPORT 2015-16

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet as at March 31, 2016

₹ in lakhs

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	1,785.99	1,785.99
(b) Reserves and Surplus	3	32,810.41	32,866.06
		34,596.40	34,652.05
Minority Interest		555.80	639.44
Non-current Liabilities			
(a) Long-term Borrowings	4	23,939.60	26,060.17
(b) Deferred Tax Liabilities (Net)	5	186.97	184.98
(c) Other Long-term Liabilities	7	5,329.27	5,304.55
(d) Long-term Provisions	8	562.79	563.33
		30,018.63	32,113.03
Current Liabilities			
(a) Short-term Borrowings	9	8,138.73	5,377.69
(b) Trade Payables			
i. Total outstanding dues of micro enterprises & small enterprises		29.23	67.54
II. Total outstanding dues of creditors other than micro enterprises & small enterprises		3,765.91	3,375.80
(c) Other Current Liabilities	10	5,819.23	6,459.50
(d) Short-term Provisions	11	660.19	1,083.85
		18,413.29	16,364.38
TOTAL		83,584.12	83,768.90
ASSETS			
Non-current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		51,087.02	52,398.93
(ii) Intangible Assets		369.43	233.96
(iii) Capital Work-in-Progress		494.32	484.86
(b) Goodwill on Consolidation		1,143.86	1,075.32
(c) Non-current Investments	13	10,444.71	10,033.47
(d) Deferred Tax Assets (net)	6	1,681.66	1,150.29
(e) Long-term Loans and Advances	14	10,209.96	10,265.12
		75,430.96	75,641.95
Current Assets			
(a) Inventories	15	1,134.13	1,076.63
(b) Trade Receivables	16	1,907.41	2,144.16
(c) Cash and Bank Balances	17	1,767.61	1,323.34
(d) Short-term Loans and Advances	18	2,362.19	2,109.16
(e) Other Current Assets	19	981.82	1,473.66
		8,153.16	8,126.95
TOTAL		83,584.12	83,768.90
Significant Accounting Policies	1		
The accompanying notes 1 to 34 form an integral part of the Financial Statements.			

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board

Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN: 00887569

Dr. G. Sundaram
Director
DIN : 00051093

ORIENTAL HOTELS LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT

Consolidated Statement of Profit and Loss Account for the year ended March 31, 2016

₹ in lakhs

Particulars	Note	March 31, 2016	March 31, 2015
INCOME			
Revenue from Operations	20	37,983.13	36,642.56
Other Income	20	347.62	462.79
Total		38,330.75	37,105.35
EXPENSES			
Cost of Materials Consumed	21	4,397.62	4,285.88
Employee Benefit Expense	22	10,335.21	9,296.95
Finance Costs	23	2,485.83	3,199.39
Depreciation and Amortization	12	3,351.07	3,337.35
Other Expenses	24	18,173.12	17,050.66
Total		38,742.85	37,170.23
Profit/(Loss) before Exceptional Items and Tax		(412.10)	(64.88)
Exceptional Items (Refer Note No.29)		(233.92)	(103.93)
Profit/(Loss) before Tax		(646.02)	(168.81)
Tax Expense:			
(1) Current Tax		173.26	202.30
(2) Deferred Tax		(510.80)	(374.74)
(3) Tax /Adjustments Relating to Earlier Years		2.16	(37.57)
Total Taxes		(335.38)	(210.01)
Profit/(Loss) for the Year		(310.64)	41.20
Share of Profits/(Losses) of Associates		221.75	71.85
(Profit) / Loss Attributable to Minority Interest		(34.86)	50.53
Net Profit / (Loss) after Minority Interest & Share of Associates		(123.75)	163.58
Earnings per Equity Share :			
Basic & Diluted (Face value ₹1/- per share) (Refer Note: 27)		(0.07)	0.09
Significant Accounting Policies		1	
The accompanying notes 1-34 form an integral part of the Financial Statements			

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board

Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN: 00887569

Dr. G. Sundaram
Director
DIN : 00051093

CONSOLIDATED CASHFLOW STATEMENT

Consolidated Cashflow Statement for the year ended March 31, 2016

₹ in lakhs

Particulars	March 31, 2016	March 31, 2015
A. Cashflow from Operating Activities		
Net profit before Tax and Extraordinary Items	(646.01)	(168.81)
Adjustments for		
a) Depreciation	3,351.08	3,337.35
b) (Profit) / Loss on Sale of Assets (net)	22.25	14.91
c) Provision for Diminution in Value of Investments	(167.29)	102.06
d) Assets Written off	35.65	-
e) Provision for Doubtful Debts & Advances	471.35	1.57
f) Provision and Balances Written Back	(91.38)	(129.82)
g) Interest / Dividend Income	(175.07)	(253.49)
h) Interest	2,485.80	3,199.39
i) Unrealised Foreign Exchange Loss	36.61	57.45
Operating profits before Working Capital Changes	5,322.99	6,160.61
Adjustments for		
a) Trade and other Receivables	31.82	223.62
b) Inventories	(42.09)	(99.42)
c) Trade Payables	335.24	495.70
	324.97	619.90
Cash Generated from Operations	5,647.96	6,780.51
Adjustments for Direct Taxes Paid (net)	(285.49)	(348.25)
Net Cashflow from Operating Activities (A)	5,362.47	6,432.26
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2,484.68)	(2,742.13)
Sale of Fixed Assets	42.54	31.13
Purchase of Investments	(2.40)	(200.90)
Sale of Investments	376.00	-
Long-term Deposits Placed with Hotel Properties	(23.30)	-
Interest Received	148.92	252.23
Dividend Received	25.94	21.71
Exchange Gain Realised on Funds Invested	(0.06)	0.02
Net Cashflow from Investing Activities (B)	(1,917.04)	(2,637.94)
Carried over	3,445.43	3,794.32

ORIENTAL HOTELS LIMITED

CONSOLIDATED CASHFLOW STATEMENT

Consolidated Cashflow Statement for the year ended March 31, 2016

₹ in lakhs

Particulars	March 31, 2016	March 31, 2015
Brought Forward	3,445.43	3,794.32
C. Cashflow from Financing Activities		
Proceeds from Issue of Non Convertible Debentures	-	20,000.00
Redemption of Non Convertible Debentures	-	(10,000.00)
Increase/(Decrease) in Long-term Borrowings	(2,578.78)	(13,208.71)
Increase/(Decrease) in Short-term Borrowings	2,761.79	3,454.76
Debenture Issue Expenses	-	(77.84)
Interest Paid	(2,462.94)	(3,435.22)
Dividend paid	(802.39)	(1,075.12)
Net Cash Flow from Financing Activities (C)	(3,082.32)	(4,342.13)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	363.11	(547.81)
Cash as per Books(Refer footnote i)		
Cash as on Opening 1st April	1,209.94	1,724.07
Adjustment for Translation of Foreign Currency Balances	78.42	33.68
Cash as on Closing 31st March	1,651.46	1,209.94
Net Increase / (Decrease) in Cash and Cash Equivalents	363.11	(547.81)
Footnotes:		
i) Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	1,767.59	1,323.34
Bank Balances and Deposits Not Considered as Cash	(116.13)	(113.45)
Unrealised Exchange Gain	-	0.05
Cash and Cash Equivalents as Restated	1,651.46	1,209.94
ii) Previous year's figures have been regrouped wherever necessary to conform to current year's classification.		
iii) The accompanying notes 1-34 form an integral part of the Financial Statements.		

As per our Report attached
For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board

Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN: 00887569

Dr. G. Sundaram
Director
DIN : 00051093

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Notes to Consolidated Financial Statements for the year ended March 31, 2016**Note:1****a) The Company and description of business**

Oriental Hotels Limited was incorporated in India in September 1970 and is engaged in the business of Hoteliering and catering.

b) Principles of Consolidation

The consolidated financial statements relate to Oriental Hotels Limited ('the Company'), its wholly owned subsidiary company, Associates and Joint Venture Entities. The consolidated financial statements have been prepared on the following basis:

- i) The Financial statements of the Company, the consolidated financial statements of its Subsidiary Company have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, as per the respective financial statements duly certified by the auditors of the respective companies after fully eliminating intra-group balances and also transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- ii) In case of Associates where the company directly or indirectly through subsidiary holds more than 20 % of equity, investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for investments in associates in consolidated financial statements".
- iii) In case of Joint Ventures, interests in jointly controlled entities have been accounted for by using the Proportionate Consolidation Method, in accordance with Accounting Standard (AS) 27 - "Financial Reporting of Interests in Joint Ventures".
- iv) The consolidated financial statements have been prepared using the uniform accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's individual financial statements.
- v) The Details of the Subsidiary Companies, Associates and Joint Venture Entities considered in the consolidated financial statements are as follows:

Name of the Company	Category	Country of incorporation	% of Voting powerheld as at March 31, 2016
OHL International (HK) Ltd.*	Subsidiary	Hong Kong	100
Taj Madurai Ltd.	Associate	India	26
Lanka Island Resorts Ltd.	Associate of OHL International (HK) Ltd.	Sri Lanka	23.08
TAL Hotels & Resorts Ltd.	Joint Venture	Hong Kong	21.74

* The consolidated financial results of OHL International (HK) Ltd includes the results of Lanka Island Resorts Ltd, an Associate.

- vi) As required by Accounting Standard (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statements, the carrying amount of investments in associates at the beginning of the year have been restated by applying "Equity Method" of accounting from the date of acquisition of the associates and the corresponding adjustments have been made to the retained earnings at the beginning of the year after eliminating unrealised profits, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

c). Group Accounting Policies:

The Financial Statements have been prepared on the basis of historical cost convention on the basis of a going concern following the accrual system of accounting and comply with the applicable mandatory accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities as on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Although, these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

Significant accounting policies adopted in the presentation of the accounts are as under :-

i) Revenue Recognition

Revenue comprises sale of rooms, food and beverages, allied services relating to hotel operations, including net income from telecommunication services and management and operating fees. Revenue is recognised upon rendering of the service.

ii) Export Benefit Entitlement

Benefits arising in the nature of Duty Free Scrips are recognised upon the actual utilisation of Duty credit Scrips for the purchase of Fixed Assets and Inventories and are adjusted against the cost of the related assets. Benefits under Services Exports from India Scheme will be recognised in the year in which the license is received.

iii) Fixed Assets

Fixed Assets are carried at cost and includes amount added on revaluation less depreciation. Increase in the carrying amounts arising on revaluation are credited to the revaluation reserve

iv) Depreciation/Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Asset description	Useful life
Plant and machinery	10- 20 Years
Electrical installations and equipment	20 years
Hotel Wooden Furniture	15 years
EndUser devices-Computers,Laptops,etc	6 years
Asset costing less than ₹5000	4 years

In respect of improvements to leasehold premises depreciation is provided at the rates arrived at based on the number of years of the total lease or at the rates arrived at based on useful life whichever is earlier.

Intangible assets – computer software including licenced software is being amortised over a period of 6 years.

Depreciation for the fixed assets of Foreign Subsidiary Company/Associates/joint venture company have been provided on the straight-line basis so as to write off the cost of assets over their estimated useful lives of the assets.

v) Investments

Investments being long term are carried at cost. Provision for decline in the value, other than temporary, has been made wherever necessary.

vi) Inventories

Inventories are valued at cost on weighted average basis.

vii) Transactions in Foreign Exchange

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transactions. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate prevailing on the date of balance sheet date. Exchange differences arising on settlement and conversion of foreign currency transactions are recognised as income or expense in the period in which they arise, except in cases where they relate to long term monetary items utilized for acquisition of qualifying assets.

Consequent to the notification No.FNo.17/133/2008 – CL V dated December 29, 2011 revising Accounting Standard (AS) 11 “The Effects of Changes in Foreign Exchange Rates”, the company has exercised the option in terms of paragraph 46A. Accordingly the exchange differences arising on settlement / translation of long term monetary items utilised for acquisition of fixed assets are adjusted to the carrying cost of fixed assets.

Non-monetary items denominated in foreign currency are carried at the exchange rate in force at the date of the transaction.

viii) Employee Benefits

In respect of defined contributions schemes, contributions to Provident Fund and Family Pension are charged to profit and loss account as incurred.

In respect of defined benefit schemes, the post - retirement benefits such as gratuity, leave encashment and other retirement benefits are accounted for based on valuations, as at the balance sheet date, made by an independent actuary. Gratuity in respect of certain employees is covered by Group Gratuity scheme with the Life Insurance Corporation of India and the balance employees contribution is made to a recognised fund and is managed by the TATA AIA life insurance

In respect of other employee benefits, provision for such benefits are provided in terms of Accounting Standard-15 (Revised)- "Employee Benefits".

ix) Borrowing Cost

Borrowing costs incurred on acquiring qualifying assets (i.e assets that necessarily take a substantial period of time to get ready for their intended use) are capitalised at the weighted average rate at which the funds have been borrowed for such acquisition. Other borrowing costs are recognised as an expense in the year in which they are incurred. Debenture issue costs and the premium on redemption of debentures are adjusted against the available Securities Premium Account in accordance with the provisions of Section 52 of the Companies Act 2013. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

x) Taxes on Income :

Income Tax is computed in accordance with Accounting Standard 22 'Accounting for Taxes on Income'. Tax expenses are accrued in the same period as the revenue and expenses to which they relate.

Provision for current income tax is made on the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws. The differences between taxable income and the net profit for the year as per the financial statements are

ORIENTAL HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing difference. i.e difference that originate one accounting period and reversed in another. The tax effect is calculated on accumulated at the end of the accounting year based on applicable tax rates. Deferred tax assets/liabilities are reviewed as at each Balance Sheet date.

Deferred tax assets, other than on unabsorbed depreciation and carried forward losses, are recognised only if there is reasonable certainty that they will be realised in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. In situations, where the company has unabsorbed depreciation and carried forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that the same can be realised against future taxable profits.

xi) 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 exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

xii) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised in terms of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', when there is a present legal or statutory obligation as a result of past events 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 recognised 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 made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognised in the financial statements.

xiii) Assets taken on lease:

In respect of lease transactions, which are in nature of finance leases, Assets taken on lease after April 01, 2001 are accounted as fixed assets at fair value in accordance with Accounting standard 19 (AS-19)-'Leases'. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return.

Assets taken on lease/licence under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses in accordance with the respective lease/licence agreements.

d). Goodwill on consolidation is not amortized.

e). Change in Accounting Policy

Consequent to withdrawal of the Guidance note on treatment of Reserves created on Revaluation fixed assets, effective from April 01, 2015 the policy of recouping additional depreciation on revalued amount of Fixed assets as credit to profit and loss account has been discontinued and such additional depreciation on account of revaluation has been credited to Surplus in statement of Profit and Loss.

Due to change in policy of recognition of depreciation amount on revaluation of fixed assets, depreciation for the year is higher by ₹53.29 Lakhs and accordingly loss for the year is higher by ₹53.29 Lakhs.

NOTE 2 : Share Capital	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Share Capital		
1 Authorised Share Capital		
a) Equity Shares 24,50,00,000 - Equity Shares of ₹1/- each (Previous year 24,50,00,000 Equity Shares of ₹1/- each)	2,450.00	2,450.00
b) Preference Shares 50,50,000 - Redeemable Cumulative Preference Shares of ₹100/- each	5,050.00	5,050.00
Total	7,500.00	7,500.00
2 Issued, Subscribed and Paid up Equity Shares 17,85,99,180 - Equity Shares of ₹1/- each fully paid (Previous year 17,85,99,180 Equity Shares of ₹1/- each)	1,785.99	1,785.99
Total	1,785.99	1,785.99

(a) Reconciliation of Equity Shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Shares outstanding at the beginning of the year	178,599,180	1,785.99	178,599,180	1,785.99
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	178,599,180	1,785.99	178,599,180	1,785.99

(c) Shareholders holding more than 5% Equity Shares in the Company (Excluding GDR Holdings)

Name of the Shareholder(s)	March 31, 2016		March 31, 2015	
	No. of shares	% holding	No. of shares	% holding
The Indian Hotels Company Limited	33,764,550	18.91%	33,764,550	18.91%
TIFCO Holdings Limited	17,208,360	9.64%	17,208,360	9.64%
Reliance Capital Trustee Co Ltd- Reliance Mid & Small Cap Fund	12,990,561	7.27%	13,335,961	7.47%
Mr. Pramod Ranjan	14,196,140	7.95%	14,196,140	7.95%

ORIENTAL HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 3 : Reserves and Surplus	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Capital Reserve Account		
Opening and Closing Balance	1.74	1.74
Securities Premium Reserve		
Opening Balance	7,613.88	11,009.40
Less: Debenture issue Expenses(net of tax)	-	51.39
Less: Provision for Premium Payable on Redemption of Debentures (net of tax)	-	3,344.13
Closing Balance	7,613.88	7,613.88
Revaluation Reserve		
Opening Balance	877.86	926.79
Depreciation (net of taxes)transferred/foreign exchange fluctuation for the year	(96.81)	(48.93)
Closing Balance	781.05	877.86
Debenture redemption reserve		
Opening Balance	1,853.00	1,853.00
Less: Transfer to Surplus in Statement of Profit & Loss	-	1,853.00
Add: Transfer from Surplus in Statement of Profit & Loss	-	1,853.00
Closing Balance	1,853.00	1,853.00
Investment allowance utilised reserve		
Opening and Closing Balance	45.74	45.74
Export profits reserve		
Opening and Closing Balance	0.43	0.43
Foreign currency translation reserve		
Opening Balance	5,584.10	5,067.71
Add/(Less) Foreign Exchange fluctuation for the year(net)	593.94	516.39
Closing Balance	6,178.04	5,584.10
Unamortised Foreign Currency Monetary Item Translation Difference		
Opening Balance	(29.85)	(3.24)
Add/(Less) Transferred to Statement of Profit and Loss on amortisation	(113.15)	(26.61)
Closing Balance	(143.00)	(29.85)
General reserve		
Opening Balance	10,532.93	10,543.40
Add/(Less) Transfer during the year	-	(10.47)
Closing Balance	10,532.93	10,532.93
Surplus in profit and loss account		
Opening Balance	6,386.23	7,014.77
Add : Net profit / (Net loss) for the current year	(123.75)	163.58
Add: Transfer from Debenture Redemption Reserve	-	1,853.00
Less : Transfer to Debenture Redemption Reserve	-	1,853.00
Less : Transfer to General Reserves	-	-
Less : Transfer to /(from) Revaluation Reserve	(53.29)	-
Less : Proposed Dividend	357.20	714.40
Less : Tax on Proposed Dividend	72.72	145.43
Add : Tax credit for Dividend Distribution Tax	60.75	67.71
	5,946.60	6,386.23
Total	32,810.41	32,866.06

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 4 : Long Term Borrowings		As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Secured (Refer footnote)			
Non- Convertible Redeemable Debentures		20,000.00	20,000.00
Term Loans - From Banks		3,716.01	5,847.10
Long term maturities of finance lease obligations		7.56	9.98
Unsecured-Loans and advances from related parties		216.03	203.09
		23,939.60	26,060.17
Footnote : Details of Borrowings as at:			
Particulars	March 31, 2016		March 31, 2015
	₹ in lakhs Non - Current	₹ in lakhs Current	₹ in lakhs Non - Current ₹ in lakhs Current
Debentures	20,000.00	-	20,000.00
Term Loans from Banks	3,716.01	2,812.55	5,847.10
Loans and Advances and Others	223.59	1.89	213.07
	23,939.60	2,814.44	26,060.17

Note 5 : Deferred Tax Liability (Net)	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Deferred Tax Liabilities:		
Depreciation on fixed assets	199.31	196.54
Total (A)	199.31	196.54
Deferred Tax Assets:		
Provision for Employee Benefits	12.34	11.56
Total (B)	12.34	11.56
Deferred tax Liability (Net) (A-B)	186.97	184.98

Footnote: Deferred tax asset on loss U/s 35AD of the Income Tax Act, 1961 has been recognised as equivalent deferred tax liability has been created on Depreciation on Fixed Assets.

Note 6 : Deferred Tax Assets (Net)	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Deferred Tax Assets:		
Provision for doubtful debts	45.10	30.80
Provision for Employee Benefits	129.89	117.00
Premium on Redemption of debenture	1,343.34	1,647.98
Loss u/s 35AD of Income Tax Act, 1961(refer note below)	6,042.30	5,149.58
Depreciation on fixed assets	-	124.56
Others	67.05	67.73
Total (A)	7,627.68	7,137.65
Deferred Tax Liabilities:		
Depreciation on fixed assets	5,946.02	5,987.36
Total (B)	5,946.02	5,987.36
Deferred tax Asset (Net) (A-B)	1,681.66	1,150.29

Footnote: Deferred tax asset on loss U/s 35AD of the Income Tax Act, 1961 has been recognised as equivalent deferred tax liability has been created on Depreciation on Fixed Assets.

ORIENTAL HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 7 : Other Long Term Liabilities	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
From Others- Unsecured		
Creditors for Capital Goods and Services	22.57	10.27
Deposits-Sublease	200.00	200.00
Shop Security Deposits	40.60	28.18
Others Long Term Liabilities		
Provision for premium on redemption of debentures	5,066.10	5,066.10
Total	5,329.27	5,304.55

Note 8 : Long Term Provisions	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Provision For Employee Benefits (Refer Footnote below)	562.79	563.33
Total	562.79	563.33

Footnote: - Includes pension liability for retired directors and their relatives ₹37.39 lakhs
(Previous year ₹83.24 lakhs)

Note 9 : Short Term Borrowings	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Loans repayable on demand		
Secured		
- Secured from Banks	3,750.00	700.00
- Over draft	241.55	154.76
Unsecured		
- From Banks	222.18	222.93
From Others		
- Unsecured Inter Corporate deposits from Related Party	2,525.00	4,300.00
- Unsecured-Inter Corporate Deposits from Others	1,400.00	-
Total	8,138.73	5,377.69

Note 10: Other Current Liabilities	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Current Maturities of long term borrowings		
Term loans	2,812.55	3,380.47
Finance lease obligations	1.89	2.00
Payables on Current Account dues		
Related Parties	10.34	3.19
Others	3.76	3.45
Deposits	31.42	18.41
Interest accrued but not due on borrowings	81.95	74.55
Interest accrued and not due on debentures	443.01	439.66
Income received in advance	4.33	-
Advance collection from customers	478.34	473.59
Creditors for capital goods and services		
- Retention Money	66.35	124.03
- Others	117.31	50.99
Unclaimed dividends (Refer footnote i. below)	71.21	74.52
Unclaimed matured deposits & interest accrued thereon	1.01	1.16
Other liabilities		
- Employee Related Dues-(refer footnote ii below)	647.18	767.06
- Statutory Dues	768.36	692.22
- Others	270.57	346.29
- Paid Outs	9.65	7.91
Total	5,819.23	6,459.50
Footnotes: i) The amount reflects the position as on March 31, 2016, the actual amount to be transferred to the "Investor education & protection fund" shall be determined and paid to the credit of the fund on due dates.		
ii) Includes ₹Nil due to Directors (Previous Year ₹90 lakhs)		

Note 11 : Short Term Provision	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Provision for Employee Benefits	92.32	85.85
Provision for Contingent Claims	31.37	28.23
Proposed Dividend	357.20	714.40
Tax on Dividend	72.72	145.43
Provision for Tax (net of advance tax)	106.58	109.94
Total	660.19	1,083.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note: 12 Fixed Assets										₹ in lakhs	
Particulars	Gross Block					Depreciation				Net Block	
	At Cost as at 01.04.15	Translation Adjustment @	Additions	Deduction/ Adjustment	At Cost as at 31.03.16	Up to 01.04.15	Translation Adjustment @	Charge for the year	Deduction/ Adjustment	Up to 31.03.16	As at 31.03.16
Tangible Assets											
Freehold Land *	8,888.80 (8,888.80)	-	-	-	8,888.80 (8,888.80)	-	-	-	-	-	8,888.80 (8,888.80)
Leasehold Land #	1,962.03 (1,929.15)	(18.47) (32.17)	-	-	1,943.56 (1,962.03)	865.19 (815.60)	12.69 (19.44)	31.18 (30.15)	-	909.06 (865.19)	1,034.50 (1,096.84)
Building	10,694.25 (9,756.21)	-	577.23 (948.64)	26.54 (10.60)	11,244.94 (10,694.25)	1,519.72 (1,202.66)	-	713.90 (319.81)	16.13 (2.75)	2,217.49 (1,519.72)	9,027.45 (8,553.55)
Improvements to Building	17,543.95 (16,884.03)	126.51 (194.23)	1.41 (465.69)	-	17,671.87 (17,543.95)	5,184.53 (4,457.68)	87.92 (92.24)	194.54 (634.61)	-	5,466.99 (5,184.53)	12,204.88 (12,359.42)
Plant and Machinery	26,685.92 (25,371.76)	100.37 (85.89)	898.32 (1,428.95)	165.00 (200.68)	27,519.61 (26,685.92)	12,810.80 (11,614.90)	84.65 (66.00)	1,366.00 (1,309.38)	144.71 (179.48)	14,116.74 (12,810.80)	13,402.87 (13,875.12)
Furniture & Fixtures	14,554.39 (13,859.92)	7.46 (42.21)	348.52 (694.30)	56.23 (42.04)	14,854.14 (14,554.39)	8,360.17 (7,633.46)	23.50 (33.81)	738.15 (727.68)	44.97 (34.78)	9,076.85 (8,360.17)	6,194.22 (6,226.46)
Office Equipment	2,628.84 (2,512.67)	0.85 (15.32)	168.57 (149.83)	78.69 (48.98)	2,719.57 (2,628.84)	1,966.41 (1,698.20)	7.18 (11.39)	206.60 (294.87)	71.48 (38.05)	2,108.71 (1,966.41)	610.86 (662.43)
Vehicles	761.25 (753.98)	14.92 (9.20)	39.14 (17.49)	33.30 (19.42)	782.01 (761.25)	613.68 (553.18)	12.73 (7.73)	33.58 (66.47)	18.35 (13.70)	641.64 (613.68)	140.37 (147.57)
Total Tangible Assets	83,719.43 (79,956.52)	231.64 (379.02)	2,033.19 (3,705.61)	359.76 (321.72)	85,624.50 (83,719.43)	31,320.50 (27,975.68)	228.67 (230.61)	3,283.95 (3,382.97)	295.64 (268.76)	34,537.48 (31,320.50)	51,087.02 (52,398.93)
Intangible Assets											
Computer Software	595.89 (558.64)	0.92 (0.45)	220.88 (36.80)	107.24 (-)	710.45 (595.89)	361.93 (303.33)	0.92 (0.59)	67.12 (58.01)	88.95 (-)	341.02 (361.93)	369.43 (233.96)
Total Intangible Assets	595.89 (558.64)	0.92 (0.45)	220.88 (36.80)	107.24 (-)	710.45 (595.89)	361.93 (303.33)	0.92 (0.59)	67.12 (58.01)	88.95 (-)	341.02 (361.93)	369.43 (233.96)

Note

* A portion of land measuring 1.071 acres costing ₹3.78 Crores is under compulsory acquisition by Tamil Nadu State Highway Department. Pending acquisition and fixing of compensation, the same has not been dealt with in the books of account as on March 31, 2016.

Includes Gross cost ₹33.96 towards long term Commercial lease rights from Ministry of Defence, Government of India. Lease rights are amortised over the lease period. The land is under sub-lease.

Fixed Assets includes Interest Capitalised ₹ Nil (Previous Year - ₹34.10 lakhs)

Fixed Assets include exchange fluctuation capitalised of which Buildings ₹206.67 Lakhs (Previous Year ₹124.47 Lakhs), Plant and Machinery ₹150.65 Lakhs (Previous Year ₹104.55 Lakhs), Furniture and Fixtures ₹108.17 Lakhs (Previous Year ₹51.31 Lakhs) and Vehicles ₹0.77 Lakhs (Previous Year ₹0.46 Lakhs) and Depreciation of which Buildings ₹27.23 Lakhs (Previous Year ₹24.10 Lakhs), Plant and Machinery ₹124.75 Lakhs (Previous Year ₹110.34 Lakhs), Furniture and Fixtures ₹53.55 Lakhs (Previous Year ₹36.33 Lakhs) and Vehicles ₹0.87 Lakhs (Previous Year ₹0.68 Lakhs)

@ Adjustment on account of foreign exchange translation difference on opening balance and depreciation charge for the year is reflected as "Translation adjustment".

Previous year Figures have been regrouped wherever necessary.

Figures in brackets are in respect of previous year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 13: Non-Current Investments	Face Value	Holdings As at March 31, 2016	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Trade Investments				
Investment in Associates (Unquoted)				
Taj Madurai Ltd.	₹10	912000	266.53	255.97
Lanka Island Resorts Ltd.	LKR10	18690000	2,424.32	2,208.96
Other Trade Investment, Unquoted-Equity Shares				
Taj Kerala Hotels and Resorts Limited	₹10	1,515,000	151.50	151.50
Taj Karnataka Hotels and Resorts Limited	₹10	300,000	30.00	30.00
Taj Air Limited	₹10	6,250,000	625.00	625.00
Taj Trade & Transport Company Limited.	₹10	100,500	15.92	15.92
Lands End Properties Private Limited (Sold during the year)	₹10	1,990,000	-	199.00
Green Infra Wind Farms Limited	₹10	69,000	6.90	4.50
Green Infra Wind Generation Limited	₹10	80,000	8.40	8.40
St. James Court Hotel Ltd	GBP 1	6,000,000	6,515.01	6,124.66
Taj Safaris Limited	₹10	6,000,000	146.71	137.92
Other Trade Investment, Quoted-Equity Shares				
The Indian Hotels Company Limited	₹1	626,999	337.96	274.62
Hotel Leela Venture Limited	₹2	500	0.12	0.12
Elh Limited	₹2	1,125	0.53	0.53
Asian Hotels West Limited	₹10	70	0.08	0.08
Asian Hotels East Limited	₹10	70	0.08	0.08
Asian Hotels North Limited	₹10	70	0.07	0.07
Jaiprakash Associates Limited	₹2	150	0.06	0.06
Thomas Cook (I) Limited	₹1	600	0.37	0.37
Tulip Star Hotels Limited	₹10	29,600	32.56	32.56
Elh Associated Hotels Limited	₹10	4,314	2.03	2.03
Benares Hotels Limited	₹10	50	0.06	0.06
Apollo Sindoori Hotels Limited	₹10	100	-	-
Velan Hotels Limited	₹10	4,000	0.42	0.42
Debentures				
Compulsory Convertible Debentures in Indian Hotels Company Limited	₹55	115,163	-	63.34
Non-Trade Investment, Quoted				
ICICI Bank Limited	₹2	7,730	1.36	1.36
Apollo Hospital Enterprises Limited.	₹5	200	0.08	0.08
Non-Trade Investments, Unquoted				
Chennai Willingdon Corporate Foundation	₹10	5	-	-
Indian Dairy Entrepreneurs Agricultural Company Limited	₹1	86,302	-	-
			10,566.07	10,137.61
Less : Provision for Diminution in value of Investments (Refer footnote)			121.36	104.14
Total			10,444.71	10,033.47
Footnote:- Provision for diminution in value of investments in Taj Safaris Limited held by the Joint venture Company.				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 14 : Long Term Loans and Advances	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Unsecured, considered good unless otherwise stated		
Capital advances	78.56	115.66
Long term security deposits placed for Hotel Properties with related parties-(Refer footnote-i)	4,750.00	4,750.00
with Others	468.62	468.62
	5,218.62	5,218.62
Long Term Deposits		
Deposits with public bodies and others	610.70	520.83
Long Term Loans and advances to Related Parties		
Loans and advances to related parteis	1,723.75	1,865.68
Considered Doubtful advances	1,862.70	1,751.09
	3,586.45	3,616.77
Less : Provision for Doubtful advances	1,862.70	1,751.09
	1,723.75	1,865.68
Other Loans and advances (including Advance Tax)		
Advance Income Tax Paid (Net of provisions) (refer footnote ii, iii& iv)	2,319.15	2,154.42
MAT Credit Entitlement	189.12	294.57
Prepaid Expenses	9.01	4.82
Loans and Advances to Employee	61.05	90.52
Total	10,209.96	10,265.12
Footnotes:		
(i) The related party under Long Term Deposits placed for hotel properties represent enterprises influenced by relatives of key management personnel		
(ii) Advance Tax and Tax deducted at Source is net of Provision for Income tax amounting to ₹16,833.79 Lakhs (previous year ₹16,833.79 Lakhs).		
(iii) Provision for income tax considered above is net of MAT credit utilised of ₹105.45 Lakhs (Previous year ₹114.79 Lakhs)		
(iv) Advance income tax is net of provision for WHT of ₹44.94 Lakhs.		

Note 15 : Inventories	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
(valued at cost)		
Food and Beverages	548.77	478.77
Stores and Operating Supplies	585.36	597.86
Total	1,134.13	1,076.63

Footnote: The inventories have been classified as per the nomenclature used in the hotel industry.

Note 16 : Trade Receivables	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Outstanding over six months :		
Considered good	31.58	49.88
Considered doubtful	121.16	81.15
	152.74	131.03
Less :Provision for Doubtful Trade Receivables Over Six Months	121.16	81.15
	31.58	49.88
Others :		
Considered good	1,875.83	2,094.28
Considered doubtful	32.03	27.62
	1,907.86	2,121.90
Less :Provision for Doubtful Trade Receivable Others	32.03	27.62
	1,875.83	2,094.28
	1,907.41	2,144.16

Note 17 : Cash and Bank balances	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Cash and Cash equivalents:		
Cash on hand	42.74	43.58
Cheques, drafts on hand	138.64	162.53
Current accounts	1,446.45	1,003.75
	1,627.83	1,209.86
Other Balances with Banks		
Call and short term deposit accounts	23.63	-
Margin money deposits	42.54	36.54
Earmarked balances (Refer foot note:(i))	73.61	76.94
	139.78	113.48
	1,767.61	1,323.34

(i) Include amounts in unpaid dividend accounts ₹71.21 lakhs (Previous year ₹74.52lakhs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 18 : Short Term Loans and Advances	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
(Unsecured, considered good unless stated otherwise)		
Loans and Advance		
Others	0.10	-
Inter corporate deposits from Others	560.00	560.00
Deposits with Public Bodies & Others	187.95	115.43
Other advances		
Considered good		
Staff Advances	191.42	166.11
Prepaid Expenses	770.06	733.94
Indirect Tax Recoverable	214.52	147.81
Supplier Advances	90.62	154.95
Claims Receivables	229.43	195.53
Others	126.36	43.24
	1,622.41	1,441.58
Considered doubtful	-	-
	1,622.41	1,441.58
Less: Provision for doubtful advances	8.27	7.85
	1,614.14	1,433.73
	2,362.19	2,109.16

Note 19 : Other Current Assets	As at March 31, 2016 ₹ in lakhs	As at March 31, 2015 ₹ in lakhs
Interest receivable	138.94	115.57
Receivables-Related Party	102.66	67.24
Other recoverables-(Refer footnotes below)	1,115.14	1,290.22
Unamortised Borrowing costs	-	0.63
Less: Provision for advances recoverable	374.92	-
Total	981.82	1,473.66

Footnotes:

- (i) The company had a property in Coimbatore whose title was found to be defective by a Court order. The Company sued the original seller of the property and obtained partial settlement. The balance unrecovered amount has been provided in the books as on March 31, 2016. The company is however pursuing the legal process for recovery.
- (ii) The company entered into a long term agreement for development of hotel at Bannerghatta in Bengaluru in the year 2007. During the year 2013-14, the Company decided to terminate the lease agreement and recover the amount spent on the project along with the deposit made. As per the agreement the termination will take effect when the lessor fulfills the conditions laid in the termination agreement. In view of the above agreement an amount of ₹777.65 lakhs lying in long term deposits placed for hotel properties and capital work in progress have been transferred to amounts recoverable. The company has taken adequate steps for recovery of amounts.

Note 20 : Rooms, Restaurants, Banquets and Other Income	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
1. Revenue from Operations		
Rooms, Restaurants, Banquets and Other Services		
Sale of products	15,689.68	15,676.26
Less: Excise duty	8.84	13.32
	15,680.84	15,662.94
Sale of Services	22,302.29	20,979.62
	37,983.13	36,642.56
2. Other Income		
Interest Income	171.84	247.93
Dividend Income	3.22	5.56
Profit on sale of Fixed Assets	0.03	3.96
Exchange Gain/(Loss)	2.96	-
Miscellaneous Income	169.57	205.34
	347.62	462.79
Total	38,330.75	37,105.35

Note 21 : Cost of materials consumed	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) Food & Beverages Consumed		
(Including Smokes)		
1. Opening stock	478.77	427.18
2. Add Purchases	4,467.62	4,337.47
3. Less: Closing stock	548.77	478.77
Total	4,397.62	4,285.88

Note 22 : Employee Benefit expense and Payment to Contractor	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Salaries, Wages, Bonus etc.	5,686.88	5,113.26
Company's Contribution to Retirement Funds & Other Funds	348.96	344.49
Retiring Gratuity	200.07	240.72
Deputed Staff Salaries	1,729.26	1,445.04
Payment for contracted services	1,073.57	949.15
Workmen / Staff Welfare Expenses	1,296.47	1,204.29
Total	10,335.21	9,296.95

Note 23 : Finance costs	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Interest expense	2,485.83	3,233.49
Less : Interest capitalised	-	34.10
Total	2,485.83	3,199.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 24 : Other Expenses	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
(i) Operating Expenses consists of the following:		
Linen and room supplies	685.35	647.61
Catering supplies	426.62	417.46
Other supplies	167.34	157.57
Fuel, power and light	4,079.55	4,213.71
Repairs to buildings	743.25	623.73
Repairs to machinery	1,204.97	1,125.34
Repairs to others	344.57	332.77
Linen and uniform washing and laundry expenses	308.84	312.80
Payment to orchestra staff, artists and others	75.35	64.09
Communication charges	379.61	273.60
Guest transportation	447.09	295.70
Travel agents' commission	657.53	537.95
Collecting Agents Commission	412.44	377.09
Fees to Consultants	1,525.56	1,480.20
Other operating expenses	726.41	849.52
	12,184.48	11,709.14
(ii) General expenses consists of the following :		
Rent	616.88	546.16
Licence fees	823.54	753.29
Rates and taxes	689.90	672.69
Insurance	151.56	154.68
Advertising and publicity	1,448.07	1,266.48
Reservation & Other Services	694.81	557.27
Printing and stationery	173.48	184.55
Passage and travelling	130.73	120.49
Provision for doubtful debts	93.56	1.57
Provision for doubtful advances	2.88	-
Professional fees	462.69	358.22
Expenditure on Corporate Social Responsibility	37.31	11.41
Exchange Gain Loss	33.75	75.20
Loss on sale of fixed assets (net)	12.40	18.87
Assets Written Off	30.52	-
Donations	0.95	1.12
Other expenses	495.75	534.42
Investment Write Downs (P and L)	9.71	-
Directors' fees and commission	7.32	8.25
Payment made to statutory auditors :		
i. As auditors	35.65	34.50
ii. For taxation matters	9.65	9.65
iii. Auditors remuneration - Other Services	21.78	30.07
iv. For reimbursement of expenses	5.75	2.63
	5,988.64	5,341.52
Total	18,173.12	17,050.66

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 25 :

i.) Contingent Liabilities and Commitments

Contingent Liabilities (to the extent not provided for): a) On account of income tax matters in dispute

The appeals mainly relate to part/full disallowance of certain deductions claimed by the company. The said amounts have been paid/pending adjustment and will be recovered as refund if the matters are decided in favour of the company. Based on the facts presently known, the Management believes that outcome of these appeals will not result in any material impact on the financial statements.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
In respect of tax matters for which appeals are pending amounting to Contingent Liability not provided for:	675.20	1,076.14
b) On account of other disputes:		
- Luxury Tax	76.69	53.42
- Sales Tax	85.18	113.53
- Urban Land Tax	7.30	7.30
- Electricity Tax and Adjustment Charges	404.88	311.06
- Service Tax	298.00	260.93

The company is a defendant/party to claims (plus interest thereon) in various legal actions as listed above which arose during the ordinary course of business. Based on the facts presently known, the Management believes that the results of these actions will not have material impact on the company's financial statements.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
c) Bank Guarantee/Bond executed by the Company	174.82	150.66
d) Letter of credits opened by bankers	-	1.00
e) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	242.73	323.34
f) Other Commitments	-	39.58

g) The company has also filed claims for recovery of amounts spent on certain projects that did not materialize from third parties involved in those contracts. The amount of such claims amounts to ₹777.65 lakhs net of provision (Previous Year ₹1152.58 lakhs). The company is in negotiations / legal proceedings. The management is confident that the results of the proceedings/negotiations will result in the company recovering the full amounts.

26 The Company and its subsidiary, associates and Joint ventures are exclusively engaged in the business of hoteliering. This in context of Accounting Standard 17 on Segment Reporting is considered to constitute one single primary segment and accordingly no segment information as required under Accounting Standard 17 is furnished.

Note 27 : Earning Per Share :	March 31, 2016	March 31, 2015
Earning per share is computed based on the following :		
Profit after Tax	(123.77)	163.58
Nominal Value of share (₹)	1.00	1.00
Number of Equity Shares	178,599,180	178,599,180
Earning Per Share ₹ (Basic and Diluted)	(0.07)	0.09

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

28 Related Party Disclosure :

As per Accounting Standard - AS 18 "Related Parties Disclosure", the required information are given below:
List of Related Parties with whom transactions have taken place during the year :

A. Associate Companies	Taj Madurai Limited Lanka Island Resorts Limited
B. Joint Venture	TAL Hotels & Resorts Limited
C. Significant Influence	The Indian Hotels Company Limited
D. Others	100 % Subsidiaries of The Indian Hotels Company Limited <ul style="list-style-type: none"> - Roots Corporation Limited - TIFCO Holdings Limited - Taj International (HK) Limited Subsidiary of The Indian Hotels Company Limited <ul style="list-style-type: none"> - PIEM Hotels Limited - Taj Trade and Transport Company Limited - United Hotels Limited - Indi Travels Limited - Benares Hotles Limited
E. Key Management Personnel	Mr. Varada Reddy, Managing Director (Up to 10th November 2015) Mr. Pramod Ranjan Managing Director (from 11th November 2015)
F. Enterprises influenced by Relatives of Key Management Personnel	A. Dodla International Limited B. Kaveri Retreats and Resorts Limited

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
A.	Sales of Goods / Services *				
	- The Indian Hotels Co Limited		750.30 (486.58)		750.30 (486.58)
	- Roots Corp Limited		1.28 -		1.28 -
	- PIEM Hotels Limited		27.65 (31.27)		27.65 (31.27)
	- Taj Trade & Transport Company Limited		12.19 (12.66)		12.19 (12.66)
	- United Hotels Limited		0.92 (4.03)		0.92 (4.03)
	- Inditravel Limited		0.86 (3.01)		0.86 (3.01)
	- Benaras Hotels Limited		8.57 (10.45)		8.57 (10.45)
	- Kaveri Retreats and Resorts Limited			22.66 -	22.66 -
	Sale of Investments		376.00		376.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
B.	Purchase of Goods / Services *				
	- The Indian Hotels Co Limited		399.06 (829.56)		399.06 (829.56)
	- PIEM Hotels Limited		1.76 (23.16)		1.76 (23.16)
	- Inditravel Limited		- (1.86)		- (1.86)
	- Dodla International Limited			1.07 (15.74)	1.07 (15.74)
C.	Interest Paid				
	- TIFCO Holdings Limited		140.69 (41.78)		140.69 (41.78)
	- PIEM Hotels Limited		306.35 (259.89)		306.35 (259.89)
D.	Reimbursement of deputed staff salaries				
	- The Indian Hotels Co Limited		1,637.89 (1,445.03)		1,637.89 (1,445.03)
	- PIEM Hotels Limited		22.33 -		22.33 -
	- Benaras Hotels Limited		10.77 -		10.77 -
E.	Dividend Received				
	- Taj Trade & Transport Company Limited		2.51 (2.01)		2.51 (2.01)
	- Benaras Hotels Limited		0.01 (0.01)		0.01 (0.01)
F.	Dividend Paid				
	- Taj Madurai Limited	0.27 (0.38)			0.27 (0.38)
	- The Indian Hotels Co Limited		135.06 (185.71)		135.06 (185.71)
	- TIFCO Holdings Limited		68.83 (94.65)		68.83 (94.65)
	- PIEM Hotels Limited		14.63 (20.11)		14.63 (20.11)
	- Taj Trade & Transport Company Limited		6.66 (9.15)		6.66 (9.15)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
G.	Operating/License Fees Paid/ Provided				
	- The Indian Hotels Co Limited		1,296.99 (1,279.00)		1,296.99 (1,279.00)
	- Taj International Hotels (H.K.) Limited		97.52 (101.28)		97.52 (101.28)
H.	Lease Rentals for Hotel Premises				
	- Taj Madurai Limited	173.53 (155.89)			173.53 (155.89)
	- Dodla International Limited			279.18 (241.18)	279.18 (241.18)
I.	Sales & Marketing, Reservation & Other Service Costs				
	- The Indian Hotels Co Limited		1,320.38 (1,253.64)		1,320.38 (1,253.64)
J.	Operating / License Fees Received / Accrued				
	- TAL Hotels & Resorts Ltd	351.72 (369.06)			351.72 (369.06)
	- Taj International Hotels (H.K.) Limited		130.83 (123.15)		130.83 (123.15)
K.	Intercompany Deposits Raised During the Year				
	- TIFCO Holdings Limited		2,600.00 (1,800.00)		2,600.00 (1,800.00)
	- PIEM Hotels Limited		- (6,500.00)		- (6,500.00)
L.	Intercompany Deposits Repaid During the Year				
	- TIFCO Holdings Limited		375.00 (1,500.00)		375.00 (1,500.00)
	- PIEM Hotels Limited		4,000.00 (2,500.00)		4,000.00 (2,500.00)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
M.	Intercompany Deposits Outstanding at the end of the year				
	- TIFCO Holdings Limited		2,525.00 (300.00)		2,525.00 (300.00)
	- PIEM Hotels Limited		- (4,000.00)		- (4,000.00)
N.	Receivables				
	- TAL Hotels & Resorts Ltd	(3.25) (57.04)			(3.25) (57.04)
	- The Indian Hotels Co Limited		48.25 (163.00)		48.25 (163.00)
	- Taj International Hotels (H.K.) Limited		20.22 (487.95)		20.22 (487.95)
	- Kaveri Retreats and Resorts Limited			2.17 -	2.17 -
O.	Payables				
	- Taj Madurai Limited	51.60 (81.63)			51.60 (81.63)
	- The Indian Hotels Co Limited		1,338.88 (840.73)		1,338.88 (840.73)
	- TIFCO Holdings Limited		18.23 (6.67)		18.23 (6.67)
	- PIEM Hotels Limited		0.51 (88.96)		0.51 (88.96)
	- Taj International Hotels (H.K.) Limited		0.93 (15.80)		0.93 (15.80)
	- Dodla International Limited			97.60 (92.80)	97.60 (92.80)
P.	Long Term Licence Deposit Receivable				
	- Dodla International Limited			4,750.00 (4,750.00)	4,750.00 (4,750.00)

* Includes Reimbursement of deputed staff salaries and other expenses.

Key Management Personnel:

Key Managerial Personnel comprise of Managing Director who has the authority and the responsibility for planning, directing and controlling the activities of the Company. The remuneration paid to such directors is ₹93.04 Lakhs (Previous Year ₹137.70 Lakhs) which includes the remuneration paid to Mr. Varada Reddy as the Managing Director up to November 10, 2015 and to Mr. Pramod Ranjan as the Managing Director from November 11, 2015.

NOTE: Figures in brackets are in respect of Previous Year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- 29 Exceptional Items represents (i) exchange loss on revaluation of long term foreign currency monetary items ₹36 Lakhs (ii) Provision for advances recoverable ₹374.92 Lakhs and (iii) Profit on sale of investmetns ₹177 Lakhs

Exceptional Items in respect of previous year represents (i) exchange gain/(loss) on revaluation of long term foreign currency monetary items ₹1.88 Lakhs (ii) Provisoin for long term loans and advances ₹102.05 Lakhs

30 DISCLOSURE REQUIREMENT UNDER AS-19 - LEASE / LICENSE TRANSACTION

- a). The company has entered into a licensing arrangement in the year 2009 to operate a hotel for a period of 40 years and thereafter renewable for a further period of 30 years for the hotel property situated at Trivandrum

The license fee payable is ₹175.00 lacs per annum or specified percentage of Gross Annual Turnover whichever is higher.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	175.00	175.00
ii. later than one year and not later than five years	875.00	700.00
iii. later than five years	4,783.33	5,118.75
b) License payments recognized in the profit and loss account	279.18	241.18

- b). The company has entered into a licensing arrangement to operate a hotel for a period of 29 years and 11 months thereafter renewable for a further period of 29 years and 11 months for a hotel property situated at Coimbatore.

The license fee payable is ₹60.00 lacs per annum with an escalation of 10% once in three years plus a specific percentage of total revenues from the date of hotel operation.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	66.00	66.00
ii. later than one year and not later than five years	290.73	280.50
iii. later than five years	1,422.73	1,489.22
b) License payments recognized in the profit and loss account	171.66	160.90

- c) The company has taken certain vehicles on operating lease. The total lease rent paid on the same amounting to ₹23.13 lakhs (Previous Year ₹22.81 lakhs) have been recognised in profit and loss account.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	5.88	15.47
ii. later than one year and not later than five years	1.97	1.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

d) Operating lease commitments in respect of Joint Venture Company are as under.

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license fee		
i. not later than one year	196.29	184.53
ii. later than one year and not later than five years	642.12	788.18
iii. later than five years	1,227.43	1,153.89
b) License payments recognized in the profit and loss account	205.99	165.48

31. A Summary of financial information of Wholly owned Subsidiary OHL International(HK) Limited included in Consolidated financial statements.

Particulars	March 31, 2016 USD in lakhs	March 31, 2015 USD in lakhs
ASSETS:		
Investments	163.55	162.41
Net Current Assets	5.34	8.19
	168.89	170.60
LIABILITIES :		
Capital	150.00	150.00
Reserves and Surpluses	18.89	20.60
	168.89	170.60
Total Income	2.00	2.02
Profit before taxation	1.65	1.03
Profit after Taxation and Share of Associates	4.60	1.80

31. B The Proportionate share of assets, liabilities, income and expenditure in the joint Venture company included in these Consolidated Financial Statements are given below:

Particulars	TAL Hotels & Resorts Ltd 21.736%	
	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
ASSETS:		
Non Current Assets		
Fixed Assets		
- Tangible Assets	7,157.07	7,654.61
- Intangible Assets	4.49	0.01
- Capital Work in Progress	54.87	24.95
Goodwill on Consolidation	1,143.86	1,075.32
Non-current investments	39.40	47.84
Deferred tax Asset (Net)	140.37	124.56
Long-term loans and advances	1,723.77	1,865.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Particulars	TAL Hotels & Resorts Ltd 21.736%	
	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Current Assets		
- Inventories	358.32	379.95
- Trade receivables	345.34	352.78
- Cash and bank balances	1,104.50	962.52
- Short-term loans and advances	563.90	560.31
- Other current assets	85.92	87.24
LIABILITIES :		
Reserves and Surplus	6,031.16	5,384.31
Minority Interest	555.80	639.44
Non Current Liabilities		
- Long Term Borrowings	2,158.17	2,278.85
- Deferred tax liabilities (Net)	186.97	184.98
- Other Long term liabilities	22.57	10.27
- Long-term provisions	106.48	100.27
Current Liabilities		
Short-term borrowings	222.18	222.93
Trade payables	398.50	502.60
Other current liabilities	894.54	1,666.47
Short-term provisions	137.94	138.16
INCOME		
Rooms, Restaurants, Banquets, Other Services and Other Income	7,221.04	6,642.98
EXPENSES		
Food and Beverages Consumed	763.06	701.79
Employee Benefit Expenses and Payment to Contractor	1,495.94	1,390.12
Finance Cost	196.05	194.71
Depreciation, Amortisation & Impairment	921.19	789.86
Operating Expenses	1,712.29	1,704.02
General Expenses	1,320.58	1,157.89

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

32 Details of Net assets and Share of Profits of Subsidiaries Joint venture and Associates

Particulars	March 31, 2016 ₹ in lakhs	March 31, 2015 ₹ in lakhs
Parent:-Oriental Hotels Limited		
Net Asset (Total Assets minus Total liabilities) (₹)	15,444.14	16,606.39
% on Consolidated Net Assets	44.64	47.92
Share of Profits/(Losses)	(1,109.75)	(529.18)
% on Consolidated Profit	896.72	(323.49)
Wholly Owned Subsidiary-Foreign:-OHL International HK Limited		
Net Asset (Total Assets minus Total liabilities) (₹) (includes investments of its Associate ₹2208.96 lakhs (Previous year ₹2111.86 Lakhs)	10,847.07	10,397.88
% on Consolidated Net Assets	31.35	30.01
Share of Profits/(Losses) ((includes Share of profits in its associate ₹192.94 Lakhs (Previous year ₹(46.93) Lakhs))	300.53	110.09
% on Consolidated Profit	(242.84)	67.30
Joint Venture- Foreign:-Tal Hotels and Resorts Limited (As per Proportionate Consolidation Method)		
Net Asset (Total Assets minus Total liabilities) (₹)	8,038.66	7,391.81
% on Consolidated Net Assets	23.24	21.33
Share of Profits/(Losses)	656.64	557.76
% on Consolidated Profit	(530.60)	340.96
Associate Company:-Indian-Taj Madurai Limited (Investment as per the equity method)		
Net Asset (Total Assets minus Total liabilities) (₹)	266.53	255.97
% on Consolidated Net Assets	0.77	0.74
Share of Profits/(Losses)	28.81	24.92
% on Consolidated Profit	(23.28)	15.23

33 As per Accounting Standards 21 on "Consolidated Financial Statement", Accounting Standard 23 on "Accounting for investments in Associates in Consolidated Financial Statements and AS 27 on "Financial Reporting of Interests in Joint Ventures" referred to in Section 133 of the Companies Act 2013 read with rule 7 of the Companies Accounts Rules 2014 the company has presented consolidated financial statements separately, including that of its subsidiary, associates and joint venture entities in this annual report.

34 The previous year's figures have been re-grouped, reclassified wherever necessary so as to make them comparable with the current year's figures.

As per our Report attached
For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 12, 2016

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

Tom Antony
Company Secretary

For and on behalf of the Board

Rakesh Sarna
Chairman
DIN:01875340

Pramod Ranjan
Managing Director
DIN: 00887569

Dr. G. Sundaram
Director
DIN : 00051093

**Oriental Hotels Limited**

CIN: L55101TN1970PLC005897

Reg. Office: Taj Coromandel, 37 M. G. Road, Chennai 600034

Phone No. : (044) 66002827 Fax No. : (044) 28254447

E-mail: ohlshares.mad@tajhotels.com / Website: www.orientalhotels.co.in

BALLOT PAPER

Serial No.

Sl. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	EQUITY

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sl. No.	Resolution	OR	No. of shares held by me	I Assent to the resolution	I Dissent from the resolution
Ordinary Business					
1.	Adoption of a. Audited financial statements for the year ended March 31, 2016 b. Audited consolidated financial statements for the year ended March 31, 2016	OR			
2.	Declaration of dividend on Equity Shares for the Financial Year 2015 - 16	OR			
3.	Appointment of Director in place of Mr. D. Vijayagopal Reddy, (DIN.0051554) who retires by rotation and is eligible for reappointment	OR			
4.	Appointment of Director in place of Mr. D. Varada Reddy (DIN.0052200) who retires by rotation and is eligible for reappointment	OR			
5.	Ratification of Appointment of Statutory Auditors	OR			
Special Business					
6.	Appointment of Ms. Gita Nayyar, (DIN.07128438) as a Director	OR			
7.	Appointment of Mr. Vijay Sankar, (DIN.00007875) as a Director	OR			

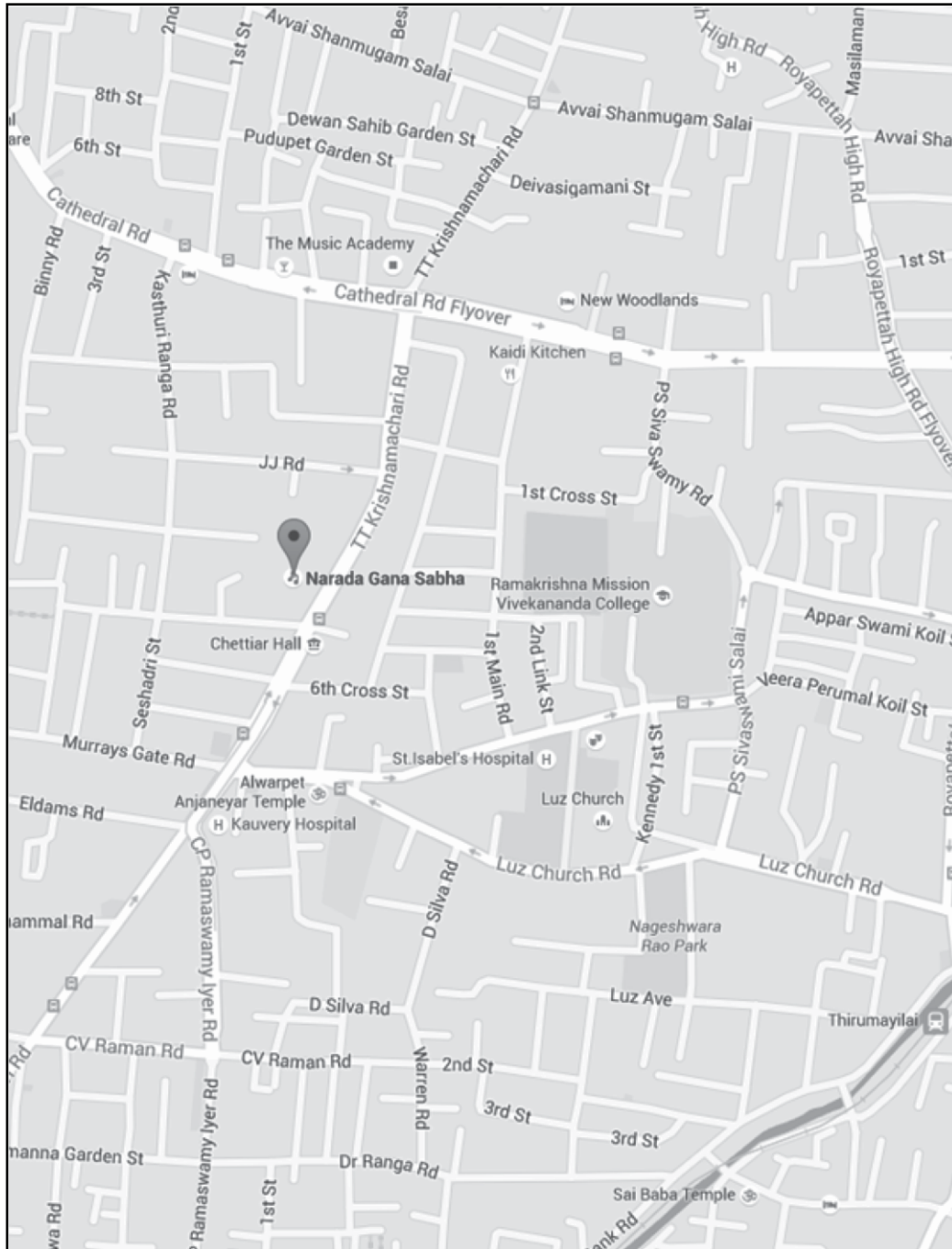
OR – Ordinary Resolution

Place:

Date:

Signature of the Shareholder:

Route Map to AGM Venue



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Taj Coromandel, Chennai

