



THE INDIAN HOTELS COMPANY LIMITED

CIN: L74999MH1902PLC000183

Registered Office: Mandlik House Mandlik Road Mumbai 400 001 India

Tel 91 22 6639 5515 Fax 91 22 2202 7442

Website: www.tajhotels.com

E-mail : investorrelations@tajhotels.com

March 23, 2016

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Stock Code: 500850

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Symbol: IndHotel

Dear Sirs,

Sub: Issuance of Notices for Court Convened Meeting, Postal Ballot with E-Voting and Extraordinary General Meeting

By way of our letter dated October 19, 2015, we had informed you that the Board of Directors of The Indian Hotels Company Limited (“**Company**”) had, at its meeting held on October 19, 2015, considered and approved the amalgamation of Lands End Properties Private Limited (“**Transferor Company**”), a wholly owned subsidiary of the Company, with the Company, by way of a court approved scheme of arrangement between the Company, the Transferor Company and their respective shareholders and creditors under the provisions of Sections 391-394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 (“**Scheme**”) subject to the requisite approvals of the shareholders and creditors of the Company and sanction of the High Court of Judicature at Bombay.

In furtherance of the above, we wish to inform you that the Company has, today, commenced despatch of the following notices along with explanatory statements in connection with the Scheme:

1. (a) Notice of court convened meeting of the equity shareholders of the Company under the provisions of Sections 391 to 394 of the Companies Act, 1956; (b) Notice of postal ballot and e-voting to the Public Shareholders of the Company; and (c) Explanatory statement under Section 393 of the Companies Act, 1956, read with Section 102 of the Companies Act, 2013.
2. Notice of extraordinary general meeting of the Company, along with explanatory statement under relevant provisions of the Companies Act, 1956 and/or Companies Act, 2013.

Please find enclosed copies of the above mentioned notices.

You are requested to kindly acknowledge the receipt and take the same on record.

Yours sincerely,


BEEJAL DESAI
Vice President - Legal & Company Secretary

Encl.: a/a



THE INDIAN HOTELS COMPANY LIMITED

Corporate Identity Number : L74999MH1902PLC000183

Registered Office : Mandlik House, Mandlik Road, Mumbai 400001.

Tel No.: 022-66395515 • **Fax No.:** 022-22027442

E-mail: investorrelations@tajhotels.com • **Website:** www.tajhotels.com

COURT CONVENED MEETING

AND

POSTAL BALLOT AND E-VOTING

AND

EXTRAORDINARY GENERAL MEETING

OF

THE EQUITY SHAREHOLDERS

COURT CONVENED MEETING:

Day : Wednesday

Date : May 4, 2016

Time : 10:30 a.m.

Venue : Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020

POSTAL BALLOT AND E-VOTING:

Start Date : March 29, 2016 [For E-Voting- March 29, 2016 (IST 9 a.m.)]

Last Date : April 27, 2016 [For E-Voting- April 26, 2016 (IST 5 p.m.)]

EXTRAORDINARY GENERAL MEETING:

Day : Wednesday

Date : May 4, 2016

Time : 11:30 a.m. or immediately after the conclusion of the Court Convened Meeting whichever is later.

Venue : Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 103 of 2016

In the matter of the Companies Act, 1956 or any re-enactment thereof;

And

In the matter of Application under Sections 391 to 394 read with Section 52 of the Companies Act, 2013, Sections 78, 100 to 104, of the Companies Act, 1956 or any re-enactment thereof;

And

In the matter of The Indian Hotels Company Limited [CIN: L74999MH1902PLC000183], a company, incorporated under the Indian Companies Act of 1882, having its registered office Mandlik House, Mandlik Road, Mumbai 400001;

And

In the matter of Scheme of Arrangement amongst Lands End Properties Private Limited and The Indian Hotels Company Limited and their respective shareholders and creditors and reduction of share capital of The Indian Hotels Company Limited.

The Indian Hotels Company Limited [CIN: L74999MH1902PLC000183], a Company, incorporated under the Indian Companies Act of 1882, having its registered office at Mandlik House, Mandlik Road, Mumbai 400001.

...Applicant Company

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE
APPLICANT COMPANY**

To,

The Equity Shareholders of The Indian Hotels Company Limited (the “Applicant Company”)

TAKE NOTICE that by an order made on February 26, 2016, in the abovementioned Company Summons for Direction (the “**Order**”), the High Court of Judicature at Bombay has directed that a meeting of the equity shareholders of the Applicant Company be convened and held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Wednesday, May 4, 2016, at 10:30 a.m. (1030 hours) for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed arrangement embodied in the scheme of arrangement between the Applicant Company, Lands End Properties Private Limited and their respective shareholders and creditors (the “**Scheme of Arrangement**”).

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the equity shareholders of the Applicant Company will be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Wednesday, May 4, 2016, at 10:30 a.m. (1030 hours), at which place, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company, at Mandlik House, Mandlik Road, Mumbai 400001, not later than 48 (forty eight) hours before the scheduled time of the commencement of the aforesaid meeting.

TAKE FURTHER NOTICE that the Applicant Company has provided the facility of remote e-voting. Accordingly, you may also cast your vote electronically, i.e., through remote e-voting.

The High Court of Judicature at Bombay, vide the Order, has appointed Mr. Cyrus P. Mistry, Chairman of the Applicant Company, and in his absence, Mr. Nadir Godrej, Independent Director of the Applicant Company and in his absence, Mr. K. B. Dadiseth, Independent Director of the Applicant Company, to be the Chairman of the said meeting or of any adjournment(s) thereof.

A copy of each of the Explanatory Statement under Section 393 of the Companies Act, 1956, read with Section 102 of the Companies Act, 2013, the Scheme of Arrangement, the Form of Proxy and the Attendance Slip are enclosed.

Dated at Mumbai this 8th day of March, 2016

Cyrus P. Mistry
Chairman for the Court Convened Meeting

Registered Office:

Mandlik House, Mandlik Road,
Mumbai 400001, India.

Notes:

1. All alterations made in the form of proxy should be initialed.
2. Only registered equity shareholders of the Applicant Company may attend and vote (either in person or by proxy) at the said equity shareholders meeting. A registered equity shareholder of the Applicant Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Applicant Company. In accordance with Rule 70 of the Companies (Court) Rules, 1959, proxies, in order to be effective, must be, in the prescribed form/authorization duly signed by the person entitled to attend and vote at the aforesaid meeting or by his authorised representative, and filed with the Applicant Company at its registered office, not later than 48 hours before the meeting. The form of proxy can be obtained free of charge at the registered office of the Applicant Company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Applicant Company. A member holding more than ten per cent of the total share capital of the Applicant 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 quorum of the meeting of the equity shareholders of the Applicant Company shall be 30 (thirty) equity shareholders of the Applicant Company, present in person.
4. In compliance with Regulation 44 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company shall provide the facility of remote e-voting.
5. The Applicant Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing remote e-voting facility to all its members. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the Notes under the Section 'Voting through electronic means' in this Notice.
6. The authorized representative of a body corporate or Foreign Institutional Investor ("FII") which is a registered equity shareholder of the Applicant Company may attend and vote at the meeting, provided a certified copy of the resolution of the Board of Directors or other governing body of such body corporate/ FII, under Section 113 of the Companies Act, 2013, authorizing such representative to attend and vote at the meeting on behalf of such body corporate/ FII is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the meeting.
7. A registered equity shareholder or his proxy is requested to bring a copy of the notice to the meeting, and produce it at the entrance of the meeting venue, along with the attendance slip duly completed and signed.
8. Registered equity shareholders who hold shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification.
9. Registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Applicant Company/list of beneficial owners as received from National Securities Depository Limited/Central Depository Services (India) Limited in respect of such joint holding, will be entitled to vote.
10. The Notice convening the aforesaid meeting will be published through advertisement in Free Press Journal (Mumbai edition) in English language and translation thereof in Navshakti (Mumbai edition) in Marathi language, having wide circulation in the district where the registered office of the Applicant Company is situated.

11. The Applicant Company has appointed Mr. Shreepad M. Korde, Practicing Company Secretary (Membership No. 563) as the scrutinizer to conduct e-voting process in a fair and transparent manner.
12. The e-voting period commences on April 29, 2016 (9:00 a.m. IST) and ends on May 3, 2016 (5:00 p.m. IST). During this period, members of the Applicant Company holding shares either in physical form or in dematerialized form, as on the relevant date, i.e. April 27, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting on May 3, 2016 at 5:00 p.m. IST. Once the vote on the resolution is cast by a member, he or she will not be allowed to change it subsequently.
13. It is clarified that casting of votes by remote e-voting does not disentitle a member from attending the Court Convened Meeting.
14. It may be noted that the e-voting facility will also be provided at the meeting and equity shareholders attending the meeting who have not cast their vote before the meeting shall be entitled to exercise their right at the meeting.

Voting through Electronic Means

The instructions for members for voting electronically are as under:-

- (i) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) The members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on 'Shareholders'.
- (iv) Now enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Applicant Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Applicant Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Applicant Company records in order to login. If both the details are not recorded with the depository or Applicant Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Applicant Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for The Indian Hotels Company Limited.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Non – Individual Members and Custodians**
 - Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Encl: As above

NOTICE OF POSTAL BALLOT AND E-VOTING TO THE PUBLIC SHAREHOLDERS OF THE COMPANY

Notice pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with circulars issued thereunder (to the extent applicable) and circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular number CIR/CFD/DIL/8/2013 dated May 21, 2013, both issued by the Securities and Exchange Board of India, and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules, circulars and notifications thereunder (including any statutory modification or re-enactment thereof)

To,

**The Public Shareholders,
The Indian Hotels Company Limited.**

The Board of Directors of The Indian Hotels Company Limited (the “**Applicant Company**”), at its meeting held on October 19, 2015, approved a scheme of arrangement between the Applicant Company, Lands End Properties Private Limited (the “**Transferor Company**”), a wholly owned subsidiary of the Applicant Company and their respective shareholders and creditors pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 as applicable (the “**Scheme of Arrangement**” or “**Scheme**”) for, *inter alia*, the amalgamation of the entire business and undertaking of the Transferor Company, with the Applicant Company, followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares held by the Applicant Company in the Transferor Company and various other matters consequential to or otherwise integrally connected with the above, subject to the sanction by the High Court of Judicature at Bombay and subject to the approvals, *inter alia*, by: (i) the requisite majority of shareholders and creditors of the Applicant company; (ii) BSE Limited, National Stock Exchange of India Limited, the Securities and Exchange Board of India; and (iii) any other statutory/ regulatory authority (if required).

On February 26, 2016, the High Court of Judicature at Bombay, in Company Summons for Direction No. 103 of 2016, directed the Applicant Company to convene and hold a meeting of its equity shareholders on Wednesday, May 4, 2016 at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 at 10:30 a.m., (“**Court Convened Meeting**”) for the purpose of considering and if thought fit, to approve with or without modification(s), the proposed arrangement embodied in the Scheme, which meeting is being separately convened. In addition to the Court Convened Meeting, the Applicant Company is seeking the approval of the requisite majority of its Public Shareholders (*as defined herein below*) to the Scheme by way of postal ballot and e-voting, as set out under circular number CIR/CFD/DIL/5/2013 dated February 4, 2013, read with circular number CIR/CFD/DIL/8/2013 dated May 21, 2013, both issued by the Securities and Exchange Board of India (the “**SEBI**” and such circulars, the “**SEBI Circulars**”). For this purpose the term “**Public**” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulation) Rules, 1957 and the term “**Public Shareholders**” shall be construed accordingly.

The proposed resolutions for approving the Scheme by way of postal ballot and e-voting are set out hereinafter for your consideration. A copy of the Explanatory Statement under Section 393 of the Companies Act, 1956, read with Section 102 of the Companies Act, 2013, the Scheme, fairness opinion, Postal Ballot Form and other relevant documents are also enclosed.

In compliance with the provisions of Section 108 and Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with circulars issued thereunder (to the extent applicable) the SEBI Circulars, the Public Shareholders of the Applicant Company may cast their votes either through the postal ballot form or electronically i.e. e-voting. The Applicant Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility to all its Public Shareholders. It is clarified that casting of votes by postal ballot or e-voting does not disentitle a Public Shareholder from attending the Court Convened Meeting.

Public Shareholders desiring to exercise their votes by postal ballot are requested to carefully read the instructions printed in the enclosed postal ballot form and in this Notice and return the same duly completed in the attached self-addressed, postage pre-paid envelope, so as to reach the scrutinizer not later than 5:00 p.m. on April 27, 2016. If any postal ballot is received after 5:00 p.m. on April 27, 2016, it will be considered that no reply from the Public Shareholder has been received.

Public Shareholders desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the Notes under the Section 'Voting through electronic means' in this Notice.

The scrutinizer will submit his report to the Chairman of the Applicant Company, on April 28, 2016 and the result of the postal ballot will be announced on April 28, 2016 at the Applicant Company's registered office. The result of the postal ballot will also be displayed at the said address and posted on the Applicant Company's website <https://www.tajhotels.com/en-in/about-taj-group/investors/investor-services/postal-ballot/> besides communicating to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited and Depositories.

NOTICE is hereby given to you to consider, and, if thought fit, approve with or without modification the proposed Scheme. The SEBI Circulars provide that "the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it." This Notice is given in terms of the said SEBI Circulars for consideration of the following resolution by postal ballot and e-voting pursuant to Section 108 and Section 110 of the Companies Act, 2013, read with relevant rules:

To consider and, if thought fit, to pass with or without modification the following resolutions with requisite majority as per the SEBI Circulars:

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of the Companies Act, 2013, as applicable (including any statutory modification(s) or re-enactment thereof, for the time being in force) and provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable) and other rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) as may be applicable, the Securities and Exchange Board of India Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013, read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, and relevant provisions of applicable laws, and subject to the approval of the High Court of Judicature at Bombay and the Securities and Exchange Board of India, the Scheme of Arrangement between Lands End Properties Private Limited, The Indian Hotels Company Limited (the **"Applicant Company"**) and their respective shareholders and creditors, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 as applicable, be and is hereby approved;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties the Board of Directors of the Applicant Company (herein referred to as the “**Board**”, which term shall deem to include any committee or any person(s) which the Board may nominate or authorise to exercise its powers, including the powers conferred under this resolution), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, and to settle any questions or difficulties that may arise, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary to give effect to the above resolution, or to carry out such modifications as may be required and/or imposed and/or permitted by the High Court of Judicature at Bombay while sanctioning the Scheme, or by any other authorities under applicable law and as is acceptable to the Board.”

Dated at Mumbai this 8th day of March, 2016

Registered Office:

Mandlik House, Mandlik Road,
Mumbai 400001, India.

Cyrus P. Mistry

Chairman for the Court Convened Meeting

Notes:

A. General

1. The Explanatory Statement pursuant to Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, is annexed hereto.
2. All documents referred to in the accompanying Explanatory Statement are open for inspection at the registered office of the Applicant Company between 10:00 a.m. and 5:00 p.m. on all working days upto May 3, 2016. The registered office of the Applicant Company is situated at Mandlik House, Mandlik Road, Mumbai 400 001, India.
3. The Notice, together with the documents accompanying the same, is being sent to all the Public Shareholders by permitted mode (and electronically by e-mail to those Public Shareholders who have registered their e-mail ids with the Applicant Company/ registrar and share transfer agents/ NSDL/ CDSL), whose names appear in the register of members/list of beneficial owners as received from NSDL/CDSL as on March 18, 2016. Any person who acquires shares of the Applicant Company and becomes a Public Shareholder of the Applicant Company after the dispatch of the Notice may cast their vote by ballot or by e voting (provided such person is holding shares as on the cut-off date for remote e voting). The Notice will be displayed on the website of the Applicant Company <https://www.tajhotels.com/en-in/about-taj-group/investors/investor-services/postal-ballot/> and on the website of CDSL (www.cdslindia.com).
4. The date of dispatch of the Notice and the Explanatory Statement along with the postal ballot papers will be announced through advertisement in the following newspapers: (i) Financial Express in English language; and (ii) Loksatta (Mumbai edition) in Marathi language, having wide circulation in the district where the registered office of Applicant Company is situated.
5. The Applicant Company has appointed Mr. Shreepad M. Korde, Practicing Company Secretary (Membership No. 563), as the scrutinizer to conduct the postal ballot and e-voting process in a fair and transparent manner.
6. The resolutions shall be considered approved by the Public Shareholders in case the votes in favour of the resolutions are more than the votes cast against the resolution.

7. A postal ballot form along with self-addressed postage business reply envelope is also enclosed. Public Shareholders voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form. Public Shareholders who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Applicant Company's website <https://www.tajhotels.com/en-in/about-taj-group/investors/investor-sevices/postal-ballot/> or seek duplicate postal ballot form from the Applicant Company. Members shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before 5:00 p.m. on or before April 27, 2016. Any postal ballot form received after the said date and time period shall be treated as if the reply from the member has not been received.
8. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint members.
9. The postal ballot form should be completed and signed by the Public Shareholder (as per specimen signature registered with the Applicant Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his/her absence, by the next named member. Holder(s) of Power of Attorney ("PoA") on behalf of a Public Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Applicant Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorisation giving the requisite authority to the person voting on the postal ballot form. The scrutinizer will submit his report to the Chairman after completion of the scrutiny of the postal ballots including e-votes submitted. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final. The results of the postal ballot including e-voting will be announced on April 28, 2016 at the registered office of the Applicant Company situated at Mandlik House, Mandlik Road, Mumbai 400001, India. The results, together with the scrutinizer's Report, will be displayed at the registered office of the Applicant Company and on the website of the Applicant Company <https://www.tajhotels.com/en-in/about-taj-group/investors/investor-sevices/postal-ballot/>, besides being communicated to BSE Limited and National Stock Exchange of India Limited.
10. In compliance with provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013, read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 and other applicable laws, as stated hereinabove, the Applicant Company is pleased to offer e-voting facility to its Public Shareholders holding equity shares as on March 22, 2016 being the cut off date, to exercise their right to vote electronically on the above resolutions.
11. Kindly note that the Public Shareholder can opt only one mode for voting i.e. either by physical ballot or e-voting. If you are opting for e-voting, then do not vote by physical ballot and vice versa. However, in case Public Shareholder(s) cast their vote both via physical ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
12. The vote on postal ballot cannot be exercised through proxy.
13. The e-voting period commences on March 29, 2016 (9:00 a.m. IST) and ends on April 26, 2016 (5:00 p.m. IST). During this period, Public Shareholders of the Applicant Company holding shares either in physical form or in dematerialized form, as on the relevant date, i.e. March 22, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting on April 26, 2016 at 5.00 p.m. IST. Once the vote on the resolution is cast by a Public Shareholder, he or she will not be allowed to change it subsequently.

B. Voting through Electronic Means

The instructions for Public Shareholders for voting electronically are as under:-

- (i) The Public Shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on 'Shareholders'.
- (iii) Now enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Public Shareholders holding shares in Physical Form should enter Folio Number registered with the Applicant Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used
- (vi) If you are a first time user follow the steps given below:

	For Public Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) . Public Shareholders who have not updated their PAN with the Applicant Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Applicant Company records in order to login. If both the details are not recorded with the depository or Applicant Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Public Shareholders holding shares in physical form will then directly reach the Applicant Company selection screen. However, Public Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Public Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (x) Click on the EVSN for The Indian Hotels Company Limited.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Non – Individual Public Shareholders and Custodians**
- Non-Individual Public Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 103 of 2016

In the matter of the Companies Act, 1956 or any re-enactment thereof;

And

In the matter of Application under Sections 391 to 394 read with Section 52 of the Companies Act, 2013, Sections 78, 100 to 104, of the Companies Act, 1956 or any re-enactment thereof;

And

In the matter of The Indian Hotels Company Limited [CIN: L74999MH1902PLC000183], a company, incorporated under the Indian Companies Act of 1882 having its registered office at Mandlik House, Mandlik Road, Mumbai 400001.;

And

In the matter of Scheme of Arrangement amongst Lands End Properties Private Limited and The Indian Hotels Company Limited and their respective shareholders and creditors and reduction of share capital of The Indian Hotels Company Limited.

The Indian Hotels Company Limited [CIN: L74999MH1902PLC000183], a company, incorporated under the Indian Companies Act of 1882, having its registered office at Mandlik House, Mandlik Road, Mumbai 400001.

...Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICE OF THE COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF THE INDIAN HOTELS COMPANY LIMITED AND THE NOTICE FOR POSTAL BALLOT AND E-VOTING IN THE MANNER SET OUT UNDER SECURITIES AND EXCHANGE BOARD OF INDIA CIRCULAR NO. CIR/CFD/DIL/5/2013 DATED FEBRUARY 4, 2013 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA CIRCULAR NO. CIR/CFD/DIL/8/2013 DATED MAY 21, 2013

1. Pursuant to an order dated February 26, 2016, passed by the High Court of Judicature at Bombay, in Company Summons for Direction No. 103 of 2016 (“**Order**”), a meeting (“**Court Convened Meeting**”) of the equity shareholders of The Indian Hotels Company Limited (the “**Applicant Company**”) is being convened at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Wednesday, May 4, 2016, at 10:30 a.m. (1030 hours) for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of arrangement between Lands End Properties Private Limited (the “**Transferor Company**”), the Applicant Company, and their respective shareholders and creditors pursuant to Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 as applicable, (the “**Scheme**” or the “**Scheme of Arrangement**”). A copy of the Scheme which has been, *inter alia*, approved by the Audit Committee and the Board of Directors of the Applicant Company at their respective meetings held on October 19, 2015, is enclosed as **Annexure 1**.
2. In terms of the said Order, the quorum for the Court Convened Meeting shall be 30 (thirty) members present in person. Further in terms of the said Order, the High Court of Judicature at Bombay, has appointed Mr. Cyrus P. Mistry, Chairman of the Applicant Company, and in his absence, Mr. Nadir Godrej, Independent Director of the Applicant Company and in his absence, Mr. K. B. Dadiseth, Independent Director of the Applicant Company, as the Chairman for the purposes of the Court Convened Meeting or of any adjournment(s) thereof.
3. This statement explaining the terms of the Scheme is being furnished as required under Section 393 of the Companies Act, 1956, read with Section 102 of the Companies Act, 2013.
4. In addition to the Court Convened Meeting of the equity shareholders of the Applicant Company, the approval of the requisite majority of the Public Shareholders (*as defined herein below*) of the Applicant Company is also separately being sought for the Scheme by the Applicant Company, as required by the Securities and Exchange Board of India (“**SEBI**”), in the manner set out in SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013, read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (the “**SEBI Circulars**”). For this purpose the term “**Public**” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulation) Rules, 1957 and the term “**Public Shareholders**” shall be construed accordingly. In terms of the Scheme, the Scheme shall be acted upon only if the votes cast by the Public Shareholders of the Applicant Company in favour of the proposal are more than the votes cast by the Public Shareholders against the proposal.
5. In accordance with the provisions of the Section 391 to 394 of Companies Act, 1956, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the members, or class of members, of the Applicant Company, as the case may be, present and voting at the Court Convened Meeting in person or by proxy, agree to the Scheme.
6. In terms of the Order dated February 26, 2016, passed by the High Court of Judicature at Bombay, in Company Summons for Direction No. 103 of 2016, if the entries in the books/registers of the Applicant Company in relation to the value of the shares are disputed, the Chairman shall determine the value for the purposes of the Court Convened Meeting and his decision in that behalf shall be final.

Particulars of the Applicant Company

7. The Applicant Company is a public limited company originally incorporated under the Indian Companies Act of 1882 having its registered office at Mandlik House, Mandlik Road, Mumbai- 400001. The equity shares of the Applicant Company are listed on BSE Limited and National Stock Exchange of India Limited.
8. The share capital structure of the Applicant Company as on March 1, 2016, is as under

A. Authorised Share Capital	Amount in INR
200,00,00,000 equity shares of face value of INR 1 each	200,00,00,000
Total	200,00,00,000

B. Issued and Subscribed Share Capital	Amount in INR
<i>Issued Share Capital</i>	
98,92,90,519 equity shares of face value of INR 1 each fully paid up*	98,92,90,519
<i>Subscribed Share Capital</i>	
98,92,74,015 equity shares of face value of INR 1 each fully paid up*	98,92,74,015

C. Paid-up Share Capital	Amount in INR
98,92,74,015 equity shares of face value of INR 1 each fully paid up*	98,92,74,015
Total	98,92,74,015

** includes equity shares represented by GDRs*

Note: 16,504 equity shares were issued but not subscribed to as at the end of the respective years and have been kept in abeyance pending resolution of legal dispute.

9. Members may note that the share capital structure of the Applicant Company stated in the Scheme is as of September 30, 2015. The Applicant Company had allotted 18,18,01,228 (Eighteen crores eighteen lakhs one thousand two hundred and twenty eight) compulsorily convertible debentures (“**CCDs**”) on rights issue basis on September 1, 2014. As per the terms of the issue, each CCD of face value of INR 55 was automatically and compulsorily convertible into 1 (One) equity share fully paid up of face value of INR 1 (Rupee One only) each at a premium of INR 54 (Rupees Fifty four only) per share upon the expiry of 18 (Eighteen) months from the date of allotment of the CCD, i.e. on March 1, 2016. The CCDs had been listed on BSE Limited and National Stock Exchange of India Limited. The Applicant Company has on March 1, 2016, allotted 18,18,01,228 (Eighteen crores eighteen lakhs one thousand two hundred and twenty eight) equity shares of face value of INR 1 (Rupee One only) each at a premium of INR 54 (Rupees Fifty four only) per share, pursuant to the conversion of the said CCDs, as a result of which there has been a corresponding increase in the issued, subscribed and paid-up share capital of the Applicant Company in paragraph 8 and 39 respectively.
10. As on March 1, 2016, the Applicant Company has 86,870 (Eighty six thousand eight hundred and seventy) outstanding global depository receipts which are represented by equity shares of face value of INR 1 (Rupee One only) each of the Applicant Company. The global depository receipts have been delisted from the London Stock Exchange with effect from June 29, 2015.

11. The Applicant Company has issued secured and non-secured non-convertible debentures, all of which are listed.
12. The objects of the Applicant Company are set out in its Memorandum of Association. The Applicant Company is primarily engaged in the business of owning, operating and managing hotels, palaces and resorts and its objects include acquiring and holding shares in any other company having objects altogether or in part similar to those of the Applicant Company or carrying on any business capable of being conducted so as directly or indirectly to benefit the Applicant Company. The objects, *inter alia*, along with serial numbers as stated in the Memorandum of Association, are set out hereunder:

“2) To purchase, erect, acquire, manage or in any other manner and in all its aspects deal in, hotels and lodging houses of every kind and sort, including all the conveniences, amenities and facilities adjunct thereto, in India or any other part of the world.

3) To carry on the business of hotel, restaurant, cafe, tavern, beer-house, refreshment-room and lodging house keepers, licenced victuallers, wine, beer and spirit merchants, brewers, maltsters, distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors, caterers for public amusements generally, coach, cab, carriage and motor car proprietors, livery-stable keepers, job-masters, farmers, dairymen, ice-merchants, importers and brokers of food, live and dead stock, and colonial and foreign produce of all descriptions, hair-dressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, grounds and places of amusements, recreation, sport, entertainment, and instruction of all kinds, tobacco and cigar merchants, agents for railway and shipping companies and carriers, theatrical and opera box office proprietors, entrepreneurs and general agents, and any other business which can be conveniently carried on in connection therewith.”

13. Clauses 5 and 24 of the Memorandum of Association of the Applicant Company which contains provisions for amalgamation are reproduced herein below:

“5) To acquire and undertake the whole or any part of the business and liabilities of any person or Company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this Company.

24) To amalgamate with any other company having objects altogether or in part similar to those of this Company.”

Particulars of the Transferor Company

14. The Transferor Company is a private limited company incorporated under the Companies Act, 1956 having its registered office at Mandlik House, Mandlik Road, Mumbai 400001. The Transferor Company is a wholly owned subsidiary of the Applicant Company.
15. The Applicant Company was previously holding 19.9% of the share capital of the Transferor Company. As intimated to the stock exchanges on April 9, 2015, the Board of Directors of the Applicant Company had accorded its approval to the acquisition by the Applicant Company of the balance 80.1% equity stake in Transferor Company from the erstwhile shareholders. Pursuant thereto, and as intimated to the stock exchanges, the Applicant Company has on October 14, 2015 acquired 80.1% equity shareholding of the Transferor Company by way of purchase from the erstwhile shareholders and thereby the Transferor Company became a wholly owned subsidiary of the Applicant Company. Consequently, the step down subsidiaries of the Transferor Company have also become subsidiaries of the Applicant Company and accordingly the assets and the liabilities of such subsidiaries will now be reflected as part of the Applicant Company's consolidated financial statements.

16. The Transferor Company is primarily engaged in the business of, *inter alia*, owning and developing hotels, etc. The Transferor Company through its step-down subsidiaries, Skydeck Properties Private Limited and Sheena Investments Private Limited, holds a controlling stake in ELEL Hotels and Investments Limited, a company which holds the leasehold rights of the erstwhile Hotel Sea Rock site. ELEL Hotels and Investments Limited is in the process of obtaining requisite approvals from various regulatory authorities to facilitate redevelopment of the Hotel Sea Rock site.
17. The share capital structure of the Transferor Company, as on March 1, 2016, is as under:

A. Authorised Share Capital	Amount in Rs.
1,00,00,000 equity shares of face value of INR 10 each	10,00,00,000
Total	10,00,00,000

B. Issued and Subscribed Share Capital	Amount in Rs.
1,00,00,000 equity shares of face value of INR 10 each	10,00,00,000
Total	10,00,00,000

C. Paid-up Share Capital	Amount in Rs.
1,00,00,000 equity shares of face value of INR. 10 each	10,00,00,000
Total	10,00,00,000

The equity shares of the Transferor Company are not listed on any stock exchange.

18. The Transferor Company had issued zero coupon, secured, redeemable, non-convertible debentures having a face value of Rs. 10,00,000 each, aggregating to Rs. 521,00,00,000 and listed on the Wholesale Debt Market segment of BSE Limited (“NCDs”) with a redemption date of February 13, 2016, which have since been redeemed on maturity.

Description and Rationale for the Scheme

19. The Scheme provides for, *inter alia*, the amalgamation of the Transferor Company with the Applicant Company followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares held by the Applicant Company in the Transferor Company and various other matters consequential to or otherwise integrally connected with the above. The proposal is to be implemented in terms of a scheme of arrangement between the Applicant Company, the Transferor Company and their respective shareholders and creditors under the provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable and Section 2(1B) of the Income Tax Act, 1961.
20. The Scheme shall enable the business of the Transferor Company, by virtue of becoming part of a larger entity, to have access to the financial resources, management experience and expertise of the Applicant Company. The Scheme would thus enable the business of the Transferor Company to leverage the resources of the Applicant Company and facilitate raising of funds on competitive terms and achieving operational and cost synergies.

21. The Scheme shall enable the Applicant Company to reap several benefits including:
- (a) simplify management structure, leading to better administration;
 - (b) a reduction in costs from more focused operational efforts, rationalization, standardisation and simplification of business processes;
 - (c) the elimination of duplication, and rationalisation of administrative expenses;
 - (d) simplify shareholding structure and reduce shareholding tiers; and
 - (e) facilitating a wider and stronger base for future growth through the addition of assets by leveraging upon benefits of scale, translating into increased business opportunities and reduced expenses.

Corporate Approvals

22. The proposed Scheme, which provides for the amalgamation of the Transferor Company, a wholly owned subsidiary of the Applicant Company, with the Applicant Company, followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares held by the Applicant Company in the Transferor Company and various other matters consequential to or otherwise integrally connected with the above, was placed before the Audit Committee of the Applicant Company at its meeting held on October 19, 2015. The Audit Committee of the Applicant Company took into account the fairness opinion, dated October 19, 2015, provided by Fortress Capital Management Services Private Limited, a Category I Merchant Banker ("**Fairness Opinion**"), appointed for this purpose by the Applicant Company. A copy of the Fairness Opinion is enclosed as **Annexure 2**. On the basis of its evaluation and independent judgment, the Audit Committee has approved and recommended the Scheme to the Board of Directors of the Applicant Company.
23. The Scheme involves the amalgamation of a wholly owned subsidiary (i.e., the Transferor Company) into its parent company (i.e., the Applicant Company) and accordingly no shares are to be issued by the Applicant Company pursuant to the Scheme. Accordingly, as per paragraph 4.2, read with paragraph 4.4(ii) of the SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, the Applicant Company is not required to obtain a valuation report from an independent chartered accountant as there is no change in the shareholding pattern of the Applicant Company pursuant to the Scheme.
24. The Board of Directors of the Applicant Company, at their meeting dated October 19, 2015, took into account the Fairness Opinion and the independent recommendations of the Audit Committee. Based on the aforesaid recommendation and after considering the background, benefits and rationale of the Scheme and on the basis of their independent judgment, the Board of Directors of the Applicant Company had, at its meeting held on October 19, 2015, approved the Scheme. The Audit Committee and the Board of Directors of the Applicant Company have on February 24, 2016 and February 29, 2016 respectively approved this Explanatory Statement and the Notice pertaining to the same.
25. Separately, the Board of Directors of the Transferor Company has, at its meeting held on October 19, 2015, approved the Scheme.

Salient Features of the Scheme

26. The salient features of the Scheme are as follows:

Definitions

- (i) Unless specifically defined herein below, capitalised terms used herein below, shall have the meaning ascribed to such terms in the Scheme.
- (a) “**Act**” means the Companies Act, 1956, and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, including the Companies Act, 2013, and provisions thereof as are notified and applicable from time to time and shall include any statutory modifications, re-enactment or amendments thereof;
- (b) “**Appointed Date**” means the close of business on March 31, 2016 or such other date as may be determined by the Board of Directors of the Transferor Company and the Applicant Company;
- (c) “**Board of Directors**” or “**Board**” in relation to each of the Transferor Company and the Applicant Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, the Scheme and/or any other matter relating thereto;
- (d) “**Effective Date**” means the last of the dates on which all the conditions and matters referred to in Clause 18(a) of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of ‘coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall be construed as references to the Effective Date;
- (e) “**Employees**” mean the employees, if any, of the Transferor Company, as on the Effective Date;
- (f) “**Encumbrance**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “Encumbered” shall be construed accordingly;
- (g) “**Governmental Authority**” means any applicable Central, State or Local government, legislative body, regulatory or administrative authority, agency or commission including a stock exchange or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body;
- (h) “**High Court**” shall mean the High Court of Judicature at Bombay having jurisdiction in relation to the Transferor Company and the Applicant Company and shall include the National Company Law Tribunal, as applicable, or such other forum or authority as may be vested with any of the powers of a High Court for the purposes of Sections 391 to 394 of the Companies Act, 1956, or Sections 230 to 232 of the Companies Act, 2013, as may be applicable;
- (i) “**NCDs**” shall mean the zero coupon, secured, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Rupees Ten lakhs only) each, issued by the Transferor Company, aggregating to INR 521,00,00,000 (Rupees Five hundred and twenty one crores only) and listed on the Wholesale Debt Market segment of BSE Limited;
- (j) “**Registrar of Companies**” means the Registrar of Companies, Maharashtra;
- (k) “**Scheme**” means this scheme of arrangement, as amended or modified in accordance with the provisions hereof;
- (l) “**SEBI**” means the Securities and Exchange Board of India;

- (m) “**SEBI Scheme Circulars**” means Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 on “Scheme of Arrangement under the Companies Act, 1956 – Revised requirements for the Stock Exchanges and Listed Companies” read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by SEBI, collectively, and shall include any statutory modifications, re-enactment or amendments thereof;
- (n) “**Undertaking**” means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:
- A. all the assets and properties including fixed assets (whether movable or immovable, tangible or intangible, present, or future of whatsoever nature) including patents, copyrights, designs and all other intellectual property rights, tenancies in relation to offices or premises, software licenses, computer programs, etc. investments and current assets of the Transferor Company, in each case, wherever situated;
 - B. all permits, quotas, rights, entitlements and other licences, bids, tenders, letters of intent, expressions of interest, memorandum of understanding or similar instruments, (whether vested or potential and whether under agreements or otherwise), permissions, approvals, consents, subsidies, income tax benefits and exemptions including the right to deduction for the residual period, i.e. for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the amalgamation pursuant to this Scheme had not taken place, all other rights including sales tax deferrals and exemptions and other benefits, (in each case including the benefit of any applications made therefore), receivables, and liabilities related thereto, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
 - C. all the Liabilities of the Transferor Company, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company;
 - D. all benefits and obligations under the contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of any nature of the Transferor Company;
 - E. all books, records, files, papers, process information and drawings, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company; and
 - F. all Employees.

Operation of the Scheme

- (ii) The Scheme shall come into operation from the Effective Date, but the same shall become effective from the Appointed Date.

Transfer of Undertaking

- (iii) **Part II- Section 1** of the Scheme envisages the transfer and vesting of the Undertaking from the Transferor Company to the Applicant Company in the following manner:

Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Applicant Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Applicant Company, by virtue of and in the manner provided in this Scheme:

- (a) **Transfer of Assets:** Upon the coming into effect of the Scheme and with effect from the Appointed Date, all the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate, whether or not included in the books of the Transferor Company, and all assets and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any, without any further act, deed or instrument, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Applicant Company and/or be deemed to be transferred to and vested in the Applicant Company as a going concern so as to become, as and from the Appointed Date (or in case of any estate, assets, etc. acquired on a date after the Appointed Date, with effect from such date), the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities of the Applicant Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions;
- (b) **Transfer of contracts, deeds etc:** Upon the coming into effect of the Scheme and with effect from Appointed Date, and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible for, and which are subsisting or have effect immediately before the Effective Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, continue in full force and effect on or against or in favour, as the case may be, of the Applicant Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Applicant Company had been a party or beneficiary or obligee thereto or thereunder;
- (c) **Transfer of consents, licenses etc:** All the licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, income tax benefits and exemptions, all other rights, exemptions and benefits including those acquired by the Transferor Company on or after the Appointed Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, on coming into effect of the Scheme and with effect from Appointed Date, be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Applicant Company so as to become licenses, permits, entitlements, approvals,

permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, liberties, special status and other benefits or privileges of the Applicant Company and shall remain valid, effective and enforceable on the same terms and conditions;

- (d) **Transfer of Liabilities:** Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities, deferred tax liabilities and obligations under any licenses or permits or schemes), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, Encumbrance, lien or security thereon (herein referred to as the “**Liabilities**”), whether or not recorded in its books and records, shall, under the provisions of Sections 391 to 394 of the Act and other applicable provisions of applicable law, if any, without any further act, instrument, deed, matter or thing, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Applicant Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such date) the Liabilities of the Applicant Company on the same terms and conditions as were applicable to the Transferor Company, and the Applicant Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of Clause 7 of the Scheme.

Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all debentures, including NCDs (to the extent any such NCDs are outstanding as on Effective Date) and other debt securities and other instruments of like nature (whether convertible into equity shares or not) (“**Debt Securities**”) shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Applicant Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in and shall be exercised by or against the Applicant Company as if it was the issuer of such Debt Securities, so transferred and vested. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, the non convertible debentures which stand transferred to the Applicant Company pursuant to transfer of the NCDs, shall be listed and/or admitted to trading on the Wholesale Debt Market segment of Bombay Stock Exchange, where the NCDs are currently listed;

- (e) **Encumbrances:** All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities, including the NCDs, shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Applicant Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Applicant Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above;

- (f) **Employees and Directors:** Upon the coming into effect of the Scheme, the Employees, if any, shall, under the provisions of Sections 391 to 394 of the Act and other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for their transfer, become the employees of the Applicant Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Applicant Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Applicant Company.

The directors of the Transferor Company will not be entitled to any directorships in the Applicant Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Applicant Company as of the Effective Date;

- (g) **Employee Benefits:** Insofar as the provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy (collectively referred to as the “**Funds**”), all the contributions made to such Funds for the benefit of the Employees and the accretions thereto and the investments made by the Funds in relation to the Employees shall be transferred to the Applicant Company and shall be held for the benefit of the concerned Employees. In the event the Applicant Company has its own funds in respect of any of the Funds referred to above, such contributions, accretions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Applicant Company, be transferred to the relevant funds of the Applicant Company. In the event that the Applicant Company does not have its own funds in respect of any of the above or if deemed appropriate by the Applicant Company, the Applicant Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Applicant Company creates its own funds, at which time the Funds and the investments, accretions and contributions pertaining to the Employees shall be transferred to the funds created by the Applicant Company; and

- (h) **Legal, taxation and other proceedings:** Upon the coming into effect of the Scheme, all suits, actions, and other proceedings including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal), by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and/or enforced by/or against the Applicant Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by/or against the Applicant Company.

- (iv) **Part II – Section 2** of the Scheme also provides for the conduct of the businesses of the Transferor Company with effect from the Appointed Date up to and including the Effective Date:

- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Applicant Company;

- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Applicant Company;
- (c) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Applicant Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Applicant Company; and
- (d) all taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Applicant Company, and, shall, in all proceedings, be dealt with accordingly.
- (v) **Part II – Section 2** of the Scheme also provides that subject to the terms of the Scheme, the transfer and vesting of the Undertaking as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Applicant Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Applicant Company.
- (vi) **Part II – Section 3** of the Scheme provides that all equity shares of the Transferor Company held by the Applicant Company (directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Applicant Company in lieu of such shares of the Transferor Company.

Dissolution of the Transferor Company

- (vii) **Part III** of the Scheme provides that upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Applicant Company in lieu of such shares of the Transferor Company.

Accounting Treatment

- (viii) **Part III** of the Scheme also provides for the accounting treatment in the books of the Applicant Company on the effectiveness of the Scheme as follows:
 - (a) The accounting shall be on the basis of the “Pooling of Interests Method” of accounting as per the Accounting Standard 14 (AS 14): ‘Accounting for Amalgamations’, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013;

- (b) Accordingly, on and from the Appointed Date and subject to the provisions hereof, all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Applicant Company at their existing carrying amounts and in the same form, including the debit balance in profit and loss account of the Transferor Company as debit balance in profit and loss account of the Applicant Company;
- (c) All costs and expenses incurred as per Clause 28 of the Scheme as well as other costs incidental with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the above Scheme, shall be charged to profit and loss account with exception of the following cost and expenses, which will be accounted in the books of Applicant Company, namely, stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company transferred to the Applicant Company shall be capitalized in books of the Applicant Company with the said fixed assets in accordance with Accounting Standard 10 (AS 10): 'Accounting of Fixed Assets';
- (d) In case of any difference in accounting policy between the Transferor Company and the Applicant Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard 5 (AS 5): 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies', in the books of the Applicant Company to ensure that the financial statements of the Applicant Company reflect the financial position on the basis of consistent accounting policy;
- (e) Upon coming into effect of this Scheme, to the extent that there are inter- company loans, advances, deposits, balances or other obligations as between the Transferor Company and the Applicant Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of accounts and records of the Applicant Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

Reduction in Capital

- (ix) **Part III** of the Scheme provides for reduction of the securities premium account of the Applicant Company as follows:
 - (a) The acquisition by the Applicant Company of the shares of the Transferor Company was at a premium to the face value of the shares. Upon cancellation of such shares consequent to the amalgamation as provided in Clause 16 of the Scheme, the carrying amount of such investment in the books of the Applicant Company shall stand reduced accordingly and the difference between such carrying amount and the aggregate face value of such shares of the Transferor Company held by the Applicant Company shall be adjusted against the securities premium account of the Applicant Company; and
 - (b) Further, consequent to Clause 16 of the Scheme, the entire debit balance in profit and loss account of the Applicant Company (including the debit balance of the Transferor Company that would be recorded in the books of account of the Applicant Company at their existing carrying amounts and in the same form in accordance with Clause 16(a)(ii) of the Scheme) shall also be adjusted against the securities premium account of the Applicant Company. All such adjustments against the securities premium account of the Applicant Company shall be effected in accordance with provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of law. For giving effect to the above provisions, the permission from the shareholders of the Applicant Company shall be deemed to

have been received as contemplated by the Act and other related provisions, upon this Scheme being approved by members of the Applicant Company at the court convened meeting or otherwise. The reduction in the securities premium account as aforesaid, if any, of the Applicant Company shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any unpaid share capital and the order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act (including corresponding applicable provisions of the Companies Act, 2013) confirming the reduction of securities premium account. Such a reduction shall be deemed to be effective on and from the Appointed Date. The Applicant Company shall not be required to add “and reduced” as a suffix.

Scheme Conditional On

- (x) The Scheme is conditional upon and subject to:
 - (a) the Scheme being approved by the requisite majorities of the various classes of members and creditors (where applicable) of the Transferor Company and the Applicant Company as required under the Act, or dispensation having been received from the High Court in relation to obtaining such approval from the members and/or creditors, and the requisite orders of the High Court being obtained in this regard;
 - (b) the Scheme being approved by the majority of public shareholders of the Applicant Company (by way of voting through postal ballot and e-voting) as may be required under the SEBI Scheme Circulars, i.e. the votes cast by public shareholders in favour of the resolution are more than the number of votes cast by public shareholders against it;
 - (c) the High Court having accorded its sanction to the Scheme;
 - (d) the approval of SEBI in terms of the SEBI Scheme Circulars being obtained upon this Scheme being sanctioned by the High Court, if applicable;
 - (e) such other approvals and sanctions including sanction of any Governmental Authority or contracting party as may be required by law or contract in respect of the Scheme being obtained; and
 - (f) the certified copies of the order of the High Court approving the Scheme being filed with the Registrar of Companies, Maharashtra.
- (xi) **Part III** of the Scheme also provides that the Transferor Company and the Applicant Company shall be entitled to declare and pay dividends, whether interim or final, to their respective members and shareholders in respect of the accounting period prior to the Effective Date.
- (xii) **Part III** of the Scheme also provides that in the event of this Scheme failing to take effect by September 30, 2016 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Applicant Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred *inter se* between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Applicant Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

The features set out above being only the salient features of the Scheme, the members are requested to read the entire text of the Scheme (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

Approvals and Actions taken in relation to the Scheme

27. BSE Limited was appointed as the designated stock exchange by the Applicant Company for the purpose of coordinating with the SEBI, pursuant to the SEBI Circulars. The Applicant Company has received observation letters regarding the Scheme from BSE Limited on December 16, 2015 and from National Stock Exchange of India Limited on December 17, 2015. In terms of the observation letters of BSE Limited and National Stock Exchange of India Limited, dated December 16, 2015 and December 17, 2015 respectively, BSE Limited and National Stock Exchange of India Limited conveyed their no adverse observations/no objection for filing the Scheme with the High Courts. Copies of the observation letters dated December 16, 2015 received from BSE Limited and dated December 17, 2015 from National Stock Exchange of India Limited are enclosed as **Annexures 3 and 4** respectively.
28. The Scheme was filed by the Applicant Company and the Transferor Company with the High Court of Judicature at Bombay on December 23, 2015.
29. As required by the SEBI Circulars, the Applicant Company has filed the Complaints Report with BSE Limited on November 23, 2015 and with National Stock Exchange of India Limited on November 18, 2015. This report indicates that the Applicant Company received nil complaints. A copy of the complaints report of BSE Limited dated November 23, 2015 and dated November 18, 2015 of National Stock Exchange of India Limited is enclosed as **Annexure 5**.

Other Matters

30. With reference to the NCDs, the Transferor Company had a total loan repayment obligation on the redemption date of February 13, 2016 of INR 693.45 crores (Rupees Six hundred ninety three decimal four five crores only). The NCDs had been secured by way of a pledge of the Transferor Company's entire shareholding in Skydeck Properties Private Limited, a wholly owned direct subsidiary of the Transferor Company. Further, as part of the key terms of the NCDs, the Applicant Company had undertaken the obligation to make good the value of the shortfall, in the event the lenders of the Transferor Company realised an amount lower than the redemption amount. Pursuant to the approvals from the members of the Applicant Company dated January 16, 2016, vide postal ballot dated December 8, 2015, the Applicant Company has provided a loan to the Transferor Company for an amount of INR 655 crores (Rupees Six fifty five crores only) (including INR 100 crores (Rupees Hundred crores only) extended earlier) bearing interest at 10% per annum, using its internal accruals and surplus cash in order to enable the Transferor Company to redeem all the outstanding NCDs, which have since been redeemed on maturity.
31. Skydeck Properties Private Limited had separately availed of a secured zero coupon term loan of INR 508 crores (Rupees Five hundred eight crores only) from a financial institution for which the total repayment obligation on the maturity date (being January 27, 2016) was INR 708.93 crores (Rupees Seven hundred eight decimal ninety three crores only). This term loan had been secured by way of a pledge on the entire direct and indirect shareholding of ELEL Hotels and Investments Limited held by Skydeck Properties Private Limited. This loan has been refinanced by Skydeck Properties Private Limited on January 27, 2016 for a period of three years by pledge on the entire direct and indirect shareholding of ELEL Hotels and Investments Limited without any recourse to the Applicant Company.
32. The proposed Scheme is not prejudicial to the interest of the creditors (secured and unsecured) of the Applicant Company and there is no compromise proposed with the creditors under the proposed Scheme nor is any liability of the creditors of the Applicant Company proposed to be reduced or extinguished.
33. For the limited purpose of enabling the members to better understand the scope and implications of the Scheme, in relation to the Applicant Company, set out below is a comparison of the balance sheet of the Applicant Company as on December 31, 2015 and the indicative amalgamated balance sheet of the Applicant Company, based on the financial information as on December 31, 2015:

	Standalone		Consolidated	
	Pre – Amalgamation *(as on December 31, 2015)	Post – Amalgamation *(based on balance sheet information as on December 31, 2015)	Pre – Amalgamation *(as on December 31, 2015)	Post – Amalgamation *(based on balance sheet information as on December 31, 2015)
	₹ crores	₹ crores	₹ crores	₹ crores
Equity and Liabilities				
Shareholders' Funds				
Share Capital	80.75	80.75	80.75	80.75
Reserves and Surplus	2,721.57	2,414.08	2,191.46	1,898.72
	2,802.32	2,494.83	2,272.21	1,979.47
Minority Interest	-	-	848.18	848.18
Non-current Liabilities				
Long-term Borrowings	2,763.87	2,763.87	4,605.96	4,605.96
Deferred Tax Liabilities (net)	247.42	247.42	314.82	314.82
Other Long-term Liabilities	588.71	588.71	591.62	591.62
Long-term Provisions	43.11	43.11	75.01	75.01
	3,643.11	3,643.11	5,587.41	5,587.41
Current Liabilities				
Short-term Borrowings	6.19	6.19	28.50	28.50
Trade Payables	206.99	206.99	404.50	404.50
Other Current Liabilities	918.85	1,604.79	2,659.33	2,659.33
Short-term Provisions	82.62	82.81	143.54	143.54
	1,214.65	1,900.78	3,235.87	3,235.87
Total	7,660.08	8,038.72	11,943.67	11,650.93
Assets				
Non-current Assets				
Fixed Assets (net)	2,192.22	2,192.22	6,977.28	6,977.28
Goodwill on consolidation (net)	-	-	1,328.49	1,035.75
Non-current Investments	2,800.23	3,059.05	1,015.58	1,015.58
Deferred Tax Assets (Net)	-	-	3.31	3.31
Long-term Loans and Advances	1,381.22	1,381.22	527.31	527.31
Other Non-current Assets	2.36	2.36	9.29	9.29
	6,376.03	6,634.85	9,861.26	9,568.52
Current Assets				
Current Investments	470.21	470.21	556.01	556.01
Inventories	50.16	50.16	107.86	107.86
Trade Receivables	203.64	204.83	411.54	411.54
Cash and Cash Equivalents	330.29	435.78	674.91	674.91
Short-term Loans and Advances	180.24	194.00	236.90	236.90
Other Current Assets	49.51	48.89	95.19	95.19
	1,284.05	1,403.87	2,082.41	2,082.41
Total	7,660.08	8,038.72	11,943.67	11,650.93

*With reference to the foregoing information, the members are requested to note the following:

- (a) The above financial information, with reference to the “standalone” figures, is prepared based on the audited interim condensed financial statements (standalone) of the Applicant Company and the audited financial statements of the Transferor Company (standalone) both for the nine-month period ended December 31, 2015. The above financial information, with reference to the “consolidated” figures, is prepared based on the unaudited interim condensed consolidated financial statements of the Applicant Company for the nine-month period ended December 31, 2015.
- (b) The Appointed Date for the Scheme is the close of business on March 31, 2016. Members are requested to note that as the above financial information is provided for only indicative purpose as it is based on information (as set out above) as on December 31, 2015, and does not take into consideration the January-March 2016 period. Pursuant to effectiveness of the Scheme, the balance sheet of the Applicant Company as on the Appointed Date will need to take into account the impact of the January-March 2016 period. The terms ‘Pre Amalgamation’ and ‘Post Amalgamation’ as set out above need to be understood in this context.
- (c) Pursuant to the conversion of the CCDs (referred to in paragraph 9 above), the securities premium account of the Applicant Company has increased by INR 981.73 crores (Rupees Nine hundred eighty one decimal seventy three crores only). The effect of the same will be reflected in the financial statements for the year ending March 31, 2016.
- (d) The Scheme incorporates provisions for a proposed reduction to the securities premium account of the Applicant Company, whereby, *inter alia*, the entire debit balance in profit and loss account of the Applicant Company (including the debit balance in the profit and loss account of the Transferor Company that would be recorded in the books of account of the Applicant Company at their existing carrying amounts and in the same form in accordance with Clause 16(a)(ii) of the Scheme) shall be adjusted against the securities premium account of the Applicant Company. As on December 31, 2015 the debit balance in the profit and loss account of the Applicant Company is an amount of INR 358.60 crores (Rupees Three hundred fifty eight decimal sixty crores only) and the debit balance in the profit and loss account of the Transferor Company is an amount of INR 300.37 crores (Rupees Three hundred decimal thirty seven crores only).
- (e) The Applicant Company is in the process of undertaking a scheme of arrangement (pursuant to Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 as applicable), *inter alia* for the amalgamation of its wholly owned subsidiary, International Hotel Management Services LLC, with itself (“**IHMS Scheme**”), with effect from the appointed date being the opening of business on January 1, 2016. The approval of the members shall separately be sought for the IHMS Scheme. The impact of the IHMS Scheme thereof has not been considered in the above financial information.
- (f) In this regard, members are requested to note that the IHMS Scheme also incorporates provisions for a proposed reduction to the securities premium account, whereby there will be an adjustment of the debit balance in profit and loss account of the Applicant Company (including the debit balance of the International Hotel Management Services LLC that would be transferred to the profit and loss account of the Applicant Company, pursuant to the IHMS Scheme with effect from the appointed date being the opening of business on January 1, 2016). The amount of deficit in profit and loss account of the Applicant Company, as of December 31, 2015 as mentioned above, does not take into account the effect of the IHMS Scheme (including the proposed reduction thereunder). The amount by which the reduction under this Scheme shall be effected would depend on which scheme (i.e. this Scheme or the IHMS Scheme) becomes effective first.

(g) Members will note that pursuant to the Transferor Company becoming a wholly owned subsidiary of the Applicant Company, the outstanding debt in the Transferor Company and its subsidiary aggregating to approximately INR 1400 crores (Rupees Fourteen hundred crores only) has already been reflected in the Applicant Company's consolidated balance sheet as on December 31, 2015, with the corresponding cost of the debt being reflected in the Applicant Company's consolidated profit and loss account for the quarter ended December 31, 2015.

34. No investigation proceedings have been instituted or are pending in relation to the Applicant Company under Sections 210 to 229 of Chapter XIV of the Companies Act, 2013 or under the corresponding provisions of the Companies Act, 1956. No winding up petitions have been admitted or filed against the Applicant Company.

35. The details of the present directors of the Applicant Company are as follows:

Sl. No.	Name of Director	Designation	Date of Appointment	Age
1.	Cyrus P. Mistry	Chairman	28.12.2012	47
2.	K. B. Dadiseth	Independent Director	09.05.2000	70
3.	Deepak Parekh	Independent Director	09.05.2000	71
4.	Shapoor Mistry	Non Independent Director	17.04.2003	51
5.	Nadir Godrej	Independent Director	07.11.2008	64
6.	Ireena Vittal	Independent Director	07.08.2013	47
7.	Gautam Banerjee	Independent Director	10.09.2014	61
8.	Vibha Paul Rishi	Independent Director	10.09.2014	55
9.	Dr. N. S. Rajan	Non-Independent Director	27.11.2015	54
10.	Rakesh Sarna	Managing Director & CEO	01.09.2014	58
11.	Anil P. Goel	Executive Director & CFO	17.03.2008	58
12.	Mehernosh S. Kapadia	Executive Director- Corporate Affairs	10.08.2011	62

36. The details of the present directors of the Transferor Company are as follows:

Sl. No.	Name of Director	Designation	Date of Appointment	Age
1.	R. H. Parekh	Non-Independent Director	19.03.2012	53
2.	Ashok Binnani	Non-Independent Director	09.11.2010	37
3.	Aban Rupa	Independent Director	28.03.2014	63
4.	Kishor Kulkarni	Independent Director	28.03.2014	64

37. None of the Directors, the Key Managerial Personnel (as defined under the Companies Act, 2013 and rules formed thereunder) of the Applicant Company and their respective relatives (as defined under the Companies Act, 2013 and rules formed thereunder) have any interest in the Scheme except to the extent of equity shares held by them in the Applicant Company. The shareholding of the said Directors and Key Managerial Personnel and their relatives, is less than 2% of the paid-up share capital of the Applicant Company. The effect of the Scheme on the interests of the Directors and Key Managerial Personnel and their relatives, is not any different from the effect of the Scheme on other shareholders of the Applicant Company. The details of the shareholding of the Directors, Key Managerial Personnel and their relatives as on March 1, 2016 is as follows:

Sl. No.	Name	No. of shares held in Applicant Company	No. of Shares held in Transferor Company
1	Cyrus Pallonji Mistry	128625	Nil
2	Mehernosh Sorab Kapadia	24180	Nil
3	Villu Mehernosh Kapadia (Relative of Mr. M S Kapadia)	39300	Nil
4	Khushnoo Mehernosh Kapadia (Relative of Mr. M S Kapadia)	140	Nil
5	Harsha Shantilal Parekh (Relative of Mr. Deepak Parekh)	2561	Nil

38. The pre-scheme shareholding pattern of the Applicant Company and the Transferor Company and the post-scheme shareholding pattern of the Applicant Company are as under:

Pre-Scheme shareholding pattern of Applicant Company as on December 31, 2015 (as submitted to BSE Limited and National Stock Exchange of India Limited on January 19, 2016)*:

**Note: Please note that the shareholding pattern provided is as last submitted to the Stock Exchange, and does not reflect changes in shareholding post - December 31, 2015. In this regard note that the Applicant Company has on March 1, 2016, allotted 18,18,01,228 equity shares of face value of INR 1 each at a premium of INR 54 per share, pursuant to the conversion of the CCDs issued on a rights issue basis, as a result of which there has been a corresponding increase in the issued, subscribed and paid-up share capital of the Applicant Company which is reflected in the share capital structure of the Applicant Company in paragraph 8 and 39 respectively. Also, Please note that pursuant to the updated information in respect of global depository receipts set out in paragraph 10, there has been corresponding changes in the shareholding pattern.*

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights		Total as a % of (A+B+C2)			No.	As a % of total Shares held	No.	As a % of total Shares held		
								Class X	Class Y				(a)	(b)	(a)	(b)		
(A)	Promoter & Promoter Group	20	303066224			303066224	37.54063					81401339	38.87					303066224
(B)	Public	133136	504235693			504235693	62.45937					100399889	61.13				NA	488403402
(C)	Non Promoter - Non Public	1	170870			170870	NA										NA	170870
(C1)	Shares Underlying DRs	1	170870			170870	NA										NA	170870
(C2)	Shares held by Employee Trusts																NA	
	Total	133157	807472787			807472787	100.00000					181801228	100.00					791640496

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total				(a)	(b)	(a)	(b)	
(I)	Indian																		
(a)	Individuals / Hindu Undivided Family																		
(b)	Central Government / State Government(s)																		
(c)	Financial Institutions / Banks																		
(d)	Others																		
(1)	Bodies Corporate		20	303066224			303066224	37.54063					81401339	38.87					303066224
	TATA SONS LIMITED	AAACT4060A		72654824			72654824	8.99971					28128181	10.19					72654824
	TATA SONS LIMITED	AAACT4060A		53330670			53330670	6.60604					17768803	7.19					53330670
	SIR DORABJI TATA TRUST	AAATS0494G		50221040			50221040	6.22085					0	5.08					50221040
	TATA SONS LIMITED	AAACT4060A		36000000			36000000	4.45930					11999400	4.85					36000000
	TATA SONS LIMITED	AAACT4060A		19951635			19951635	2.47140					8100000	2.84					19951635
	LADY TATA MEMORIAL TRUST	AAATL0052B		17728200			17728200	2.19598					0	1.79					17728200
	TATA SONS LIMITED	AAACT4060A		11375875			11375875	1.40912					7048688	1.86					11375875
	SIR RATAN TATA TRUST	AAATS1013P		11023220			11023220	1.36544					0	1.11					11023220
	TATA CHEMICALS LTD	AAACT4059M		7271666			7271666	0.90074					1636124	0.90					7271666
	TATA SONS LIMITED	AAACT4060A		6039000			6039000	0.74805					1358775	0.75					6039000

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights Total as a % of Total Voting rights					No.	As a % of total Shares held	No.	As a % of total Shares held	
Class X	Class Y	Total	(a)	(b)	(a)	(b)												
(f)	Others																	
	Sub-Total (A)(2)																	
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)		20	303066224			303066224	37.54063				81401339	38.87					303066224

Table III - Statement showing shareholding pattern of the Public shareholder

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y	Total								
(I)	Institutions																	NA	
(a)	Mutual Funds/UTI		65	90726894			90726894	11.23829					14198283	10.61				NA	90569231
	RELIANCE CAPITAL TRUSTEE CO. LTD A/C RELIANCE EQUITY OPPORTUNITIES FUND	AAATR0090B		39254075			39254075	4.86238					6035852	4.58				NA	39254075
	RELIANCE CAPITAL TRUSTEE CO. LTD. - A/C RELIANCE TAX SAVER (ELSS) FUND	AAATR0090B		12150000			12150000	1.50501					1113750	1.34				NA	12150000
(b)	Venture Capital Funds																	NA	
(c)	Alternate Investment Funds																	NA	
(d)	Foreign Venture Capital Investors																	NA	
(e)	Foreign Portfolio Investors																	NA	
(f)	Financial Institutions/Banks		33	88017933			88017933	10.90273					17299317	10.65				NA	88002433
	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H		65752493			65752493	8.14472					15254381	8.19				NA	65752493
	LIC OF INDIA MARKET PLUS GROWTH FUND	AAACL0582H		16953393			16953393	2.10001					0	1.71				NA	16953393
(g)	Insurance Companies		4	27474744			27474744	3.40328					8300852	3.62				NA	27474744
	GENERAL INSURANCE CORPORATION OF INDIA	AAACG0615N		12600160			12600160	1.56077					3636300	1.64				NA	12600160

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y	Total								
	THE NEW INDIA ASSURANCE COMPANY LIMITED	AAACN4165C		11484949			11484949	1.42263					3636000	1.53			NA		11484949
(h)	Provident Funds/ Pension Funds																NA		
(i)	Others																NA		
(1)	Foreign Institutional Investor		139	124399504			124399504	15.40929					25396717	15.14			NA		124379784
	GOVERNMENT PENSION FUND GLOBAL	AACCN1454E		29828666			29828666	3.69486					8409739	3.87			NA		29828666
	FRANKLIN TEMPLETON INVESTMENT FUNDS	AABCT5310J		13728147			13728147	1.70050					1385272	1.53			NA		13728147
(2)	Foreign Financial Institutions/Banks		4	5951			5951	0.00074					0	0.00			NA		5951
	Sub-Total (B)(1)		245	330625026			330625026	40.95432					65195169	40.02			NA		330432143
(2)	Central Government / State Government(s)/ President of India													0.00			NA		
(a)	Central Government / State Government(s)/ President of India		1	1032			1032	0.00013					968	0.00			NA		1032
(3)	Non-Institutions																		
(a(i))	Individual shareholders holding nominal share capital up to Rs. 2 lakhs		125896	113938188			113938188	14.11345					14225401	12.96			NA		98739605
(a(ii))	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		15	8516786			8516786	1.05497					12234360	2.10			NA		8223586

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights		Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y								
(b)	NBFCs registered with RBI																NA	
(c)	Employee Trusts																NA	
(d)	Overseas Depositories (holding DRs) (balancing figure)																NA	
(e)	Others																NA	
(1)	Trusts		26	98766			98766	0.01223					20923	0.01			NA	98766
(2)	Directors & their Relatives		5	157225			157225	0.01948					37581	0.02			NA	157225
(3)	Foreign Nationals		4	8180			8180	0.00101					900	0.00			NA	8180
(4)	Non Resident Indians		2149	4432348			4432348	0.54903					405924	0.49			NA	4382068
(5)	Clearing Members Indians		164	1435894			1435894	0.17786					34991	0.15			NA	1435894
(6)	Hindu Undivided Families		2846	2214382			2214382	0.27429					809190	0.31			NA	2214382
(7)	Bodies Corporate		1785	42807866			42807866	5.30258					7434482	5.08			NA	42710521
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	AAACI7351P		20408445			20408445	2.52798						2.06			NA	20408445
	Sub-Total (B)(3)		132890	173609635			173609635	21.50492					35203752	21.11			NA	157970227
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)		133136	504235693			504235693	62.45937					100399889	61.13			NA	488403402

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII = IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y	Total								
(1)	Shares underlying DRs																NA		
(a)	Custodian/ DR Holder		1	170870			170870	0.02117					0	0.01728			NA	17087	
(2)	Shares held by Employee Trusts																NA		
(a)	Employee Benefit Trust (under SEBI (share based Employee Benefit) Regulations, 2014)																NA		
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)		1	170870			170870	0.02117					0	0.01728			NA	170870	

Pre-Scheme shareholding pattern of the Transferor Company as on March 1, 2016:

Name of the Shareholder	No. of Shares held	% to Paid-up Cap.
The Indian Hotels Company Limited	99,99,999	100%
The Indian Hotels Company Limited jointly with Mr. R H Parekh	1	0%
Total	1,00,00, 000	100%

Post-Scheme shareholding pattern of Applicant Company:

The Transferor Company is a wholly owned subsidiary of the Applicant Company. As per Clause 14 of the Scheme, upon the Scheme coming into effect, all equity shares in the Transferor Company held by the Applicant Company will stand cancelled without any further application, act or deed and no new shares shall be issued or payment made in cash or kind whatsoever by the Applicant Company. Therefore, the shareholding pattern of the Applicant Company will not undergo any changes pursuant to the Scheme becoming effective and shall remain as set out above.

39. The post-Scheme (expected) capital structure of the Applicant Company will be as follows (assuming the continuing capital structure as on March 1, 2016):

A. Authorised Share Capital	Amount in INR
200,00,00,000 equity shares of face value of INR 1 each	200,00,00,000
Total	200,00,00,000

B. Issued and Subscribed Share Capital	Amount in INR
<i>Issued Share Capital</i>	
98,92,90,519 equity shares of face value of INR 1 each fully paid up*	98,92,90,519
<i>Subscribed Share Capital</i>	
98,92,74,015 equity shares of face value of INR 1 each fully paid up*	98,92,74,015

C. Paid-up Share Capital	Amount in INR
98,92,74,015 equity shares of face value of INR 1 each fully paid up*	98,92,74,015
Total	98,92,74,015

**includes equity shares represented by GDRs*

Note: 16,504 equity shares were issued but not subscribed to as at the end of the respective years and have been kept in abeyance pending resolution of legal dispute.

40. The pre-Scheme capital structure of the Transferor Company is mentioned in paragraph 17 above. The Scheme provides that upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed.

Inspection Documents

3. The following documents will be open for inspection by the members of the Applicant Company at its registered office at Mandlik House, Mandlik Road, Mumbai 400001, India between 10:00 a.m. to 5:00 p.m. on any working day up to May 3, 2016:
- (i) Authenticated/ Certified copy of the order passed by the High Court of Judicature at Bombay in Company Summons for Direction No. 103 of 2016, dated February 26, 2016 directing the Applicant Company to convene the Court Convened Meeting;
 - (ii) Copy of the Scheme;
 - (iii) Copies of the Memorandum of Association and Articles of Association of the Applicant Company and the Transferor Company;
 - (iv) Copies of the annual reports of the Applicant Company and the Transferor Company for the last three financial years ended March 31, 2013, 2014 and 2015;
 - (v) Copies of the audited condensed financials of the Applicant Company for the nine months period ended September 30, 2015 and of audited financials of the Transferor Company for the half year ended September 30, 2015;
 - (vi) Copies of the audited interim condensed (standalone) financials and unaudited interim condensed (consolidated) financials of the Applicant Company for the nine months period ended December 31, 2015 and the audited financials of the Transferor Company for the nine-months period ended December 31, 2015;
 - (vii) Register of Directors' Shareholding of the Applicant Company;
 - (viii) Copy of the fairness opinion, dated October 19, 2015, issued by Fortress Capital Management Services Private Limited to the Board of Directors of the Applicant Company;
 - (ix) Copy of the complaints report, dated November 23, 2015 submitted by the Applicant Company to BSE Limited and dated November 18, 2015 submitted to National Stock Exchange of India Limited;
 - (x) Copy of the Audit Committee Report dated October 19, 2015 of the Applicant Company;
 - (xi) Copies of the resolutions passed by the respective Board of Directors of the Transferor Company and the Applicant Company dated October 19, 2015 approving the Scheme; and
 - (xii) Copy of the no adverse observations/no-objection letters issued by BSE Limited dated December 16, 2015 and by National Stock Exchange of India Limited dated December 17, 2015, to the Applicant Company.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013. A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the registered office of the Applicant Company on all days (except Saturdays, Sundays and public holidays).

Dated at Mumbai this 8th day of March, 2016.

Cyrus P. Mistry
Chairman for the Court Convened Meeting

Registered Office:

Mandlik House, Mandlik Road,
Mumbai 400001, India

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of the equity shareholders of The Indian Hotels Company Limited will be held on Wednesday, May 4, 2016, at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 at 11:30 a.m., or immediately after the conclusion of the Court Convened Meeting to be held at 10.30 a.m. whichever is later to transact the following business:

1. **Reduction of Share Capital of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following by way of a **special resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable (including any statutory modification(s) or re-enactment thereof, for the time being in force) and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with circular issued thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Articles of Association and relevant provisions of applicable laws, and subject to the approval of the High Court of Judicature at Bombay and the Securities and Exchange Board of India of the scheme of arrangement between Lands End Properties Private Limited (**“Transferor Company”**), The Indian Hotels Company Limited (**“Transferee Company”** or **“Company”**) and their respective shareholders and creditors under Section 391 to 394, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable, (the **“Scheme”**) consent of the members of the Company be and is hereby accorded to the reduction of the securities premium account of the Company by an amount upto INR 670 crores (Rupees Six hundred seventy crores only) being (i) the difference between the carrying amount of the shares of the Transferor Company held by the Company (as recorded in the books of accounts of the Company) and the aggregate face value of such shares, arising on account of cancellation of such shares of the Transferor Company held by the Company, pursuant to the Scheme; and (ii) the entire debit balance in profit and loss account of the Company (including the debit balance of the Transferor Company that would be transferred to the profit and loss account of the Company in accordance with Clause 16(a)(ii) of the Scheme as at the Appointed Date), pursuant to the Scheme.

RESOLVED FURTHER THAT any of Directors of the Company and the Company Secretary, be and are hereby severally authorised to do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution including but not limited to:

- (i) settling, finalising, executing and filing all necessary documents including the petition, affidavits, pleading and such other documents as may be required to be filed with the High Court of Judicature at Bombay or any other authority and such further deeds, documents and writings as may be necessary in this regard;
- (ii) making applications to the relevant authorities or other persons for their approval to the said reduction, as may be required;
- (iii) making such disclosures to governmental or regulatory authorities as may be required;
- (iv) affixing the Common Seal of the Company, if any, in accordance with the provisions of the Articles of Association of the Company on any document in connection with the above resolution, as may be required; and
- (v) settling all questions, difficulties or doubts that may arise in connection with the reduction of capital as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board of Directors to exercise its powers including the powers conferred by this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary, proper or expedient, for or in connection with or for giving effect to this resolution and to resolve all difficulties and to delegate the authority conferred by this resolution to such person or persons as the Board deems fit.”

Dated at Mumbai this 8th day of March, 2016

By Order of the Board of Directors

BEEJAL DESAI

Vice President - Legal and Company Secretary

Registered Office:

Mandlik House, Mandlik Road,
Mumbai 400001, India

Notes:

1. All alterations made in the form of proxy should be initialed.
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 such proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the registered office of the Company not less than 48 hours before the commencement of the extraordinary general meeting. A person can act as proxy on behalf of members not exceeding fifty 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. In compliance with the provisions of Section 108 read with the Companies (Management and Administration) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable), the members of the Company may cast their votes electronically i.e. through remote e-voting.
3. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing remote e-voting facility to all its members. Members desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the Notes under the Section ‘Voting through electronic means’ in this Notice.
4. The authorized representative of a body corporate or Foreign Institutional Investor (“**FII**”) which is a registered equity shareholder of the Company may attend and vote at the meeting, provided a certified true copy of the resolution of the board of directors or other governing body of such body corporate/ FII, under Section 113 of the Companies Act, 2013, authorizing such representative to attend and vote at the meeting on behalf of such body corporate/ FII is deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.
5. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the said resolution is annexed herewith.

6. All documents referred to in the accompanying Explanatory Statement are open for inspection at the registered office of the Company between 10:00 a.m. and 5:00 p.m. on all working days upto May 3, 2016. The registered office of the Company is situated at Mandlik House, Mandlik Road, Mumbai 400 001, India.
7. The Notice, together with the documents accompanying the same, is being sent to all the members by permitted mode (and electronically by e-mail to those members who have registered their e-mail ids with the Company/ registrar and share transfer agents/ NSDL/ CDSL), whose names appear in the register of members/list of beneficial owners as received from NSDL/CDSL as on March 18, 2016. The Notice will be displayed on the website of the Company <https://www.tajhotels.com/en-in/about-taj-group/investors/investor-services/postal-ballot/> and on the website of CDSL (www.cdslindia.com).
8. The date of dispatch of the Notice and the Explanatory Statement will be announced through advertisement in the following newspapers: (i) Financial Express in English language; and (ii) Loksatta (Mumbai edition) in Marathi language, having wide circulation in the district where the registered office of Company is situated.
9. The Company has appointed Mr. Shreepad M. Korde, Practicing Company Secretary (Membership No. 563) as the scrutinizer to conduct e-voting process in a fair and transparent manner.
10. The e-voting period commences on April 29, 2016 (9:00 a.m. IST) and ends on May 3, 2016 (5:00 p.m. IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date, i.e. April 27, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting on May 3, 2016 at 5.00 p.m. IST. Once the vote on the resolution is cast by a member, he or she will not be allowed to change it subsequently.
11. It is clarified that casting of votes by remote e-voting does not disentitle a member from attending the extraordinary general meeting.
12. It may be noted that the e-voting facility will also be provided at the meeting and members attending the meeting who have not cast their vote before the meeting shall be entitled to exercise their right at the meeting.
13. **Voting through Electronic Means**

The instructions for members for voting electronically are as under:-

- (i) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) The members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on 'Shareholders'.
- (iv) Now enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for The Indian Hotels Company Limited.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Non – Individual Members and Custodians**

- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“**FAQs**”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO NOTICE OF EXTRAORDINARY GENERAL MEETING
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

1. The Board of Directors of The Indian Hotels Company Limited (“**Company**” or “**Transferee Company**”), had at its meeting held on October 19, 2015, approved the amalgamation of the Lands End Properties Private Limited (“**Transferor Company**”), a wholly owned subsidiary of the Company, with the Company, by way of a court approved scheme of arrangement between the Company, the Transferor Company and their respective shareholders and creditors under the provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable (the “**Scheme of Arrangement**” or the “**Scheme**”).
2. The proposed Scheme will be operative from the Effective Date (the last of the dates on which all the conditions and matters referred to in Clause 18(a) of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of ‘coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall be construed as references to the Effective Date), but shall be effective from the Appointed Date (the close of business on March 31, 2016 or such other date as may be determined by the Board of Directors of the Company and the Transferor Company).
3. As per Clause 14 of the Scheme, upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Company (directly and/or through nominees) shall stand cancelled without any further application, act or deed. Further, no new shares shall be issued or payment made in cash or in kind whatsoever by the Company in lieu of such shares of the Transferor Company.
4. As the acquisition by the Company of the shares of the Transferor Company was at a premium to the face value of the shares, upon cancellation of such shares consequent to the amalgamation, the carrying amount of such investment in the books of the Company shall stand reduced accordingly and the difference between such carrying amount and the aggregate face value of such shares of the Transferor Company held by the Company shall be adjusted against the securities premium account of the Company.
5. Further, the entire debit balance in profit and loss account of the Company (including the debit balance in the profit and loss account of the Transferor Company that would be recorded in the books of account of the Company at their existing carrying amounts and in the same form in accordance with Clause 16(a)(ii) of the Scheme) shall also be adjusted against the securities premium account of the Company. All such adjustments against the securities premium account of the Company shall be effected in accordance with provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of law. Members should note that the adjustment as aforesaid in the securities premium account of the Company would also be included in the consolidated financial statements.
6. For the limited purpose of enabling the members to better understand the scope and implications of the Scheme, in relation to the Company, and the proposed reduction in the securities premium account, set out below is a comparison of the balance sheet of the Company as on December 31, 2015 and the indicative amalgamated balance sheet of the Company, based on the financial information as on December 31, 2015:

	Standalone		Consolidated	
	Pre – Amalgamation *(as on December 31, 2015)	Post – Amalgamation *(based on balance sheet information as on December 31, 2015)	Pre – Amalgamation *(as on December 31, 2015)	Post – Amalgamation *(based on balance sheet information as on December 31, 2015)
	₹ crores	₹ crores	₹ crores	₹ crores
Equity and Liabilities				
Shareholders' Funds				
Share Capital	80.75	80.75	80.75	80.75
Reserves and Surplus	2,721.57	2,414.08	2,191.46	1,898.72
	2,802.32	2,494.83	2,272.21	1,979.47
Minority Interest	-	-	848.18	848.18
Non-current Liabilities				
Long-term Borrowings	2,763.87	2,763.87	4,605.96	4,605.96
Deferred Tax Liabilities (net)	247.42	247.42	314.82	314.82
Other Long-term Liabilities	588.71	588.71	591.62	591.62
Long-term Provisions	43.11	43.11	75.01	75.01
	3,643.11	3,643.11	5,587.41	5,587.41
Current Liabilities				
Short-term Borrowings	6.19	6.19	28.50	28.50
Trade Payables	206.99	206.99	404.50	404.50
Other Current Liabilities	918.85	1,604.79	2,659.33	2,659.33
Short-term Provisions	82.62	82.81	143.54	143.54
	1,214.65	1,900.78	3,235.87	3,235.87
Total	7,660.08	8,038.72	11,943.67	11,650.93
Assets				
Non-current Assets				
Fixed Assets (net)	2,192.22	2,192.22	6,977.28	6,977.28
Goodwill on consolidation (net)	-	-	1,328.49	1,035.75
Non-current Investments	2,800.23	3,059.05	1,015.58	1,015.58
Deferred Tax Assets (Net)	-	-	3.31	3.31
Long-term Loans and Advances	1,381.22	1,381.22	527.31	527.31
Other Non-current Assets	2.36	2.36	9.29	9.29
	6,376.03	6,634.85	9,861.26	9,568.52
Current Assets				
Current Investments	470.21	470.21	556.01	556.01
Inventories	50.16	50.16	107.86	107.86
Trade Receivables	203.64	204.83	411.54	411.54
Cash and Cash Equivalents	330.29	435.78	674.91	674.91
Short-term Loans and Advances	180.24	194.00	236.90	236.90
Other Current Assets	49.51	48.89	95.19	95.19
	1,284.05	1,403.87	2,082.41	2,082.41
Total	7,660.08	8,038.72	11,943.67	11,650.93

*With reference to the foregoing information, the members are requested to note the following:

- (a) The above financial information, with reference to the “standalone” figures, is prepared based on the audited interim condensed financial statements (standalone) of the Applicant Company and the audited financial statements of the Transferor Company (standalone) both for the nine-month period ended December 31, 2015. The above financial information, with reference to the “consolidated” figures, is prepared based on the unaudited interim condensed consolidated financial statements of the Applicant Company for the nine-month period ended December 31, 2015.
- (b) The Appointed Date for the Scheme is the close of business on March 31, 2016. Members are requested to note that as the above financial information is provided for only indicative purpose as it is based on information (as set out above) as on December 31, 2015, and does not take into consideration the January-March 2016 period. Pursuant to effectiveness of the Scheme, the balance sheet of the Applicant Company as on the Appointed Date will need to take into account the impact of the January-March 2016 period. The terms ‘Pre Amalgamation’ and ‘Post Amalgamation’ as set out above need to be understood in this context.
- (c) Pursuant to the conversion of the CCDs (referred to in paragraph 11 below), the securities premium account of the Applicant Company has been increased by INR 981.73 crores (Rupees Nine hundred eighty one decimal seven three crores only). The effect of the same will be reflected in the financial statements for the year ending March 31, 2016.
- (d) The Scheme incorporates provisions for a proposed reduction to the securities premium account of the Applicant Company, whereby, *inter alia*, the entire debit balance in profit and loss account of the Applicant Company (including the debit balance in the profit and loss account of the Transferor Company that would be recorded in the books of account of the Applicant Company at their existing carrying amounts and in the same form in accordance with Clause 16(a)(ii) of the Scheme) shall be adjusted against the securities premium account of the Applicant Company. As on December 31, 2015 the debit balance in the profit and loss account of the Applicant Company is an amount of INR 358.60 crores (Rupees Three hundred fifty eight decimal six zero crores only) and the debit balance in the profit and loss account of the Transferor Company is an amount of INR 300.37 crores (Rupees Three hundred decimal thirty seven crores only).
- (e) The Applicant Company is in the process of undertaking a scheme of arrangement (pursuant to Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 as applicable), *inter alia* for the amalgamation of its wholly owned subsidiary, International Hotel Management Services LLC, with itself (“**IHMS Scheme**”), with effect from the appointed date being the opening of business on January 1, 2016. The approval of the members shall separately be sought for the IHMS Scheme. The impact of the IHMS Scheme thereof has not been considered in the above financial information.
- (f) In this regard, members are requested to note that the IHMS Scheme also incorporates provisions for a proposed reduction to the securities premium account, whereby there will be an adjustment of the debit balance in profit and loss account of the Applicant Company (including the debit balance of the International Hotel Management Services LLC that would be transferred to the profit and loss account of the Applicant Company, pursuant to the IHMS Scheme with effect from the appointed date being the opening of business on January 1, 2016). The amount of deficit in profit and loss account of the Applicant Company, as of

December 31, 2015 as mentioned above, does not take into account the effect of the IHMS Scheme (including the proposed reduction thereunder). The amount by which the reduction under this Scheme shall be effected would depend on which scheme (i.e. this Scheme or the IHMS Scheme) becomes effective first.

- (g) Members will note that pursuant to the Transferor Company becoming a wholly owned subsidiary of the Applicant Company, the outstanding debt in the Transferor Company and its subsidiary aggregating to approximately INR 1400 crores (Rupees Fourteen hundred crores only) has already been reflected in the Applicant Company's consolidated balance sheet as on December 31, 2015, with the corresponding cost of the debt being reflected in the Applicant Company's consolidated profit and loss account for the quarter ended December 31, 2015.
7. For giving effect to the above provisions for adjustment in the securities premium account, approval of the shareholders by way of a special resolution is required for reduction of the securities premium account of the Company by an amount upto INR 670 crores (Rupees Six seventy crores only), in terms of Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956, before the Company files a petition to obtain the sanction of the High Court of Judicature at Bombay.
8. The proposed restructuring will not cause any prejudice either to the shareholders or to the creditors of the Company. For the sake of clarity, it is specified that the reduction in the securities premium account shall be effected as an integral part of the Scheme and does not involve either the diminution of the liability in respect of the unpaid share capital or payment to any shareholder of any unpaid share capital. Further, the proposed restructuring would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in ordinary course of business.
9. The pre-Scheme shareholding pattern of the Company and the Transferor Company and the post-Scheme shareholding pattern of the Company are as under:

Pre-Scheme shareholding pattern of Company as on December 31, 2015 (as submitted to BSE Limited and National Stock Exchange of India Limited on January 19, 2016)*:

**Note: Please note that the shareholding pattern provided is as last submitted to the Stock Exchanges, and does not reflect changes in shareholding post - December 31, 2015. In this regard note that the Company has on March 1, 2016, allotted 18,18,01,228 equity shares of face value of INR 1 each at a premium of INR 54 per share, pursuant to the conversion of the CCDs (as defined in paragraph 11 below) issued on a rights issue basis, as a result of which there has been a corresponding increase in the issued, subscribed and paid-up share capital of the Company which is reflected in the share capital structure of the Company in paragraph 10. Also, please note that pursuant to the updated information in respect of global depository receipts set out in paragraph 11, there has been corresponding changes in the shareholding pattern.*

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total as a % of (A+B+C2)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y								
(A)	Promoter & Promoter Group	20	303066224			303066224	37.54063					81401339	38.87				303066224
(B)	Public	133136	504235693			504235693	62.45937					100399889	61.13			NA	488403402
(C)	Non Promoter - Non Public	1	170870			170870	NA									NA	170870
(C1)	Shares Underlying DRs	1	170870			170870	NA									NA	170870
(C2)	Shares held by Employee Trusts															NA	
	Total	133157	807472787			807472787	100.00000					181801228	100.00				791640496

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights		Total as a % of Total Voting rights			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y									Total
(I)	Indian																		
(a)	Individuals / Hindu Undivided Family																		
(b)	Central Government / State Government(s)																		
(c)	Financial Institutions / Banks																		
(d)	Others																		
(1)	Bodies Corporate		20	303066224			303066224	37.54063				81401339	38.87					303066224	
	TATA SONS LIMITED	AAACT4060A		72654824			72654824	8.99971				28128181	10.19					72654824	
	TATA SONS LIMITED	AAACT4060A		53330670			53330670	6.60604				17768803	7.19					53330670	
	SIR DORABJI TATA TRUST	AAATS0494G		50221040			50221040	6.22085				0	5.08					50221040	
	TATA SONS LIMITED	AAACT4060A		36000000			36000000	4.45930				11999400	4.85					36000000	
	TATA SONS LIMITED	AAACT4060A		19951635			19951635	2.47140				8100000	2.84					19951635	
	LADY TATA MEMORIAL TRUST	AAATL0052B		17728200			17728200	2.19598				0	1.79					17728200	
	TATA SONS LIMITED	AAACT4060A		11375875			11375875	1.40912				7048688	1.86					11375875	
	SIR RATAN TATA TRUST	AAATS1013P		11023220			11023220	1.36544				0	1.11					11023220	
	TATA CHEMICALS LTD	AAACT4059M		7271666			7271666	0.90074				1636124	0.90					7271666	
	TATA SONS LIMITED	AAACT4060A		6039000			6039000	0.74805				1358775	0.75					6039000	

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights		Total as a % of Total Voting rights			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y									Total
									(a)	(b)	(a)			(b)					
	TATA INVESTMENT CORPORATION LIMITED	AAACT4120F		5264943			5264943	0.65217					1861830	0.72					5264943
	TATA INVESTMENT CORPORATION LTD	AAACT4120F		4629117			4629117	0.57341					1637060	0.63					4629117
	TATA SONS LIMITED	AAACT4060A		2700000			2700000	0.33445					607500	0.33					2700000
	TATA GLOBAL BEVERAGES LIMITED	AABCT0602K		1687742			1687742	0.20906					379741	0.21					1687742
	EWART INVESTMENTS LIMITED	AAACE2546C		1318543			1318543	0.16333					454545	0.18					1318543
	TAJ MADURAI LIMITED	AAACT1242N		765574			765574	0.09483					172254	0.09					765574
	ORIENTAL HOTELS LIMITED	AAACO0728N		511836			511836	0.06340					115163	0.06					511836
	TATA INDUSTRIES LIMITED	AAACT4058L		452571			452571	0.05606					101828	0.06					452571
	TAIDA TRADING AND INDUSTRIES LIMITED	AAACT1683P		127768			127768	0.01583					28747	0.02					127768
	TATA CAPITAL LTD	AADCP9147P		12000			12000	0.00149					2700	0.00					12000
	Sub-Total (A)(I)		20	303066224			303066224	37.54063					81401339	38.87					303066224
(2)	Foreign																		
(a)	Individuals (NRIs / Foreign Individuals)																		
(b)	Government																		
(c)	Institutions																		
(d)	Foreign Portfolio Investor																		

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights		Total as a % of Total Voting rights			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y								
(f)	Others																	
	Sub-Total (A)(2)																	
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)		20	303066224			303066224	37.54063					81401339	38.87				303066224

Table III - Statement showing shareholding pattern of the Public shareholder

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights					Total as a % of Total Voting rights	No.	As a % of total Shares held	No. (Not Applicable)		As a % of total Shares held (Not Applicable)
									Class X	Class Y	Total								
(I)	Institutions																NA		
(a)	Mutual Funds/UTI		65	90726894			90726894	11.23829					14198283	10.61			NA	90569231	
	RELIANCE CAPITAL TRUSTEE CO. LTD A/C RELIANCE EQUITY OPPORTUNITIES FUND	AAATR0090B		39254075			39254075	4.86238					6035852	4.58			NA	39254075	
	RELIANCE CAPITAL TRUSTEE CO. LTD. - A/C RELIANCE TAX SAVER (ELSS) FUND	AAATR0090B		12150000			12150000	1.50501					1113750	1.34			NA	12150000	
(b)	Venture Capital Funds																NA		
(c)	Alternate Investment Funds																NA		
(d)	Foreign Venture Capital Investors																NA		
(e)	Foreign Portfolio Investors																NA		
(f)	Financial Institutions/Banks		33	88017933			88017933	10.90273					17299317	10.65			NA	88002433	
	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H		65752493			65752493	8.14472					15254381	8.19			NA	65752493	
	LIC OF INDIA MARKET PLUS GROWTH FUND	AAACL0582H		16953393			16953393	2.10001					0	1.71			NA	16953393	
(g)	Insurance Companies		4	27474744			27474744	3.40328					8300852	3.62			NA	27474744	
	GENERAL INSURANCE CORPORATION OF INDIA	AAACG0615N		12600160			12600160	1.56077					3636300	1.64			NA	12600160	

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights		Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y								
	THE NEW INDIA ASSURANCE COMPANY LIMITED	AAACN4165C		11484949			11484949	1.42263					3636000	1.53			NA	11484949
(h)	Provident Funds/ Pension Funds																NA	
(i)	Others																NA	
(1)	Foreign Institutional Investor		139	124399504			124399504	15.40929					25396717	15.14			NA	124379784
	GOVERNMENT PENSION FUND GLOBAL	AACCN1454E		29828666			29828666	3.69486					8409739	3.87			NA	29828666
	FRANKLIN TEMPLETON INVESTMENT FUNDS	AABCT5310J		13728147			13728147	1.70050					1385272	1.53			NA	13728147
(2)	Foreign Financial Institutions/Banks		4	5951			5951	0.00074					0	0.00			NA	5951
	Sub-Total (B)(I)		245	330625026			330625026	40.95432					65195169	40.02			NA	330432143
(2)	Central Government / State Government(s)/ President of India													0.00			NA	
(a)	Central Government / State Government(s)/ President of India		1	1032			1032	0.00013					968	0.00			NA	1032
(3)	Non-Institutions																	
(a(i))	Individual shareholders holding nominal share capital up to Rs. 2 lakhs		125896	113938188			113938188	14.11345					14225401	12.96			NA	98739605
(a(ii))	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		15	8516786			8516786	1.05497					12234360	2.10			NA	8223586

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII= IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights		Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y								
(b)	NBFCs registered with RBI																NA	
(c)	Employee Trusts																NA	
(d)	Overseas Depositories (holding DRs) (balancing figure)																NA	
(e)	Others																NA	
(1)	Trusts		26	98766			98766	0.01223					20923	0.01			NA	98766
(2)	Directors & their Relatives		5	157225			157225	0.01948					37581	0.02			NA	157225
(3)	Foreign Nationals		4	8180			8180	0.00101					900	0.00			NA	8180
(4)	Non Resident Indians		2149	4432348			4432348	0.54903					405924	0.49			NA	4382068
(5)	Clearing Members Indians		164	1435894			1435894	0.17786					34991	0.15			NA	1435894
(6)	Hindu Undivided Families		2846	2214382			2214382	0.27429					809190	0.31			NA	2214382
(7)	Bodies Corporate		1785	42807866			42807866	5.30258					7434482	5.08			NA	42710521
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	AAACI7351P		20408445			20408445	2.52798						2.06			NA	20408445
	Sub-Total (B)(3)		132890	173609635			173609635	21.50492					35203752	21.11			NA	157970227
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)		133136	504235693			504235693	62.45937					100399889	61.13			NA	488403402

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII = IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)(XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not Applicable)	As a % of total Shares held (Not Applicable)	
									Class X	Class Y	Total								
(1)	Shares underlying DRs																NA		
(a)	Custodian/ DR Holder		1	170870			170870	0.02117					0	0.01728			NA	170870	
(2)	Shares held by Employee Trusts																NA		
(a)	Employee Benefit Trust (under SEBI (share based Employee Benefit) Regulations, 2014)																NA		
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)		1	170870			170870	0.02117					0	0.01728			NA	170870	

Pre-Scheme shareholding pattern of the Transferor Company (as on March 1, 2016):

Name of the Shareholder	No. of Shares held	% to Paid-up Cap.
The Indian Hotels Company Limited	99,99,999	100%
The Indian Hotels Company Limited jointly with Mr. R H Parekh	1	0%
Total	1,00,00, 000	100%

Post-Scheme shareholding pattern of Company:

The Transferor Company is a wholly owned subsidiary of the Company. As per Clause 14 of the Scheme, upon the Scheme coming into effect, all equity shares in the Transferor Company held by the Company will stand cancelled without any further application, act or deed and no new shares shall be issued or payment made in cash or kind whatsoever by the Company. Therefore, the shareholding pattern of the Company will not undergo any changes pursuant to the Scheme becoming effective and shall remain as set out above.

10. The post-Scheme (expected) capital structure of the Company will be as follows (assuming the continuing capital structure as on March 1, 2016):

A. Authorised Share Capital	Amount in INR
200,00,00,000 equity shares of face value of INR 1 each	200,00,00,000
Total	200,00,00,000

B. Issued and Subscribed Share Capital	Amount in INR
<i>Issued Share Capital</i>	
98,92,90,519 equity shares of face value of INR 1 each fully paid up*	98,92,90,519
<i>Subscribed Share Capital</i>	
98,92,74,015 equity shares of face value of INR 1 each fully paid up*	98,92,74,015

C. Paid-up Share Capital	Amount in INR
98,92,74,015 equity shares of face value of INR 1 each fully paid up*	98,92,74,015
Total	98,92,74,015

**includes equity shares represented by GDRs*

Note: 16,504 equity shares were issued but not subscribed to as at the end of the respective years and have been kept in abeyance pending resolution of legal dispute.

11. Members may note that the share capital structure of the Company provided stated in the Scheme is as of September 30, 2015. The Company had allotted 18,18,01,228 (Eighteen crores eighteen lakhs one thousand two hundred and twenty eight) compulsorily convertible debentures (“CCDs”) on rights issue basis on September 1, 2014. As per the terms of the issue, each CCD of face value of INR 55 each was automatically and compulsorily convertible into 1 (One) equity share fully paid up of face value of INR 1 (Rupee One only) each

at a premium of INR 54 (Rupees Fifty four only) per share upon the expiry of 18 (Eighteen) months from the date of allotment of the CCD, i.e. on March 1, 2016. The CCDs had been listed on BSE Limited and National Stock Exchange of India Limited. The Applicant Company has on March 1, 2016, allotted 18,18,01,228 (Eighteen crores eighteen lakhs one thousand two hundred and twenty eight) equity shares of face value of INR 1 (Rupee One only) each at a premium of INR 54 (Rupees Fifty four only) per share, pursuant to the conversion of the said CCDs, as a result of which there has been a corresponding increase in the issued, subscribed and paid-up share capital of the Company in paragraph 10 above.

12. The members are requested to read the entire text of the Scheme to get acquainted with the provisions thereof.
13. The Company has obtained the approval of the Scheme in terms of Clause 24(f) of the equity listing agreement with National Stock Exchange of India Limited and BSE Limited *vide* their observation letters dated December 17, 2015 and December 16, 2015 respectively. The Audit Committee and the Board of Directors of the Applicant Company have on February 24, 2016 and February 29, 2016 respectively approved this Explanatory Statement and the Notice pertaining to the same.
14. The Resolution is subject to the confirmation of the Scheme of Arrangement by the High Court of Judicature at Bombay, the Securities and Exchange Board of India and/or appropriate authorities as may be applicable.
15. Your Directors recommend approval of the Special Resolution.
16. None of the Directors, the Key Managerial Personnel (as defined under the Companies Act, 2013 and rules formed thereunder) of the Company and their respective relatives (as defined under the Companies Act, 2013 and rules formed thereunder) have any interest in the Scheme except to the extent of equity shares held by them in the Company. The shareholding of the said Directors and Key Managerial Personnel and their relatives, is less than 2% of the paid-up share capital of the Company. The effect of the Scheme on the interests of the Directors and Key Managerial Personnel and their relatives, is not any different from the effect of the Scheme on other shareholders of the Company. The details of the shareholding of the Directors, Key Managerial Personnel and their relatives as on March 1, 2016 is as follows:

Sl. No	Name	No. of shares held in Company	No. of shares held in Transferor Company
1	Cyrus Pallonji Mistry	128625	Nil
2	Mehernosh Sorab Kapadia	24180	Nil
3	Villu Mehernosh Kapadia (Relative of Mr. M S Kapadia)	39300	Nil
4	Khushnoo Mehernosh Kapadia (Relative of Mr. M S Kapadia)	140	Nil
5	Harsha Shantilal Parekh (Relative of Mr. Deepak Parekh)	2561	Nil

Dated at Mumbai this 8th day of March, 2016

By Order of the Board of Directors

Registered office:

Mandlik House, Mandlik Road,
Mumbai 400001, India

BEEJAL DESAI

Vice President - Legal and Company Secretary

SCHEME OF ARRANGEMENT

AMONGST

Lands End Properties Private Limited ... Transferor Company

AND

The Indian Hotels Company Limited ... Transferee Company

AND

their respective shareholders and creditors

**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 READ WITH SECTION 52 OF
THE COMPANIES ACT, 2013, SECTION 78 AND SECTIONS 100 TO 103 OF THE
COMPANIES ACT, 1956**

PART I – GENERAL

- A. Lands End Properties Private Limited is a private limited company incorporated under the Act (*as defined hereinafter*), having its registered office at Mandlik House, Mandlik Road, Mumbai 400001 (the “**Transferor Company**”). The Transferor Company is primarily engaged in the business of, *inter alia*, owning and developing hotels, shopping malls, etc. The Transferor Company is a wholly owned subsidiary of the Transferee Company (*as defined hereinafter*). The NCDs (*as defined hereinafter*) issued by the Transferor Company are listed on the BSE Limited (“**BSE**”) under the Wholesale Debt Market Segment.
- B. The Indian Hotels Company Limited is a public limited company originally incorporated under the Indian Companies Act of 1882 and continuing its existence under the Act, having its registered office at Mandlik House, Mandlik Road, Mumbai 400001 (the “**Transferee Company**”). The Transferee Company is primarily engaged in the business of owning, operating and managing hotels, palaces and resorts and its objects include acquiring and holding shares in any other company having objects altogether or in part similar to those of the Transferee Company or carrying on any business capable of being conducted so as directly or indirectly to benefit the Transferee Company. The equity shares of the Transferee Company are listed on the BSE and on the National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”).
- C. The Scheme (*as defined hereinafter*) shall enable the business of the Transferor Company, by virtue of becoming part of a larger entity, to have access to the financial resources, management experience and expertise of the Transferee Company. The Scheme would thus enable the business of the Transferor Company to leverage the resources of the Transferee Company and facilitate raising of funds on competitive terms and achieving operational and cost synergies.

- D. The Scheme shall enable the Transferee Company to reap several other benefits including:
- (i) simplify management structure, leading to better administration;
 - (ii) a reduction in costs from more focused operational efforts, rationalization, standardisation and simplification of business processes;
 - (iii) the elimination of duplication, and rationalization of administrative expenses;
 - (iv) simplify shareholding structure and reduce shareholding tiers; and
 - (v) facilitating a wider and stronger base for future growth through the addition of assets by leveraging upon benefits of scale, translating into increased business opportunities and reduced expenses.
- E. Accordingly, it is proposed that the Transferor Company be amalgamated with the Transferee Company, followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares held by the Transferee Company in the Transferor Company, and various other matters consequential to or otherwise integrally connected with the above pursuant to Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Act, in the manner provided for in the Scheme.
- F. The amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date (*as defined hereinafter*).
- G. The amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Sections 391 to 394 and other relevant provisions of the Act and Section 2(1B) of the Income Tax Act, 1961, such that:
- (i) all the properties of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of the amalgamation; and
 - (ii) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of the amalgamation.
- H. Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon this Scheme becoming effective, the shares held by the Transferee Company in the Transferor Company will stand cancelled and no consideration whatsoever shall pass from the Transferee Company.
- I. This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as specified under Section 2(1B) of the Income Tax Act, 1961. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions, including resulting from an amendment of law or for any other reason whatsoever, the Scheme may be modified in the manner provided in this Scheme to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.
- J. This Scheme is divided into the following parts:
- (i) **Part I**, which deals with the introduction and definitions, and sets out the share capital of the Transferor Company and the Transferee Company;
 - (ii) **Part II**, which deals with the amalgamation of the Transferor Company with the Transferee Company; and

(iii) **Part III**, which deals with the dissolution without winding up of the Transferor Company, accounting treatment, reduction of securities premium account and general terms and conditions applicable to this Scheme.

1. *Definitions and Interpretation*

1.1 In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

1.1.1 “**Act**” means the Companies Act, 1956, and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, including the Companies Act, 2013, and provisions thereof as are notified and applicable from time to time and shall include any statutory modifications, re-enactment or amendments thereof;

1.1.2 “**Appointed Date**” means the close of business on March 31, 2016 or such other date as may be determined by the Boards of Directors of the Transferor Company and the Transferee Company;

1.1.3 “**BSE**” shall have the meaning assigned to it in paragraph A of Part I hereof;

1.1.4 “**Board of Directors**” or “**Board**” in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, the Scheme and/or any other matter relating thereto;

1.1.5 “**Debt Securities**” shall have the meaning assigned to it Clause 7(c) hereof;

1.1.6 “**Effective Date**” means the last of the dates on which all the conditions and matters referred to in Clause 18(a) of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of ‘coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall be construed as references to the Effective Date;

1.1.7 “**Employees**” mean the employees, if any, of the Transferor Company, as on the Effective Date;

1.1.8 “**Encumbrance**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “Encumbered” shall be construed accordingly;

1.1.9 “**Funds**” shall have the meaning assigned to it in Clause 9(c) hereof;

1.1.10 “**Governmental Authority**” means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission including a stock exchange or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body;

1.1.11 “**High Court**” shall mean the High Court of Judicature at Bombay having jurisdiction in relation to the Transferor Company and the Transferee Company and shall include the National Company Law Tribunal, as applicable, or such other forum or authority as may be vested with any of the powers of a High Court for the purposes of Sections 391 to 394 of the Companies Act, 1956, or Sections 230 to 232 of the Companies Act, 2013, as may be applicable;

1.1.12 “**Liabilities**” shall have the meaning assigned to it in Clause 7(a) hereof;

- 1.1.13 “**NCDs**” shall mean the zero coupon, secured, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Rupees Ten lakhs only) each, issued by the Transferor Company, aggregating to INR 521,00,00,000 (Rupees Five hundred and twenty one crores only) and listed on the Wholesale Debt Market segment of BSE;
- 1.1.14 “**Registrar of Companies**” means the Registrar of Companies, Maharashtra;
- 1.1.15 “**Scheme**” means this scheme of arrangement, as amended or modified in accordance with the provisions hereof;
- 1.1.16 “**SEBI**” means the Securities and Exchange Board of India;
- 1.1.17 “**SEBI Scheme Circulars**” means Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 on “Scheme of Arrangement under the Companies Act, 1956 – Revised requirements for the Stock Exchanges and Listed Companies” read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by SEBI, collectively, and shall include any statutory modifications, re-enactment or amendments thereof;
- 1.1.18 “**Stock Exchanges**” shall have the meaning assigned to it in paragraph B of Part I hereof;
- 1.1.19 “**Transferee Company**” shall have the meaning assigned to it in paragraph B of Part I hereof;
- 1.1.20 “**Transferor Company**” shall have the meaning assigned to it in paragraph A of Part I hereof; and
- 1.1.21 “**Undertaking**” means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:
- (a) all the assets and properties including fixed assets (whether movable or immovable, tangible or intangible, present, or future of whatsoever nature) including patents, copyrights, designs and all other intellectual property rights, tenancies in relation to offices or premises, software licenses, computer programs, etc. investments and current assets of the Transferor Company, in each case, wherever situated;
 - (b) all permits, quotas, rights, entitlements and other licences, bids, tenders, letters of intent, expressions of interest, memoranda of understanding or similar instruments, (whether vested or potential and whether under agreements or otherwise), permissions, approvals, consents, subsidies, income tax benefits and exemptions including the right to deduction for the residual period, i.e. for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the amalgamation pursuant to this Scheme had not taken place, all other rights including sales tax deferrals and exemptions and other benefits, (in each case including the benefit of any applications made therefore), receivables, and liabilities related thereto, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
 - (c) all the Liabilities of the Transferor Company, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company;
 - (d) all benefits and obligations under the contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of any nature of the Transferor Company;
 - (e) all books, records, files, papers, process information and drawings, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company; and
 - (f) all Employees.

- 1.2 References to Clauses, sub-Clauses and Recitals, unless otherwise provided, are to clauses, sub-clauses and recitals of and to this Scheme.
- 1.3 The headings herein shall not affect the construction of this Scheme.
- 1.4 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.
- 1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 Reference to a person includes any individual, firm, body corporate (whether incorporated or not), Governmental Authority, or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

2. Share Capital

(a) Transferor Company

- (i) The share capital structure of the Transferor Company as on October 15, 2015, is as under:

A. Authorised Share Capital	Amount in Rs.
1,00,00,000 equity shares of face value of INR 10 each	10,00,00,000
Total	10,00,00,000

B. Issued and Subscribed Share Capital	Amount in Rs.
1,00,00,000 equity shares of face value of INR 10 each	10,00,00,000
Total	10,00,00,000

C. Paid-up Share Capital	Amount in Rs.
1,00,00,000 equity shares of face value of INR. 10 each	10,00,00,000
Total	10,00,00,000

- (ii) The equity shares of the Transferor Company are currently not listed on any stock exchange.
- (iii) The Transferor Company has issued 5210 (Five thousand two hundred and ten) NCDs, aggregating to INR 521,00,00,000 (Rupees Five hundred and twenty one crores only) which are listed on the Wholesale Debt Segment of the BSE.
- (iv) All equity shares of the Transferor Company are held by the Transferee Company.

(b) *Transferee Company*

(i) The share capital structure of the Transferee Company as on September 30, 2015, is as under:

A. Authorised Share Capital	Amount in INR
200,00,00,000 equity shares of face value of INR 1 each	200,00,00,000
Total	200,00,00,000

B. Issued and Subscribed Share Capital	Amount in INR
<i>Issued Share Capital</i>	
80,74,89,291 equity shares of face value of INR 1 each fully paid up*	80,74,89,291
<i>Subscribed Share Capital</i>	
80,74,72,787 equity shares of face value of INR 1 each fully paid up*	80,74,72,787

C. Paid-up Share Capital	Amount in INR
80,74,72,787 equity shares of face value of INR 1 each fully paid up*	80,74,72,787
Total	80,74,72,787

**includes equity shares represented by GDRs*

- (ii) The Transferee Company has issued 18,18,01,228 (Eighteen crores eighteen lakhs one thousand two hundred and twenty eight) compulsorily convertible debentures (“**CCDs**”) of INR 55 (Rupees Fifty five only) each, aggregating to INR 999.91 crores (Rupees Nine hundred ninety nine decimal nine one crores only), where each CCD is automatically and compulsorily convertible into 1 (One) equity share of face value of INR 1 (Rupee One only) each at a premium of INR 54 (Rupees Fifty four only) per share upon the expiry of 18 (Eighteen) months from the date of allotment of the CCD, i.e. on March 1, 2016. The CCDs are listed on the Stock Exchanges.
- (iii) As on September 30, 2015 the Transferee Company has 1,70,870 (One lakh seventy thousand eight hundred and seventy) outstanding global depository receipts which are represented by equity shares of face value of INR 1 (Rupee One only) each of the Transferee Company. The global depository receipts have been delisted from the London Stock Exchange with effect from June 29, 2015 and the effective date of termination of the global depository receipts program was September 7, 2015.
- (iv) The Transferee Company has issued secured and non-secured non-convertible debentures. All secured non-convertible debentures are listed.

3. *Date of taking effect and operative date*

The Scheme will be operative from the Effective Date, but shall be effective from the Appointed Date.

PART II – AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

Section 1 – Transfer

4. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.
5. Transfer of assets
 - (a) Without prejudice to the generality of Clause 4 above, upon the coming into effect of the Scheme and with effect from the Appointed Date, all the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate, whether or not included in the books of the Transferor Company, and all assets and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any, without any further act, deed or instrument, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date (or in case of any estate, assets, etc. acquired on a date after the Appointed Date, with effect from such date), the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
 - (b) Without prejudice to the provisions of sub-Clause (a) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature (including shares, securities, stocks, bonds) or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred by the Transferor Company upon the coming into effect of the Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 394 of the Act and all other applicable provisions of applicable law, if any, without requiring any deed or instrument of conveyance, cost or charge and without any notice or other intimation to any third party for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
 - (c) In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in sub-Clause (b) above) including sundry debtors, receivables, bills, credits (including tax credits), loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any.

- (d) All the licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, income tax benefits and exemptions, all other rights, exemptions and benefits including those acquired by the Transferor Company on or after the Appointed Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, on coming into effect of the Scheme and with effect from Appointed Date, be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- (e) All the rights, remedies, claims and rights of action of the Transferor Company against third parties shall, pursuant to Sections 391 to 394 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, be and deemed to be rights, remedies, claims and rights of action of the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date.

6. Contracts, deeds etc.

- (a) Upon the coming into effect of this Scheme and with effect from Appointed Date, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible for, and which are subsisting or have effect immediately before the Effective Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued

to, or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

7. *Transfer of Liabilities*

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities, deferred tax liabilities and obligations under any licenses or permits or schemes), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, Encumbrance, lien or security thereon (herein referred to as the “**Liabilities**”), whether or not recorded in its books and records, shall, under the provisions of Sections 391 to 394 of the Act and other applicable provisions of applicable law, if any, without any further act, instrument, deed, matter or thing, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such date) the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 7.
- (b) All Liabilities incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- (c) Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all debentures, including NCDs (to the extent any such NCDs are outstanding as on Effective Date) and other debt securities and other instruments of like nature (whether convertible into equity shares or not) (“**Debt Securities**”) shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it was the issuer of such Debt Securities, so transferred and vested. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, the non convertible debentures which stand transferred to the Transferee Company pursuant to transfer of the NCDs, shall be listed and/or admitted to trading on the Wholesale Debt Market segment of Bombay Stock Exchange, where the NCDs are currently listed.
- (d) Where any Liabilities of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

- (e) All Liabilities incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company, which shall meet, discharge and satisfy the same.
- (f) Upon coming into effect of the Scheme, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability, including a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- (g) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- (h) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (i) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (j) The provisions of this Clause 7 and Clause 8 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

8. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clause 4 and Clause 5 of this Scheme shall be subject to the Encumbrances, if any, affecting the same.
- (b) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities, including the NCDs, shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.

- (c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme.

9. Employees and directors

- (a) Upon the coming into effect of this Scheme, the Employees, if any, shall, under the provisions of Sections 391 to 394 of the Act and other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for their transfer, become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- (b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company.
- (c) Insofar as the provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy (collectively referred to as the “**Funds**”), all the contributions made to such Funds for the benefit of the Employees and the accretions thereto and the investments made by the Funds in relation to the Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the Funds referred to above, such contributions, accretions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments, accretions and contributions pertaining to the Employees shall be transferred to the funds created by the Transferee Company.
- (d) In relation to those Employees who are not covered under the provident fund trust of the Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.

- (e) Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date.

10. Legal, taxation and other proceedings

- (a) Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal), by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and/or enforced by/or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by/or against the Transferee Company.
 - (b) The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Company referred to in sub-Clause (a) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by/or against the Transferee Company.
11. Without prejudice to the provisions of Clauses 4 to 10, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

Section 2 – Conduct of Business

12. Upon the coming into effect of the Scheme, with effect from the Appointed Date and up to and including the Effective Date:
- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Transferee Company;
 - (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
 - (c) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
 - (d) all taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities

or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

13. Subject to the terms of the Scheme, the transfer and vesting of the Undertaking as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

Section 3 – Cancellation of Shares of the Transferor Company

14. Upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Transferee Company in lieu of such shares of the Transferor Company.

PART III – DISSOLUTION OF TRANSFEROR COMPANY, ACCOUNTING TREATMENT, REDUCTION OF SECURITIES PREMIUM ACCOUNT AND OTHER TERMS AND CONDITIONS

15. Dissolution of Transferor Company

Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed.

16. Accounting Treatment

- (a) Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books of accounts as under:
- (i) The accounting shall be on the basis of the “Pooling of Interests Method” of accounting as per the Accounting Standard 14 (AS 14): ‘Accounting for Amalgamations’, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013.
 - (ii) Accordingly, on and from the Appointed Date and subject to the provisions hereof, all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form, including the debit balance in profit and loss account of the Transferor Company as debit balance in profit and loss account of the Transferee Company.
 - (iii) All costs and expenses incurred as per Clause 28 below as well as other costs incidental with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the above Scheme, shall be charged to profit and loss account with exception of the following cost and expenses, which will be accounted in the books of Transferee Company, namely, stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company transferred to the Transferee Company shall be capitalized in books of the Transferee Company with the said fixed assets in accordance with Accounting Standard 10 (AS 10): ‘Accounting of Fixed Assets’.

(iv) In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard 5 (AS 5): 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies', in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

(b) Upon coming into effect of this Scheme, to the extent that there are inter- company loans, advances, deposits, balances or other obligations as between the Transferor Company and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

17. Reduction of the securities premium account of the Transferee Company:

(a) The acquisition by the Transferee Company of the shares of the Transferor Company was at a premium to the face value of the shares. Upon cancellation of such shares consequent to the amalgamation as provided in Clause 16 above, the carrying amount of such investment in the books of the Transferee Company shall stand reduced accordingly and the difference between such carrying amount and the aggregate face value of such shares of the Transferor Company held by the Transferee Company shall be adjusted against the securities premium account of the Transferee Company.

(b) Further, consequent to Clause 16, the debit balance in profit and loss account of the Transferee Company shall also be adjusted against the securities premium account of the Transferee Company. All such adjustments against the securities premium account of the Transferee Company shall be effected in accordance with provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of law. For giving effect to the above provisions, the permission from the shareholders of the Transferee Company shall be deemed to have been received as contemplated by the Act and other related provisions, upon this Scheme being approved by members of the Transferee Company at the court convened meeting or otherwise. The reduction in the securities premium account as aforesaid, if any, of the Transferee Company shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any unpaid share capital and the order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act (including corresponding applicable provisions of the Companies Act, 2013) confirming the reduction of securities premium account. Such a reduction shall be deemed to be effective on and from the Appointed Date. The Transferee Company shall not be required to add "and reduced" as a suffix.

18. Scheme Conditional On

(a) The Scheme is conditional upon and subject to:

(i) the Scheme being approved by the requisite majorities of the various classes of members and creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the High Court in relation to obtaining such approval from the members and/or creditors, and the requisite orders of the High Court being obtained in this regard;

(ii) the Scheme being approved by the majority of public shareholders of the Transferee Company (by way of voting through postal ballot and e-voting) as may be required under the SEBI Scheme Circulars, i.e.

the votes cast by public shareholders in favour of the resolution are more than the number of votes cast by public shareholders against it;

(iii) the High Court having accorded its sanction to the Scheme;

(iv) the approval of SEBI in terms of the SEBI Scheme Circulars being obtained upon this Scheme being sanctioned by the High Court, if applicable;

(v) such other approvals and sanctions including sanction of any Governmental Authority or contracting party as may be required by law or contract in respect of the Scheme being obtained; and

(vi) the certified copies of the order of the High Court approving the Scheme being filed with the Registrar of Companies, Maharashtra.

(b) On the approval of the Scheme by the shareholders of the Transferor Company and the Transferee Company, in accordance with Section 391(1) of the Act, the shareholders of the Transferor Company and Transferee Company, respectively, shall be deemed to have also resolved and accorded all relevant consents under the Act to the extent the same may be considered applicable in relation to the amalgamation set out in this Scheme and related matters.

(c) In the event of this Scheme failing to take effect by September 30, 2016 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred *inter se* between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

19. Dividends

(a) The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

(b) Prior to the effectiveness of the Scheme, the holders of the shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

(c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Company and the Transferee Company respectively.

20. Applications

The Transferor Company and the Transferee Company (if required) shall make necessary applications before the High Court for the sanction of this Scheme under Sections 391 and 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of law.

21. Resolutions

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company, relating to any powers to borrow, make investments, give loans, give guarantees, etc. approved under the provisions of the Act or any other applicable statutory provisions, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and the amounts under such resolutions shall be added to the amounts under like resolutions passed by the Transferee Company or shall become the amounts available to the Transferee Company as if the resolutions were passed by the Transferee Company.

22. Modifications to the Scheme

The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), may, in their full and absolute discretion, jointly and as mutually agreed in writing:

- (a) assent to any alteration(s) or modification(s) to this Scheme which the High Court and/or any other Governmental Authority may deem fit to approve or impose and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
- (b) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to, and of the meaning or interpretation of this Scheme, or implementation thereof, or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under applicable law);
- (c) jointly modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time;
- (d) determine jointly whether any asset, liability, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose; and
- (e) any modification to the Scheme by the Transferor Company and/or the Transferee Company, after receipt of sanction by the High Court, shall be made only with the prior approval of the High Court.

23. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

24. Severability

- (a) The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Transferor Company and the Transferee Company.
- (b) If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

25. Upon this Scheme becoming effective, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.

26. The Transferee Company shall be entitled to file/revise its income tax returns, TDS certificates, TDS returns, and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted at source, credit of taxes paid/withheld etc., if any, as may be required consequent to implementation of this Scheme.

27. Repeals and Savings

Any matter filed with Registrar of Companies, Regional Director or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar, Regional Director or the Central Government, as the case may be, in terms of the Companies Act, 1956. Any direction or order given by the High Court under the provisions of the Companies Act, 1956 and any act done by the Transferor Company and/or Transferee Company based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013. Accordingly, the provisions of the Companies Act, 2013, shall not apply to acts done by the Transferor Company and/or Transferee Company as per direction or order of the High Court sanctioning the Scheme.

28. Costs

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) payable by the Transferor Company and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of the Scheme shall be borne and paid by the Transferee Company.



STRICTLY PRIVATE & CONFIDENTIAL

October 19, 2015

The Board of Directors
The Indian Hotels Company Ltd
Mandlik House
Mandlik Road
Mumbai 400001

Re: Fairness Opinion on the proposed scheme of arrangement between Land End Properties Private Limited and The Indian Hotels Company Limited and their respective shareholders and creditors

Dear Sirs,

We refer to our engagement wherein the Management of The Indian Hotels Company Limited (hereinafter referred to as 'IHCL' or the 'Transferee Company') has requested Fortress Capital Management Services Private Limited ('us') to give a fairness opinion in connection with the draft scheme of arrangement between Land End Properties Private Limited (hereinafter referred to as 'LEPPL' or the 'Transferor Company'), IHCL (hereinafter collectively referred to as the "Companies") and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956, and other relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as applicable ("**Scheme of Arrangement**"), which provides for the amalgamation of LEPPL with IHCL and other connected matters.

1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1.1 THE INDIAN HOTELS COMPANY LIMITED

IHCL is a public limited company originally incorporated under the Indian Companies Act of 1882 and continuing its existence under the Companies Act 2013, having its registered office at Mandlik House, Mandlik Road, Mumbai 400001. The Transferee Company is primarily engaged in the business of owning,



CIN : U67120MH2004PTC145815

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FORTRESS CAPITAL MANAGEMENT SERVICES PVT. LTD.

Daryanagar House, 2nd Floor, 69, Maharshi Karve Road, Marine Lines, Mumbai - 400 002. INDIA
Tel.: +91 (22) 2200 1924/25 • Fax : +91 (22) 2203 1609 • E-mail : fortress@fortress.co.in • Website : www.fortress.co.in



operating and managing hotels, palaces and resorts and its objects include acquiring and holding shares in any other company having objects altogether or in part similar to those of the Transferee Company or carrying on any business capable of being conducted so as directly or indirectly to benefit the Transferee Company. The equity shares of the Transferee Company are listed on the BSE Limited and on the National Stock Exchange of India Limited (collectively the "Stock Exchanges").

1.2 LAND END PROPERTIES PRIVATE LIMITED

LEPPL is a private limited company incorporated under the Companies Act, 1956, having its registered office at Mandlik House, Mandlik Road, Mumbai 400001. The Transferor Company is primarily engaged in the business of, inter alia, owning and developing hotels, shopping malls, etc. The Transferor Company is a wholly owned subsidiary of the Transferee Company. The non-convertible debentures issued by the Transferor Company are listed on the BSE Limited under the Wholesale Debt Market Segment.

1.3 We have been informed by the Management of the Transferee Company that Board of Directors of each of the respective Companies is considering an amalgamation of LEPPL into IHCL with effect from appointed date of (the close of business on) March 31, 2016 (or such other date as may be determined by the Boards of Directors of the Companies), pursuant to the Scheme of Arrangement ("Appointed Date").

1.4 We understand that the rationale for the Scheme of Arrangement is that it shall enable the business of the Transferor Company, by virtue of becoming part of a larger entity, to have access to the financial resources, management experience and expertise of the Transferee Company. The Scheme of Arrangement would thus enable the business of the Transferor Company to leverage the resources of the Transferee Company and facilitate raising of funds on competitive terms and achieving operational and cost synergies.

1.5 The Scheme of Arrangement shall enable the Transferee Company to reap several other benefits including:



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- 1.5.1 simplify management structure, leading to better administration;
 - 1.5.2 a reduction in costs from more focused operational efforts, rationalization, standardisation and simplification of business processes;
 - 1.5.3 the elimination of duplication, and rationalization of administrative expenses;
 - 1.5.4 simplify shareholding structure and reduce shareholding tiers; and
 - 1.5.5 facilitating a wider and stronger base for future growth through the addition of assets by leveraging upon benefits of scale, translating into increased business opportunities and reduced expenses.
- 1.6 As per the Scheme of Arrangement we understand that upon the Scheme of Arrangement becoming effective, the shares in LEPL held by IHCL will stand cancelled and no shares are proposed to be issued by IHCL, and no payment in cash or kind is proposed to be made by IHCL, in consideration of the amalgamation of LEPL with itself as LEPL is wholly owned subsidiary of IHCL as on date.
- 1.7 The shareholders of IHCL will continue to remain beneficial owners of IHCL in the same proportion as they held it prior to the proposed amalgamation.
- 1.8 As per the Scheme of Arrangement, we understand that the acquisition by the Transferee Company of the shares of the Transferor Company was at a premium to the face value of the shares. Upon cancellation of such shares consequent to the Scheme of Arrangement, the carrying amount of such investment in the books of the Transferee Company shall stand reduced accordingly and the difference between such carrying amount and the aggregate face value of such shares of the Transferor Company held by the Transferee Company shall be adjusted against the securities premium account of the Company. Further, the debit balance in profit and loss account of the Company shall also be adjusted against the securities premium account of the Company in accordance with provisions of Sections 391 to 394 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 and Section 78 and Sections 100 to 103 of the Companies Act, 1956 and any other applicable provisions of law.



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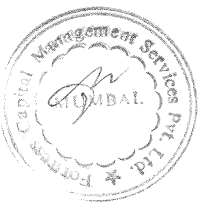


- 1.9** According to the information and explanation provided to us by management of IHCL and as per the Scheme of Arrangement we understand that as the Scheme of Arrangement involves the amalgamation of a wholly owned subsidiary (i.e., LEPL) into its parent listed company (i.e., IHCL) and upon the Scheme of Arrangement becoming effective, the shares in LEPL held by IHCL will stand cancelled and no shares are proposed to be issued by IHCL. As per paragraph 4.2 of the SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, a 'Valuation Report from an Independent Chartered Accountant' need not be required in cases where there is no change in the shareholding pattern of the listed company/resultant company. As per paragraph 4.4 (ii) of the SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, in case a wholly owned subsidiary of a listed entity is merged with the parent listed company, where the shareholders and the shareholding pattern of the parent listed company remains the same, it will be treated as 'no change in shareholding pattern'. Accordingly, a 'Valuation Report from an Independent Chartered Accountant' has not been obtained for the purpose of the Scheme of Arrangement.
- 1.10** Accordingly, IHCL has appointed us to give a fairness opinion in accordance with the requirements of Clause 24 of the listing agreements with the Stock Exchanges and Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities and Exchange Board of India, in connection with the Scheme of Arrangement.
- 1.11** The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Draft Scheme of the Arrangement;
- (b) Audited Financial Statements of LEPL for the year ended 31st March, 2015;



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- (c) Provisional Financial Statements of LEPL for the period ended 30th September, 2015; and
- (d) Such other information and explanations as we required and which have been provided by the management of the Companies.

3. LIMITATIONS & EXCLUSIONS

- 3.1 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 3.2 Our recommendation is dependent upon the information furnished to us being complete in all material respects. Our work does not constitute certification of the historical financial statements of the company referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.3 Our report is not nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.
- 3.4 No investigation on the Companies' claims to title of assets has been made for the purpose of this report and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of a legal nature.
- 3.5 The information contained herein and our report is intended only for the sole use and information of the Companies and only in connection with the proposed Scheme of Arrangement as aforesaid. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed Scheme of Arrangement as aforesaid, can be done only with our prior permission in writing.
- 3.6 We assume no responsibility for any errors in the information furnished by the Companies and consequential impact on the present exercise.



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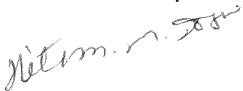
4. CONCLUSION

4.1 On the basis of the foregoing, and based on the information and explanation provided to us in our opinion the Scheme of Arrangement is fair and reasonable.

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.


Authorized Signatory



Place: Mumbai

SEBI Registration No.: INM000011146

CIN : U67120MH2004PTC145815

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BSE Limited Registered Office: Floor 25, P.J. Towers, Dalal Street, Mumbai 400 001 India
 T: +91 22 2272 1234 / 33 F: +91 22 2272 1003 www.bseindia.com
 Corporate Identity Number : U67120MH2005PLC155188

DCS/AMAL/EP/24(n)/240/2015-16

December 16, 2015



The Company Secretary
INDIAN HOTELS CO.LTD
 Mandlik House, Mandlik Road,
 Mumbai, Maharashtra, 400001.

Sub: Observation letter regarding the Draft Scheme of Arrangement involving Amalgamation of Lands End Properties Private Limited with Indian Hotels Company Limited

We are in receipt of Draft Scheme of Arrangement involving Amalgamation of Lands End Properties Private Limited with Indian Hotels Company Limited

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter dated December 15, 2015 has inter alia given the following comment(s) on the draft scheme of arrangement:

- *"The Company to ensure that additional information, if any, submitted by the Company, after filling the scheme with the stock exchange, is displayed from the date of receipt of this letter on the website of the listed company"*
- *"The scheme shall incorporate a clause on postal ballot/ e-voting by the shareholders, since the same is applicable in this case."*
- *"Company shall duly comply with various provisions of the Circulars."*

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Kishan

Khyati Shah
 Dy.Gen.Manager

Lalit Phatak

Lalit Phatak
 Asst. Manager



Ref: NSE/LIST/54429

December 17, 2015

The Company Secretary
The Indian Hotels Company Limited
Mandlik House,
Mandlik Road,
Mumbai - 400001

Kind Attn.: Mr. Beejal Desai

Dear Sir,

Sub: Observation letter for draft Scheme of Arrangement of Lands End Properties Private Limited (“Transferor Company”) and The Indian Hotels Company Limited (Transferee Company”) and their respective shareholders and the creditors

This has reference to draft Scheme of Arrangement of Lands End Properties Private Limited (“Transferor Company”) and The Indian Hotels Company Limited (Transferee Company”) and their respective shareholders and the creditors submitted to NSE vide your letter dated October 21, 2015.

Based on our letter reference no Ref: NSE/LIST/51268 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated December 15, 2015, has given following comments on the draft Scheme of Arrangement:

“a) The Company shall ensure that additional information, if any, submitted by the company, after filing the scheme with the stock exchange, is displayed from the date of receipt of this letter on the website of the listed company.

b) The Company shall duly comply with various provisions of the Circulars.

c) The Scheme shall incorporate a clause on postal ballot / e-voting by the shareholders, since the same is applicable in this case”

We hereby convey our ‘No-objection’ with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon’ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

1.



The validity of this "Observation Letter" shall be six months from December 17, 2015, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Radhika Ropalekar
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL
http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed



Signer : Radhika Pranav Ropalekar
Date: Thu, Dec 17, 2015 14:02:11 GMT+05:30
Location: NSE



THE INDIAN HOTELS COMPANY LIMITED

CIN: L74999MH1902PLC000183

Registered Office: Mandlik House Mandlik Road Mumbai 400 001 India

Tel 91 22 6639 5515 Fax 91 22 2202 7442

Website: www.tajhotels.com

E-mail : investorrelations@tajhotels.com

November 23, 2015

**The General Manager
The Bombay Stock Exchange Limited
Department of Corporate Services
P.J. Towers
Dalal Street
Mumbai- 400 001**

Dear Ma'am/Sir,

Re: Filing of Scheme of Arrangement under Clause 24(f) of the Listing Agreement

Further to our application dated October 21, 2015 with regards to the amalgamation of the Lands End Properties Private Limited, a wholly owned subsidiary ("LEPPL" or the "Transferor Company") with **The Indian Hotels Company Limited (the Transferee Company)**, by way of a court approved scheme of arrangement between the Transferor Company, the Transferee Company and their respective shareholders and creditors, pursuant to Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 ("Scheme" or "Draft Scheme of Arrangement"), please find enclosed the Complaints report as per SEBI Circular dated February 4, 2013.

The Complaints report will also be uploaded on our website www.tajhotels.com.

You are requested to kindly take the above on record.

Thanking you.

Yours sincerely,

MR. BEEJAL DESAI

Vice President - Legal & Company Secretary



Encl: as above



THE INDIAN HOTELS COMPANY LIMITED

CIN: L74999MH1902PLC000183

Registered Office: Mandlik House Mandlik Road Mumbai 400 001 India

Tel 91 22 6639 5515 Fax 91 22 2202 7442

Website: www.tajhotels.com

E-mail : investorrelations@tajhotels.com

Complaints Report as on November 20, 2015 for the Scheme of Arrangement of Lands End Properties Private Limited

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA


MR. BEEJAL DESAI
Vice President - Legal & Company Secretary





THE INDIAN HOTELS COMPANY LIMITED

CIN: L74999MH1902PLC000183

Registered Office: Mandlik House Mandlik Road Mumbai 400 001 India

Tel 91 22 6639 5515 Fax 91 22 2202 7442

Website: www.tajhotels.com

E-mail : investorrelations@tajhotels.com

November 18, 2015

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051

Dear Ma'am/Sir,

Re: Filing of Scheme of Arrangement under Clause 24(f) of the Listing Agreement

Further to our application dated October 21, 2015 with regards to the amalgamation of the Lands End Properties Private Limited, a wholly owned subsidiary ("LEPPL" or the "Transferor Company") with The Indian Hotels Company Limited (the Transferee Company), by way of a court approved scheme of arrangement between the Transferor Company, the Transferee Company and their respective shareholders and creditors, pursuant to Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 ("Scheme" or "Draft Scheme of Arrangement"), please find enclosed the Complaints report as per SEBI Circular dated February 4, 2013.

The Complaints report will also be uploaded on our website www.tajhotels.com.

You are requested to kindly take the above on record.

Thanking you.

Yours sincerely,

MR. BEEJAL DESAI
Vice President - Legal & Company Secretary



Encl: as above



THE INDIAN HOTELS COMPANY LIMITED

CIN: L74999MH1902PLC000183

Registered Office: Mandlik House Mandlik Road Mumbai 400 001 India

Tel 91 22 6639 5515 Fax 91 22 2202 7442

Website: www.tajhotels.com

E-mail : investorrelations@tajhotels.com

Complaints Report as on November 11, 2015 for the Scheme of Arrangement of Lands End Properties Private Limited

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA


MR. BEEJAL DESAI
Vice President - Legal & Company Secretary

