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Independent Auditors' Review Report on Interim Financial Information To the Board of Directors of The Indian Hotels Company Limited

Introduction

1. We have reviewed the accompanying Statement of unaudited consolidated financial results and the Statement of Assets and Liabilities of The Indian Hotels Company Limited ('the Company') and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group') and its share of profit / (loss) of its joint ventures and associates for the quarter and six month ended 30 September 2017 ('the Statement'/'the interim financial results'). The Statement is the responsibility of the Company's Management and has been prepared for the purpose of providing additional information to the shareholders of the Company has been approved by the Board of Directors in their meeting held on 13 November 2017. Management is responsible for the preparation of the interim financial results using the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Our responsibility is to issue a report on the Statement based on our review.

Scope of Review

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial information is free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The interim financial results include the following entities:

Name of the subsidiary company

TIFCO Holdings Ltd.
KTC Hotels Ltd.
United Hotels Ltd.
Roots Corporation Ltd.
Taj Enterprises Ltd.
Taj Trade and Transport Co Ltd.
Benares Hotels Ltd.
Inditravel Ltd.
Piem Hotels Ltd.
Northern India Hotels Ltd.



B S R & Co (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
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Independent Auditors' Review Report on Interim Financial Information (Continued)

The Indian Hotels Company Limited

3. The interim financial results include the following entities: (Continued)

Name of the subsidiary company

Skydeck Properties and Developers Private Limited
Sheena Investments Private Limited
ELEL Hotels & Investments Limited
Luthria & Lalchandani Hotel & Properties Pvt. Ltd
IHOCO BV
United Overseas Holding Inc. and its subsidiaries
St. James Court Hotel Ltd.
Taj International Hotels Ltd.
Taj International Hotels (H.K.) Ltd.
PIEM International (H.K.) Ltd.

Name of the Joint Ventures

Taj Madras Flight Kitchen Pvt. Ltd.
Taj SATS Air Catering Ltd.
Taj Karnataka Hotels & Resorts Ltd.
Taj Kerala Hotels & Resorts Ltd.
Taj GVK Hotels & Resorts Ltd.
Taj Safaris Ltd
Kaveri Retreats and Resorts Ltd.
TAL Hotels & Resorts Ltd.
IHMS Hotels (SA) (Proprietary) Ltd.

Name of the Associates

Oriental Hotels Limited
Taj Madurai Limited
Taida Trading & Industries Ltd.
Lanka Island Resort Ltd.
TAL Lanka Hotels PLC
BJETS Pte Ltd.

Conclusion

4. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the management accounts referred to in paragraph 6 and based on the consideration of the reports of the other auditors referred to in paragraphs 7, nothing has come to our attention that causes us to believe that the accompanying interim financial results have not been prepared, in all material respects, in accordance with the recognition and measurement principles laid down in Ind AS 34 prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.



Independent Auditors' Review Report on Interim Financial Information (Continued)

The Indian Hotels Company Limited

Other matters

5. The Statement includes the financial results of thirteen subsidiaries whose interim financial results reflect total assets of ₹ 262,529 lakhs and net assets of ₹ 257,557 lakhs as at 30 September 2017 as well as total revenues of ₹ 4,283 lakhs and ₹ 8,250 lakhs for the quarter and six month ended 30 September 2017, respectively, and total comprehensive income (comprising of profit/(loss) and other comprehensive income) of ₹ 5,549 lakhs and ₹ (17,571) lakhs for the quarter and six month ended 30 September 2017, respectively, as considered in the interim financial results which have not been reviewed by their auditors. The Statement also includes the Group's share of (loss) after tax of ₹ (156 lakhs) and ₹ (104 lakhs) of seven joint ventures and profit / (loss) after tax of ₹ (22 lakhs) and ₹ (249) lakhs of six associates for quarter and six month ended 30 September 2017, respectively, based on their interim financial results which have not been reviewed by their auditors. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our report on the financial information is not modified in respect of our reliance on the financial results certified by the Management.

6. We did not review the financial information of six subsidiaries whose interim financial results reflect total assets of ₹ 392,038 lakhs and net assets of ₹ 242,067 lakhs as at 30 September 2017 as well as total revenues of ₹ 28,676 lakhs and ₹ 62,259 lakhs for the quarter and six month ended 30 September 2017, respectively, and total comprehensive income (comprising of profit/(loss) and other comprehensive income) of ₹ 3193 lakhs and ₹ (2,643 lakhs) for the quarter and six month ended 30 September 2017, respectively, as considered in the interim financial information. The interim financial information also includes the Group's share of (loss) after tax of ₹ (934) lakhs and ₹ (842) lakhs for the quarter and six month ended 30 September 2017, respectively, as considered in the Statement of consolidated financial results, in respect of one joint venture, whose financial information has not been reviewed by us. These financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the financial information, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures is based solely on the reports of the other auditors.
7. The financial results for the quarter ended 30 June 2017 which have been included in this Statement, had been reviewed by the predecessor auditors who had expressed an unmodified opinion thereon as per their report dated 10 August 2017. Further, the comparative financial results and Statement of Assets and Liabilities, where applicable, of the Group and its joint ventures and associates for the quarter and six months ended 30 September 2016 and for the year ended 31 March 2017, which have been included in this Statement, had been reviewed / audited by the predecessor auditors who had expressed an unmodified opinion thereon as per their reports dated 4 November 2016 and 26 May 2017, respectively. Our conclusion is not modified in respect of this matter.



**Independent Auditors' Review Report on Interim Financial Information
(Continued)**

The Indian Hotels Company Limited

Restriction on Distribution and Use

8. The review report is intended solely for use by the Board of Directors of the Company for the purpose of evaluation of the Statement which is intended to provide additional information to the Company's shareholders and should not be used, referred for any other purpose or distributed to parties other than the Company's shareholders without our prior consent in writing.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Yezdi Nagporewalla

Yezdi Nagporewalla

Partner

Membership No: 049265

Mumbai

13 November 2017