IMPORTANT NOTICE

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IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following disclaimer before continuing. The following disclaimer applies to the preliminary placement document of The Indian Hotels Company Limited (the "**Issuer**") dated March 22, 2022 attached to this e-mail (the "**Preliminary Placement Document**"), and you are therefore advised to read this page carefully before reading, accessing or making any other use of the attached Preliminary Placement Document. In accessing the Preliminary Placement Document, you have acknowledged and agreed to be bound by the following restrictions, terms and conditions, including any modifications to them, from time to time, each time you receive any information from us as a result of such access. **You acknowledge that the Preliminary Placement Document is intended for use by you only and you agree not to forward it to any other person, internal or external to your company, in whole or in part, or otherwise provide access via e-mail or otherwise to any other person.**

This Issue and the distribution of this Preliminary Placement Document is being done in reliance on Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI Regulations**") and Section 42 of the Companies Act, 2013, as amended and the rules made thereunder. This Preliminary Placement Document is personal to each prospective investor and made on a private placement basis and does not constitute an offer or invitation or solicitation of an offer to the public or to any other person or class of investors.

Confirmation of Your Representation: You have accessed the attached Preliminary Placement Document on the basis that you have confirmed your representation, warranty, agreement and acknowledgement to the Issuer and each of ICICI Securities Limited and Credit Suisse Securities (India) Private Limited (collectively, the "**Placement Agents**") that: (1) you are the intended recipient of the attached Preliminary Placement Document; AND (2) you are an eligible qualified institutional buyer ("**QIB**") that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, i.e. (i) QIBs which are resident in India; and (ii) Eligible FPIs, participating through Schedule 2 of the FEMA Regulations. Subject to (ii) above, in the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") may participate in the Issue. Further, except as provide in (ii) above, other non-resident QIBs (including FVCIs and non-resident multinational and bilateral development financial institutions) are not permitted to participate in the Issue; (3) (i) you are neither resident in the United States nor a U.S. person, as defined in Regulation S under the U.S. Securities Act, nor acting on behalf of a U.S. person, the electronic mail address to which this e-mail has been delivered is not located in the United States, its territories or possessions, and, to the extent that you eventually purchase the Equity Shares described in the attached Preliminary Placement Document, you will be doing so pursuant to Regulation S under the U.S. Securities act, or (ii) you are, or are acting on behalf of, a "qualified institutional buyer" (as defined in Rule 144A under the U.S. Securities Act); (4) the securities offered hereby have not been registered under the U.S. Securities Act; (5) you are not a resident in a country where delivery of the attached Preliminary Placement Document by electronic transmission may not be lawfully made in accordance with the laws of the applicable jurisdiction; (6) you agree and acknowledge that if you are allotted more than 5% of the equity shares in the Issue, the Issuer shall be required to disclose your name and the number of equity shares allotted to you to the Stock Exchanges, and they will make the same available on their website and you consent to such disclosures; AND (7) that you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto by electronic transmission.

The attached Preliminary Placement Document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Placement Agents, their affiliates or any person who controls any of them, or any of their respective directors, officers, employees, representatives, agents or any affiliates of any such person, accepts any liability or responsibility whatsoever in respect of any discrepancies between the Preliminary Placement Document distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

The Preliminary Placement Document is intended only for use by the addressee named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of the Preliminary Placement Document, you are hereby notified that any dissemination, distribution or copying of the Preliminary

Placement Document is strictly prohibited. If you have received the Preliminary Placement Document in error, please immediately notify the sender or the Placement Agents by reply email and destroy the email received and any printouts of it.

None of the Issuer or the Placement Agents, their affiliates or any person who controls any of them, or any of their respective directors, officers, employees, representatives, agents or any affiliates of any such person accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Preliminary Placement Document or their respective contents or otherwise arising in connection therewith.

Restrictions: The attached Preliminary Placement Document and notice are being furnished in connection with an offering exempt from or not subject to registration under the U.S. Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described in the Preliminary Placement Document. You are reminded that the information in the attached document is not complete and may be changed at any time without notice.

NOTHING HEREIN CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. SECURITIES OFFERED OR SOLD OUTSIDE OF THE UNITED STATES ARE BEING OFFERED OR SOLD IN COMPLIANCE WITH THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR.

THE PRELIMINARY PLACEMENT DOCUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED AS A PROSPECTUS OR A STATEMENT IN LIEU OF PROSPECTUS WITH ANY REGISTRAR OF COMPANIES IN INDIA UNDER COMPANIES ACT, 2013 AND IS NOT AND SHOULD NOT BE CONSTRUED AS AN OFFERING CIRCULAR, AN OFFERING MEMORANDUM, AN ADVERTISEMENT, AN OFFER OR AN OFFER DOCUMENT UNDER THE SEBI REGULATIONS, COMPANIES ACT, 2013 OR ANY OTHER APPLICABLE LAW. FURTHER, NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OR AN INVITATION TO THE PUBLIC UNDER THE COMPANIES ACT, 2013, AS AMENDED, BY OR ON BEHALF OF THE ISSUER OR THE PLACEMENT AGENTS TO SUBSCRIBE FOR OR PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN. THE PRELIMINARY PLACEMENT DOCUMENT SHALL BE FILED AS A PRIVATE PLACEMENT OFFER LETTER WITH THE STOCK EXCHANGES. THE ISSUER SHALL ALSO MAKE THE REQUISITE FILINGS WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA, WITHIN THE PERIOD STIPULATED UNDER APPLICABLE LAW. THE PRELIMINARY PLACEMENT DOCUMENT HAS NOT BEEN AND WILL NOT BE REVIEWED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE RESERVE BANK OF INDIA, ANY REGISTRAR OF COMPANIES IN INDIA OR ANY STOCK EXCHANGE IN INDIA. THE PRELIMINARY PLACEMENT DOCUMENT IS NOT AND SHOULD NOT BE CONSTRUED AS AN INVITATION, OFFER OR SALE OF ANY SECURITIES TO THE PUBLIC IN INDIA.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation or inducement to sell or issue or any solicitation of any offer by or on behalf of either the Issuer of the securities or the Placement Agents to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a “general solicitation” or “general advertising” (each as defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and a Lead Manager or any affiliate of such Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Lead Manager or any of its eligible affiliates on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached Preliminary Placement Document on the basis that you are a person into whose possession the attached Preliminary Placement Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) DOWNLOAD, FORWARD, DISTRIBUTE OR DELIVER THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT, IN WHOLE OR IN PART, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR (2) REPRODUCE, IN WHOLE OR IN PART, SUCH PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED, IN WHOLE OR IN PART, TO ANY U.S. ADDRESS. ANY DOWNLOADING, FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENTS AND THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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Preliminary Placement Document
Subject to Completion
Not for Circulation and Strictly Confidential
Serial Number: ________

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. This Preliminary Placement Document is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted pursuant to the Placement Document.

THE INDIAN HOTELS COMPANY LIMITED

(*Incorporated in the Republic of India as a public limited company under the Indian Companies Act of 1882*)

Registered Office: Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra, India | **Tel**: +91 22 6639 5515
Corporate Office: 9th Floor, Express Towers, Barrister Rajni Patel Marg, Nariman Point, Mumbai 400 021, Maharashtra, India | **Tel**: +91 22 6137 1710
E-mail: investorrelations@tajhotels.com | **Website**: www.ihcltata.com | **CIN**: L74999MH1902PLC000183

The Indian Hotels Company Limited (the "**Company**" or the "**Issuer**") was incorporated on April 1, 1902 in the Republic of India as a public limited company under the Indian Companies Act of 1882. For further details, please see the section entitled "*General Information*" on page 210.

Issue of up to [●] equity shares of a face value of ₹1 each (the "**Equity Shares**") at a price of ₹ [●] per Equity Share (the "**Issue Price**"), including a premium of ₹[●] per Equity Share, aggregating to ₹[●] crore (the "**Issue**"). For further details, please see the section entitled "*Summary of the Issue*" on page 33.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE.

THE ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS AND SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBILE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT HAS BEEN CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU ARE NOT AUTHORISED TO, AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION, OR REPRODUCTION OF, THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL, OR PART, OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 45 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS ISSUE. PROSPECTIVE INVESTORS SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISER AND/OR LEGAL ADVISOR.

Our Company's outstanding Equity Shares are listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", together with NSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE as on March 21, 2022 was ₹ 206 per Equity Share. Our Company received in-principle approvals under Regulation 28(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**") for listing of the Equity Shares from each of BSE and NSE on March 22, 2022. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of the business of our Company or the Equity Shares.

A draft of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the Stock Exchanges. A copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**") within the stipulated period as required under the Companies Act, 2013 (as defined hereinafter) and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document and the Placement Document has not been and shall not be registered as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction.

Invitations for subscription, offers and sales of Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document (as defined hereinafter) together with the Application Form (as defined hereinafter) and the Placement Document (as defined hereinafter) and the Confirmation of Allocation Note (as defined hereinafter). For further details, please see the section entitled "*Issue Procedure*" on page 156. This Preliminary Placement Document and the Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their subscription to Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, has agreed to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the websites of the BRLMs or of their respective affiliates does not constitute nor should form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such website for investment in this Issue.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) (a "**U.S. QIB**") purchasing the Equity Shares pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, please see the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 172 and 180, respectively

This Preliminary Placement Document is dated March 22, 2022.

BOOK RUNNING LEAD MANAGERS	
ICICI Securities Limited	**Credit Suisse Securities (India) Private Limited**

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NOTICE TO INVESTORS

Our Company has furnished, and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company and its Subsidiaries and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, its Subsidiares and Associates and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company, its Subsidiaries and its Associates and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

ICICI Securities Limited and Credit Suisse Securities (India) Private Limited (the "**Book Running Lead Manager**" or the "**BRLMs**") have not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, none of the BRLMs or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLMs or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Issue or the distribution of the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has neither relied on the BRLMs nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates other than the Company in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs specified by the Book Running Lead Managers or their representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by, or on behalf of the BRLMs. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than Eligible QIBs specified by the Book Running Lead Managers or their representatives, and those retained by Eligible QIBs to advise them with respect to their subscription of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-U.S. jurisdiction and any other U.S. or non-U.S. regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares in certain jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the BRLMs which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction other than India where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction that would require registration of the Equity Shares in such country or jurisdiction.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations).

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the BRLMs are making any representation to any offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable laws or regulations.

Each subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under Indian laws, including Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and is not prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities. Each subscriber of the Equity Shares also acknowledges that it has been afforded an opportunity to request from our Company and review information pertaining to our Company and the Equity Shares. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents and disclosures included in "*Risk Factors*" on page 45.

The information on our Company's website at www.ihcltata.com or any website directly or indirectly linked to our Company's website or the website of each of the BRLMs, their associates or their affiliates, does not constitute or form part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By Bidding for, or subscribing to, Equity Shares under the Issue, you are deemed to have represented, warranted, acknowledged and agreed with our Company, and the BRLMs, as follows:

1. You are a "qualified institutional buyer" ("**QIB**") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act and undertake to comply with the SEBI ICDR Regulations and all other applicable laws including any reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue;

2. You are eligible to invest in India and in the Equity Shares under applicable law, including the FEMA Rules, as amended and have not been prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities. Further, you are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

3. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI;

4. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

5. You will provide the information as required under the Companies Act, 2013, the PAS Rules and the applicable provisions of the SEBI ICDR Regulations for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details;

6. If you are Allotted the Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges (additional restrictions apply if you are within the United States and certain other jurisdictions), please see the section entitled "*Transfer Restrictions and Purchaser Representations*" on page 180;

7. You are aware that this Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document has not been reviewed, verified or affirmed by RBI, SEBI, the Stock Exchanges or any other regulatory or listing authority and have not been filed with the RoC as a prospectus, and are intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed (and the Placement Document shall be filed)Stock Exchanges only for the purposes of their records and will be displayed on the websites of the Company and the Stock Exchanges.

8. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions which apply to you and you have the necessary capacity and that you have fully observed such laws and obtained all such governmental and other consents in each case which may be required thereunder and complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

9. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("**Company's Presentations**") with regard to our Company,

the Equity Shares or the Issue; or (ii) if you have participated in or attended any Company's Presentations: (a) you understand and acknowledge that the BRLMs may not have knowledge of the statements that our Company or its agents may have made at such Company's Presentations and are therefore unable to determine whether the information provided to you at such Company's Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLMs have advised you not to rely in any way on any information that was provided to you at such Company's Presentations, and (b) confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

10. None of our Company, the BRLMs or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates is making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and that participation in the Issue is on the basis that you are not and will not, up to the Allotment, be a client of any of the BRLMs. Neither the BRLMs nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients or for providing advice in relation to the Issue and are in no way acting in a fiduciary capacity to you;

11. You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges, and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

12. All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. Neither our Company, nor the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

13. You have been provided a serially numbered copy of this Preliminary Placement Document and the Placement Document and have read them in their entirety, including, in particular, please see the section entitled "*Risk Factors*" on page 45;

14. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs and are not being offered to the general public and that the Allotment shall be on a discretionary basis;

15. You are aware that in terms of the requirements of the Companies Act, upon Allocation, the Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Preliminary Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Preliminary Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company;

16. You have made, or are deemed to have made, as applicable, the representations set forth under the "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 172 and 180, respectively;

17. You understand that the Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption, or in a transaction not subject to the registration requirements of the Securities Act and any applicable state securities laws. For more information, please see the section entitled "*Selling Restrictions*" on page 172;

18. If you are within the United States, you are a U.S. QIB, who is or are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the definition of a U.S.

QIB, for investment purposes only, and not with a view to, or for offer or sale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part;

19. If you are outside the United States, you are purchasing the Equity Shares in an "offshore transaction" within the meaning of Regulation S and in compliance with laws of all jurisdictions applicable to you;

20. You are not acquiring or subscribing for the Equity Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the Securities Act provided by Section 4(a)(2) thereof. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 172 and 180, respectively;

21. In making your investment decision, you have (i) relied on your own examination of our Company and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on the information contained in this Preliminary Placement Document and the Placement Document, (iii) consulted your own independent advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) relied solely on the information contained in this Preliminary Placement Document and the Placement Document and no other disclosure or representation by our Company, its Directors, Promoter and affiliates, or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

22. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any accounts for which you are subscribing the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Company or any of the BRLMs or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates for all or part of any such loss or losses that may be suffered; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resale or distribute;

23. The BRLMs or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have not provided you with any tax advice or otherwise made any representations regarding the tax consequences of the purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the BRLMs or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates or our Company when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against the BRLMs or our Company with respect to the tax aspects of the Equity Shares or the Issue or as a result of any tax audits by tax authorities, wherever situated;

24. That where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account; and to make the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

25. You are not a 'promoter' (as defined under the SEBI ICDR Regulations) and are not a person related to the promoter, either directly or indirectly and your application to the Issue does not directly or indirectly represent the promoter or promoter group (as defined under the SEBI ICDR Regulations) of our Company;

26. You have no rights under a shareholders' agreement or voting agreement with the promoter or promoter group, no veto rights or right to appoint any nominee director on our Board of Directors other than the rights acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoter;

27. The Bid made by you would not result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**SEBI Takeover Regulations**");

28. You have no right to withdraw your Application or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

29. You are eligible to apply for and hold Equity Shares so Allotted and together with any securities of our Company held by you prior to the Issue. You further confirm that your holding upon the issue and Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

30. To the best of your knowledge and belief, your aggregate holding together with other Bidders in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    - the expression 'belongs to the same group' shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst a QIB, its subsidiary or holding company and any other QIB; and

    - 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations.

31. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

32. You are aware and understand that the BRLMs have entered into a placement agreement with our Company, whereby the BRLMs have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, agreed to manage the Issue and use reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

33. The contents of this Preliminary Placement Document and the Placement Document are exclusively the responsibility of our Company and that neither the BRLMs nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document and the Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document and the Placement Document or otherwise. By participating in the Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLMs or our Company or any other person and none of the BRLMs, our Company or any other person will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

34. The only information you are entitled to rely on, and on which you have relied, in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document and the Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and that you have neither received nor relied on any other information given or representations, warranties or statements made by the BRLMs or our Company and neither the BRLMs nor our Company will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you have obtained or received;

35. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as

fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

36. You agree to indemnify and hold our Company, the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of your representations, warranties, acknowledgements and undertakings in this Preliminary Placement Document and the Placement Document including this section. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by or on behalf of the managed accounts;

37. You understand that none of the BRLMs has any obligation to purchase or acquire all or any part of the Equity Shares which are subscribed by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by us of any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;

38. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing and admission of the Equity Shares and for trading on BSE and NSE, were made and such approvals have been received from BSE and NSE, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares will be obtained in time or at all. Our Company, and the BRLMs shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

39. You are an investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

40. You acknowledge that this Preliminary Placement Document has not, and the Placement Document will not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

41. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;

42. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times, up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

43. You have made, or are deemed to have made, as applicable, the representations set forth in this section entitled "*Representations by Investors*"; and

44. Our Company, the BRLMs, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the BRLMs on their own behalf and on behalf of our Company and are irrevocable.

45. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended ("**SEBI FPI Regulations**"), FPIs, including the affiliates of the BRLMs, who are registered as category I FPIs may issue, subscribe, or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying and herein referred to as "**P-Notes**") and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from a Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The abovementioned category I FPIs may receive compensation from the purchasers of such instruments. You should ensure that any P-Notes issued by you have been issued in compliance with all applicable laws (including KYC norms and such other conditions as specified by SEBI from time to time). An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please see the section entitled "*Issue Procedure*" on page 156. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital. As per the SEBI circular dated November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments. Two or more subscribers of offshore derivative instruments having common ownership of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. In the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company. Pursuant to a circular dated November 5, 2019, the SEBI has issued certain operational guidelines to facilitate implementation of the SEBI FPI Regulations.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 read with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the BRLMs which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on, or interests in, our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLMs do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLMs and do not constitute any obligations of, or claims on the BRLMs. Affiliates of the BRLMs which are FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuers of such P-Notes and the terms and conditions of any such P-Notes from the issuers of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Bidders are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

2) warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

3) take any responsibility for the financial or other soundness of our Company, its promoter, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors", "prospective investors" and "potential investor" are to the Eligible QIBs in the Issue and references to the "Issuer", "IHCL", "Company", "our Company" refers to The Indian Hotels Company Limited and references to "we", "us", or "our" are to our Company together with its Subsidiaries, Joint Ventures and Associates on a consolidated basis

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'UK' or 'U.K.' or the 'United Kingdom' are to the United Kingdom of Great Britain and its territories and possessions; and (iv) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

In this Preliminary Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India, references to "GBP" or "£", are to the legal currency of Great Britain and references to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. All the numbers in this Preliminary Placement Document have been presented in lakhs or whole numbers, unless stated otherwise. The amounts derived from financial statements included herein are presented in Rs. lakhs rather than Rs. crore, as presented in our Financial Statements. Unless stated otherwise, throughout this Preliminary Placement Document, all figures have been expressed in Rupees in crores and lakhs.

In this Preliminary Placement Document, references to "Lakh" represents "100,000", "million" represents "1,000,000", "crore" represents "10,000,000", and "billion" represents "1,000,000,000".

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms "Fiscal", "Financial Year", "Fiscals" or "Fiscal year", refer to the 12 month period ending March 31 of that particular year. Unless stated otherwise, the financial data in this Preliminary Placement Document is derived from the Financial Statements.

This Preliminary Placement Document includes the following:

a) audited consolidated financial statements for Fiscal 2019 prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with the SEBI Listing Regulations (the "**Fiscal 2019 Audited Consolidated Financial Statements**");

b) audited consolidated financial statements for Fiscal 2020 prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with the SEBI Listing Regulations (the "**Fiscal 2020 Audited Consolidated Financial Statements**");

c) audited consolidated financial statements for Fiscal 2021 prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with the SEBI Listing Regulations (the "**Fiscal 2021 Audited Consolidated Financial Statements**" and collectively with Fiscal 2019 Audited Consolidated Financial Statements and Fiscal 2020 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**");

d) unaudited condensed consolidated interim financial statements as at and for the nine months ended December 31, 2021 prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India ("**Unaudited Condensed Interim Consolidated Financial Statements**" and collectively with Audited Consolidated Financial Statements, the **"Financial Statements"**)

Our Company prepares its financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. The Company publishes its financial statements in Indian Rupees. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Preliminary Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

Non-GAAP Financial Measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA have been included in this Preliminary Placement Document. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to the business of our Company contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which our Company and our Subsidiaries compete. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in "*Industry Overview"* on page 105.

The industry, market and economic data included in this Preliminary Placement Document has been copied from or derived from report titled "Industry Report - Upper Tier and Economy Hotels" dated February 22, 2022 (the "**Horwath HTL Report**"), which was prepared by Horwath HTL India pursuant to an engagement with our Company. Horwath HTL India is not in any manner related to our Company, our Directors or our Promoter. The Report is not exhaustive, is subject to various limitations and is based upon certain assumptions that are subjective in nature. While our Company has taken reasonable care in the reproduction of the information from the Report, none of our Company, the BRLMs, any of our Company's or their respective affiliates or advisors or any other person connected with the Issue has independently verified data and statistics obtained from the Report. While our Company has no reason to believe the data and statistics in the Report is incorrect, our Company cannot assure you that it is accurate, complete or reliable and, therefore, our Company makes no representation or warranty, express or implied, as to the accuracy, completeness or reliability of such data or statistics.

Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Further, there can be no assurance that such data and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case in other reports. Statements from third-parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the BRLMs can assure potential Investors as to their accuracy.

This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor any of the BRLMs have independently verified the industry and market data and do not make any representation regarding accuracy or completeness of such data. Our Company takes responsibility for accurately reproducing such information but accepts no further responsibility in respect of such information and data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor any of the BRLMs can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors - We have referred to the data derived from the industry report commissioned and paid for by our Company from Horwath HTL India which have been used for industry-related data in this Preliminary Placement Document*" on page 60. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of the Horwath HTL Report

The Horwath HTL Report is subject to the following disclaimer:

Crowe Horwath HTL Consultants Pvt. Ltd. (CHHTL) does not accept any liability arising out of reliance by any person or entity on contents of its report, or any information contained in its report, or for any errors or omissions in its report. Any use, reliance or publication by any person or entity on contents of its report or any part of it is at their own risk. In no event shall CHHTL or its directors or personnel be liable to any party for any damage, loss, cost, expense, injury or other liability that arises out of or in connection with this report including, without limitation, any indirect, special, incidental, punitive or consequential loss, liability or damage of any kind.

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Forward-Looking Statements

This Industry Report contains estimates / projections / outlook and statements that may be regarded as forward-looking statements. These statements are based on a number of assumptions, expectations and estimates which, while considered by us to be reasonable, are inherently subject to significant uncertainties and contingencies many of which are beyond the control of ourselves or Indian Hotels Company Limited (on whose behalf this report has been prepared) or which may reflect future business decisions which are subject to change. Recipients of this information are advised that the estimates / projections / outlook may be regarded as inherently tentative. Due to the subjective judgments and inherent uncertainties of statements about future events, there can be no assurance that the future results, or subsequent estimates / projections / outlook will not vary significantly from the estimates / projections / outlook and other statements set out in Industry Report.

This disclaimer must accompany every copy of this Industry Report, which is an integral document and must be read in its entirety.

AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, our Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, promptly furnish or cause to be furnished to the BRLMs and, upon request of any holder or beneficial owner of such restricted securities or any prospective purchaser of such restricted securities designated by such holder or beneficial owner, to such holder, beneficial owner or prospective purchaser, the information required to be delivered to holders, beneficial owners and prospective purchasers of the Equity Shares being issued by Rule 144A(d)(4) under the Securities Act, subject to compliance with applicable provisions of Indian law.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- the extent to which the recent coronavirus (COVID-19) outbreak impacts our Company's business, cash flows, results of the operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted;
- any deterioration in the quality or reputation of our brands.
- increased competition in the hotel sector with no assurance that new or existing competitors, hotels and homestays aggregators will not significantly expand or improve facilities in the markets in which we operate.
- inability to renew the license/lease period or amend to terms and conditions of the license/lease under which some of our hotels are maintained, by our licensors or lessors.
- contraction of the global economy or low levels of economic growth in the domestic and overseas markets where we operate.
- adverse developments affecting hotels or key geographies or regions from which we realise a large portion of our revenue.
- inability to attract and retain qualified employees or deterioration in our relationship with employee unions at one or more of our properties.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under "*Risk Factors*", "*Industry Overview*", "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 45, 105, 123 and 76, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the BRLMs will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchange.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. Other than Puneet Chhatwal and Anupam Narayan who are non-residents, all of our Directors and the Key Management Personnel named herein are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India predicated upon civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

India is not a party to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Among other jurisdictions, the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and the U.S. dollar will affect the U.S. dollar equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. dollar of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the U.S. dollar (in Rupees per U.S. dollar) based on the reference rates released by the RBI. No representation is made that the Rupee amounts actually represent such amounts in U.S. dollar or could have been or could be converted into USD at the rates indicated, any other rates, or at all.

	(₹ Per US$)			
	Period end	**Average*[(1)]**	**High[(2)]**	**Low[(3)]**
Financial Year:				
2021	73.50	74.20	76.81	72.29
2020	75.39	70.88	76.15	68.37
2019	69.17	69.89	74.39	64.93
Month ended:				
February 28, 2022	75.49	75.00	75.66	74.48
January 31, 2022	75.17	74.38	75.17	73.93
December 31, 2021	74.30	75.37	76.25	74.30
November 30, 2021	75.09	74.50	75.09	73.92
October 31, 2021	74.79	74.92	75.46	74.24
September 30, 2021	74.26	73.56	74.26	72.96

(Source: www.rbi.org.in and www.fbil.org.in)

*(1)*Average of the official rate for each working day of the relevant period.*

(2) Maximum of the official rate for each Working Day of the relevant period.

(3) Minimum of the official rate for each Working Day of the relevant period.

Notes:

- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
- *The RBI reference rates are rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in "Certain Tax Considerations", "Industry Overview", "Financial Statements" and "Legal Proceedings" on pages 190, 105, 212 and 202, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
"Our Company", "the Company", "the Issuer" or "IHCL"	The Indian Hotels Company Limited, a public limited company incorporated under the provisions of the Indian Companies Act, 1882 and having its registered office at Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra, India
"We", "Our", or "Us"	Unless the context otherwise indicates or implies, refers to our Company along with its subsidiaries, jointly controlled entities or joint ventures and associate companies, on a consolidated basis.

Company related terms

Term	Description
Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time
Associates or Associate Companies	Entities over which we have significant influence
Audit Committee	The Audit Committee constituted by the Board of our Company as disclosed in "*Board of Directors and Senior Management*" on page 135
Auditors or Statutory Auditors or Independent Auditors	Statutory auditors of the Company namely, B S R & Co. LLP, Chartered Accountants
Board of Directors or Board	The board of directors of our Company, including any duly constituted committee thereof
Corporate Office	9th Floor, Express Towers, Barrister Rajni Patel Marg, Nariman Point, Mumbai 400 021, Maharashtra, India
Corporate Social Responsibility and Sustainability Committee	The Corporate Social Responsibility and Sustainability Committee constituted by the Board of our Company as disclosed in "*Board of Directors and Senior Management*" on page 135
Director(s)	The directors on the Board of our Company, as may be appointed from time to time
ELEL	ELEL Hotels and Investments Limited
Equity Shares	The equity shares of a face value of ₹1 each of the Company
Excalibur	Excalibur Assets and Capital Management Private Limited
Financial Statements	Unaudited Condensed Interim Consolidated Financial Statements, Fiscal 2021 Audited Consolidated Financial Statements, Fiscal 2020 Audited Consolidated Financial Statements and Fiscal 2019 Audited Consolidated Financial Statements
Fiscal 2021 Audited Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2021 prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with the SEBI Listing Regulations
Fiscal 2020 Audited Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2020 prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with the SEBI Listing Regulations
Fiscal 2019 Audited Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2019 prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies

Term	Description
	Act, 2013, and other accounting principles generally accepted in India and in compliance with the SEBI Listing Regulations
Key Management Personnel	The key management personnel of our Company in accordance with the provisions of the Companies Act, 2013. For details, please see the section entitled "*Board of Directors and Senior Management*" on page 135
Memorandum or Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee constituted by the Board of our Company as disclosed in "*Board of Directors and Senior Management*" on page 135
Promoter	The Promoter of our Company, being, Tata Sons Private Limited
Promoter Group	Promoter group of the Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
QIP Committee 2021-22	The QIP Committee 2021-22 constituted for the purposes of the Issue by the Board of our Company as disclosed in "*Board of Directors and Senior Management*" on page 135
Registered Office	The registered office of the Company situated at Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra, India
Risk Management Committee	The Risk Management Committee constituted by the Board of our Company as disclosed in "*Board of Directors and Senior Management*" on page 135
Shareholders	Shareholders of our Company
Stakeholders' Relationship Committee	The Stakeholders' Relationship Committee constituted by the Board of our Company as disclosed in "*Board of Directors and Senior Management*" on page 135
Subsidiaries	Subsidiaries of the Company in accordance with the Companies Act, 2013, being: 1. Roots Corporation Limited 2. Piem Hotels Limited 3. KTC Hotels Limited 4. United Hotels Limited 5. Benares Hotels Limited 6. ELEL Hotels and Investments Limited 7. Skydeck Properties and Developers Private Limited 8. Sheena Investments Private Limited 9. Luthria & Lalchandani Hotel & Properties Pvt. Ltd. 10. Taj Trade and Transport Company Limited 11. Inditravel Limited 12. Northern India Hotels Limited 13. Taj Enterprises Limited 14. Ideal Ice Limited *(Previously known as Ideal Ice and Cold Storage Limited)* 15. Taj Sats Air Catering Limited 16. St. James Court Hotels Limited 17. Taj International Hotels Limited 18. United Overseas Holdings Inc (including its wholly owned LLCs) as below: a. IHMS LLC b. IHMS (USA) LLC c. IHMS (SF) LLC 19. IHOCO BV 20. Taj International Hotels (H.K) Limited 21. IHMS Hotels (SA) (Proprietary) Limited 22. Goodhope Palace Hotels (Proprietary) Limited 23. PIEM International Hotels (H.K) Limited 24. BAHC 5 Pte Limited 25. Genness Hospitality Private Limited 26. Qurio Hospitality Private Limited
Unaudited Condensed Consolidated Interim Financial Statements	Unaudited condensed consolidated interim financial statements as at and for the nine months ended December 31, 2021 prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India

Issue related terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares, by our Company in consultation with the BRLMs, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Form submitted by them, and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot or Allotment or Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares to be issued pursuant to the Issue

Term	Description
Allottees	Bidders to whom Equity Shares are issued and Allotted pursuant to the Issue
Application Form	The form (including any revisions thereof) pursuant to which a Bidder indicates its interest to subscribe for the Equity Shares of our Company pursuant to the Issue
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bid(s)	An indication of interest of an Eligible QIB, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for Equity Shares in the Issue. The term "Bidding" shall be construed accordingly
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Book Running Lead Manager or BRLMs	Collectively, ICICI Securities Limited and Credit Suisse Securities (India) Private Limited
CAN or Confirmation of Allocation Note	Note or advice or intimation to the Successful Bidders confirming Allocation of Equity Shares to such Eligible QIBs after discovery of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2022
Designated Date	The date of credit of Equity Shares to the demat accounts of the Bidders, as applicable, to the respective Eligible QIBs
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. In relation to the Issue, this term shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs, participating through Schedule II of the FEMA Rules. Subject to (ii) above, in the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act may participate in the Issue. Further, except as provided in (ii) above, other non-resident QIBs (including FVCIs and non-resident multilateral and bilateral development financial institutions) are not permitted to participate in the Issue
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheque or overdraft facilities, opened with the Escrow Bank, subject to the terms of the Escrow Agreement
Escrow Agent	ICICI Bank Limited
Escrow Agreement	Agreement dated March 22, 2022, entered into by our Company, the Escrow Agent, the BRLMs for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	The floor price of ₹203.48 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the shareholders of our Company was accorded through a special resolution passed by way of a postal ballot on January 29, 2022, and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue	The offer, issue and Allotment of [●] Equity Shares to Eligible QIBs pursuant to Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013, and the rules prescribed thereunder
Issue Closing Date	[●], 2022, the date after which our Company (or Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Bid Amount
Issue Opening Date	March 22, 2022, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Bid Amount
Issue Period	The period between the Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids along with the Bid Amount
Issue Price	₹ [●] per Equity Share
Issue Size	The issue of [●] Equity Shares aggregating to ₹[●] crore
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Placement Agreement	Placement agreement dated March 22, 2022, entered into by our Company and the BRLMs
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
Preliminary Placement Document	This preliminary placement document cum application form dated March 22, 2022 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013, and the rules prescribed thereunder

Term	Description
QIBs or Qualified Institutional Buyers	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with applicable rules
Regulation D	Regulation D under the Securities Act
Regulation S	Regulation S under the Securities Act
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The intimation from the Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts
Relevant Date	March 22, 2022, the date on which our Board of Directors or any authorised committee of our Board of Directors decides to open the Issue
Rule 144A	Rule 144A under the Securities Act
Securities Act	The United States Securities Act of 1933, as amended
Stock Exchanges	NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount with the Application Form and who are Allocated Equity Shares pursuant to the Issue
U.S. / United States	The United States of America
U.S. QIB	A qualified institutional buyer, as defined under Rule 144A

Industry Related

Term	Description
ADR	Average daily rate
ARR	Average room rate
CAGR	Compound annual growth rate
COVID	Coronavirus disease
CRM	Customer relationship management
CSR	Corporate social responsibility
DMRC	Delhi Metro Rail Corporation
ECR	East Coast Road
EIH	East India Hotels
F&B	Food and beverage
FTA	Foreign tourist arrivals
GDP	Gross domestic product
H1	First half
H2	Second half
HR	Human resource
Horwath HTL Report	The report entitled "*Industry Report - Upper Tier and Economy Hotels*" dated February 22, 2022 prepared by Horwath HTL India
IHG	InterContinental Hotels Group
IMF	International Monetary Fund
IT	Information Technology
ITeS	Information Technology Enabled Services
JV	Joint venture
K	Thousand
LTH	Lemon Tree Hotels
MICE	Meetings, incentives, conventions and events
MoSPI	Ministry of Statistics and Programme Implementation
MoT	Ministry of Tourism, Government of India
NCP	National Commission on Population
NCR	National Capital Region
OMR	Old Madras Road
PPP	Purchasing Power Parity
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
RCL	Roots Corporation Limited
RevPAR	Revenue per available room
SAARC	South Asian Association of Regional Cooperation
SME	Small and Medium Enterprises

Term	Description
STR	Smith Travel Research
T&T	Travel and tourism
UDAN	Ude Desh Ka Aam Naagrik
UK	United Kingdom
UNWTO	United Nations World Tourism Organization
UP	Uttar Pradesh
USA	United States of America
USD	US Dollars
UT	Union Territory
YTD	Year to Date

Conventional and general terms

Term	Description
₹, Rs., INR, Rupees	Indian Rupees
AGM	Annual General Meeting
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compound annual growth rate
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CIN	Corporate Identity Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 2013 and applicable provisions of the Companies Act, 1956
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
Cr.P.C	The Code of Criminal Procedure, 1973
Depositories	CDSL and NSDL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID Number	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in this Issue
EU	European Union
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FIR	First Information report
Financial Year or Fiscal	The period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
General Meeting	AGM or EGM
GoI or Government	Government of India
GST	Goods and Services Tax

Term	Description
HUF	Hindu Undivided Family
HIN	High net-worth individual
I.T. Act	The Income-tax Act, 1961
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards, as per the roadmap issued by the Ministry of Corporate Affairs, Government of India, notified by the MCA under section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Indian Generally Accepted Accounting Principles (GAAP) as notified under Section 133 of the Companies Act read with Companies (Accounts) Rules, 2014.
IRDAI	Insurance Regulatory and Development Authority of India
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, GoI
MoEF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NEFT	National Electronic Fund Transfer
Non-Resident Indian or NRI	An individual resident outside India who is citizen of India
Non-Resident or NR	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P.A. or p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RoC or Registrar	Registrar of Companies, Maharashtra at Mumbai
Rule 144A	Rule 144A under the Securities Act
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India established under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S.	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCF	Venture capital fund
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(lll) of the SEBI ICDR Regulations

SUMMARY OF BUSINESS

Overview

We are one of the leading hospitality chains in India by number of hotels (*Source: Horwath HTL Report*) focused on being a dynamic hospitality ecosystem. We are primarily engaged in the business of owning, operating and managing hotels and resorts primarily under various brands including, our flagship brand "*Taj*". The Company was incorporated in 1902 and is promoted by Tata Sons Private Limited, which held 38.42% of the Company's shareholding as of December 31, 2021.

Our first hotel, the Taj Mahal Palace, Mumbai, commenced operations in 1903. In the past few decades, we have expanded geographically to register our presence in key travel destinations both in India and internationally. We have also converted or restored former royal palaces in India into flagship hotels. Some of our marquee hotels which are operated out of former royal palaces include Rambagh Palace, Jaipur, Umaid Bhawan Palace, Jodhpur, Taj Falaknuma Palace, Hyderabad and Taj Lake Palace, Udaipur. In addition to the palace hotels, many hotels are located in iconic or heritage buildings, such as the Taj Mahal Palace, Mumbai, The Pierre, New York or the Taj Cape Town, South Africa. In 2004, we launched hotels under the brand, "*Ginger*", formerly, "*Indione*", to cater to the budget segment. We have, over time, systematically invested in creating assets directly or through subsidiaries, joint ventures or associates in both India and international locations. As of January 31, 2022 we operated or managed 171 hotels and resorts globally with approximately 19,920 rooms with a presence across various geographical segments, including beach resorts, hill stations, wildlife sanctuaries, major cities and tourist destinations. Of this, we have 16 international hotels with 2,560 rooms in 12 international locations.

The spirit of "*Tajness*" – and values of Trust, Awareness and Joy, define a common philosophy across all our hotels to ensure our customers are able to have the same experience across our hotels. We operate our hospitality business through our hospitality brands of "*Taj*", "*SeleQtions*", "*Vivanta*" and "*Ginger*" as well as the recently launched "*amã Stays and Trails*". In addition, we also operate restaurants and our food and beverage business under brands such as Golden Dragon, Wasabi by Morimoto, Thai Pavilion, House of Ming, Shamiana. Recently, we launched "*Qmin*", a repertoire of culinary offerings, delivered to homes using a proprietary Qmin mobile application and also has an offline presence through shops and food trucks. We launched a global version of "*The Chambers*", an exclusive business club in eight cities granting members exclusive benefits and privileges. In addition, we operate spas under the "*Jiva*" brand, shops under "*Khazana*", salons under "*niu&nau*" and cater to airlines from "*TajSATS*", through our joint venture Taj SATS Air Catering Limited. In 2021, "*Taj*" has been rated as the World's Strongest Hotel Brand by Brand Finance, the world's leading brand valuation consultancy in its annual 'Hotels 50 2021' report and ranked as #1 hospitality brand in India in its 'India 100 2021' report.

We undertake our business through direct ownership of hotels, lease arrangements, licensing arrangements and operating/management contracts and franchises. These diverse modes of business operation complement each other and enable us to efficiently capitalise on our brand for achieving sustained growth. We have taken up operating and management contracts in the last few years in order to move to an asset-light model and propose to undertake future expansion largely through development of our existing land bank, utilisation of the unutilised floor space index in our operating hotels and through management contracts.

We have won several awards for our hospitality operations and governance in India and internationally. For further details, please see the section entitled "*Business – Awards*" on page 130.

The total income for the financial year ended March 31, 2020, on a consolidated basis, was ₹4,595.56 crores and the profit after tax (attributable to owners) was ₹ 354.42 crores. Our financial results for the financial year ended March 31, 2021 and the nine months ended December 31, 2021 were impacted by the COVID-19 pandemic which impacted global economy, including travel and tourism due to which our financial performance dropped significantly. On a consolidated basis, our total income was ₹1,739.88 crores for the financial year ended March 31, 2021 as compared to ₹4,595.56 crores for the financial year ended March 31, 2020 and our total income was ₹2,256.50 crores for the nine months ended December 31, 2021 as compared to ₹1,113.41 crores for the nine months ended December 31, 2020. The revenues have shown an upward trajectory during the third quarter of the financial years 2021 to 2022.

Our Competitive Strengths

Strong and Well-Established Brand in the Hospitality Industry, Backed by Service Excellence

We are one of the oldest hotel chains in India with our flagship brand "Taj" being ranked as #1 hospitality brand in India (*Source: Brand Finance 'India 100 2021' Report*). Our hotels are renowned for their well-appointed properties, warm customer service and customer experience. This is reflected through several awards won over the years by our hotels and restaurants in India and internationally. In 2021, "Taj" has been rated as the World's Strongest Hotel Brand by Brand Finance, the world's leading brand valuation consultancy in its annual 'Hotels 50 2021' report. Moreover, "Taj" ranked #1 among the strongest brands in India across all sectors in 2020 and ranked #2 in the same category in 2021. We also believe that we derive significant reputational benefit as a result of being a Tata Enterprise. Our brands and our parentage, we believe, have also been our strength through the COVID-19 pandemic.

Our competently trained, motivated and performance-oriented staff delivers high quality and personalised service to our customers. We have strong food and beverage capabilities with a wide variety of cuisines. Our hotels undertake innovative customer engagement activities on a regular basis and in the past, these have included (i) unique local experiences, such as homestays, nature trails and excursions, (ii) alternative dining experiences, (iii) themed parties for the guests, (iv) integrated holiday programmes, and (v) wellness themes.

Diverse and Expansive Locations of our Hotel Properties, of which some are situated in Iconic Buildings

We have presence in approximately 90 locations, which provides us with a comparative advantage over our competitors in this respect, as achieving this scale of presence would require significant capital expenditure. We have also undertaken selective expansion, both domestically and internationally, in locations such as in Goa, Kerala, Rajasthan, Andamans and Maldives. We have the ability to service a diverse customer base as each of our hotels cater to distinct price points and customer requirements. Our presence across the pricing spectrum provides us with the ability to cater to our customers' diverse requirements based on their respective purpose of visit and propensity to spend. This allows us to offer our customers a wide bouquet of pricing options in each city, which is a unique capability and we believe it is unmatched by our competitors. The table below provides an illustration of the number of our operational hotel in key locations in India, as at December 31, 2021:

Key Locations	Number of operational hotels
Goa	10
Mumbai	8
Bengaluru	8
Chennai	9
New Delhi	7
Jaipur	5

Our hotels are also located at key international travel destinations, such as London, New York, San Francisco, Dubai, Sri Lanka, Maldives, Bhutan and Nepal. This provides us with the ability to tap international customers and cross-sell our hotels, including those located in India. Additionally, some of our hotels are housed in iconic or heritage buildings, such as Taj Mahal Palace, Mumbai and The Pierre, New York, and original royal palaces, which include Rambagh Palace, Jaipur, Umaid Bhawan Palace, Jodhpur, Falaknuma Palace, Hyderabad and Taj Lake Palace, Udaipur. We believe that such locations greatly enhance the attractiveness of our properties to customers. Moreover, due to the location of our hotels in diverse geographic locations, which encompass beach resorts, hill stations, wildlife sanctuaries, major cities and tourist destinations, we have the ability to cater to the requirements of a broad customer segment. Some of the key destinations which provide us with this ability include:

Type of Destination	Location of Some of our Hotels
Beach Resorts	Goa (India), Bekal (India), Bentota (Sri Lanka) and Emboodhu Finolhu (Maldives)
Hill Stations	Coonoor (India), Coorg (India), Ooty (India), Srinagar (India), Theog (India), Darjeeling (India) and Thimpu (Bhutan)
Wildlife Sanctuaries	Bandhavgarh (India), Kanha (India), Panna (India), Pench (India), Chitwan National Park (Nepal), Gir Forest (India), Corbett (India), and Sawai Madhopur (India)
Major Cities	*Indian*: Bengaluru, Chennai, Mumbai, New Delhi, Hyderabad and Kolkata *International*: Cape Town (South Africa), Colombo (Sri Lanka), Dubai (UAE), London (England), New York (USA) and San Francisco (USA)
Tourist Destinations	*Indian*: Ajmer, Amritsar, Jaipur, Jodhpur, Kumarakom, Rishikesh, Varanasi, and Udaipur

Strong and Diversified Food and Beverage Capabilities

Over the years, we have created multiple brands within our food and beverage operations, many of which have been award winning restaurants. Along with our flagship hospitality brands, we have created a framework to maximise the potential of these brands by moving from being a branded house to a house of brands. Some of the restaurants operated by us include Bombay Brasserie, Golden Dragon, Thai Pavilion, Shamiana, Southern Spice and Machan. Our restaurants not only cater to guests, resident in our hotels, but also are very popular with our non-resident patrons. Our dining program, Epicure, which grant several dining privileges and benefits to members, is very well accepted among our customers. As of December 31, 2021, we operated approximately 400 restaurants in our hotels, offering a variety of cuisine, including ethnic Indian, Chinese, Pan Asian, Thai, Japanese, Mediterranean and Italian. Our food and beverage revenue contributed to a significant proportion of our total income during the financial year ended March 31, 2020.

We have also entered into exclusive partnerships with premium brands to create co-branded spaces within our hotels. In order to cater to the younger generation, we have recently launched Seven Rivers in partnership with Anheuser Busch InBev India Limited, to set-up an on-site chain of microbreweries at our hotels. The first such brewery was launched at Taj MG Road, Bengaluru. Additionally, we have entered into partnerships with celebrated and premium brands for creating co-branded lounges within The Chambers.

Our food and beverage capacity is complemented by our food delivery mobile application – Qmin, which enables customers to place food orders from our portfolio of restaurants and cloud kitchens. Under the "*Qmin*" brand, we also provide services to corporates to organise virtual celebrations across cities, launch festival menus and provide offline distribution channels such as Qmin Shops and Qmin Food Trucks.

We believe that our restaurants and other food and beverage services have developed a strong brand image and gained customer loyalty due to high quality of food served by them and their ambience. Our food and beverage capabilities are backed by experienced, well-qualified and renowned chefs employed by us.

Well Developed Sales and Marketing Function

We have a well-trained sales and marketing team whose functions are divided into sales, marketing, revenue management, digital marketing and social media, public relations and customer relationship management. Due to well defined functions, our sales and marketing team provides impetus to our occupancy percentages. Our sales and marketing network also has an international presence, which provides us with the unique ability to cross-sell our domestic hotels to international travellers and vice-versa. We also have a comprehensive reservation network, which augment our marketing efforts. We have a worldwide reservation team, which is available 24x7 and is accessible through toll free numbers in various countries. Additionally, customers can also make reservations through reservation desks operated at each of our hotels, through global distribution systems for participating hotels, our website (www.tajhotels.com) and online travel portals. All of these modes of reservations are connected to a central reservation system which enables us to manage our global inventory of rooms in real-time. The strength of our sales and marketing infrastructure is also reflected by our customer loyalty programmes - Taj Inner Circle and Epicure, which we have introduced for our patrons.

Integration of Technology and Digitalisation

We have introduced digital technologies towards adopting a culture of innovation to provide improved services and optimise processes. Through increased digitalisation, we provide seamless, contactless and improved experiences to our customers. These technologies include "*I-ZEST*", a zero-touch service transformation and "*Qmin*", a food and beverage delivery mobile application. Through "*I-ZEST*", we provide a suite of digital solutions across our brands, focussing on the safety of our customers. This application enables us to provide offerings such as zero-touch check-ins and check-outs, mobile door keys, digital invoicing, online payment options and QR codes for digital menus in restaurants.

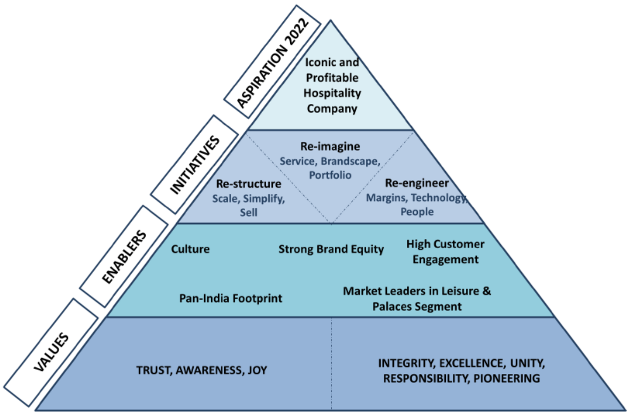
Experienced Management Team and Customer Centric Employees

Our operations are managed by a team of experienced and professional managers with significant experience in the hospitality industry. We believe that our management team has been able to identify opportunities which will, in conjunction with the management's operational expertise, continue to yield positive results for us. We believe that our human resource development programmes, which include e-learning initiatives and leadership and talent development programmes have fostered an enviable workforce. We have also employed various integrated mechanisms to receive and evaluate customer feedback and utilize that to nurture customer centric employees.

Our Business Strategy

Aspiration 2022

Our Board, in February 2018, set our aspiration to be '*The Most Iconic and Profitable Hospitality Company in South Asia*', through Aspiration 2022, by leveraging our strengths and competitive advantages to maintain our position as a market leader. Our aim was to pivot our Company towards a fresh direction of – accelerated aspirational growth, iconic status and a path to profit.



Aspiration 2022 was enabled by our strengths and built on a value system, including, "*Tajness*" - Trust, Awareness and Joy, which defines a common philosophy across all our hotels to ensure our customers are able to have the same experience across our hotels. Our strategy is focused on three key initiatives:

- *Re-structure Growth*: We sought to grow our portfolio by signing approximately 15 properties a year and develop a strong pipeline along with sustained property openings. Our objective is to pursue growth through an asset light model and move to an equal proportion of asset ownership and management properties within our portfolio.

- *Re-imagine Brandscape*: We sought to bring clarity in our brandscape by (i) establishing the supremacy of our brand "*Taj*", which caters to the luxury to upper upscale segment; (ii) clarify the positioning for "*Vivanta*", catering to the upscale segment, (iii) upgrade "*Ginger*" from an economy to lean luxe segment; and (iv) introduction of "*SeleQtions*", a named collection of niche hotels. We moved from being a branded house to a house of brands by reimagining our brandscape across accommodations, food and beverages and ancillary businesses.

- *Re-engineer Margins*: Our focus on margin expansion required improving our EBITDA margins contributed by revenue and cost initiatives. On the balance sheet, our attempt was towards simplification of holdings and monetisation of non-core assets and hotel assets. Towards this end, we may set up a strategic partnership with financial investors for the purposes of acquiring assets from the market with a 30% equity contribution from us. The platform permits monetisation of a couple of assets from our portfolio as well.

Up to March 2020, we made significant progress on the execution of Aspiration 2022. The table below provides our total income and profit after tax attributable to owners of the Company, after the implementation of Aspiration 2022, for the financial years ended March 31, 2018, 2019 and 2020:

(in ₹ crores)

Particulars	Financial Year ended March 31, 2018	Financial Year ended March 31, 2019	Financial Year ended March 31, 2020
Total income	4,165.28	4,595.38	4,595.56
Profit after tax for the year attributable to owners of the Company	100.87	286.82	354.42

COVID-19 and our response – R.E.S.E.T 2020

The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020. The spread of COVID-19 and the recent developments surrounding the global pandemic have disrupted global health and caused high fatalities worldwide. In the first couple of months, our revenue dropped substantially and the tourism industry was facing a near-zero revenue. For details of the risks related to our business due to COVID-19 pandemic, see "*Risk Factors - The extent to which the recent coronavirus (COVID-19) outbreak impacts our Company's business, cash flows, results of the operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted.*" on page 45.

In this context it was important for us to manage our business to survive the pandemic. The changing environment demanded that we change course with stability making strategic changes in an agile manner. We implemented 'R.E.S.E.T 2020' – Revenue growth, Excellence, Spend optimization, Effective asset management and Thrift and financial prudence.

R.E.S.E.T 2020	R.E.S.E.T 2020 Initiatives
Revenue Growth	We implemented several tactical initiatives to maximise opportunities of revenue while laying the foundations for future revenue streams. These included: (i) focusing on domestic tourism, especially at leisure resorts, shorter vacation getaways, staycations, bizcations, holidays within drivable distances, smaller social gatherings within norms; (ii) promotions like 4D – Dream.Drive.Discover.Delight and Urban Getaways targeted at driving-distance holidays and younger travelers amongst other campaigns; (iii) earning revenues from room occupancy due to quarantine, by medical professionals and our customers who conducted business continuity operations from our hotels; and (iv) launching our brand "*amã Stays & Trails*" to take advantage of the demand for exclusive and extended stays. We also explored alternate avenues of revenue by developing innovative and novel products and services. We launched products such as the *Qmin* and *Hospitality@Home*. Currently, Qmin caters to customers in 20 cities across India and the Qmin mobile application has been downloaded by over 4 lakh users until December 31, 2021. Under the "*Qmin*" brand, we have launched Qmin Shops (in and outside hotel) and a Qmin Food Truck in Mumbai, which we propose to expand to other locations as well. In the recent past, *TajSATS* launched a multi-cuisine offering of Indian, pan-Asian and comfort food "*anuka*", and their offerings can also be availed through home delivery through the Qmin mobile application. The network revenue of Qmin (i.e. all revenues from Qmin irrespective of the ownership) for the nine months ended December 31, 2021 was ₹ 57.69 crores. We also continued to sign new leases and management contracts and open new hotels during the financial year ended March 31, 2021. Our revenue initiatives enabled us to take advantage of the improving conditions.
Excellence	"*Tajness – A Commitment Restrengthened*", our hospitality service standard was implemented with the assurance of safety and hygiene for a new normal world. We implemented revised standard operating procedures (SOPs) that acted as a comprehensive guide covering all functional areas factoring social distancing, digital-first approach and heightened precautionary processes for guests and employees. We implemented new technology, I-ZEST - Zero-Touch Service Transformation, to provide a suite of digital solutions comprising of contactless check-ins and check-outs, digital invoicing, online payment options and QR code enabled digital menus in restaurants to ensure a seamless customer journey by minimizing contact. We also fulfilled our social responsibility by providing more than three million meals to the medical staff and hosted doctors at subsidized rates.
Spend optimization	Our Company has instituted a robust spend optimisation programme to reduce fixed

R.E.S.E.T 2020	R.E.S.E.T 2020 Initiatives
	costs and optimise resources. With variable costs standing reduced with lower business volumes, our Company's focus shifted to fixed costs. • Manpower rationalisation programmes were conducted with redeployments and developing new ways of working including, multi-skilling, cluster and shared service approaches. • Contracts for supplies of food ingredients, consumables, etc. were renegotiated and food and beverages offerings were pruned to essentials. • Contracts for services and reduced discretionary spends on repairs, selling, distribution, marketing and administration costs at hotels. During the financial year ended March 31, 2021, we reduced total expenses by 35.17% as compared to financial year ended March 31, 2020.
Effective Asset Management	Through effective management of assets, our Company aimed at restructuring its assets by continuing its strategy of monetizing non-core assets, selling and managing back hotel assets and re-negotiating lease terms for longer term benefits in addition to shorter term waiver or enforcement of '*force majeure'* clauses for relief on account of the pandemic. We continued to focus on simplifying our holding structure by acquiring residual stakes in the companies holding assets/or businesses, namely the site for the Sea Rock Hotel, Roots Corporation Limited and Taj Cape Town, South Africa.
Thrift and financial prudence	We optimized our corporate overheads across all cost heads including, restructuring and redeployment of select corporate office positions, reviewing contracts with professional consultants, marketing spends, renegotiating annual maintenance contracts, technology support agreements, leased-line costs, reducing support staff of inbound and outbound call centers and travel expenses. We deferred capital expenditure and prioritised renovations to essentials and strategic projects. We also increased our liquidity through fresh borrowings to refinance maturing debt and meeting operational cash requirements.

Strategic imperatives going forward

Aspiration 2022 has been the cornerstone of our strategy. While we resorted to R.E.S.E.T. 2020 to deal with the impact of the pandemic, several levers of our growth and profitability drivers were sharpened during this journey. As the travel improves and tourism begins to stabilise, we will turn our focus on the following:

- *Growing our portfolio*: We shall continue to sign new leases and management contracts and open hotels regularly to expand our presence in India. We shall incur capital expenditure selectively on priority projects such as continuing refurbishments and renovation at key hotels, construction of 371 keys Ginger at Santacruz, Mumbai, re-designing of the banquet hall at The Pierre, New York and similar strategic projects. Further, we will also pursue inorganic and organic growth strategies. For further details, please see the section entitled "*Use of Proceeds*" on page 70. At the meeting of our Board of Directors dated October 21, 2021, our Company proposed to purchase the shareholding from all entities holding shares in Roots Corporation Limited, including the shareholding of PIEM Hotels Limited at a consideration not exceeding ₹ 500 crores. Accordingly, our Company has acquired the shareholding of Piem Hotels Limited in Roots Corporation Limited and as at December 31, 2021, our Company directly owned 67.11% of the outstanding equity share capital of Roots Corporation Limited. The shares held by Omega TC Holdings Pte Limited (27.68% of the outstanding equity share capital), and Tata Capital Limited (2.44% of the outstanding equity share capital) is expected to be acquired by our Company before March 31, 2022. The shares held by Tata Investment Corporation Limited (2.78% of the outstanding equity share capital), is expected to be acquired by our Company before August 31, 2022. Additionally, to pursue our growth strategy we may set up strategic partnership with financial investors.

- *Brandscape*: We believe that our reimagined brandscape will be stabilised by strengthening further the new brands we developed such as "*Qmin", "amã Stays and Trails"* and *"anuka"* and reimagined brands such as

"*Ginger", "TajSATS", "The Chambers"* and *"Jiva Spas"*. We expect these brands to complement our established brands, namely, "*Taj*", "*SeleQtions*" and "*Vivanta*" to provide a spectrum of offerings to our customers and asset owners.

- *Emerging and new businesses*: A re-imagined "*Ginger*" brand along with a lean luxe model and newly introduced food and beverage offerings holds out a strong growth potential as demand in the mid-scale segment increases. We propose to capitalise on this demand by expanding our presence in high-growth markets with leases and/or management contracts under the "*Ginger*" brand.

  We also propose to scale up businesses we developed with new revenue streams such as "*Qmin", "amã Stays and Trails"* and "*The Chambers"* and "*Seven Rivers"* brewpubs. These revenue streams will complement our mainstream revenue sources of accommodation and food and beverages.

- *Margin expansion*: On the revenue side, our focus is on building significant income streams through management fees by leveraging our brandscape, membership fees in The Chambers and the new revenue streams from "*Qmin", "amã Stays and Trails"*.

  We have continued to focus on keeping our fixed costs and overhead costs lower and our costs the nine months ended December 31, 2021 has been lower than the costs incurred for the nine months ended December 31, 2020. We have also continued to focus on manpower rationalisation with redeployment of our employees to new hotels and continued emphasis on reskilling our employees. We propose to continue this focus on optimising operating costs including fixed costs at our hotels. We believe that our rationalisation programmes, new ways of working, clusters and shared services will keep us lean while ensuring that customer service is improvised at the same time. We seek to retain corporate overheads at an optimal level by applying prudence in allocating resources, continuing redeployments, restructuring and exploring synergies.

  Our focus remains continually on restructuring our balance sheet by managing assets, monetising non-core assets and maintaining debt at manageable levels similar to the year immediately preceding the pandemic. We remain ROCE focused with two imperatives, being, monetisation to reduce our legacy balance sheet and future growth through an asset-light model.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections entitled "*Risk Factors*", "*Use of Proceeds*", "*Placement*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 45, 70, 171, 156 and 187, respectively.

Issuer	The Indian Hotels Company Limited
Face Value	₹1 per Equity Share
Issue Size	Issue of [●] Equity Shares, aggregating to ₹ [●] crore. A minimum of 10% of the Issue Size i.e. at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares should be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such minimum portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board Resolution	October 21, 2021
Date of Shareholders' Resolution	January 29, 2022 (special resolution passed by way of a postal ballot on January 29, 2022)
Floor Price	₹203.48 per Equity Share which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the shareholders of our Company accorded through their special resolution passed by way of a postal ballot on January 29, 2022 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, please see the sections entitled "*Issue Procedure – Eligible Qualified Institutional Buyers*" and "*Transfer Restrictions and Purchaser Representations*" on pages 161 and 180. The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form were delivered has been determined by our Company in consultation with the BRLMs.
Equity Shares issued and outstanding immediately prior to the Issue	1,32,14,47,299* Equity Shares ** As of the date of this Preliminary Placement Document, 57,597 Equity Shares were issued but not subscribed to, and have been kept in abeyance pending resolution of legal dispute amongst certain shareholders of the Company.*
Subscribed and paid-up Equity Share capital prior to the Issue	1,32,13,89,702 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	Immediately after the Issue [●] Equity Shares will be issued and outstanding
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations.For details, please see the section entitled "*Issue Procedure*" on page 156
Listing	Our Company has obtained in-principle approvals dated March 22, 2022 from BSE and NSE in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final listing and trading approval for the Equity Shares to be issued pursuant to this Issue.
Lock-up	Not Applicable
Transferability Restrictions	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. For further details, please see the section entitled "*Transfer Restrictions and Purchaser Representations*" on page 180
Use of Proceeds	The gross proceeds from the Issue is ₹ [●] crore.

	The net proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue, will be approximately ₹ [●] crore. For details, please see the section entitled "*Use of Proceeds*" on page 70
Risk Factors	For details, please see the section entitled "*Risk Factors*" on page 45 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Taxation	Please see the section entitled "*Certain Tax Considerations*" on page 190.
Closing Date	The Allotment is expected to be made on or about [●]
Ranking and dividends	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held. For details, please see the section entitled "*Description of the Equity Shares*" on page 187.
Security Codes for the Equity Shares	ISIN: INE053A01029
	BSE Code: 500850
	NSE Code: INDHOTEL

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information extracted from our *Financial Statements*, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in "*Financial Statements*" on page 212. Please see the sections entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*", on pages 76 and 212, respectively, for further details.

SUMMARY BALANCE SHEET INFORMATION

(₹ in crore)

Particulars	As at December 31,	As at March 31,		
	2021	2021	2020	2019
Assets				
Non-current assets				
Property, Plant and Equipment	5,598.56	5,728.00	5,270.65	5,233.18
Capital work-in-progress	254.89	164.99	243.15	115.93
Right-of-Use assets	1,496.90	1,529.74	1,583.28	-
Goodwill	617.04	610.97	614.58	583.47
Intangible assets	557.09	568.99	590.34	605.60
Intangible assets under development	0.77	-	0.93	0.25
Investments accounted using the equity method	546.65	578.37	672.35	687.67
Financial assets				
Investments	466.46	456.17	318.00	436.26
Loans	-	5.05	16.65	15.73
Other financial assets	84.81	78.19	118.36	65.54
Deferred tax assets (net)	131.56	117.98	76.50	69.44
Advance income tax (net)	146.46	203.40	227.85	189.91
Other non-current assets	305.32	316.98	348.31	422.00
Total Non-Current Assets	**10,206.51**	**10,358.83**	**10,080.95**	**8,424.98**
Current assets				
Inventories	99.71	92.88	93.61	80.40
Financial assets				
Investments	288.09	448.63	436.24	211.21
Trade receivables	307.33	219.84	290.02	321.38
Cash and cash equivalents	852.78	94.27	250.82	189.29
Other balances with banks	58.38	59.36	64.76	51.65
Loans	9.99	16.68	4.77	3.44
Other financial assets	93.48	88.95	160.98	160.14
Other current assets	129.03	132.20	132.37	132.84
Total Current Assets	**1,838.79**	**1,152.81**	**1,433.57**	**1,150.35**
Assets classified as held for sale	1.60	1.07	3.74	8.43
	1,840.39	**1,153.88**	**1,437.31**	**1,158.78**
Total Assets	**12,046.90**	**11,512.71**	**11,518.26**	**9,583.76**
Equity and liabilities				
Equity				
Equity share capital	132.14	118.93	118.93	118.93
Other equity	5,127.16	3,529.51	4,237.88	4,229.07
Equity attributable to owners of the company	**5,259.30**	**3,648.44**	**4,356.81**	**4,348.00**
Non-controlling interests	632.51	634.57	764.90	799.86
Total equity	**5,891.81**	**4,283.01**	**5,121.71**	**5,147.86**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1,709.48	2,223.83	2,125.80	1,687.52
Lease liabilities	1,848.53	1,846.38	1,842.57	-
Other financial liabilities	31.82	25.71	201.37	179.82
Provisions	94.85	91.74	121.09	102.33
Deferred tax liabilities (net)	63.07	78.05	186.85	376.77

Particulars	As at December 31,	As at March 31,		
	2021	2021	2020	2019
Other non-current liabilities	11.84	15.93	18.05	
Total Non-Current Liabilities	**3,759.59**	**4,281.64**	**4,495.73**	**2,346.44**
Current liabilities				
Financial liabilities				
Borrowings	1,020.19	242.53	166.25	35.68
Lease liabilities	39.89	39.11	56.14	-
Trade payables	395.99	317.81	389.32	325.25
Other financial liabilities	366.87	1,875.97	819.89	1246.56
Provisions	189.49	170.76	154.46	147.64
Current income tax liabilities (net)	35.29	34.95	33.77	32.84
Other current liabilities	347.78	266.93	280.99	301.49
Total Current Liabilities	**2,395.50**	**2,948.06**	**1,900.82**	**2,089.46**
Total liabilities	**6,155.09**	**7,229.70**	**6,396.55**	**4,435.90**
Total Equity and Liabilities	**12,046.90**	**11,512.71**	**11,518.26**	**9,583.76**

Note: We adopted Ind AS 116 – Leases effective April 1, 2019 and applied the standard to all lease contracts existing on that date retrospectively by initially applying the Standard to leases at the date of initial application. Please see Note 34 of Notes to *Fiscal 2020 Audited Consolidated Financial Statements* for detailed information of the impact of adopting Ind AS 116 – Leases on the financial statements of Fiscal 2020.

SUMMARY PROFIT AND LOSS STATEMENT INFORMATION

(₹ in crore)

Particulars	For the nine months ended December 31,	For the financial year ended March 31,		
	2021	2021	2020	2019
Income				
Revenue from operations	2,184.14	1,575.16	4,463.14	4,512.00
Other income	72.36	164.72	132.42	83.38
Total income	**2,256.50**	**1,739.88**	**4,595.56**	**4,595.38**
Expenses				
Food and beverages consumed	188.21	143.82	370.56	404.05
Employee benefit expense and payment to contractors	840.02	894.01	1,494.60	1,470.79
Finance costs	348.48	402.82	341.12	190.13
Depreciation and amortisation expenses	304.17	409.63	404.24	327.85
Other operating and general expenses	910.14	899.09	1,630.45	1,807.43
Total expenses	**2,591.02**	**2,749.37**	**4,240.97**	**4,200.25**
Profit/(Loss) before exceptional items, tax and share of profit of equity accounted investees	(334.52)	(1,009.49)	354.59	395.13
Exceptional items	(0.74)	159.95	40.95	6.58
Profit/(Loss) before tax and share of profit of equity accounted investees	**(335.26)**	**(849.54)**	**395.54**	**401.71**
Tax expense				
Current tax	2.06	1.01	169.15	178.54
Deferred tax credit	(35.20)	(156.34)	(124.38)	(21.42)
Total tax expense	**(33.14)**	**(155.33)**	**44.77**	**157.12**
Profit/(Loss) after tax before share of profit of equity accounted investees	**(302.12)**	**(694.21)**	**350.77**	**244.59**
Share of Profit/(Loss) of associates and joint venture (net of tax)	(34.42)	(101.42)	12.97	51.53
Profit/(Loss) for the year/period	**(336.54)**	**(795.63)**	**363.74**	**296.12**
Other comprehensive income				
Items that will not be reclassified subsequently to				

Particulars	For the nine months ended December 31,	For the financial year ended March 31,		
	2021	**2021**	**2020**	**2019**
profit or loss				
Remeasurement of defined benefit obligation	7.84	37.62	(21.52)	(10.16)
Change in fair value of equity instruments designated irrevocably as fair value through other comprehensive income	10.29	209.90	(118.25)	(104.20)
Share of other comprehensive income in associates and joint ventures (net of tax)	4.28	2.92	(3.66)	(3.08)
Add/(Less): Income tax credit/(expense) on the above	(6.52)	(11.78)	6.47	2.21
Net other comprehensive income not to be reclassified subsequently to profit or loss	**15.89**	**238.66**	**(136.96)**	**(115.23)**
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating the financial statement of foreign operations	6.55	31.20	116.47	50.32
Share of other comprehensive income in associates and joint ventures (net of tax)	(1.16)	(2.59)	12.93	7.75
Add/(Less): Income tax credit/(expense) on the above	-	-	-	-
Net other comprehensive income to be reclassified subsequently to profit or loss	**5.39**	**28.61**	**129.40**	**58.07**
Other comprehensive income for the year/period, net of tax	**21.28**	**267.27**	**(7.56)**	**(57.16)**
Total comprehensive income for the year/period	**(315.26)**	**(528.36)**	**356.18**	**238.96**
Profit/(Loss) for the year/period attributable to:				
Owners of the company	(321.91)	(720.11)	354.42	286.82
Non-controlling interests	(14.63	(75.52)	9.32	9.30
	(336.54)	**(795.63)**	**363.74**	**296.12**
Total comprehensive Income for the year/period attributable to:				
Owners of the company	(317.16)	(479.75)	344.60	227.01
Non-controlling interests	1.90	(48.61)	11.58	11.95
	(315.26)	**(528.36)**	**356.18**	**238.96**
Earnings per share :				
Basic and Diluted - ₹ (*not annualised)	*(2.61)	(6.05)	2.98	2.41
Face value per equity share -	1.00	1.00	1.00	1.00

Particulars	For the nine months ended December 31,	For the financial year ended March 31,		
	2021	2021	2020	2019
(₹)				

Note: We adopted Ind AS 116 – Leases effective April 1, 2019 and applied the standard to all lease contracts existing on that date retrospectively by initially applying the Standard to leases at the date of initial application. Please see Note 34 of Notes to *Fiscal 2020 Audited Consolidated Financial Statements* for detailed information of the impact of adopting Ind AS 116 – Leases on the financial statements of Fiscal 2020.

SUMMARY CASH FLOW STATEMENT INFORMATION

(₹ in crore)

Particulars	For the nine months ended December 31,	For the financial year ended March 31,		
	2021	2021	2020	2019
Cash Flow From Operating Activities				
Profit / (Loss) Before Tax	**(335.26)**	**(849.54)**	**395.54**	**401.71**
Adjustments to reconcile net profit to net cash provided by operating activities:				
Depreciation and amortisation expenses on Property, plant and equipment	255.96	347.66	334.99	327.85
Depreciation and amortisation expenses on Right-of-Use assets	48.21	61.97	69.25	
Gain arising out of acquiring controlling stake in a joint venture	-	(82.04)	-	-
Profit on sale of investments	(4.27)	(5.63)	(9.82)	(15.94)
Profit on sale of a hotel property	(7.12)	(25.74)	-	
(Profit)/Loss on disposal of Property, plant and equipment	0.82	(18.58)	(136.86)	(11.67)
Allowance for Doubtful Debts and advances	(0.40)	12.51	6.65	14.69
Dividend Income	(4.66)	(5.43)	(7.32)	(7.32)
Interest Income	(30.64)	(44.79)	(18.67)	(19.99)
Finance Cost	229.13	248.51	184.23	190.13
Interest on lease liability	119.35	154.31	156.89	
Exchange (Gain)/ Loss on Long term borrowing/Assets (net)	19.98	(56.38)	2.61	1.43
Assets written off	19.94	3.29	6.91	-
Provision no longer required written back	-	-	(0.17)	-
Provision for disputed claims	21.45	10.69	2.53	11.57
Provision for Employee Benefits	0.39	11.32	(2.09)	5.26
Gain on investments carried at fair value through statement of profit and loss	(1.07)	(2.51)	(0.28)	(1.83)
Fair valuation (Gain)/ Loss on derivative contracts	(6.29)	(25.00)	21.76	41.03
	660.78	**584.16**	**610.61**	**535.21**
Cash Operating Profit before working capital changes	**325.52**	**(265.38)**	**1,006.15**	**936.92**
Adjustments for increase / decrease in operating assets and liabilities:				
Inventories	6.83	11.67	(13.21)	5.32
Other financial assets	(106.04)	107.38	(29.05)	(81.01)

Particulars	For the nine months ended December 31,	For the financial year ended March 31,		
	2021	2021	2020	2019
Other financial liabilities	180.68	(195.72)	65.75	47.46
	81.47	**(76.67)**	**23.49**	**(28.23)**
Cash Generated From/(Used In) Operating Activities	**406.99**	**(342.05)**	**1,029.64**	**908.69**
Income taxes refund/(paid)	54.72	23.36	(206.17)	(197.26)
Net Cash Generated From/(Used In) Operating Activities (A)	**461.71**	**(318.69)**	**823.47**	**711.43**
Cash Flow From Investing Activities				
Payments for purchase of property, plant & equipment	(230.07)	(215.47)	(487.39)	(478.61)
Proceeds from disposal of property, plant and equipment	17.20	28.30	175.39	18.22
Capital subsidy received from Government	-	1.10	40.69	-
Purchase of current investments	(1,234.84)	(1,512.32)	(1,934.32)	(1,513.58)
Proceeds from sale / redemption of current investments	1,329.61	1,579.30	1,712.12	1,650.67
Purchase of non-current investments	(175.00)	(73.00)	(3.36)	(10.75)
Disposal of long term investment	71.10	11.31	29.79	-
Option Deposit against purchase of shares repaid	(71.10)	-	-	-
Interest received	25.61	17.60	15.68	17.88
Dividend received (includes dividend from joint ventures and associates)	4.66	6.98	13.92	22.15
Long Term Deposits repaid by joint venture	0.30	-	-	-
Bank Balances not considered as Cash & Cash Equivalents	(1.80)	14.60	(17.53)	9.19
Long Term Deposits refunded/ (placed)	11.17	(6.22)	-	-
Short term Loans (given) /repaid by other company	(0.03)	-	3.89	3.18
Proceeds from sale of hotel properties	-	31.69	-	-
Long-term deposits placed for hotel properties	(2.00)	(3.04)	(47.38)	(60.00)
Short-term deposits placed for hotel properties	-	-	-	(45.00)
Short-term deposits placed with Others Companies	-	(0.49)	(3.38)	(1.50)
Net Cash Generated From/(Used In) Investing Activities (B)	**(255.19)**	**(119.66)**	**(501.88)**	**(388.15)**
Cash Flow From Financing				

Particulars	For the nine months ended December 31,	For the financial year ended March 31,		
	2021	2021	2020	2019
Activities				
Share issue and loan arrangement expenses	(17.89)	(0.15)	(0.14)	(0.38)
Interest and other borrowing costs paid	(204.25)	(232.08)	(155.45)	(150.80)
Payment of lease liability (including Interest)	(108.67)	(138.93)	(136.12)	-
Proceeds from long-term borrowings	1,281.50	1,040.57	732.30	53.93
Repayment of long-term borrowings	(2,182.22)	(402.24)	(637.80)	(235.29)
Proceeds from short-term borrowings	208.16	100.02	283.18	45.68
Repayment of short-term borrowings	(212.11)	(25.98)	(155.02)	(15.00)
Proceeds from rights issue by a subsidiary to the extent of minorities	-	-	-	22.42
Proceeds from issue of Equity shares on rights basis	1,981.97	-	-	-
Dividend (including tax on dividend in previous period and Unclaimed dividend)	(47.37)	(60.05)	(75.73)	(68.52)
Settlement of cross currency Interest rate swap (net)	(147.63)	(0.79)	(120.60)	4.70
Net Cash Generated From/(Used In) Financing Activities (C)	**551.49**	**280.37**	**(265.38)**	**(343.26)**
Net Increase/(Decrease) In Cash and Cash Equivalents (A + B + C)	**758.01**	**(157.98)**	**56.21**	**(19.98)**
Cash and Cash Equivalents - Opening	**94.27**	**250.82**	**189.29**	**207.84**
Add: Opening cash balance of Subsidiary on acquisition		1.60	-	-
Exchange difference on translation of foreign currency cash and cash equivalents	0.50	(0.17)	5.32	1.43
Cash and Cash Equivalents - Closing	**852.78**	**94.27**	**250.82**	**189.29**

Note: We adopted Ind AS 116 – Leases effective April 1, 2019 and applied the standard to all lease contracts existing on that date retrospectively by initially applying the Standard to leases at the date of initial application. Please see Note 34 of Notes to *Fiscal 2020 Audited Consolidated Financial Statements* for detailed information of the impact of adopting Ind AS 116 – Leases on the financial statements of Fiscal 2020.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 as per the requirements under Indian Accounting Standard (Ind AS) 24– Related Party Disclosures, please see the sections entitled "*Financial Statements – Audited Consolidated Financial Statements for the year ended March 31, 2021*", "*Financial Statements – Audited Consolidated Financial Statements for the year ended March 31, 2020*" and "*Financial Statements – Audited Consolidated Financial Statements for the year ended March 31, 2019*", on pages 232, 320 and 409 respectively.

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors and all the information set forth in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. These risks and additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business, prospects, financial condition, cash flows and results of operations, the trading price of, and the value of your investment in our Equity Shares could decline or fall significantly and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of the Company and the terms of this Issue, including the merits and risks involved.

This Preliminary Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results of operations could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Preliminary Placement Document.

Unless otherwise stated, the financial information used in this section is derived from our Audited Consolidated Financial Statements and our Unaudited Consolidated Interim Condensed Financial Statements.

Risks specific to our Business

1. The extent to which the Coronavirus outbreak impacts our Company's business, cash flows, results of the operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted.

In late calendar year 2019, COVID-19, commonly known as "novel coronavirus" was first reported in Wuhan, China. Since then, the virus has progressively spread globally. During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. On March 14, 2020, India declared COVID-19 as a "notified disaster" for the purposes of the Disaster Management Act, 2005 and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically or reimposed by varying degrees by state governments and local administrations. The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak has had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period, that could, in turn, have an adverse impact on our business, cash flows, results of operations and financial condition, including liquidity, asset quality and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial situation will depend on future developments, including the timeliness and effectiveness of actions taken to contain and mitigate the effects of COVID-19. Efforts initiated in India and internationally by governments, central banks, healthcare providers, health system participants, other businesses, and individuals are uncertain and cannot be predicted. A rapid increase in severe cases and deaths where government measures fail or are lifted prematurely may cause economic disruption in India and the rest of the world. The scope, duration and frequency of such actions and the adverse effects of COVID-19 remain uncertain and are likely to be severe. New mutations of the virus have given rise to multiple COVID-19 waves in 2021 and 2022, affecting India, the United States, United Kingdom, South Africa and Maldives, among other countries.

The COVID-19 pandemic may affect us in many ways, and we expect the potential magnitude and duration of each of such ways, to be dynamic:

- shutdown of our hotels during the time that the Government considered hotels a 'non-essential service;
- reduced demand and operations of our hotels due to a decrease in tourism and decrease in travel, leading to a change in focus on certain hotels;
- reduced food and beverage business due to changing consumer behaviour towards dining out, restrictions on number of persons in banquet functions and greater usage of food delivery services.
- high fixed costs, high recurring costs and high leverage, as well as in increase in operational costs, leading to stress on cash flows;
- large scale furloughs, or terminations of employees or reductions in salaries;
- COVID-19 affecting our operations if our management team is infected for prolonged periods or seriously;
- work from home mandates leading to heightened cyber-security, impersonation, phishing and

other risks, as well as exposure to continued changes in specific operating procedures;

- our ability to meet our ongoing disclosure obligations or comply with covenants in our financing and other agreements, which could lead to breaches, violations, defaults, accelerations or cross-accelerations;
- employee or customer needs to be quarantined if suspected of being infected or identified as a source or close contact of COVID-19;
- disinfection costs and temporary closures in case of COVID-19 infections in our hotels;
- financial markets taking a prolonged negative view of the hospitality sector, including us, which may hamper our ability to raise capital in future; and
- delay or change in our strategic initiatives and projects.

We have in our business and operations invoked the force majeure clauses under several of our contracts and had drawn down lines of credit including Emergency Credit Line Guarantee Scheme offered by the Government of India during the nine months ended December 31, 2021, which has since been repaid.

The impact of COVID-19 could continue to have an adverse effect on our business, cash flows, results of the operations and financial condition.

2. ***Any deterioration in the quality or reputation of our brands could have an adverse effect on our reputation, business, financial condition and results of operations.***

Our brands and our reputation are among our most important assets. Our ability to attract and retain guests depends, in part, on the public recognition of our brands and their associated reputation. In addition, the success of our hotel owners' businesses and their ability to make payments to us may indirectly depend on the strength and reputation of our brands. Such dependence makes our business susceptible to risks regarding brand obsolescence and reputational damage. If our brands are found to be lacking in consistency and quality, we may be unable to attract guests to our hotels, and further, we may be unable to attract or retain our hotel owners.

In addition, there are many factors which can negatively affect the reputation of any of our individual brands or our overall brand. Occurrence of accidents or injuries, natural disasters, crime, individual guest notoriety, or similar events can have a substantial negative impact on our reputation, create adverse publicity and cause a loss of consumer confidence in our business. Due to the broad expanse of our business and hotel locations, events occurring in one location could have a resulting negative impact on the reputation and operations of otherwise successful individual locations. The performance and quality of services at our hotels are critical to the success of our business. Any decrease in the quality of services rendered by us including due to reasons beyond our control, or allegations of defects, even when false, at any of our hotel properties could tarnish the image of our brands, result in negative reviews and feedback from our guests on online travel portals and may cause guests to choose the services of our competitors. In addition, the considerable expansion in the use of social media over recent years has compounded the potential scope of the negative publicity that could be generated by such incidents. We could also face legal claims, along with adverse publicity resulting from such legal claims. If the perceived quality of our brands declines, or if our reputation is damaged, our business, financial condition and results of operations could be adversely affected.

3. ***Increased competition in the hotel sector may adversely affect our operations and there can be no assurance that the new or existing competitors and hotels and homestays aggregators will not significantly expand or improve facilities in the markets in which we operate.***

Hotels owned, operated and managed by us compete for guests with other hotels in a highly competitive industry. The success in the hotel industry is mainly dependent upon the ability of the hotel operators to compete in areas such as room rates, quality of accommodation, brand recognition, service level, the convenience of location and the quality and scope of other amenities, including food and beverage facilities. Hotels compete with existing hotel facilities in their geographic markets and future hotel facilities that may be developed in proximity to the existing hotels. The hotels owned and operated and managed by us are generally located in intensely competitive regions. Demographic, geographic or other changes in one or more of our markets could impact the convenience or desirability of the sites of certain hotels, which would adversely affect the operations of those hotels. Further, we may face competition from other hotel chains and aggregators which may have larger portfolios than us. There is sizeable hotel inventory in India outside the chain-affiliated space with a mix of product types, positioning, service and operating standards and varied degree of competitiveness.

We also face competition in overseas markets from companies or hotels that may have more experience with operations in those countries or with international operations generally. Further, our competitors may have more sophisticated distribution and sales channels or, through higher expenditures on offline and online advertising and marketing placements, may attract new customers or our existing customers.

Additionally, we believe that, the Indian subcontinent, South-east Asia and the Asia Pacific with high growth rates have become the focus area of major international chains and hotel aggregators. These entrants are expected to intensify the competitive environment. Furthermore, in the past few years, certain international hotel chains and hotel and homestay aggregators have established their presence in India, mainly through the management and/or marketing arrangements.
With increased international presence and strategy of growing internationally, we face competition from hotel facilities and hotel aggregators in such geographic markets, including major international hotel chains. The major international hotel chains and hotel aggregators have some competitive advantages over us due to their global operations, greater brand recognition and more significant marketing and distribution networks. There can be no assurance that new or existing competitors will not significantly lower rates or offer greater convenience, services or amenities or significantly expand or improve facilities in a market in which we operate.

4. ***Some of our hotels are maintained under license or lease arrangements with third parties, including government bodies. License or lease arrangements are subject to a variety of risks including non-renewal of the license or lease period and amendment to terms and conditions of the license or lease by our licensors or lessors, which may adversely affect our business.***

Some of our hotels, including certain key hotels, are maintained under license or lease arrangements entered with third parties including government and quasi-government authorities and other entities. While we typically have long-term license or lease arrangements, there can be no assurance that our license or leasehold arrangements will be renewed upon expiry of the license or lease period or such agreements are not terminated prior to the completion of the relevant term. Further, there can be no assurance that these license or lease arrangements will be renewed on the same terms and conditions, or the revised conditions would not be unfavourable to us. We are currently in a dispute with certain licensors or lessors, which are governmental bodies, for non-renewal of a long term license or lease and payment of arrears for rent. Please see the section entitled "*Legal Proceedings*" on page 202 for details concerning these disputes. Non-renewal of license or lease or unfavourable amendment to terms and conditions of license or lease may adversely affect our business.

5. ***Contraction of the global economy or low levels of economic growth in the domestic and overseas markets where we operate could adversely affect our results of operations as well as limit or slow our future growth.***

We operate in the hotel services sector, which is sensitive to changes in economic conditions. Consumer demand for our services is closely linked to the performance of the general economy and is exposed to business and personal discretionary spending levels. The decreased global or regional market for hotel services can be especially pronounced during periods of economic contraction or low economic growth levels, and our industry's recovery period may lag behind the overall economic improvement. The decline in demand for our products and services due to general economic conditions could negatively impact our business by decreasing the revenues and profitability of our owned and managed properties, limiting the amount of fees we can generate from our managed properties, and reducing overall growth of our services. In addition, many of the expenses associated with our business are relatively fixed, and there can be no assurance that we will be able to meaningfully decrease these costs during a period of overall economic weakness.
We cannot assure you that such macroeconomic and other factors, which are beyond our control, would not significantly affect demand for our hotels and services in the future, including demand for rooms at properties that we manage, own, lease or develop, and such factors would not adversely affect our result of operations as well as limit or slow our future growth.

6. ***A large portion of our revenue from operations is realised from our range of hotels operating in India and any adverse development affecting these hotels or the regions in which they operate, may adversely affect our business, financial condition and results of operations*.**

During the nine months ended December 31, 2021, the Financial Years 2021, 2020 and 2019, we derived 80.06%, 90.80%, 76.05% and 75.49%, respectively, of our revenue from operations from India. We heavily depend upon income derived from our operations in India, and we intend to continue to increase our presence and market share in India in the future. However, we may not achieve the estimated growth in India due to various factors such as COVID-19, intense competition, the decline in tourist arrivals and economic slowdown, which could adversely affect our growth prospects.
We are subject to risks inherent in concentrating our operations in specific geographic locations. These risks include, among other things:

- lack of improvement or worsening of global economic conditions;
- reduction in the number of foreign tourists visiting India;
- reduction in corporate travel and events;
- requirement of higher capital expenditure and financing; and
- intense competition from other hotels.

Further, some of our key hotels are located in Mumbai and New Delhi. These hotels are likely to continue to account for a significant portion of our business in the future. Accordingly, we are subject to certain risks associated with the concentration of our key hotel properties in these cities, such as an increase in the supply of hotels and room capacity and competition, which could have an adverse effect on our business, financial condition and results of operations.

7. ***Our operations may be adversely affected if we are unable to attract and retain qualified employees. Further our operations may be impacted if there is deterioration in our relationship with employee unions at one or more of our properties.***

We operate hotel properties that strive to provide our guests with high levels of service and personal attention. We, therefore, must maintain a large, well-trained service staff to be successful, which entails attracting, training and retaining employees qualified to provide the standard of service we have become known for. Due to our high standards of service and extensive training, many of our competitors may hire our staff members. For the Financial Years 2021, 2020 and 2019, we had attrition at the rate of 22.87%, 21.55% and 22.52%, respectively. Additionally, we face challenges in recruiting suitably qualified staff for our operations. Shortage of skilled labour could adversely affect our ability to provide these services and lead to reduced occupancy or potentially damage our reputation. If we cannot hire or retain qualified personnel, the growth of our business will be impaired.

Further, over the years, our employees have built relations with customers and other persons who are connected with us and have assisted us in achieving the desired growth. Our performance is majorly dependent upon the services of our employees. If our employees are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be adversely affected.
Additionally, while we believe we presently share good relations with employees, our relationship with employees could deteriorate due to disputes related to, among other things, wage or benefit levels. While we have not recently had any conflicts with our employee unions, and we believe that our labour relations are good, we cannot assure you that there will not be any employee disputes in the future. A shortage of skilled labour or stoppage caused by disagreements with employees, strikes or lock-outs could adversely affect our ability to provide these services and could lead to reduced occupancy or potentially damage our reputation. Further, we periodically enter into wage settlement agreements with our employee unions at our hotels, and if we are unable to renew these wage settlement agreements or negotiate favourable terms, we could experience an adverse effect in our business and operations.

8. ***As a part of our long-term strategy, we propose to achieve future expansion largely through operating and management contracts which may expose us to a variety of risks such as termination and non-renewal.***

We intend to achieve future expansion primarily through operating and management contracts. Our success in achieving desired results from the management contracts depends on our ability to establish and maintain long-term and positive relationships with third party property owners and our ability to renew existing agreements and enter into new management agreements. While the operating or management contracts we enter into with the third-party owners are typically long term arrangements, the third parties may terminate the agreement under certain circumstances, including termination in cases of failure to meet specific financial or performance criteria. Our ability to meet these financial and performance criteria is subject to, among other things, risks common to the overall hotel industry, which may be outside our control. Further, at any given time, we may be in disputes with one or more of our hotel owners about interpretation and compliance with the performance and financial standards. Any such conflict could be costly for us, even if the outcome is ultimately in our favour. We cannot predict the outcome of any arbitration or litigation, the effect of any negative judgment against us or the amount of any settlement that we may enter into with any third party. An adverse result in any of these proceedings could adversely affect our results of operations.

The property owners we contract with may also create charges or collateral on the hotel property under management to purchase or refinance the purchase of the hotel property. If these property owners cannot repay or refinance maturing indebtedness on favourable terms or at all, their lenders could declare a default, accelerate the related debt and repossess the property. Any such re-possessions could result in the termination of our management agreements or eliminate revenues and cash flows from such property, which could negatively affect our business and the results of operations.
Furthermore, the property owners of managed hotels could depend on financing to buy, develop and improve hotels and in some cases, fund operations during down cycles. Our hotel owners' inability to obtain adequate funding could adversely impact the maintenance and improvement plans for existing hotels and result in the delay or stoppage of the development of our existing pipeline of hotels. If any of these risks materialise, they could adversely affect our business, financial condition and results of operations.

9. Our reservation system is an important component of our business and operations and a disruption in its functioning could have an adverse effect on our business and results of operations.

We have arrangements for a global reservation system that communicates reservations to our branded hotels when made by individuals directly, either online or by telephone to our call centres, or through intermediaries such as travel agents, internet travel websites and other distribution channels. The reservation system's cost, speed, and efficiency are important aspects of our business and are an important consideration for hotel owners in choosing to affiliate with our brands. Any failure to maintain or upgrade and any other disruption to our reservation system may adversely affect our business and results of operations.

10. A portion of our hotel reservations originate from online travel agents and intermediaries. In the event such companies continue to gain market share compared to our direct reservation system or our competitors are able to negotiate more favorable terms with such online travel agents and intermediaries, our business and results of operations may be adversely affected.

A portion of our hotel reservations originate from large multinational, regional and local online travel agents and intermediaries, such as online aggregators, with whom we have contractual arrangements and to whom we pay commissions. These third-parties, including online travel agents, offer a wide range of services, often across multiple brands, have growing reservation and review capabilities, and may create the perception that they offer the lowest prices when compared to our direct reservation systems. Some of these online travel agents and intermediaries have strong marketing budgets and aim to create brand awareness and brand loyalty among consumers and may seek to commoditize hotel brands through price and attribute comparison.

In the event these travel agents and intermediaries continue to gain market share, they may impact our profitability, undermine our direct booking channels and online web presence and may be able to increase commission rates and negotiate other favorable contract terms. Negative reviews and feedback on online travel portals may cause guests to choose the services of our competitors. Further, our competitors may be able to negotiate better or more favourable terms with such online travel agents and intermediaries, negatively affecting our reservations from these channels, which in turn may adversely affect our business and results of operations.

11. We have, and propose to continue to have, certain exposure in relation to a property in Mumbai on which the erstwhile Hotel Sea Rock stood.

We have applied for certain approvals, such as an Environmental Clearance and a Coastal Regulation Zone Clearance from the Ministry of Environment and Forests under the Coastal Regulation Zone Notification, 2011, for the Sea Rock Property which are still pending without which we will not be able to begin construction of the property. In the event we do not receive these approvals in a timely manner or at all, it may have an adverse effect on the business, financial results and operations of the Company. Further, there is outstanding litigation concerning approvals to be obtained for the Sea Rock Property and a proceeding before the NGT which is currently pending before the Supreme Court. Please see the section entitled "*Legal Proceedings*" on page 202 for details concerning this litigation. Any adverse outcome in this litigation may affect our interest in the Sea Rock Property.

12. The Company's long-term strategic investments have witnessed a decline in their fair value in the past and we cannot assure you that there will be no diminution in the value of our investments in the future.

In the past, some of our investments have witnessed a decline in their respective fair values on account of the past global recessionary conditions that have continued unabated in recent years. Accordingly, we have recognised a diminution in the value of our investments. We cannot assure you that the value of these investments will not further decline in the future, and any additional diminution in the value of these investments may adversely affect our financial condition. For instance, in respect of our investment in one of our overseas Subsidiaries, the recoverable value of the underlying assets approximates the carrying cost; hence cash losses incurred in The Pierre, New York, are considered as the basis of provision for impairment, as this may be funded and/or supported by our Company.

13. We have undertaken, and may continue to undertake, strategic investments, acquisitions and joint ventures, which may not perform in line with our expectations.

We have historically entered into strategic investments, acquisitions and joint ventures to expand our service offering. Depending on our management's view and market conditions, we may pursue additional strategic investments, undertake acquisitions, and enter into joint ventures. We cannot assure you that we will be able to enter into such strategic investments, acquisitions or joint ventures in the future, either on terms acceptable to us or at all. Moreover, we require regulatory approval for acquisitions, and we cannot guarantee that we will receive such permissions on time or subject to any conditions or at all. Any inability to identify suitable targets or failure to complete such transactions may adversely affect our competitiveness or growth prospects.

We regularly conduct feasibility studies and evaluate the commercial risks of any planned investment, acquisition or joint venture arrangement to ensure that such a transaction aligns with our strategy and business plan. However, there can be no assurance that our strategy or related evaluative processes will successfully ensure that the expected strategic benefits of our current or future investments, acquisitions or joint ventures will be realised or that our profitability will not be adversely affected.

Strategic investments, acquisitions and joint ventures or may involve several unique risks, including, but not limited to:

- the obligation to maintain our shareholding level or to comply with maximum or minimum shareholding levels, which could require us to infuse capital through the purchase of shares in rights issues or other capital raising activities;
- recruitment, training and retention of management;
- operational and financial systems and controls to handle the increased complexity and expanded the breadth and geographic area of our newly acquired operations;
- satisfactory performance by our joint venture partners of their contractual obligations, and any disagreement or deadlock with them;
- difficulties assimilating and integrating our operations with that of the acquired entity or investment or joint venture partner;
- difficulties determining, evaluating and managing the risks and uncertainties in entering new markets and acquiring new businesses;
- difficulties in evaluating the contractual, financial, regulatory, environmental and other obligations and liabilities associated with our investments, acquisitions and joint ventures, including the appropriate implementation of financial oversight and internal controls and the timely preparation of financial statements that conform with our accounting policies;

- unanticipated liabilities or contingencies relating to the investment, acquired entity or joint venture partner;
- accurately judging market dynamics, demographics, growth potential and competitive environment; and
- obtaining, maintaining and complying with the conditions prescribed under necessary permits, certificates, licenses and approvals from governmental and regulatory authorities and agencies.

If we cannot manage one or more of the events or challenges listed above, it could have an adverse effect on our ability to complete our investments, acquisitions or joint ventures successfully. It could prevent us from achieving our strategic and financial goals and operational synergies or could result in us not achieving the objective of such investments, acquisitions or joint ventures, which could have an adverse effect on our business, results of operations and financial condition.

14. We have incurred and may continue to incur capital expenditure in development of hotels and if development of these hotels is not completed within the estimated time or in accordance with the planned timelines and expenditure, it may adversely affect our business, financial condition and results of operations.

Development of our hotels are subject to potential risks and uncertainties, including changes in economic conditions, delays in completion, cost overruns, shortages in materials or labour, defects in design or construction, market or site deterioration, delays in obtaining or inability to obtain necessary permits and licenses, changes in location advantages of our existing and proposed properties, the possibility of unanticipated future regulatory restrictions such as stricter environmental regulations and the diversion of management resources. For instance, certain approvals for the Sea Rock Property which are still pending without which we will not be able to begin construction of this property.

Further, the development of our hotels is normally performed by independent third-party contractors. We do not have direct control over the day to day activities of such contractors and rely on such contractors to perform these services in accordance with the relevant contracts. If we fail to enter into such contracts or if the contractors fail to perform their obligations in a manner consistent with their contracts or to the standards we require, our hotels may not be completed in accordance with the standard, and the timeframe envisaged or may not be completed at all, which would cause time and cost overruns. If a contractor engaged in construction of our hotel becomes insolvent, it may prove impossible to recover compensation for such defective work or materials, and we may incur losses as a result of funding the repair of the defective work or paying damages to persons who have suffered loss as a result of such defective work.

If any of these risks materialize, it may have an adverse effect on our business, financial condition and results of operations.

15. If we are unable to obtain the requisite approvals, licenses, registrations and permits to develop and operate our hotels and other related businesses or are unable to renew them in a timely manner, our operations may be adversely affected.

We require a number of regulatory approvals, licenses, registrations and permits for operating hotels and other businesses undertaken by us. These approvals pertain to, among others, environmental clearances, licenses from local authorities for manufacturing and sale of eatables and for operating eating and lodging houses, land acquisition and no-objection from the Chief Fire Officer for fire safety. While we have obtained a number of required approvals, certain approvals such as the license for star classification and re-classifications, lodging house license, licenses to serve liquor for some of our properties may have expired in the ordinary course of our business and we would have applied for renewal of such approvals. Additionally, we have applied and may also need to apply for additional approvals in the ordinary course of our business.

Further, the approvals and licenses we have received in relation to our hotel business are subject to numerous conditions, some of which are onerous and require us to incur substantial time and expenditure, for instance, no expansion of a hotel can be carried out without prior approval from the Maharashtra Pollution Control Board or obtaining prior permission each time for replacement of any pollution control equipment or any extension thereto. Additionally, in relation to our property i.e., the Sea Rock Hotel, we have applied for certain approvals from relevant regulatory authorities in relation to redevelopment of the hotel and cannot assure you that such approvals will be granted to us in the timing anticipated or at all. We cannot also assure you that the approvals, licenses, registrations and permits issued would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our business, financial condition and results of operations.

16. The operation of our hotels entails certain fixed and other costs that we may not be able to optimize in a timely manner in response to reductions in demand for and the revenues being generated from such hotels, or the increase in expenses from such hotels, which could adversely affect our business, financial condition and results of operations.

The costs associated with owning hotels, including committed operations and maintenance costs, property taxes, leasehold payments and maintaining minimum levels of services, may be significant. We may not be able to reduce these costs in a timely manner in response to changes in demand for services. Further, our properties could be subject to an increase in operating and other expenses due to adverse changes in terms of our hotel management contracts, increasing age of our property and increases in property and different tax rates, utility costs, operating expenses, insurance costs, repairs and maintenance and administrative expenses, which could adversely affect our business, financial condition and results of operations.

17. There are outstanding legal proceedings involving our Company, Subsidiaries, Associates, Directors and Promoter, which if decided against us may adversely affect our business, financial condition and results of operations.

There are certain outstanding proceedings involving our Company, Subsidiaries, Associates, Directors and Promoter. For further details, please refer to the section entitled "Legal Proceedings".

We cannot assure you that these proceedings will be decided in favor of our Company, Subsidiaries, Associates, Directors or our Promoter involved therein. Further, we cannot assure you that the provisions we have made for such proceedings and other litigation will be sufficient. Such proceedings and litigation could divert management time and attention and consume financial resources in their defense or prosecution. In addition, should any new developments arise such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our current liabilities. An adverse outcome in such proceedings could have an adverse effect on the ability of our Directors or our Promoter, who are involved in the above proceedings, to serve our Company, and may also have an adverse effect on our reputation, business, prospects, financial condition and results of operations.

18. Failure to keep pace with developments in technology could adversely affect our operations or competitive position.

The hotel industry demands use of sophisticated technology and systems for property management, brand assurance and compliance, procurement, reservation systems, operation of our customer loyalty programs, distribution of hotel resources to current and future customers and guest amenities. These technologies may require refinements and upgrades. The development and maintenance of these technologies may require significant investment by us. We cannot assure you that as various systems and technologies become outdated or new technology is required, we will be able to replace or introduce them as quickly as required or in a cost-effective and timely manner. We also cannot assure you that we will achieve the benefits we may have been anticipating from any new technology or system.

19. We are vulnerable to failure of our information technology systems or cyber threats, which could adversely affect our business, financial condition and results of operations.

Our information technology systems are a critical part of our business, and sophisticated technology and systems are used for property management, revenue management, brand assurance and compliance, procurement, reservation systems, operation of our customer loyalty programme, distribution and guest amenities. While a centralized data recovery system is maintained at different locations, damage or interruption to our information systems may require a significant investment to update or replace with alternate systems, and we may suffer interruptions in our operations as a result. In addition, costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our operations. Any interruptions or failures in our systems, including those that may result from our failure to adequately develop, implement and maintain a robust disaster recovery plan and backup systems, could severely affect our ability to conduct normal business operations and, as a result, may have an adverse effect on our business, financial condition and results of operations. Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, data sharing, errors, hacking and system failures. Further, our mobile and internet-based customer applications and interfaces may be open to being hacked or compromised by third parties. If we suffer from any of such cyber threats or events, they could adversely affect our business, financial condition and results of operations.

We may also have to make substantial additional investments in new technologies or systems to remain competitive, improve and protect our systems and data. The technologies or systems that we choose may not be commercially successful or the technology or system strategy employed may not be sufficiently aligned with the needs of the business or responsive to changes in business strategy. As a result, we could lose customers, fail to attract new customers or incur substantial costs or face other losses, any of which could have an adverse effect on our business, financial condition and results of operations.

20. We are exposed to a variety of risks associated with safety, security and crisis management.

There are inherent risks of accidents or injuries at our hotels caused by events such as extreme weather, occurrence of natural disasters including floods, earthquakes, storms, heavy rain, explosions, pandemics, civil or political unrest, violence and terrorism, serious and organized crime, fraud, employee dishonesty, cybercrime, fire and day-to-day accidents, health crisis of guests, sexual harassment at the workplace and petty crimes which could affect guest or employee experience, cause the damage to our hotels, cause loss of life, sickness or injury and result in compensation claims, fines from regulatory bodies, litigation and impact our reputation. Further, terror attacks at hotels in India in the past and concerns around women's safety led to a decline in foreign tourist arrival in India. Serious incidents or a combination of events could escalate into a crisis which, if managed poorly, could further expose us to significant reputational damage. Any accidents or criminal activity at our hotels may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could also subject us to litigation, which may increase our expenses if we are found liable and adversely impact our results of operation and financial condition. Such events could also affect our reputation and cause a loss of consumer confidence in our business.

21. We are subject to risks associated with the domestic and international property markets.

Our operations involve participation in the hotel and serviced apartment property market. As a participant in such a market, we may be unfavourably affected by factors specific to property markets, such as changes in interest rates, availability of sources of financing, the general cost of land and buildings, legislation in the construction industry and hotel location requirements. Further, the cost and availability of suitable property may be affected by certain macroeconomic factors such as a change in the domestic and regional economic situation in the countries where a hotel property is located, changes in the status of the local markets where hotels are situated, such as a surplus of hotel rooms, a reduction in local demand for rooms, the related services or increased competition in the sector.

22. Land title in India can be uncertain and we may not be able to identify or correct defects or irregularities in title to the land which we own, lease or intend to acquire in connection with the development or acquisition of new hotels.

There is no central title registry for real property in India, and the documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and in local languages and are updated manually through physical records. Therefore, property records may not be available online for inspection or updated promptly, maybe illegible, untraceable, incomplete or inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. In addition, there may be a discrepancy between the duration of the principal lease under different orders issued by state governments regarding a particular parcel of revenue land.

The difficulty of obtaining title guarantees in India means that title records only provide presumptive rather than guaranteed titles. The original title to lands may often be fragmented. The land owned by our Company or Subsidiaries on which our hotel assets are located may have multiple owners. In addition, title insurance is not commercially available in India to guarantee title or development rights regarding

land. The absence of title insurance, coupled with the difficulties in verifying title to land, may increase our exposure to third party claims to the property.
The title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subjected to encumbrances that we are unaware of. Any defects in or irregularities of, title or leasehold rights that we enjoy may prejudice our ability to continue to operate our hotels on such land and require us to write off substantial expenditures in respect of establishing such hotels. Further, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property. As a result, potential disputes or claims over title to the land on which our hotels are or will be situated may arise. Also, whether resolved in our favour or not, such disputes may divert management's attention, harm our reputation, or otherwise disrupt our business.

We may not be able to assess, identify or address all the risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights.

23. Demand for rooms in our hotels may be adversely affected by the increased use of business-related technology or change in preference of our guests.

Businesses' increased use of teleconference and video-conference technology has resulted in and could continue to result in decreased business travel as businesses increase the use of technologies that allow multiple parties from different locations to participate at meetings without travelling to a centralized meeting location, and so using our hotels. To the extent that such technologies play an increased role in day-to-day business and the necessity for business-related travel decreases, demand for our hotel rooms may decrease from business travellers. Similarly, changes in tourism and preferences of our guests due to evolving cost of travel, spending habits, and consumption patterns may change the perceived attractiveness of our hotels, services, and locations at which our hotels are situated. Such changes may impact the demand for our hotel rooms from tourists and guests at our leisure hotels, and our business may be adversely affected.

24. Our contingent liabilities could adversely affect our financial condition.

We have disclosed certain contingent liabilities in our financial statements. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Financial Year or in the future and that our existing contingent liabilities will not have an adverse effect on our business, financial condition and results of operations. For further details in relation to our contingent liabilities, see the section entitled "*Financial Statements*".

25. Our existing leverage may impair our ability to obtain additional financing in future and subject us to the risk of fluctuating interest rates and our cash flows may be insufficient to meet required payments. Further, we were not in compliance with certain covenants under certain of our loan agreements, as at March 31, 202, and in case of any potential breach of financial covenants in the future,1 such non-compliance, if not waived, may adversely affect our business and financial condition.

As of December 31, 2021, we had total non-current and current borrowings in principal amount of ₹2,729.67 crores, on a consolidated basis. We operate in a sector which is capital intensive and accordingly, there can be no assurance that we will continue to not increase our current levels of leverage. Over a period of time, we have strategically endeavoured to reduce our level of borrowings, and we believe that we will be able to repay or refinance existing debt and any other indebtedness when it matures. However, our existing level of indebtedness subjects us to important consequences, including but not limited to, the following:

- requirement to dedicate a portion of our cash flow toward repayment of our existing debt (including interest payment), which will reduce the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future on reasonable terms may be restricted;
- fluctuations in market interest rates which may adversely affect the cost of our borrowings; and
- we may be more vulnerable to economic downturns, including as a result of COVID-19, may be

limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Further, in the past, certain of our indebtedness has been either (i) availed in foreign currency under the external commercial borrowing routes; or (ii) effectively converted into foreign currency commitments. The payment of interest and repayment of the principal amount of such loans has become costlier due to prevailing exchange rate fluctuations. Additionally, some borrowings have floating interest rates linked to benchmarks, which subjects us to the variability and uncertainty of future interest payment.

Furthermore, some of our fixed assets, both present and future, have been charged by way of first *pari-passu* charge, in favour of lenders in connection with certain of our financing agreements. Our inability to repay our loans may result in lenders exercising their rights under these agreements.

Certain of our borrowings require us to maintain certain financial covenants and in case of any breach of these covenants and in the absence of a waiver of such breach by the concerned lender, such lender may call for immediate repayment of the entire outstanding amount of the loan or may result in an event of default under other loan agreements, which may adversely affect our financial condition and results of operation. For the Financial Year 2021, due to the impact of COVID-19, our Company and some of its Subsidiaries were not compliant with certain financial covenants, particularly those with respect to compliance with financial ratios, under their respective financing agreements, which was duly reported to the respective lenders and, for which we had received communications over e-mails from the respective lenders. These communications from such lenders waived breaches of such financial covenants. As of December 31, 2021, the amount outstanding under such financing agreements was ₹221 crores, the financial covenants for which will be tested as on March 31, 2022. However, we cannot assure that we will get similar waivers or favourable considerations, in case of any potential breach of financial covenants, in the future. In case, the lenders do not provide waivers in the future, the breach may constitute an event of default under the financing arrangements, which may have an adverse effect on our business, financial condition and results of operations.

26. Our Statutory Auditors have provided certain matters of emphasis relating to the Audited Consolidated Financial Statements of our Company. We cannot assure you whether such matter of emphasis will not arise in the future.

Our Statutory Auditors have included an emphasis of matters in their audit reports on our consolidated financial statements for the financial years 2020 and 2021, noting that given the uncertainties due to the outbreak of COVID-19, the impact on our Company’s consolidated financial statements is significantly dependent on future developments. Investors should consider these matters in evaluating our financial position, cash flows and results of operations. There is no assurance that our auditors’ reports for any future periods will not contain such matters of emphasis.

27. We may require additional equity or debt financing in the future in order to continue to grow our business, which may not be available on favourable terms, or at all.

Our growth strategy may require us to raise additional funds or refinance our existing debt. We cannot assure you that such funds will be available to us on favourable terms or at all. The amount and timing of such additional financing needs will vary depending on the timing of our new hotel launches, potential acquisitions of new hotel assets, renovation and refurbishment costs for new and existing hotels and the amount of cash flow from our operations. Further, any incurrence of additional debt may increase our financing costs.

Our ability to obtain additional capital on acceptable terms is subject to several uncertainties, including:

- investors’ or lenders’ perception of, and demand for our services;
- conditions of the Indian and other capital markets in which we seek to raise funds;
- our future results of operations, financial condition and cash flows;
- governmental regulation of foreign investment in the hospitality industry and the construction development of hotel projects;
- economic, political and other conditions in India; and
- governmental policies concerning external commercial borrowings.

Further, our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favourable terms, or at all, our business, results of operations and financial condition may be adversely affected. In January 2021, our long term debt rating was downgraded to AA (with stable outlook) from AA+ (with negative outlook) by CARE Ratings Limited. Any downgrade in our credit ratings could also increase borrowing costs and adversely affect our access to capital and debt markets. In addition, any such downgrade could increase the probability that our lenders may impose additional terms and conditions to any financing or refinancing arrangements that we enter into in the future and adversely affect our business, results of operations, financial condition and cash flows.

28. Our ability to exercise management control over our joint ventures and associates is often dependent upon the consent of other participants who are not under our control. Disagreements or unfavourable terms in agreements governing those joint ventures and associates could adversely affect our operations.

We have entered into several joint venture arrangements and derive a significant amount of fees and share of profits from operation of these joint venture arrangements. Our level of participation in each joint venture arrangement differs. We also have certain associates which are not controlled by us. Our ability to exercise management control over these arrangements and investments made in the joint ventures and associates may depend upon receiving the consent or co-operation of our joint venture partners or controlling shareholders of the associates, respectively. While the precise terms of the arrangements vary, our operations may be affected if disagreements develop with the joint venture partners or controlling shareholders of the associates.

Further, we typically enter into shareholders agreements for joint venture arrangements which provide the responsibilities and obligations of the partners. It is possible that our joint venture partners may not comply with their obligation under the respective arrangements which could subject us to a variety of risks including, but not limited to our partners may:

- not be able to meet their capital contribution obligations;
- subject the property of the joint venture arrangement to liabilities exceeding those anticipated;
- take actions that reduce our return on investment; or
- take actions that harm our reputation or restrict our ability to run our business.

Additionally, investment in third party entities exposes us to certain legal and business risks relating to these entities. As minority shareholders in these entities, we do not control their decision making or operations, and there can be no assurance that the business decisions of such entities will always be in our interest. We also do not control dividend decisions of these entities as decisions regarding dividend payment require majority consent. These entities are legally distinct from our Company and have no obligation to pay amounts due with respect to our obligations, or to make funds available for such payments. The ability of these entities to make such payments to our Company will be subject to, among other things, availability of funds, terms of each indebtedness and applicable local laws. This may result in significant overdues from such entities. If dividend payments do not materialise in the amounts that we expect, we may not be able to recover our investment in these, which could have an adverse effect on our business, financial condition and results of operations.

29. New brands or services that we launch in the future may not be as successful as we anticipate, which could have an adverse effect on our business, financial condition and results of operations.

Our brands, Vivanta, SeleQtions, Ginger, Qmin, amã Stays & Trails, have been introduced in the past. We may launch additional branded hotel products and services in the future. We cannot assure you that any new hotel brands launched by us will be accepted by the hotel owners, franchisees or customers, or that we will be able to recover costs we incurred in developing such brands, or that our new brands, products or services will be successful. If new brands, products and services are not as successful as we anticipate, it could have an adverse effect on our business, financial condition and results of operations.

30. Our operations require the services of third parties on which we depend. There is no assurance for the performance of their obligations in satisfactory quality, a timely manner or at all.

We require the services of third parties for our operations. These third parties include contractors, sub-contractors, architects, engineers, suppliers of labour and materials such as linen, furniture, carpeting, food, beverages and other consumables. We have outsourced, and may in the future continue to outsource, several services required in our operations such as cleaning, technology and security services to third parties. Further, our business involves providing services to our customers. Maintaining an inventory of items such as food items or other consumables demands significant logistical effort. If our service providers fail to perform their respective obligations satisfactorily, or if there are shortages, whether caused by factors outside our control or otherwise, we may be unable to deliver our services within the intended timeframe, at the intended cost, or at all. In such circumstances, any remedial measures that we may undertake may require us to incur additional cost or time, which could result in reduced profits, which may in turn adversely affect our business, reputation, financial condition and results of operations.

31. We had losses in the past and we cannot assure you that we would not have losses in the future.

For the nine months ended December 31, 2021, and the Financial Year 2021, we had loss after tax attributable to the owners of the Company of ₹ 321.91 crores and ₹ 720.11 crores, respectively. Such losses after tax for the nine months ended December 31, 2021 and the Financial Year 2021, were largely due to the impact of COVID-19 and related disruptions and restrictions. We cannot assure you that we would not experience losses in the future.

32. Our business and operations are subject to significant regulation in India.

Our business and operations are subject to numerous laws and regulations in the locations in which we operate, including those relating to the preparation and sale of food and beverages, such as health and liquor licensing laws and environmental laws. Our hotels are also subject to laws and regulations governing relationships with employees in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Monitoring legal developments and maintaining internal standards and controls to abide by local rules and regulations can be costly for us which could adversely affect our operations.

Further, our hotels are subject to extensive government and environmental laws and regulations which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our businesses. These laws and regulations include the Environmental Protection Act, 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974 and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant states. We are required to conduct an environmental assessment for most of our hotel projects before receiving regulatory approval for these projects. These environmental assessments may reveal environmental problems, which could result in us not obtaining the required approvals. Additionally, if environmental problems are discovered during or after the development of a project, we may incur substantial liabilities relating to cleanup and other remedial measures and the value of the relevant hotels could be adversely affected.

Additionally, with a focus on sustainable development, we may be required to comply with certain additional requirements, including in other jurisdictions which we may not be able to comply with in a timely manner or at all.

Any failure to comply with these rules and regulations could adversely affect our reputation and fines or penalties may have an adverse effect on our financial condition and results of operations.

33. Our Company was incorporated in 1902 and we are unable to trace some of our historical corporate records. Further, there has been an inadvertent discrepancy in respect of the form filing for the allotment of Equity Shares on November 7, 2017 pursuant to a rights issue. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in future, in relation to the missing corporate records and discrepancy in form filings, which may impact our financial condition and reputation.

Our records date back to 1902 when our Company was originally incorporated. We are unable to trace certain of our records in relation to allotments of certain equity shares by our Company during financial years 1902-1903 to 1906-1907, 1967-1968, 1969-1970 and 1970-1971. For further details, please see section entitled "*Capital Structure - Equity Share capital history of our Company*" on page 72. Further, there has been an inadvertent discrepancy in respect of the form filing for the allotment of Equity Shares on November 7, 2017 in relation to the number of Equity Shares allotted pursuant to a rights issue.

While no legal proceedings or regulatory action has been initiated against our Company in relation to untraceable corporate records and documents or the aforesaid discrepancy in the form filing for the allotment of Equity Shares on November 7, 2017, as of the date of this Preliminary Placement Document, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to any action, including monetary penalties, imposed by regulatory authorities in this respect.

34. Climate change may have an impact on the hospitality industry and may adversely affect our financial condition.

Changing climate conditions may have a significant impact on the reduction in number of tourists visiting certain destinations and also result in an increase in our cost of operations. While local and national policies are being implemented or have already been implemented, compliance with such requirements will lead to an increased cost and accordingly, adversely affect our financial condition.

Further, due to climate change, the impact of increased physical weather events may result in damage to infrastructure and may also lead to disruption in business. Any damage to property or suspension of business due to such physical weather events could result in increased costs and adversely affect our financial condition.

35. Renovation work, repair and maintenance or physical damage of our hotels may disrupt our operations and revenue.

We undertake renovation of our hotel properties from time to time in order to retain their attractiveness to customers and may also require unscheduled maintenance or repairs due to wear and tear or requirements of laws or regulations. The costs of maintaining the hotel properties and the risk of unforeseen maintenance or repair requirements may increase over time for various reasons. The business and operations of our hotel properties may be disrupted for an extended period of time as a result of renovation works and it may result in a partial or full loss of income from such properties during the time of such renovation works. The required works may impose unbudgeted costs on us, to the extent not covered by insurance, and may adversely affect our business, financial condition, results of operations and prospects.

36. Any failure to protect our trademarks and other intellectual property could reduce the value of our brands and harm our business.

We believe that trademarks and service marks are important assets in our business. As of December 31, 2021, we have filed applications or obtained registrations of 186 trademark and 258 service marks for our brands under several classes of the Trade Marks Act, 1999. Some of our brands for which we have obtained or have applied for trademarks include: 'Taj', 'Tajness' 'Taj Mahal Palace & Tower Mumbai' 'Taj Lands End Mumbai', 'Qmin', 'Souk', 'Wasabi' and 'Vivanta by Taj' 'Epicure' 'Gateway Hotel" and the image registration of the 'The Taj Mahal Palace and Tower Wing Exterior" 'Main Dome of Taj Mahal Palace" and "Taj Mahal Palace (image)".

While we take necessary steps to use, control and or protect our trademarks and other intellectual property in India and other jurisdictions, we cannot assure you that the pending trademark applications will be granted or that these will always be adequate to prevent third parties from copying or using the trademarks or other intellectual property without authorization. For various reasons, we may either not seek or not obtain or not maintain registration for all or some of our trademarks in all or some of our jurisdictions. Third parties may also challenge our rights to certain trademarks or oppose our trademark applications. Defending any such proceedings may be costly, and if unsuccessful, could result in the loss of important intellectual property rights.

Our intellectual property may also be vulnerable to unauthorized copying or use in some jurisdictions outside India, where local law, or lax enforcement of law, may not provide adequate protection. If our trademarks or other intellectual property are improperly used, the value and reputation of our brands could be harmed. There are times when we may need to resort to litigation to enforce our intellectual property rights. Litigation of this nature could be costly, force us to divert our resources, lead to counterclaims or other claims against us or otherwise harm our business or reputation. In addition, we license certain of our trademarks to third parties. Failure to maintain, control and protect our trademarks and other intellectual property could adversely affect our ability to attract guests or third-party owners, and could adversely affect our business and operations.

37. Our insurance coverage may not adequately protect us against risks including operating hazards and natural disasters.

Our hotel properties are covered by insurance policies. Such insurance policies typically cover physical loss or damage to our property and equipment arising from a number of specified risks. These risks may pertain to burglary, fire, riot, strike, other material damage to property and development sites, business interruption, cyber-attacks, terrorism and public liability. While we believe that we maintain reasonable insurance cover for all foreseeable contingencies and which are consistent with industry practices, the occurrence of any event that is uninsurable or not adequately insured could have an adverse effect on our business, financial condition and results of operations.

Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. To the extent that we suffer any consequential loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

38. We may choose to divest certain of our investments which we may not be able to achieve on acceptable basis and which may adversely affect our business, financial condition and results of operations.

In the past, we have divested certain of our investments which were not compatible with our strategy. We may continue to evaluate sale opportunities and in the event that we are able to agree on acceptable terms, we may choose to divest certain of our investments in order to realise value for such businesses as well as achieve desired growth levels. It is possible that we may not be able to identify suitable divestment opportunities, or if we do identify suitable opportunities, we may not be able to complete those transactions on terms acceptable to us or at all. In certain circumstances, sale of properties or other assets may also result in lower than expected returns. Upon sale of our properties or assets, we may become subject to contractual indemnity obligations, incur material tax liabilities or, as a result of required debt repayment, face a shortage of liquidity. Additionally, any dispositions could demand significant attention from our management that would otherwise be available for business and operations, which could harm our business.

39. We are required to comply with data privacy regulations.

The existing and emerging data privacy regulations limit the extent to which we can use personal identifiable information. Compliance with these regulations may require changes in the way data is collected, monitored, shared and used, which could increase operating costs or limit the advantages from processing such data. In addition, non-compliance with data privacy regulations may result in fines, damage to reputation or restrictions on the use or transfer of information.

In addition, breaches in security could expose us, our customers or the individuals affected, to a risk of loss or misuse of this information, resulting in litigation and potential liability for us, as well as the loss of existing or potential customers and damage to our reputation. The cost and operational consequences of implementing further data protection measures could be significant, and this may have an adverse effect on our business, financial condition and results of operations.

40. Our future success depends on our ability to achieve synergies across our businesses, replicate successful models across jurisdictions and effectively manage our operational systems, procedures and internal controls.

In the past, we have acquired significant interest in hotel assets in India and various overseas markets such as the United States, the United Kingdom, South Africa and Maldives. Pursuant to these acquisitions, we have sought to identify and achieve synergies and operational efficiencies across business verticals in the various jurisdictions in which we operate. In addition, we have sought to replicate successful business models from one jurisdiction in other jurisdictions across our international network. However, there can be no assurance that we will be able to achieve the synergies that we seek and generate the expected benefits. Further, we may not be able to effectively integrate our acquired businesses into our existing operations, or we may incur higher than anticipated costs, or incur unknown liabilities that could adversely affect our business, financial condition and results of operations.

41. We have, in the past, entered into related party transactions and may continue to do so in the future.

The Company has entered and continue to enter into transactions with certain of its related parties. For further details, please see the section entitled "*Financial Statements*". While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

42. There can be no assurance that we will not be a PFIC for U.S. federal income tax purposes, which could result in adverse U.S. federal income tax consequences to U.S. investors.

For U.S. federal income tax purposes, we will be a passive foreign investment company ("PFIC") for any taxable year in which, after the application of certain look-through rules with respect to our subsidiaries, either (i) at least 75% of our gross income consists of passive income or (ii) at least 50% of the average value of our assets (generally determined on a quarterly basis) consists of assets that produce, or are held for the production of, passive income. Passive income generally includes dividends, interest, rents, royalties, and certain capital gains. Cash is generally a passive asset. Goodwill is active to the extent attributable to activities that produce or are intended to produce active income. Based on the current and projected composition of our income and assets, including goodwill, and the valuation of our assets, we do not expect to be a PFIC for the current taxable year or the foreseeable future. However, because PFIC status is determined on an annual basis, and therefore our PFIC status for the current taxable year and any future taxable year will depend upon the future composition of our income and assets, there can be no assurance that we will not be a PFIC for any taxable year.

If we are a PFIC for any taxable year during which a U.S. investor holds Equity Shares, we generally would continue to be treated as a PFIC with respect to that U.S. investor for all succeeding years during which the U.S. investor holds such Equity Shares, even if we ceased to meet the threshold requirements for PFIC status. Such a U.S. investor may be subject to adverse U.S. federal income tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. We do not intend to provide the information that would enable investors to make a qualified electing fund election that could mitigate the adverse U.S. federal income tax consequences should we be classified as a PFIC. You are urged to consult your tax advisor concerning the U.S. federal income tax consequences of owning and disposing of Equity Shares if we are to become classified as a PFIC.

For further details, please see the section entitled "*Certain Tax Considerations - Certain U.S. Federal Income Tax Considerations" — PFIC Considerations*" on page 194 in this Preliminary Placement Document.

43. We have referred to the data derived from the industry report commissioned and paid for by our Company from Horwath HTL India which have been used for industry-related data in this Preliminary Placement Document

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Unless otherwise indicated, the industry-related information contained in this section is derived from an executive summary of a report entitled "Industry Report - Upper Tier and Economy Hotels" dated February 22, 2022 (the "**Horwath HTL Report**") prepared by Horwath HTL India ("**Horwath**"). We commissioned Horwath for the Horwath HTL Report in January 2022, and paid for such report an agreed fee only for the purposes of confirming our understanding of the industry in connection with the Issue. We have no direct or indirect association with Horwath other than as a consequence of such an engagement. The Horwath HTL Report is not exhaustive and are based on certain assumptions, parameters and conditions made and identified by Horwath. They also use certain methodologies for market sizing and forecasting. Accordingly, investors should read the industry related disclosure in this Preliminary Placement Document in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

Risks relating to our Industry and Risks relating to India

44. We are subject to certain hotel industry related risks applicable in domestic and overseas markets.

Since our primary business is ownership and management of hotels in and outside India, we are subject to certain risks typical to the hotels which are beyond our control. Some of these risks, among others, include:

- increases in operating costs due to escalation of labour costs, utility costs (including energy costs), increased taxes and insurance costs, as well as unanticipated costs owing to acts of nature;
- inflation which could increase our costs and decrease our operating margins;
- increases in transportation and fuel costs for sustained periods and impediments to means of transportation that could adversely affect domestic and international travel;
- political instability in India and overseas markets;
- the macro-economic outlook for the oil and gas industry
- changes in interest rates and in the availability, cost and terms of financing; and
- changes in laws, rules and regulations, fiscal policies and incentives and the costs of compliance.

The hotel industry has, in the past, been affected by some of the risks stated above. If in the future, one or more of these risks materialise, our business, financial condition and results of operations would be adversely affected.

45. Benefits and incentives enjoyed by the hotel industry in India and other countries may not continue and such change could have an adverse impact on our business.

There are certain incentives and concessions granted or provided by the Central and/ or State Governments in India or Governmental authorities in overseas jurisdictions to the hotel industry (for example the company receives incentive under Government of India's Service Exports from India Scheme (SEIS)). There is no guarantee that such incentives or concessions will continue or will not be withdrawn by such Governments in the future, and such change could have an adverse impact on our business.

46. Enforcement of foreign judgments against the Company or its management may not be possible or may require additional legal proceedings.

The Company is a limited liability company incorporated under the laws of India. Majority of the Directors and certain executive officers of the Company are residents of India. A substantial portion of our assets and the assets of the Directors and the executive officers of the Company, who are Indian residents, are located in India. As a result, it may be difficult for the investors to affect service of process upon us or such persons outside India or to enforce judgments obtained against the Company or such parties outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against the Company or its officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to execute such a judgment or to repatriate any amount recovered.

47. *Fluctuation of the Rupee against other currencies may affect our financial results and may influence the destinations visited by travellers.*

We own, manage and operate hotels in various countries and accordingly, receive payments in the respective local currencies, such as U.S. Dollars, Pounds Sterling or in Euros. Changes in the value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees, and a possible fluctuation of the aforementioned currencies with respect to the Rupee may have an unfavourable impact on such results. Appreciation of the Rupee could also affect realizations in other currencies as it may not always be possible for prices (quoted in foreign currencies) to be revised upward to compensate for Rupee appreciation. In the ordinary course of business, we may cover foreign exchange risks using standard market instruments. Furthermore, the revenues of resort hotels operated by us are subject to changes in exchange rates to the extent that one of the factors that influences the choice of destination by leisure travelers is the strength of their local currency with respect to the currency of their destination, making certain destinations more attractive when this relation is favourable to the traveler.

48. *Any downgrading of India's debt rating by a domestic or international rating agency could negatively impact the Company's business.*

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact the Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial results and business prospects, ability to obtain financing for capital expenditures and the price of the Equity Shares.

49. *Our ability to raise foreign capital may be constrained by Indian law and a lack of access thereto may have an adverse effect on our business growth, financial condition and results of operations.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business, financial condition and results of operations.

50. *Hostilities, political instability, wars and other acts of violence or manmade disasters (in India or other countries) could adversely affect the financial markets and our business.*

Hostilities , wars, political instability, terrorism and other acts of violence or manmade disasters (in India or other countries) may adversely affect our business and the Indian markets in which the Equity Shares trade or the Equity Shares are proposed to be listed. These acts may result in a loss of business confidence, make travel and other services more difficult, and have other consequences that could adversely affect our business. For instance, previous terrorist attacks in India have resulted in an overall reduction in the number of visitors to India since several countries issued travel advisories against travelling to India and many companies curtailed travel. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability, which could adversely affect the price of our Equity Shares.

More generally, any terrorist attack, other act of violence or war, including military conflicts, such as the escalating conflict between Russia and Ukraine, could result in increased volatility in, or damage to, the worldwide financial markets and economy. This risk may be magnified in the case of the conflict between Russia and Ukraine, due to the significant sanctions and other restrictive actions taken against Russia globally, as well as the cessation of all business in Russia by many global companies. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities, including oil and natural gas, and may cause inflation and disruptions to availability of certain commodities, commodity and futures prices and the supply chain globally. At this time, the situation is rapidly evolving and may evolve in a way that could have a negative impact on our operating costs in the future.

In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

51. The occurrence of natural disasters, the frequency of which may increase due to climate change, could adversely affect our results of operations and financial condition.

The occurrence of natural disasters, including hurricanes, floods, earthquakes, storms, fires, explosions, pandemic disease, could adversely affect our results of operations or financial condition. We cannot assure prospective investors that such events will not occur in the future or that our results of operations and financial condition will not be adversely affected.

52. Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar.

Our financial statements included in this Preliminary Placement Document are prepared and presented in conformity with Ind AS. Ind AS differs from accounting principles with which persons from other countries may be familiar, such as IFRS and U.S. GAAP. We have not attempted to quantify the effect of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

Risks Relating to the Equity Shares and this Issue

53. Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares Rights Entitlements.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

These amendments have been notified on December 10, 2019, however these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Further, the Government of India has announced the union budget for the financial year 2022, pursuant to which the Finance Bill, 2021 ("**Finance Bill 2021**") has introduced various amendments. The Finance Bill 2021 has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 ("Finance Act").

Thereafter, the Government of India has announced the union budget for the Financial Year 2023, and the Finance Bill, 2022 ("**Finance Bill 2022**") has been introduced in Lok Sabha on February 1, 2022. The Finance Bill 2022 is scheduled to be passed in the ongoing budget session of the Parliament. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act or the Finance Bill 2022 would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

54. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position

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Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares who have voted on such resolution. However, if the law of the jurisdiction that you are in, does not permit the exercise of such pre-emptive rights, without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

55. Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Bid /Issue Closing Date.

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to 10 days from the Bid/Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/ Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

56. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on BSE and NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the

Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

57. Any future issuance of the Equity Shares or sales of the Equity Shares by any of our Company's significant shareholders may adversely affect the trading price of the Equity Shares

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A future issuance of Equity Shares by us may dilute your shareholding in the Company. There are no restrictions on our ability to issue further Equity Shares, including allotment of any securities to the Promoter, other than as stipulated under applicable laws. The issue and allotment of Equity Shares by us to third parties would result in a dilution of your shareholding and rights in the Company. Moreover, any significant disposal of Equity Shares by any of our significant shareholders, or the perception that such sales will occur, may affect the trading price of our Equity Shares. As a publicly traded company, there is no restriction on our shareholders to dispose of a part or the entirety of their shareholding in the Company, which could lead to a negative sentiment in the market regarding the Company that could in turn impact the value of the Equity Shares.

58. Fluctuations in the exchange rate between the Rupee and the U.S. Dollar could have an adverse effect on the value of our Equity Shares, independent of our operating results.

Our Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees and subsequently converted into U.S. Dollars for repatriation, as required. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors in terms of domicile currency of the investor. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares, independent of our operating results.

59. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

60. Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

61. After this Issue, our Equity Shares may experience price and volume fluctuations.

The Issue Price will be determined by us in consultation with the Book Running Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete.

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

62. An investor will not be able to sell any of our Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of this Issue.

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of Equity Shares in this Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an effect on the price and liquidity of the Equity Shares.

MARKET PRICE INFORMATION

As at the date of this Preliminary Placement Document, 1,32,14,47,299* Equity Shares are issued and outstanding, and 1,32,13,89,702 Equity Shares are subscribed and paid-up.

** As of the date of this Preliminary Placement Document, 57,597 Equity Shares were issued but not subscribed to, and have been kept in abeyance pending resolution of legal dispute amongst certain shareholders of the Company.*

On March 21, 2022, the closing price of the Equity Shares on BSE and NSE was ₹206 per Equity Share. Since the Equity Shares are actively traded on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019:

BSE									
Financial Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total volume of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total volume of Equity Shares traded on date of low (₹)**	**Average price for the year (₹)**
2021	139.00	December 7, 2020	455,327	60,596,879	62.10	May 18, 2020	172,687	10,915,061	100.19
2020	164.10	June 26, 2019	266,634	42,668,282	71.90	March 26, 2020	201,897	16,018,675	142.15
2019	156.45	March 13, 2019	498,896	76,927,813	110.00	October 09, 2018	43,240	5,010,469	136.15

NSE									
Financial Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total volume of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total volume of Equity Shares traded on date of low (₹)**	**Average price for the year (₹)**
2021	139.25	December 7, 2020	7,846,688	1,056,057,723	62.10	May 18, 2020	1,878,994	118,318,681	100.18
2020	164.30	June 26, 2019	3,460,260	554,209,846	72.10	March 25, 2020	4,363,598	333,086,897	142.23
2019	156.45	March 13, 2019	3,414,121	526,923,886	109.30	October 09, 2018	712,705	82,096,718	136.27

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

Notes:
1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.

The following table set forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Fiscals 2021, 2020 and 2019

Fiscal	**Number of Equity Shares Traded**		**Turnover (In ₹)**	
	BSE	**NSE**	**BSE**	**NSE**
2021	64,108,260	779,098,747	6,469,688,287	78,318,729,048
2020	17,934,957	324,532,202	2,522,213,952	44,504,967,081
2019	35,525,581	299,139,845	4,922,648,027	41,390,599,575

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE											
Month year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total volume of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total volume of Equity Shares traded on date of low (₹)**	**Average price for the month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹)**
February 2022	226.45	February 2, 2022	707,775	156,242,753	191.90	February 24, 2022	558,616	109,463,122	208.20	6,157,051	1,289,134,937
January 2022	218.35	January 31, 2022	514,030	110,703,746	178.2	January 6, 2022	385,639	71,196,758	200.07	7,378,174	1,479,287,756
December 2021	206.80	December 13, 2021	241,300	49,233,854	172.35	December 27, 2021	415,860	73,513,072	188.76	10,029,763	1,898,920,524
November 14, 2021 – November 30, 2021	224.25	November 16, 2021	482,337	105,918,900	171.15	November 29, 2021	1,498,231	263,329,183	201.39	8,279,049	1,634,986,770
November 1, 2021 – November 13, 2021	224.75	November 9, 2021	1,125,529	248,277,451	192.00	November 1, 2021	1,013,416	202,114,827	211.12	5,483,791	1,160,677,956
October 2021	237.50	October 14, 2021	1,564,524	360,946,114	178.60	October 1, 2021	423,129	77,151,190	206.13	19,292,912	4,061,433,885
September 2021	200.90	September 27, 2021	2,585,860	494,572,561	139.55	September 1, 2021	431,216	62,345,711	162.02	19,552,262	3,322,888,259

NSE											
Month year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total volume of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total volume of Equity Shares traded on date of low (₹)**	**Average price for the month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹)**
February 2022	226.55	February 2, 2022	10,503,819	2,319,094,147	191.95	February 24, 2022	7,389,515	1,449,964,176	208.21	100,523,513	21,049,517,251
January 2022	218.50	January 31, 2022	7,624,838	1,641,340,402	178.05	January 3, 2022	5,114,995	931,631,534	200.05	110,823,483	22,188,614,271
December 2021	206.50	December 10, 2021	4,200,525	856,982,774	172.15	December 27, 2021	3,900,089	687,908,077	188.78	140,971,360	26,684,094,172
November 14, 2021 – November 30, 2021	224.20	November 16, 2021	11,019,325	2,421,161,579	171.00	November 29, 2021	18,873,541	3,319,329,359	201.36	118,474,934	23,210,068,050

NSE											
Month year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total volume of Equity Shares traded on date of high (₹)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total volume of Equity Shares traded on date of low (₹)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹)
November 1, 2021 – November 13, 2021	224.90	November 9, 2021	11,701,669	2,583,365,508	192.70	November 1, 2021	10,167,774	2,041,548,628	211.01	74,707,373	15,850,572,117
October 2021	237.40	October 14, 2021	19,655,318	4,537,120,674	178.35	October 1, 2021	6,462,916	1,179,623,112	206.09	283,820,341	59,665,081,627
September 2021	200.50	September 27, 2021	42,179,916	8,092,120,755	139.55	September 1, 2021	5,019,814	727,850,749	162.01	258,914,162	44,597,929,107

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

Notes:
1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.
4. In month of November 2021, Company announced record date i.e. November 13, 2021 for the purpose of rights issue and accordingly the data has been split into two periods.

(iii) The following table sets forth the market price on the Stock Exchanges on October 22, 2021, the first working day following the approval of our Board of Directors for the Issue:

BSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹)
217.90	224.65	202.95	204.90	764,515	160,745,825

(Source: www.bseindia.com)

NSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹)
218.00	224.90	202.85	204.65	13,270,594	2,798,630,990

(Source: www.nseindia.com)

USE OF PROCEEDS

The gross proceeds from the Issue aggregates to ₹[●] crore. The net proceeds from the Issue, after deducting the estimated Issue expenses of approximately ₹[●] crore, are expected to amount to approximately ₹[●] crore (the "**Net Proceeds**").

Subject to applicable laws and regulations, our Company intends to use the Net Proceeds to finance (in whole or part) one or more, or any combination of the following: (a) repayment or prepayment of debt availed by the Company and/ or its Subsidiaries; (b) working capital requirements of the Company and its Subsidiaries, joint ventures and affiliates; (c) investment in Subsidiaries, Joint Ventures, Associates and affiliates; (d) financing of business opportunities (which may be either organic or inorganic); (e) capital expenditure, including towards development, refurbishment and renovation of our assets; (f) any cost incurred towards the objects of the Company; (g) funding short term working capital requirements, meeting various expenditure of the Company including contingencies; (h) strategic initiatives; or (i) general corporate purposes.

The Net Proceeds are proposed to be deployed towards the purpose set out above and not proposed to be utilized towards any specific project. Accordingly, the requirement to disclose: (i) the break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project, are not applicable.

Our management will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilisation for the purposes described above, our Company intends to temporarily invest funds in creditworthy instruments, including money market mutual funds and deposits with banks. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws. In accordance with the SEBI Listing Regulations, our Company shall disclose the utilization of funds raised through this Issue in its annual report every year until such funds are fully utilized.

Until Allotment and consequent filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, the Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act.

Neither our Promoter nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization and total borrowings as at December 31, 2021 on a consolidated basis and as adjusted only for the Issue. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 76 and 212, respectively.

(in ₹ crore)

Particulars	**Pre-Issue (as at December 31, 2021)**	**Post-Issue as adjusted***
Short term Borrowing	1,020.19	[●]
Long term Borrowing	1,709.48	[●]
Total Borrowing (a)	**2,729.67**	**[●]**
Shareholders' funds:		
Share capital	132.14	[●]
Securities premium	4,660.48	[●]
Other equity (excluding securities premium)	466.68	[●]
Total funds (excluding borrowings) (b)	**5,259.3**	**[●]**
Total capitalization (a + b)	**7,988.97**	**[●]**

Note: Shareholder's fund at consolidated level is excluding non-controlling interest.
** Will be finalized upon determination of the Issue Price.*

CAPITAL STRUCTURE

The share capital of our Company as of the date of the Preliminary Placement Document is set forth below:

(In ₹ crore, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORISED SHARE CAPITAL**	
	2,00,00,00,000 Equity Shares of face value of ₹ 1 each	200.00
B	**ISSUED CAPITAL BEFORE THE ISSUE**	
	1,32,14,47,299^ Equity Shares of face value of ₹ 1 each	132.14
C	**SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE^**	
	1,32,13,89,702 Equity Shares of face value of ₹ 1 each	132.14
D	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares aggregating up to ₹ [●] crore(1)(2)	[●]
E	**ISSUED CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares	[●]
F	**PAID-UP CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares(2)	[●]
G	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue(3)	4,660.48
	After the Issue(2) (4)	[●]

^As of the date of the Preliminary Placement Document 57,597 Equity Shares were issued but not subscribed to, and have been kept in abeyance pending resolution of legal dispute amongst certain shareholders of the Company.

(1) This Issue has been authorised and approved by our Board of Directors on October 21, 2021 and our Shareholders approved the Issue through special resolution passed by way of a postal ballot on January 29, 2022

(2) To be determined upon finalisation of the Issue Price.

(3) As on December 31, 2021.

(4) The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses.

Equity Share capital history of our Company

The following table sets forth details of allotments of Equity Shares of our Company since the date of inception:

Financial Year/Date of Allotment**^	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment
1902-03 to 1906-07	6,000	500	500	Cash	First issue to Promoter
1967-1968	4,000	500	-	Other than Cash	Bonus issue in the ratio of 2:3
1969-70	3,000	500	-	Other than Cash	Bonus issue in the ratio of 3:10
1970-1971	-	-	-	Cash	Sub-division of shares from face value of ₹ 500 each to face value of ₹ 10 each
January 1, 1971	11,50,000	10	10	Cash	Public issue of ordinary shares
January 3, 1977	7,20,000	10	-	Other than Cash	Bonus issue in the ratio of 2:5
November 30, 1979	20,16,000	10	-	Other than Cash	Bonus issue in the ratio of 4:5
March 30, 1982	18,14,400	10	-	Other than Cash	Bonus issue in the ratio of 2:5
August 1, 1985	15,00,000	10	35	Cash	Conversion of IT Series of 13.5% partly convertible

Financial Year/Date of Allotment**^	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment
					NCDs at ₹ 35 per share i.e. at a premium of ₹ 25 per share
September 14, 1987	20,06,121	10	35	Cash	Conversion of I3 series of partly convertible debentures at ₹ 35 per share i.e. at a premium of ₹ 25 per share
December 14, 1989	49,28,261	10	-	Other than Cash	Bonus issue in the ratio of 1:2
October 1, 1992	51,74,674	10	60	Cash	Rights issue in the ratio of 1:3
November 17, 1994	1,99,59,456	10	-	Other than Cash	Bonus issue in the ratio of 1:1
May 15, 1995	51,95,783	10	*	Cash	Shares allotted pursuant to GDR issue program
2004-2005	12,98,306	10	501.53	Cash	Conversion of FCCB into ordinary share at a premium of ₹ 491.53 per share
2005-2006	1,02,52,407	10	501.53	Cash	
2006-2007	19,97,684	10	501.53	Cash	
November 3, 2006	-	1	-	Cash	Sub-division of shares into face value of ₹1
May 9, 2007	1,62,19,670	1	-	Other than cash	Shares issued pursuant to scheme of amalgamation for the amalgamation of Indian Resorts Hotel Limited, Gateway Hotels and Getaway Resorts Limited, Kuteeram Resorts Private Limited, Asia Pacific Hotels Limited, Taj Lands End Limited with the Company under Sections 391 to 394 of the Companies Act, 1956
October 5, 2007	903	1	50.153	Cash	Conversion of FCCB into ordinary share at a premium of ₹ 49.153 per share
May 23, 2008	12,05,53,795	1	70	Cash	Rights issue in the ratio of 1:5
October 15, 2009	67,499	1	150	Cash	Conversion of warrants at ₹ 150 per share i.e. at a premium of ₹ 149 per share
December 23, 2010	3,60,00,000	1	103.64	Cash	Preferential issue
June 22, 2012	4,80,00,000	1	103.64	Cash	Conversion of warrants at ₹ 103.64 per share i.e. at a premium of ₹ 102.64 per share
March 1, 2016	18,18,01,228	1	55	Cash	Conversion of compulsorily convertible debentures issued pursuant to a rights issue in the ratio of 9:40
November 7, 2017	19,99,84,430	1	75	Cash	Rights issue in the ratio of 1:5
December 15, 2021	13,21,31,257#	1	150	Cash	Rights issue in the ratio of 1:9

**GDRs were issued at a price of USD 16.60 each*

***For the periods 1902-1903 to 1906-07, 1967-68, 1969-70 and 1970-71 the dates of allotment have not been specified since such records are not available with the Company. For further details, please see the section entitled "Risk Factors - Our Company was incorporated in 1902 and we are unable to trace some of our historical corporate records. Further, there has been an inadvertent discrepancy in respect of the form filing for the allotment of Equity Shares on November 7, 2017 pursuant to a rights issue. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in future, in relation to the missing corporate records and discrepancy in form filings, which may impact our financial condition and reputation " on page 57. For the periods 2004-05, 2005-06 and 2006-07, the Company has been converting FCCBs into Equity Shares at various dates.*

^ As of the date of this Preliminary Placement Document, 57,597 Equity Shares were issued but not subscribed to, and have been kept in

abeyance pending resolution of legal dispute amongst certain shareholders of the Company.

#Out of the original rights issue of 13,21,39,827 Equity Shares offered in the rights issue, (a) 13,21,31,257 Equity Shares were allotted to the shareholders and renouncees; and (b) 8,570 Equity Shares were kept in abeyance for allotment to shareholders who were not able to subscribe to the rights issue due to pending court/ legal disputes and pending determination of the names of such eligible persons entitled to the allotment in accordance with applicable law.

Confirmations

Except as stated in "*—Equity Share Capital History of our Company*" above, our Company has not made any allotment of Equity Shares or Preference Shares in the year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares or Preference Shares pursuant to a preferential issue, private placement or a rights issue.

No change in control in our Company will occur consequent to the Issue.

Our Company does not have any employee stock option plan.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLMs to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please see the section entitled "*Proposed Allottees*" on page 487.

Pre-Issue and post-Issue Equity Shareholding Pattern

The following table provides the pre-Issue shareholding pattern as of December 31, 2021 and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue (as of December 31, 2021)		Post-Issue (as of [●])*	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	**Promoter's holding**				
1.	Indian				
	Individual	Nil	Nil	[●]	[●]
	Bodies corporate	54,24,25,341	41.05	[●]	[●]
	Sub-total	**54,24,25,341**	**41.05**	[●]	[●]
2.	Foreign	Nil	Nil	[●]	[●]
	Sub-total (A)	**54,24,25,341**	**41.05**	[●]	[●]
B.	**Non - Promoter's holding**				
3.	Institutional investors	53,54,12,616	40.52	[●]	[●]
4.	Non-institutional investors				
a.	Bodies Corporates (including private corporate bodies, if any)	1,48,92,237	1.13	[●]	[●]
b.	Directors and relatives	1,81,803	0.01	[●]	[●]
c.	Resident Individuals (including Indian public, if any)	21,08,22,900	15.95	[●]	[●]
d.	Others (including Non-resident Indians (NRIs))	1,76,54,805	1.34	[●]	[●]
	Sub-total (B)	**77,89,64,361**	**58.95**	[●]	[●]
	Total (A+B)	**1,32,13,89,702**	**100.00**	[●]	[●]

**The post-Issue shareholding pattern shall be filled-in before filing of the Placement Document with the Stock Exchanges.*

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on March 17, 2017 in terms of Regulation 43A of the SEBI Listing Regulations. For further information, please see the section entitled "*Description of the Equity Shares*" on page 187.

The following table details the dividend declared and paid by our Company on the Equity Shares in respect of nine-month period ended December 31, 2021 and Fiscals 2021, 2020 and 2019:

Particulars	Nine months ended December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Face value of Equity Shares (₹ per Equity Share)	1	1	1	1
Dividend per share (₹ per Equity Share)*	-	0.40	0.50	0.50
Dividend rate (%)	-	40%	50%	50%
Dividend distribution tax (in ₹ crore)[1]	-	-	-	11.72
Final dividend on Equity Shares (in ₹ crore)	-	47.57	59.46	59.46
Total dividend on Equity Shares (in ₹ crore)	-	47.57	59.46	59.46

[1] As per the Union Budget 2021 announced on February 1, 2021, dividend distribution tax has been abolished at the Company level for the dividends declared after March 31, 2020.
** Excludes dividend distribution tax.*

Note:
The dividend amounts mentioned in the above table represents the dividend declared in that particular Fiscal year, which was paid in the subsequent Fiscal year.

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, capital requirements, earnings, contractual restrictions, availability of adequate profits, investments in subsidiaries, associates and joint-ventures, business expansion plans, diversification of business, requirement of long-term capital and overall financial position of our Company, uncertainty in the economic conditions, change in provision of income-tax or other applicable taxes, volatility in the capital markets and applicable statutory and legal restrictions and any other relevant factors that the Board may deem fit to consider before declaring dividend.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted.

Please also see the sections entitled "*Certain Tax Considerations*" and "*Risk Factors*" on pages 190 and 45, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our consolidated financial statements for the nine months ended December 31, 2021 and the consolidated financial statements for the financial year ended March 31, 2021 with previous year comparatives, including the related notes, schedules and annexures. Our consolidated financial statements for the nine months ended December 31, 2021 and the consolidated financial statements for the financial year ended March 31, 2021 has been prepared under Indian Accounting Standards ("**Ind AS**") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act 2013 to the extent applicable and in accordance with applicable rules and regulations. Ind AS differs in certain material respects from other accounting standards such as Indian GAAP, IFRS and U.S. GAAP.*

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for the year ended March 31, 2021 with previous year comparatives included herein is based on the Audited Consolidated Financial Statements and the financial information included herein for the nine months ended December 31, 2021 is based on the unaudited consolidated financial statements, included in this Preliminary Placement Document. For further information, please see the section entitled "Financial Statements" on page 212.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under the sections entitled "Forward-looking Statements" and "Risk Factors" on pages 16 and 45, respectively.

Overview

We are one of the leading hospitality chains in India by number of hotels (*Source: Horwath HTL Report*) focused on being a dynamic hospitality ecosystem. We are primarily engaged in the business of owning, operating and managing hotels and resorts primarily under various brands including, our flagship brand "*Taj*". The Company was incorporated in 1902 and is promoted by Tata Sons Private Limited, which held 38.42%% of the Company's shareholding as of December 31, 2021.

Our first hotel, the Taj Mahal Palace, Mumbai, commenced operations in 1903. In the past few decades, we have expanded geographically to register our presence in key travel destinations both in India and internationally. We have also converted or restored former royal palaces in India into flagship hotels. Some of our marquee hotels which are operated out of former royal palaces include Rambagh Palace, Jaipur, Umaid Bhawan Palace, Jodhpur, Taj Falaknuma Palace, Hyderabad and Taj Lake Palace, Udaipur. In addition to the palace hotels, many hotels are located in iconic or heritage buildings, such as the Taj Mahal Palace, Mumbai, The Pierre, New York or the Taj Cape Town, South Africa. In 2004, we launched hotels under the brand, "*Ginger*", formerly, "*Indione*", to cater to the budget segment. We have, over time, systematically invested in creating assets directly or through subsidiaries, joint ventures or associates in both India and international locations. As of January 31, 2022 we operated or managed 171 hotels and resorts globally with approximately 19,920 rooms with a presence across various geographical segments, including beach resorts, hill stations, wildlife sanctuaries, major cities and tourist destinations. Of this, we have 16 international hotels with 2,560 rooms in 12 international locations.

The spirit of "*Tajness*" – and values of Trust, Awareness and Joy, define a common philosophy across all our hotels to ensure our customers are able to have the same experience across our hotels. We operate our hospitality business through our hospitality brands of "*Taj*", "*SeleQtions*", "*Vivanta*" and "*Ginger*" as well as the recently launched "*amã Stays and Trails*". In addition, we also operate restaurants and our food and beverage business under brands such as Golden Dragon, Wasabi by Morimoto, Thai Pavilion, House of Ming, Shamiana. Recently, we launched "*Qmin*", a repertoire of culinary offerings, delivered to homes using a proprietary Qmin mobile application and also has an offline presence through shops and food trucks. We launched a global version of "*The Chambers*", an exclusive business club in eight cities granting members exclusive benefits and privileges. In addition, we operate spas under the "*Jiva*" brand, shops under "*Khazana*", salons under "*niu&nau*" and cater to airlines from "*TajSATS*", through our joint venture Taj SATS Air Catering Limited. In 2021, "*Taj*" has been rated as the World's Strongest Hotel Brand by Brand Finance, the world's leading brand valuation consultancy in its annual 'Hotels 50 2021' report and ranked as #1 hospitality brand in India in its 'India 100 2021' report.

We undertake our business through direct ownership of hotels, lease arrangements, licensing arrangements and operating/management contracts and franchises. These diverse modes of business operation complement each other and enable us to efficiently capitalise on our brand for achieving sustained growth. We have taken up operating and management contracts in the last few years in order to move to an asset-light model and propose to undertake future expansion largely through development of our existing land bank, utilisation of the unutilised floor space index in our operating hotels and through management contracts.

We have won several awards for our hospitality operations and governance in India and internationally. For further details, please see the section entitled "*Our Business – Awards*" on page 130.

The total income for the financial year ended March 31, 2020, on a consolidated basis, was ₹4,595.56 crores and the profit after tax (attributable to owners) was ₹ 354.42 crores. Our financial results for the financial year ended March 31, 2021 and the nine months ended December 31, 2021 were impacted by the COVID-19 pandemic which impacted global economy, including travel and tourism due to which our financial performance dropped significantly. On a consolidated basis, our total income was ₹1,739.88 crores for the financial year ended March 31, 2021 as compared to ₹4,595.56 crores for the financial year ended March 31, 2020 and our total income was ₹2,256.50 crores for the nine months ended December 31, 2021 as compared to ₹1,113.41 crores for the nine months ended December 31, 2020. The revenues have shown an upward trajectory during the third quarter of the financial years 2021 to 2022.

Significant Factors Affecting Our Results of Operations

Our results of operations and financial condition are affected by a number of important factors, including:

The impact of COVID-19 on our results of operations and financial condition

The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. Responding to the potentially serious threat that this pandemic has to public health, governments in India and the world took a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' from March 2020. Post June 2020 there was a gradual lifting of restrictions within regulated environments differing based upon infrastructural preparedness, testing, reported number of cases and political consensus of countries and states within India. Subsequently, a second wave of the COVID-19 pandemic coupled with newer mutations of the virus severely impacted our business in the countries where we have significant operations, including the Indian subcontinent. In late 2021, the Omicron variant of COVID-19 led to another surge in infections. In response, local governments started enforcing various restrictions, such as curfew and closure of establishments to prevent crowding. Since the beginning of 2021, availability of vaccines and penetration of vaccination within the population began to take precedence in deciding the level of economic activity.

The spread of COVID-19 has severely impacted our business in the countries where we have significant operations, including the Indian sub-continent. The lockdowns and restrictions imposed on various activities due to COVID–19 pandemic have posed challenges to all businesses of our Company including subsidiaries, joint ventures, associates and properties managed and operated by us. Our business was severely impacted since the initial lockdown in March 2020. Our Company witnessed a substantial drop in revenues due to record low occupancies and significant reduction of dining and events at hotels due to the lockdowns imposed and regulation on social gatherings. Based on directives of local governments, a significant number of our Company's hotels had to be temporarily shut down. With the unlocking of restrictions, almost all of our Company's hotels have now been re-opened and business is expected to gradually improve across all hotels. During the second half of the financial year ended March 31, 2021 and the nine months ended December 31, 2021, our Company witnessed a recovery in demand for leisure destinations, home delivery of food and beverages and small banquet events. As a result, our revenue from operations increased significantly from ₹960.14 crores for the nine months ended December 31, 2020 to ₹2,184.14 crores for the nine months ended December 31, 2021.

As our response to COVID-19, we assessed its potential impact on our capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps were initiated to raise finances from banks and institutions for working capital needs and long-term funds to meet our Company's funding requirements.

We also assessed the potential impact of COVID-19 on the carrying value of property, plant and equipment, right of use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of our Company. We are regularly monitoring the impact of COVID-19 on all aspects of our business and operations and as the pandemic continues to evolve and its impact on global health, the economy and our business may be different from what we have estimated.

The occurrence of any natural disaster, pandemics, epidemics and manmade disasters

The occurrence of natural disasters such as hurricanes, floods, earthquakes, tornedos, fires, explosions, pandemic and epidemic diseases and manmade disasters (such as wars, terrorist attacks, political violence, social unrest and economic crisis) could adversely affect our results of operations or financial conditions. We cannot assure prospective investors that such events will not occur in the future or that our results of operations and financial conditions will not be adversely affected.

General economic conditions

We are engaged in the hospitality business and face risks from socio-political environment including natural and political factors. Natural calamities, international political conflicts, border unrest and terrorism incidents could have a direct impact on travel and affect our business. The hospitality business is highly sensitive to fluctuations of the economy and any untoward global or local incident(s). The hospitality sector is also affected by factors such as changes in domestic and global economies, local market conditions, surplus supply over demand for hotel rooms, reduction in demand of associated services, market competition, changes in interest rates or exchange rates, availability of finance and other social and economic factors.

Heavy dependence on India and key destinations

A significant proportion of our revenue is realized from our Indian operations. Further, within India, a larger part of the revenue is generated through hotels present in key destinations, such as Mumbai, New Delhi, Bengaluru and Goa. We are susceptible to domestic socio-political and economic conditions and decline in tourist arrivals in these specific destinations.

Dependence on the high-end luxury segment

A significant portion of our revenue is realized from luxury hotels. Any adverse development affecting these hotels or the regions in which they operate, or any economic downturn which restricts luxury discretionary spending by our customers, may adversely affect our business.

Seasonality of business

The hospitality industry in India is subject to seasonal variations. The periods during which our hotels experience higher revenues vary from property to property, depending principally upon location and the guests served. Our revenues are generally higher during the second half of each financial year. Seasonality affects leisure travel, including weddings, as well as inbound foreign leisure travel, such that it mainly occurs between October and March. Business travel, which was generally more consistent during the year, has undergone a disruptive change in patterns during the recent lockdowns due to a greater use of technology for meetings and events. The extent and nature of corporate travel in the new normal, post-pandemic period remains uncertain. Seasonality can be expected to cause quarterly fluctuations in our revenue, profit margins and earnings.

Competition in the hotel sector

The hotel industry in India is intensely competitive and our hotels compete with large multinational and Indian companies, in each of the micro-markets in which we operate. Increased competition in the hotel sector may adversely affect our operations and there can be no assurance that the new or existing competitors will not significantly expand or improve facilities in the markets in which we operate.

High operating leverage

The hotel industry in general has a high operating leverage which requires periodic renovations, refurbishment and has high fixed operating costs. Consequently, it may be difficult for us to reduce these costs in case of an economic slowdown.

Our hotel ownership models

Our owned and leased hotels are a significant contributor to our revenues. Under our owned hotel business, we incur upfront capital costs on hotel assets, working capital and pre-opening expenditure. We expect higher revenues and contribution to profits after a generally long gestation period. Under the model of leased hotels, we make lease payments to the hotel asset owners for use of their assets and operate such hotels as if they were owned by us. The lease payments may be a fixed amount or where the asset-owners prefer to benefit from the hotel's performance, payments variable to operating income of the hotel, many a times accompanied by minimum guaranteed payments. Under the management and franchise models we earn a management fee for our services of operating the hotel while the owner or franchisee bears substantially all the capital expenditures, opening and operational expenses. The mix of owned, leased and managed hotels in our hotel portfolio affects our results of operations in a given period.

Key Indicators of Operating Performance

We use a variety of financial and other information in monitoring the financial condition and operating performance of our business. Our management also uses other information that may not be financial in nature, including statistical information and comparative data that are commonly used within the hospitality industry to evaluate a hotel's financial and operating performance. Our management uses the following operational parameters to measure the performance:

Average Room Rate ("**ARR**") represents hotel room revenues divided by total number of room nights sold in a given period (including rooms that were available for only a certain portion of that period). ARR measures the average room price attained by a hotel or group of hotels and ARR trends provide useful information relating to pricing policies and the nature of the guest base of a hotel or group of hotels. Changes in ARR have an impact on overall revenues and profitability.

Average Occupancy represents the total number of room nights sold in a given period divided by the total number of room nights available at a hotel or group of hotels in the same period. Occupancy measures the utilization of our hotels' available capacity. Our management uses occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable ARR levels as demand for hotel rooms increases or decreases.

Revenue Per Available Room ("**RevPAR**") is calculated by multiplying ARR and the average occupancy achieved. RevPAR does not include other ancillary, non-room revenues, such as food and beverage revenues or transport, telephone and other guest service revenues generated by a hotel. We consider RevPAR to be a meaningful indicator of our performance as it provides a metric correlated to two primary and key drivers of operations at a hotel or group of hotels: average occupancy and ARR. RevPAR is also a useful indicator in measuring performance over comparable periods for comparable hotels.

RevPAR changes that are driven predominately by occupancy have different implications for overall revenue levels and hotel operating profit than changes driven predominately by ARR. For example, increases in occupancy at a hotel would lead to increases in room revenues, as well as incremental operating costs (including, but not limited to, housekeeping services, utilities and room amenity costs). RevPAR increases due to higher ARR, however, would generally not result in additional operating costs, with the exception of those charged or incurred as a percentage of revenue, such as distribution costs or credit card fees. As a result, changes in RevPAR driven by increases or decreases in ARR generally have a greater effect on operating profitability than changes in RevPAR driven by occupancy levels.

Significant Accounting Policies

Our Significant Accounting Policies as of and for the nine months ended December 31, 2021 and as of and for the financial years ended March 31, 2019, 2020 and 2021 are described in the section entitled "*Financial Statements*" on page 212. There has been no change in the Significant Accounting Policies during the nine month period ended December 31, 2021 and the financial year ended March 31, 2021. During the financial years ended March 31, 2019 and 2020, there have been specific changes in accounting policies due to adoption of new mandatory Accounting Standards: (i) During the financial year 2020, we adopted Ind AS 116 – Leases, which had an impact on profit before tax and opening reserves; and (ii) During the financial year 2019, we adopted Ind AS 115 – Revenue from Contracts with Customers which had no material impact on the profits or reserves.

(a) Basis of preparation of Consolidated Financial Statements

The Consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of our Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are entities (including structured entities) over which our Company has control. We control an entity when our Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of that entity. Subsidiaries are fully consolidated from the date on which control is transferred to our Company.

We combine the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between entities within our Company are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by our Company. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

(ii) Joint ventures, associates and equity method accounting

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangements have rights to the net assets and obligations for the liabilities, relating to the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance sheet.

Associates are entities over which our Company has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise our Company's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and our Company's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When our Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, our Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between our Company and its Associates and its Joint Ventures are eliminated to the extent of our Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by our Company. The carrying amounts of equity accounted investments are tested for impairment.
The financial statements of subsidiaries, joint ventures and associates consolidated are drawn upto the same reporting date as that of the Company except one of the associate and joint venture which has the reporting date of December 31, 2020.

(iii) Changes in ownership interests

We treat transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of our Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When our Company ceases to consolidate an equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if our Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

(iv) Goodwill

a. Goodwill comprises the portion of the purchase price for an acquisition that exceeds our Company's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

b. Goodwill arising from the acquisition of associates and joint ventures is included in the carrying value of the investment in associates and joint ventures.

c. Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value. The impairment loss on goodwill is reported in the Consolidated Statement of Profit and Loss.

d. Goodwill on acquisition of the foreign subsidiaries is restated at the rate prevailing at the end of the year.

(c) Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which our Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and shop rentals: Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

Other Allied services: In relation to spa, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.

Management and Operating fees: Management fees earned from hotels managed by our Company are usually under long-term contracts with the hotel owner. Under Management and Operating Agreements, the Company’s performance obligation is to provide hotel management services and a license to use the Company’s trademark and other intellectual property.

Management and incentive fee is earned as a percentage of revenue and profit and are recognised when earned in accordance with the terms of the contract based on the underlying revenue, when collectability is certain and when the performance criteria are met. Both are treated as variable consideration.

Membership Fees: Membership fee income majorly consists of membership fees received from the loyalty program and Chamber membership fees. Income is earned when the customer enrolls for membership programs. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Loyalty program: We operate a loyalty programme, which provides a material right to customers that they would not exercise without entering in to a contract and the eligible customers earns points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues related to award points is deferred and a contract liability is created and on redemption/ expiry of such award points, revenue is recognised at pre-determined rates.

Contract balances

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If our Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which our Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when our Company performs under the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when our Company’s right to receive the amount is established.

(d) Employee Benefits

i. Short term Employee Benefits

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related service. The accruals for employee entitlements to benefits such as salaries, bonuses and annual leave represent the amounts which our Company has a present obligation to pay as a result of the employee's services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

ii. Post-Employment Benefits:

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

a) Provident and family pension fund

The eligible employees of domestic components of our Company are entitled to receive post-retirement benefits in respect of provident fund and family pension fund a defined contribution plan, in which both employees and our Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund managed by the trust set up by our Company, or to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred.

Employee benefits arising out of contributions towards Provident Fund and Family Pension Scheme to Regional Provident Fund Commissioner or the Central Provident Commissioner and Social Security etc. paid/payable during the year are recognised as expense in the Statement of Profit and Loss account in the period in which the employee renders services.

Eligible employees of some of the overseas components of our Company are members of defined contribution plans. These plans, in addition to employee contribution, require our Company to make contributions equivalent to a pre-define percentage of each eligible participant's plan compensation for each year. Our Company may also make a profit sharing contribution of uniform percentage of eligible participant's plan compensation based on profit as defined. Our Company recognised such contribution as an expense in the year in which the employee renders service.

b) Superannuation

We have a defined contribution plan for eligible employees of its domestic components, wherein it annually contributes a sum equivalent to a defined percentage of the eligible employee's annual basic salary to a fund administered by the trustees. Our Company recognises such contributions as an expense in the year in which the corresponding services are received from the employees.

c) Others

We also have separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. Our Company accounts for the net present value of its obligation therein, based on independent external actuarial valuations carried out at the Balance Sheet date.

Certain international subsidiaries operate a defined contribution pension scheme and the pension charge represents the amounts paid/payable by them to the fund in the period in which the employee renders services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Our Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

a) Gratuity

We accounts for the net present value of its obligations for gratuity benefits, based on independent actuarial valuations, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or asset as of the reporting date. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

In case of funded scheme, our Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds in respect of eligible employee in case of certain domestic components and the parent / company.

b) Post-Retirement Pension Scheme and Medical Benefits

The net present value of our Company's obligation towards post retirement pension scheme for retired whole time directors and post- employment medical benefits to qualifying employees is actuarially determined, based on the projected unit credit method. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

We also participate in an industry-wide defined benefit plan which provides pension linked to final salaries in respect of employees of certain overseas hotel properties. The plan is funded in a manner such that contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period. It is not practicable to determine the present values of our Company's obligations as the covered hotel properties have not received information from the plan's administrator. In the absence of sufficient information the plan has been accounted as if it was a defined contribution plan.

We also have separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. Our Company accounts for the net present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

c) Provident Fund Trust

In respect of contribution to the trust set up by our Company, since our Company is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

Other Long-term Employee Benefits

Our Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalised and depreciated over their estimated useful life.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to our Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Indian Entities

Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The estimated useful lives of the assets are as follows:

Class of Assets	Estimated Useful Life
Building	30 to 80 years
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices – Computers, Laptops etc.	6 years
Operating supplies (issued on opening of a new hotel property)	2 to 3 years
Other miscellaneous hotel assets	4 years

In respect of buildings on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to leasehold buildings are depreciated on the basis of their estimated useful lives or the expected lease period, whichever is lower.

Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

International Entities

Depreciation on assets is provided at Straight Line Method (SLM) based on the estimated useful life detailed below. In respect of improvements in the nature of structural changes and major refurbishment to buildings occupied on lease, depreciation is provided for over the period of the lease.

Class of Assets		Estimated Useful Life
Long term lease hold property		Over the term of lease
Plant and Equipment		5 to 20 years
Electrical Installation and Equipment		20 years

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives. Freehold land is not depreciated.

(f) Intangible Assets

Intangible assets include cost of acquired software and designs, cost incurred for development of the Company's website and certain contract acquisition costs including the lease rights acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising for other intangible assets is as under:

Class of Assets		**Estimated Useful Life**
Website Development Cost		5 years
Software and Licences		6 years
Service and Operating Rights		10 years
Leasehold property rights		Over the term of lease

An intangible asset is derecognised on disposal, or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(g) Impairment of Assets

Goodwill which has an indefinite useful life is not subject to amortisation and is tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(h) Foreign Currency Translation

Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupee (₹).

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Translation of financial statements of foreign operations

Assets and liabilities of foreign entities are translated into Indian Rupees on the basis of the closing exchange rates as at the end of the year. Income and expenditure and cash flow are generally translated using average exchange rates for the period unless those rates do not approximate the actual exchange rates at the dates of specific transactions, in which case the exchange rates as at the dates of transaction are used. All resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as a part of gain or loss on sale.

(i) Lease

On inception of a contract, our Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in our Company statement of financial position as a right-of-use asset and a lease liability.

Right to Use Assets

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated to a residual value over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed annually.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, our Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which our Company is reasonably certain to exercise and excludes the effect of early termination options where our Company is reasonably certain that it will not exercise the option. Minimum lease payments include the cost of a purchase option if our Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable Lease

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

Short-term leases and leases of low-value assets

We have opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Presentation of lease payments in Cash Flow Statements:

Lease payments are presented as follows in our Company statement of cash flows:

- Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- Payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from financing activities; and
- Payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

COVID-19-related rent concessions

Our Company has applied the amendments to Ind AS 116 that are effective for an annual period that begins on or after April 1, 2020.

(j) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(k) Government Grants

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that our Company will comply with the attached conditions.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which our Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants which are essentially in the nature of reimbursements are netted of against the related expenses.

Government grants related to assets are presented in the balance sheet by deducting the grant in calculating the carrying amount of the asset.

(l) Income Taxes

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates at the end of the reporting period in the countries where the company and its subsidiaries and its associates and joint ventures operate and generate taxable income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of the goodwill. The deferred tax is also not accounted if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profits/(taxable loss).

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Therefore, in case of a history of recent losses, our Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax assets can be realised. Deferred tax assets positions are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences between the carrying amount and the tax bases of investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and our Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when our Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because our Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of our Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets and contingent liabilities are reviewed at each balance sheet date.

(n) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that our Company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(o) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

(p) Earnings per share

Basic earnings per share is computed by dividing the Profit or Loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(q) Exceptional items

Our Company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of our Company and provides consistency with our Company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of our Company. Exceptional items can include, but are not restricted to, gains and losses on the disposal of properties/significant undertakings, impairment charges, exchange gain/ (loss) on long term borrowings/ assets and changes in fair value of derivative contracts.

(r) Financial Instruments

a. **Financial assets**

Initial recognition and measurement

Financial assets are recognised when, and only when, our Company becomes a party to the contractual provisions of the financial instrument. We determine the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- **Cash and cash equivalents -** Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- **Debt Instruments –** We classify debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset:

    i. **Financial assets at amortised cost**

    Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of our Company's income in the Statement of Profit and Loss using the effective interest rate method.

    ii. **Financial assets at Fair Value through Other Comprehensive Income ("FVOCI")**

    Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

    iii. **Financial assets at Fair Value through Statement of Profit and Loss ("FVTPL")**

    Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

- **Equity Instruments -** We subsequently measures all equity investments (other than the investment in joint ventures and associates which are measured using equity method of accounting) at fair value. Where our Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when our Company's right to receive payment is established.

    Our Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments not held for trading.

When the equity investment is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognised only when our Company has transferred the rights to receive cash flows from the financial asset. Where our Company has transferred an asset, our Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where our Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where our Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

Our Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments requires expected credit losses to be measured through a loss allowance. For trade receivables only, our Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

b. **Financial liabilities**

Initial recognition and measurement

Financial liabilities are recognised when, and only when, our Company becomes a party to the contractual provisions of the financial instrument. Our Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

Derivatives contracts

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The fair value changes of derivatives which are not designated as a hedging instrument are accounted through Statement of Profit and Loss. During the years reported, no hedge relationship was designated.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(s) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the Statement of Profit and Loss.

(t) Business combination

Our Company uses the "acquisition method" of accounting to account for its business combinations as per which the identifiable assets or liabilities (and contingent liabilities) assumed are recognised at their fair values (with limited exceptions). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interests of the acquire, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition date amounts of identifiable assets acquired and the liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as Capital Reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as Capital Reserve.

Transaction costs incurred (other than debt / equity instrument related) in connection with a business combination, such as legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If our Company obtains control over one or more entities that are not businesses, then the bringing together of those entities are not business combinations. The cost of acquisition is allocated among the individual identifiable assets and liabilities of such entities, based on their relative fair values at the date of acquisition. Such transactions do not give rise to goodwill and no non-controlling interest is recognised.

In case of business combinations involving entities under common control, the above policy done not apply. Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

Income and Expenses

The following descriptions set forth information with respect to key components of our statement of profit and loss:

Income

Income includes (i) revenue from operations; and (ii) other income.

Revenue from operations: Our revenue from operations consists of sale of services at our hotels which primarily consist of the following:

- Room, restaurants and banquets revenue comprises income received from occupied rooms and income from sale of food and beverages, sale of liquor and wine, rental income from meeting and banquet spaces, equipment rental for events, room service and in-room mini bars.
- Shop rentals includes rental income earned from renting spaces in hotel premises for shops and show windows.
- Membership fees comprises fees earned from members of "The Chambers", an exclusive business club, spas and dining programmes.
- Management and operating fees includes fees earned from hotel asset owners who have given their hotel premises to us to operate under operation and management contracts;
- Other operating income includes income from guest services, including transport car hire, telecom and internet, laundry, spa and wellness, business centre usage and space rentals (i.e. income from rent received for usage of commercial spaces within our hotel assets including offices, retail, and other ancillary facilities).

Other income: This includes interest income from inter-corporate and bank deposits, interest on income tax refunds, dividend income, profit on disposal of property, plant and equipment, gains on redemption and revaluation of mutual funds, foreign exchange gain on revaluation of foreign currency assets or liabilities and waiver of lease payments on certain hotel properties and office premises.

Expenditure

Food and beverages consumed: This comprises expenses towards consumption of all food and beverage items (including alcoholic and non-alcoholic beverages, banquet costs, room service and restaurants), groceries and food staples.

Employee benefits expenses and payment to contractors: This primarily comprises of expenses incurred towards salaries, wages and bonus, staff welfare expenses, contributions to the provident fund and other funds and compensated absences as well as payment to contractors for supply of labour.

Other expenses: Other expenses primarily comprise expenses for power, fuel and water, consumption of stores and supplies, repairs and maintenance, rents, rates and taxes, licence fees, insurance premiums, commission paid, legal fees, professional fees, costs for outsourced support services, advertisement and business promotion expenses, expenditure on corporate social responsibility and other corporate costs.

Finance costs: Finance costs primarily comprise of interest expense on loans from banks and financial institutions, interest expense, other finance costs and interest expense on lease liability.

Depreciation and amortization expense: Depreciation and amortization expenses comprises depreciation on tangible assets, amortization of intangible assets and right-to-use assets.

Summary of Results of Operations Information

The following table sets forth select financial data from our consolidated statement of profit and loss for the periods indicated:

(in ₹ crores)

	For the nine months ended December 31,		For the financial year ended March 31,		
	2021	**2020**	**2021**	**2020**	**2019**
Revenue					
Revenue from Operations	2,184.14	960.14	1,575.16	4,463.14	4,512.00
Other Income	72.36	153.27	164.72	132.42	83.38
Total Income	**2,256.50**	**1,113.41**	**1,739.88**	**4,595.56**	**4,595.38**

	For the nine months ended December 31,		For the financial year ended March 31,		
	2021	**2020**	**2021**	**2020**	**2019**
Expenses					
Food and Beverages Consumed	188.21	86.95	143.82	370.56	404.05
Employee Benefit Expense and Payment to Contractors	840.02	686.06	894.01	1,494.60	1,470.79
Finance Costs	348.48	296.71	402.82	341.12	190.13
Depreciation and Amortisation expenses	304.17	305.30	409.63	404.24	327.85
Other Operating and General Expenses	910.14	620.20	899.09	1,630.45	1,807.43
Total Expenses	**2,591.02**	**1,995.22**	**2,749.37**	**4,240.97**	**4,200.25**
Profit/(Loss) before Exceptional Items and Tax	**(334.52)**	**(881.81)**	**(1,009.49)**	**354.59**	**395.13**
Exceptional Items	(0.74)	134.60	159.95	40.95	6.58
Profit/(Loss) before Tax	**(335.26)**	**(747.21)**	**(849.54)**	**395.54**	**401.71**
Tax Expense					
Current Tax	2.06	0.60	1.01	169.15	178.54
Deferred Tax (Credit)/Expense	(35.20)	(143.52)	(156.34)	(124.38)	(21.42)
Total Tax Expense	**(33.14)**	**(142.92)**	**(155.33)**	**44.77**	**157.12**
Profit/(Loss) After Tax Before Share of Profit of Equity Accounted Investees	**(302.12)**	**(604.29)**	**(694.21)**	**350.77**	**244.59**
Share of Profit/(Loss) of Associates and Joint Ventures	(34.42)	(93.62)	(101.42)	12.97	51.53
Profit/(Loss) for the Year/Period	**(336.54)**	**(697.91)**	**(795.63)**	**363.74**	**296.12**

Nine months ended December 31, 2021 compared to nine months ended December 31, 2020

Revenue

Total Income

Our total income increased by 102.67% from ₹1,113.41 crores for the nine months ended December 31, 2020 to ₹2,256.50 crores for the nine months ended December 31, 2021, primarily due to an increase in our revenue from operations.

Revenue from operations

Our revenue from operations increased by 127.48% from ₹960.14 crores for the nine months ended December 31, 2020 to ₹2,184.14 crores for the nine months ended December 31, 2021 due to a robust recovery in the occupancy rate and average room rates for our hotels as a result of the relaxation of the restrictions for the COVID-19 pandemic in 2021, which increased our rooms, restaurants and banquets income, as well as other revenue related to hotel ancillary services from our owned, leased and managed hotels. Our new brands, including "*Qmin*", "*amã Stays & Trails*" and "*Ginger*", also contributed to the increase in our revenue from operations.

Other Income

Our other income decreased by 52.79% from ₹153.27 crores during the nine months ended December 31, 2020 to ₹72.36 crores during the nine months ended December 31, 2021. This decrease was mainly due to (i) a decrease in lease rent concessions; and (ii) a decrease in the interest income. Additionally, we recorded a gain on fair valuation of a financial liability for acquisition of shares in a company, a foreign currency gain on restatement of a loan given to a subsidiary and a profit on sale of non-core assets during the nine months ended December 31, 2020.

Expenses

Total Expenses

Our total expenses increased by 29.86% from ₹1,995.22 crores during the nine months ended December 31, 2020 to ₹2,591.02 crores during the nine months ended December 31, 2021. This was primarily due to an increase in other operating and general expenses, employee benefit expense and payment to contractors and food and beverages consumed.

Food and Beverages Consumed

Our expenses on food and beverages consumed increased by 116.46% from ₹86.95 crores during the nine months ended December 31, 2020 to ₹188.21 crores during the nine months ended December 31, 2021 due to an increase in consumption of food and beverages, which was variable to income from food, beverages and banqueting business.

Employee Benefit Expenses and Payment to Contractors

Employee benefit expenses and payments to contractors increased by 22.44% from ₹686.06 crores during the nine months ended December 31, 2020 to ₹840.02 crores during the nine months ended December 31, 2021, mainly due to an increase in the employee costs commensurate with the increase in business activities, discontinuation of voluntary salary reductions and reduction in furloughs or government subsidies with respect to our hotels in the United States and the United Kingdom, associated with the stabilisation of the COVID-19 pandemic in 2021. During this period, we have continued emphasising on rationalisation of manpower through redeployment of people to newly opened hotels, multi-skilling, and cluster and shared service approaches, and optimising "staff to room ratios" across our brands.

Finance Costs

Our finance costs increased by 17.45% from ₹296.71 crores during the nine months ended December 31, 2020 to ₹348.48 crores during the nine months ended December 31, 2021, due to increased borrowings by our Company to improve liquidity.

Depreciation and Amortisation expenses

Our depreciation and amortisation expenses decreased marginally by 0.37% from ₹305.30 crores during the nine months ended December 31, 2020 to ₹304.17 crores during the nine months ended December 31, 2021.

Other Operating and General Expenses

Other operating and general expenses increased by 46.75% from ₹620.20 crores during the nine months ended December 31, 2020 to ₹910.14 crores during the nine months ended December 31, 2021. Such increase was primarily due to the increase in variable operating costs, distribution costs, power costs, lease rents/license fee and other costs corresponding to the increased business volumes as well as higher advertising and publicity expenses. Further, we had the benefit of state subsidies in certain countries during the nine months ended December 31, 2020, which were withdrawn during the nine months ended December 31, 2021.

Exceptional Items

Exceptional items during the nine months ended December 31, 2020 was ₹134.60 crores, of which ₹82.03 crore was from a gain arising out of acquiring controlling stake in a joint venture, ₹30.00 crores was from exchange gain on long term borrowings and ₹22.57 crores was from favourable changes in fair value of derivative contracts. Exceptional items during the nine months ended December 31, 2021 was ₹(0.74) crores arising from an exchange loss on long term borrowings, offset by changes in the fair value of derivative contracts and profit on sale of a hotel property by a subsidiary.

Tax Benefit

Tax benefit decreased by 76.81% from ₹142.92 crores during the nine months ended December 31, 2020 to ₹33.14 crores during the nine months ended December 31, 2021, primarily because of a decrease in the deferred tax credit which was mainly due to the decreased losses with recovery in our business during the nine months ended December 31, 2021.

Share of Loss of Associates and Joint Ventures

The share of loss of associates and joint ventures in our Company decreased by 63.23% from ₹93.62 crores during the nine months ended December 31, 2020 to ₹34.42 crores during the nine months ended December 31, 2021, primarily because of the recovery in their respective businesses during the nine months ended December 31, 2021.

Loss for the Period

As a result of the foregoing, our loss decreased by 51.78% from ₹697.91 crores during the nine months ended December 31, 2020 to ₹336.54 crores during the nine months ended December 31, 2021.

Financial year ended March 31, 2021 compared to financial year ended March 31, 2020

Revenue

Total Income

Our total income decreased by 62.14% from ₹4,595.56 crores for the financial year ended March 31, 2020 to ₹1,739.88 crores for the financial year ended March 31, 2021, primarily due to a decrease in our revenue from operations.

Revenue from operations

Our revenue from operations decreased by 64.71% from ₹4,463.14 crores for the financial year ended March 31, 2020 to ₹1,575.16 crores for the financial year ended March 31, 2021 due to a decrease in rooms, restaurants and banquets income, shop rentals, membership fees, management and operating fees and other operating income. Our operations and consequently our revenue, was impacted by governments' responses all over the world to curtail the spread of COVID-19 which disrupted movement of goods, people and business activity except of essential and medical services during a major part of the year. The impact of the pandemic was severe in the key markets including the United States of America, the United Kingdom, Europe, Asia including India. However, contributions to our revenue from operations was mainly due to vacations within local drivable distances, smaller personalised banqueting events and intermittent dining by resident guests, introduction of an innovative food delivery service, *Qmin* and servicing our guests with culinary experiences at their homes under the Hospitality@Home service. Our strategy to pursue revenue growth including 4D drivable distance vacations, bizcations, safe escapes and wellness retreats coupled with a general sense of confidence amongst domestic leisure travellers during the festive season resulted a rise in occupancies and a steady rise in ARRs during the financial year ended March 31, 2021.

Other Income

Our other income increased by 24.39% from ₹132.42 crores during the financial year ended March 31, 2020 to ₹164.72 crores during the financial year ended March 31, 2021, mainly due to lease rent concessions granted by lessors, gain on fair valuation of a financial liability for acquisition of shares in a company and a foreign currency gain on restatement of a loan granted. Such increase was offset by a lower profit on sale of non-core assets during the financial year ended March 31, 2021.

Expenses

Total Expenses

Our total expenses decreased by 35.17% from ₹4,240.97 crores during the financial year ended March 31, 2020 to ₹2,749.37 crores during the financial year ended March 31, 2021. This was primarily due to a decrease in employee benefit expenses and payments to contractors and decrease in other operating and general expenses.

Food and Beverages Consumed

Our expenses on food and beverages consumed decreased by 61.19% from ₹370.56 crores during the financial year ended March 31, 2020 to ₹143.82 crores during the financial year ended March 31, 2021 due to a decrease in consumption of food and beverages, which was variable to income from food, beverages and banqueting business.

Employee Benefit Expenses and Payment to Contractors

Employee benefit expenses and payments to contractors decreased by 40.18% from ₹1,494.60 crores during the financial year ended March 31, 2020 to ₹894.01 crores during the financial year ended March 31, 2021 due a decrease in salaries, wages, bonuses etc., staff welfare expenses and payments to contractors. In response to the COVID-19 pandemic, our Company took proactive steps to control employee and contractual staff costs, many of which were fixed and contractual in nature. These included optimising manning at hotels, redeployment of people to newly opened hotels and other Tata Group entities, expiry of fixed term contracts, voluntary salary reductions by employees, management of leaves and reduction in variable pay and incentives. United Overseas Holdings Inc., a Subsidiary of the Company in the United States also received the benefit of an employee retention credit under a Federal Stimulus package. The Company's subsidiary in the United Kingdom received the benefit of a job retention scheme, under which the government subsidised a substantial portion of the wages for employees' hours not worked.

Finance Costs

Our finance costs increased by 18.09% from ₹341.12 crores during the financial year ended March 31, 2020 to ₹402.82 crores during the financial year ended March 31, 2021, due to increased borrowings by our Company to improve liquidity as well as other charges, including interest on income tax demands.

Depreciation and Amortisation expenses

Our depreciation and amortisation expenses increased marginally by 1.33% from ₹404.24 crores during the financial year ended March 31, 2020 to ₹409.63 crores during the financial year ended March 31, 2021.

Other Operating and General Expenses

Other operating and general expenses decreased by 44.86% from ₹1,630.45 crores during the financial year ended March 31, 2020 to ₹899.09 crores during the financial year ended March 31, 2021. Such decrease was primarily due to decreases in variable costs corresponding to lower business volumes. Shutting down floors within a hotel and temporary closure of select hotels within city clusters during the peak of the pandemic resulted in savings in semi-variable costs such as power and fuel, discretionary maintenance costs and expenses on security. General expenses decreased mainly due to reduction in variable lease costs, a business rates holiday for St James Court, London for the entire year announced by the Government of United Kingdom, discontinuation or reduction in the cost of consultancy contracts, reduction in inbound and outbound voice support centres and technology service contracts. United Overseas Holdings Inc., a Subsidiary of the Company also re-negotiated its long-term lease for our hotel in New York. Our Company also reviewed its advertising and marketing plans, focussing on campaigns and channels relevant to the consumer sentiment and new product launches thereby resulting in further reduction of expenses.

Exceptional Items

Exceptional items during the financial year ended March 31, 2021 was ₹159.95 crores, of which ₹82.03 crores was on account of a gain arising from acquiring controlling stake in a joint venture, ₹29.12 crores was from exchange gain on long term borrowings/assets (net), ₹25.00 crores was from change in fair value of derivative contracts and ₹23.80 crores was from profit on sale of a hotel property in a Subsidiary.

Tax Expense

We had tax expense of ₹44.77 crores during the financial year ended March 31, 2020, as compared to tax benefit of ₹155.33 crores during the financial year ended March 31, 2021 due to a reduction in current tax and a deferred tax credit of ₹156.34 crores for unused tax losses essentially representing business losses and unabsorbed depreciation.

Share of Profit/(Loss) of Associates and Joint Ventures

The share of loss of associates and joint ventures in our Company during the financial year ended March 31, 2021 was ₹101.42 crores arising mainly from a disruption in the business of those companies from the pandemic. During the financial year ended March 31, 2020, the share in the profit of associates and joint ventures of our Company was ₹12.97 crores.

Profit/(Loss) for the Year

As a result of the foregoing, our loss during the financial year ended March 31, 2021 was ₹795.63 crores, as compared to a profit during the financial year ended March 31, 2020, being ₹363.74 crores.

Financial year ended March 31, 2020 compared to financial year ended March 31, 2019

Revenue

Total Income

Our total income remained stable at ₹4,595.38 crores for the financial year ended March 31, 2019 to ₹4,595.56 crores for the financial year ended March 31, 2020.

Revenue from operations

Our revenue from operations decreased slightly by 1.08% from ₹4,512.00 crores for the financial year ended March 31, 2019 to ₹4,463.14 crores for the financial year ended March 31, 2020 due to a decrease in rooms, restaurants and banquets income as well as management and operating fees as a result of the spread of COVID-19 during the last quarter of the financial year ended March 31, 2020. The decrease was partially offset by the increase in membership fees from "The Chambers" as well as the increase in other operating income primarily due to an increase in the export incentives.

Other Income

Our other income increased by 58.82% from ₹83.38 crores during the financial year ended March 31, 2019 to ₹132.42 crores during the financial year ended March 31, 2020, mainly due to an increase in profit on disposal of property, plant and equipment in connection with our sale of non-core assets during the financial year ended March 31, 2020.

Expenses

Total Expenses

Our total expenses remained stable at ₹4,200.25 crores during the financial year ended March 31, 2019 and ₹4,240.97 crores during the financial year ended March 31, 2020.

Food and Beverages Consumed

Our expenses on food and beverages consumed decreased by 8.29% from ₹404.05 crores during the financial year ended March 31, 2019 to ₹370.56 crores during the financial year ended March 31, 2020 due to a decrease in consumption of food and beverages, which was variable to income from food, beverages and banqueting business.

Employee Benefit Expenses and Payment to Contractors

Employee benefit expenses and payments to contractors increased by 1.62% from ₹1,470.79 crores during the financial year ended March 31, 2019 to ₹1,494.60 crores during the financial year ended March 31, 2020 due to an increase in salaries, wages, bonuses etc., primarily as a result of our salary revision in the financial year ended March 31, 2020.

Finance Costs

Our finance costs increased by 79.41% from ₹190.13 crores during the financial year ended March 31, 2019 to ₹341.12 crores during the financial year ended March 31, 2020, primarily as a result of the interest on lease liability in the amount of ₹156.89 crores during the financial year ended March 31, 2020. We recorded interest on lease liability pursuant to Ind AS 116 "Lease", which we adopted with the effect starting from April 1, 2019.

Depreciation and Amortisation expenses

Our depreciation and amortisation expenses increased by 23.30% from ₹327.85 crores during the financial year ended March 31, 2019 to ₹404.24 crores during the financial year ended March 31, 2020, primarily as a result of the depreciation of right-of-use assets in the amount of ₹70.36 crores during the financial year ended March 31, 2020 in connection with our leased land, buildings and office premises. We recorded depreciation of right-of-use assets pursuant to Ind AS 116 "Lease", which we adopted with the effect starting from April 1, 2019.

Other Operating and General Expenses

Other operating and general expenses decreased by 9.79% from ₹1,807.43 crores during the financial year ended March 31, 2019 to ₹1,630.45 crores during the financial year ended March 31, 2020. Such decrease was primarily due to a decrease in lease rent as rental charges for operating leases were substituted with amortisation of newly recognised right-of-use assets and interest on the newly recognised lease liabilities since the beginning of the financial year ended March 31, 2020 pursuant to Ind AS 116 "*Lease*". In addition, variable costs decreased with a reduction of business volumes, as a result of the spread of COVID-19 during the last quarter of the financial year ended March 31, 2020.

Exceptional Items

Exceptional items during the financial year ended March 31, 2020 was ₹40.95 crores, of which ₹54.50 crores was on account of a profit on sale of land and building, ₹6.09 crores was on account of a profit on sale of hotel property in a subsidiary, ₹2.12 crores was on account of a profit on sale of investment in a joint venture company, and ₹(21.76) crores was on account of a change in fair value of derivative contracts.

Tax Expense

Tax expense decreased by 71.51% from ₹157.12 crores during the financial year ended March 31, 2019 to ₹44.77 crores during the financial year ended March 31, 2020 due to a deferred tax credit of ₹124.38 crores mainly due to a re-measurement of opening deferred tax liability consequent to our exercise of the option to adopt lower corporate income tax rates under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Share of Profit of Associates and Joint Ventures

The share of profit of associates and joint ventures in our Company decreased by 74.83% from ₹51.53 crores during the financial year ended March 31, 2019 to ₹12.97 crores during the financial year ended March 31, 2020, arising mainly from a disruption in the business of those companies from the pandemic. During the financial year ended March 31, 2019, we had an exceptional gain on sale of a hotel property by an associate, which increased the amount of our share of profit of associates during that year.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 22.84% from ₹296.12 crores during the financial year ended March 31, 2019 to ₹363.74 crores during the financial year ended March 31, 2020.

Consolidated Statement of Cash Flows Information

The following table sets forth selected items from the consolidated cash flow statements data during the nine months periods ended December 31, 2021 and December 31, 2020 and the financial years ended March 31, 2021, 2020 and 2019:

(in ₹ crores)

Particulars	For the nine months ended December 31,		For the financial year ended March 31,		
	2021	2020	2021	2020	2019
Net cash generated from/(used in) operating activities	461.71	(418.51)	(318.69)	823.47	711.43
Net cash generated from/(used in) investing activities	(255.19)	75.96	(119.66)	(501.88)	(388.15)
Net cash generated from/(used in) financing activities	551.49	345.02	280.37	(265.38)	(343.26)
Net increase/(decrease) in cash and cash equivalents	758.01	2.47	(157.98)	56.21	(19.98)

Operating Activities

Net cash generated from operating activities was ₹461.71 crores for the nine months ended December 31, 2021. While our loss before tax was ₹335.26 crores for the nine months ended December 31, 2021, we had a cash operating profit before working capital changes of ₹325.52 crores, primarily as a result of adjustments for depreciation and amortization expenses on property, plant and equipment of ₹255.96 crores, finance cost of ₹229.13 crores and interest on lease liability of ₹119.35 crores. Our working capital changes primarily consisted of an increase in other financial liabilities of ₹180.68 crores, partially offset by a decrease in other financial assets of ₹106.04 crores. The income taxes refund was ₹54.72 crores.

Net cash used in operating activities was ₹418.51 crores for the nine months ended December 31, 2020. While our loss before tax was ₹747.21 crores for the nine months ended December 31, 2020, we had a cash operating loss before working capital changes of ₹340.41 crores, primarily as a result of adjustments for depreciation and amortization expenses on property, plant and equipment of ₹259.14 crores, finance cost of ₹181.52 crores and interest on lease liability of ₹115.19 crores. Our working capital changes primarily consisted of a decrease in other financial liabilities of ₹151.01 crores, partially offset by an increase in other financial assets of ₹39.07 crores. The income taxes refund was ₹28.21 crores.

Net cash used in operating activities was ₹318.69 crores for the financial year 2021. While our loss before tax was ₹849.54 crores for the financial year 2021, we had a cash operating loss before working capital changes of ₹265.38 crores, primarily as a result of adjustments for depreciation and amortization expenses on property, plant and equipment of ₹347.66 crores, finance cost of ₹248.51 crores and interest on lease liability of ₹154.31 crores. Our working capital changes primarily consisted of a decrease in other financial liabilities of ₹195.72 crores, partially offset by an increase in other financial assets of ₹107.38 crores. The income taxes refund was ₹23.36 crores.

Net cash generated from operating activities was ₹823.47 crores for the financial year 2020. While our profit before tax was ₹395.54 crores for the financial year 2020, we had a cash operating profit before working capital changes of ₹1,006.15 crores, primarily as a result of adjustments for depreciation and amortization expenses on property, plant and equipment of ₹334.99 crores, finance cost of ₹184.23 crores and interest on lease liability of ₹156.89 crores, partially offset by profit on disposal of property, plant and equipment of ₹136.86 crores. Our working capital changes primarily consisted of increase in other financial liabilities of ₹65.75 crores. The income taxes paid was ₹206.17 crores.

Net cash generated from operating activities was ₹711.43 crores for the financial year 2019. While our profit before tax was ₹401.71 crores for the financial year 2019, we had a cash operating profit before working capital changes of ₹936.92 crores, primarily as a result of adjustments for depreciation and amortization expenses on property, plant and equipment of ₹327.85 crores and finance cost of ₹190.13 crores. Our working capital changes primarily consisted of an increase in financial and other liabilities of ₹47.46 crores, partially offset by a decrease in financial and other assets of ₹81.01 crores. The income taxes paid was ₹197.26 crores.

Investing Activities

Net cash used in investing activities was ₹255.19 crores for the nine months ended December 31, 2021, primarily consisting of (i) purchase of current investments of ₹1,234.84 crores; and (ii) payments for purchase of property, plant and equipment of ₹230.07 crores, partially offset by proceeds from sale/redemption of current investments of ₹1,329.61 crores.

Net cash generated from investing activities was ₹75.96 crores for the nine months ended December 31, 2020, primarily consisting of proceeds from sale/redemption of current investments of ₹1,303.66 crores, partially offset by purchase of current investments of ₹1,117.25 crores.

Net cash used in investing activities was ₹119.66 crores for the financial year 2021, primarily consisting of (i) purchase of current investments of ₹1,512.32 crores, and (ii) payments for purchase of property, plant and equipment of ₹215.47 crores, partially offset by proceeds from sale/redemption of current investments of ₹1,579.30 crores.

Net cash used in investing activities was ₹501.88 crores for the financial year 2020, primarily consisting of (i) purchase of current investments of ₹1,934.32 crores, and (ii) payments for purchase of property, plant and equipment of ₹487.39 crores, partially offset by proceeds from sale/redemption of current investments of ₹1,712.12 crores.

Net cash used in investing activities was ₹388.15 crores for the financial year 2019, primarily consisting of (i) purchase of current investments of ₹1,513.58 crores, and (ii) payments for purchase of property, plant and equipment of ₹478.61 crores, partially offset by proceeds from sale/redemption of current investments of ₹1,650.67 crores.

Financing Activities

Net cash generated from financing activities was ₹551.49 crores for the nine months ended December 31, 2021, primarily consisting of (i) proceeds from issue of equity shares on right basis of ₹1,981.97 crores; and (ii) proceeds from long-term borrowings of ₹1,281.50 crores, partially offset by repayment of long-term borrowings of ₹2,182.22 crores.

Net cash generated from financing activities was ₹345.02 crores for the nine months ended December 31, 2020, primarily consisting of proceeds from long-term borrowings of ₹976.51 crores, partially offset by (i) repayment of long-term borrowings of ₹391.50 crores; and (ii) interest and other borrowing costs paid of ₹164.57 crores.

Net cash generated from financing activities was ₹280.37 crores for the financial year 2021, primarily consisting of proceeds from long-term borrowings of ₹1,040.57 crores, partially offset by (i) repayment of long-term borrowings of ₹402.24 crores, (ii) interest and other borrowing costs paid of ₹232.08 crores; and (ii) payment of lease liability, including interest, of ₹138.93 crores.

Net cash used in financing activities was ₹265.38 crores for the financial year 2020, primarily consisting of (i) repayment of long-term borrowings of ₹637.80 crores, (ii) interest and other borrowing costs paid of ₹155.45 crores, (iii) repayment of short-term borrowings of ₹155.02 crores and (iv) payment of lease liability, including interest, of ₹136.12 crores, partially offset by (i) proceeds from long-term borrowings of ₹732.30 crores, and (ii) proceeds from short-term borrowings of ₹283.18 crores.

Net cash used in financing activities was ₹343.26 crores for the financial year 2019, primarily consisting of (i) repayment of long-term loans and debentures of ₹235.29 crores, and (ii) interest paid of ₹150.80 crores.

Indebtedness

As of December 31, 2021, we had outstanding non-current and current borrowings of ₹2,729.67 crores at amortised cost on a consolidated basis, the details of which are given below:

(in ₹ croress)

Particulars	Outstanding amount as of December 31, 2021	Outstanding amount as of March 31, 2021
Non-current liabilities – Financial liabilities – Borrowings	1,709.48	2,223.83
Current liabilities – Financial liabilities – Borrowings	1,020.19	1,409.01
Total	**2,729.67**	**3,632.84**

Our total borrowings as of December 31, 2021 decreased from March 31, 2021 as we repaid or prepaid some of our borrowings with the proceeds from our rights issue. Liquidity positions were assessed based on estimated business volumes and its impact on cashflows. The Company met all its interest and principal repayment obligations in a timely manner during the periods. The Company's credit rating has been revised from AA+ (Negative) to AA (Stable) by CARE in January 2021 and from AA (Negative) to AA (Stable) in August 2021 by ICRA.

Known trends and uncertainties that have or are expected to have a material impact on income

Our business has been affected and we expect that it will continue to be affected by the trends identified above in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting Our Results of Operations*" on page 77 and the uncertainties described in the section entitled "*Risk Factors*" on page 45. To the best of our knowledge, except as disclosed in this Preliminary Placement Document, there are no known factors which we expect to have a material adverse effect on our income.

Introduction of new products or services

Other than as disclosed in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 76 and in the section entitled "*Our Business*" on page 123, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Dependence on a Few Customers or Suppliers

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers or suppliers.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of risks on our financial instruments, especially derivatives.

a) *Credit risk*

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, our Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

Our Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within our Company.

b) *Liquidity risk*

Liquidity risk is the risk that our Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Our Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage tour Company's reputation.

Management monitors rolling forecasts of our Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that our Company does not breach borrowing limits or covenants on any of its borrowing facilities, Such forecasting takes into consideration our Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

c) *Market risk*

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect our Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Our Company uses derivatives to manage its exposure to foreign currency risk and interest rate risk. All such transactions are carried out within the guidelines set by the risk management committee. There were no derivatives outstanding as at December 31, 2021.

Material Developments

Other than as disclosed in Note 7(b) to the Unaudited Condensed Consolidated Interim Financial Statements for the nine months ended December 31, 2021 on page 264, no circumstances have arisen since the date of the last financial statements as disclosed in this Preliminary Placement Document which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

INDUSTRY OVERVIEW

The information contained in this section is derived from an Industry Report "Industry Report - Upper Tier and Economy Hotels" dated February 22, 2022 prepared by Horwath HTL India, which has been commissioned and paid for by the Company, for an agreed fee only for the purposes of confirming our understanding of the industry in connection with the Issue. Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Macroeconomic Overview of India

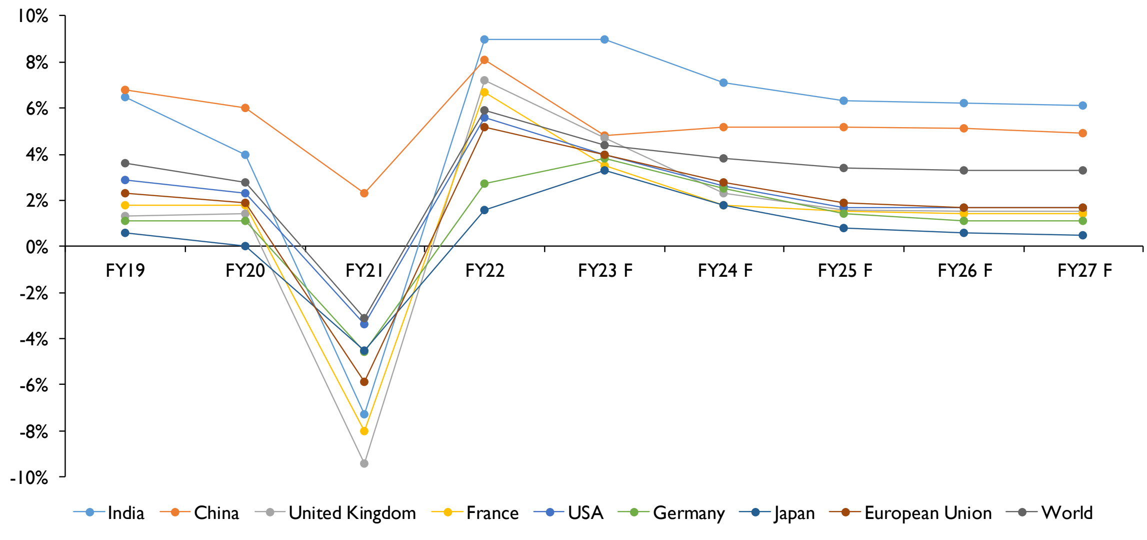
In FY19, India was the 6th largest economy globally with GDP of USD 2.9 trillion (*Source: World Bank*) at current prices; per MOSPI press release dated 23 June 2020, India retained 3rd rank in terms of Purchasing Power Parity (PPP).

Due to the COVID-19 pandemic, India's economy declined by 7.3% in FY21, as against 4% growth for FY20 (Source: IMF 2022). Several major countries across the world also declined – for example, France, UK and USA suffered GDP decline by 8.0%, 9.4% and 3.4% respectively. Per World Economic Outlook Update released by IMF in January 2022, India is expected to post 9% GDP growth in FY22, higher than the rest of the world. Average growth at ~6.4% forecast for FY24-FY27 will put the GDP back on a substantial growth path. India remains among the leading nations from the viewpoint of relative pace of growth and recovery from the COVID-19 crisis.

India GDP Forecast

The chart below provides IMF forecast for GDP growth rate (at constant prices) for India and the top seven global economies for the next 5 years.

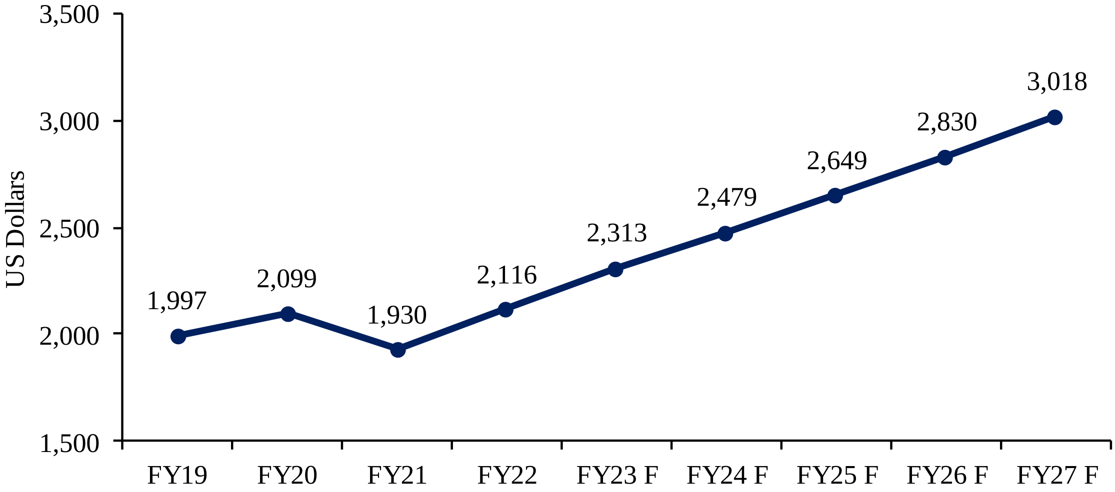
India and Top 7 Global economies GDP Forecast



Source: IMF

As per World Economic Outlook Update – January 2022 report by IMF the forecast GDP growth for India is at 9% for FY22 and FY23 and at 7.1% for FY24. As per World Economic Outlook – October 2021 report by IMF forecast GDP growth for India is at 6.3%, 6.2% and 6.1% from FY25 to FY27 respectively. These are reflected in the chart above. In December 21, RBI retained its real GDP projection for FY22 at 9.5% based on improved domestic economic activity as the second wave of COVID-19 in India subsided, India's rate of vaccination and stabilizing number of COVID-19 cases. State Bank of India's economic research department concurred with this growth sentiment for FY22 stating that investments of around 5.6 lakh crore were announced from April to August for various projects, with 70% coming from the private sector.

India Per Capita GDP Forecast



Source: IMF

Per capita GDP for India is expected to grow at of 7.4% CAGR between FY22 and FY27, as reflected in the chart above.

Increased income levels in the hands of individuals can reasonably be expected to create additional discretionary spend capacity for individuals.

Key characteristics of India's hospitality industry

Some key characteristics of India's hospitality industry, relevant for a better understanding of the market as a whole are briefly set out in this section:

1. India has only 160k chain affiliated hotels as at 31 December 2021. Material additional supply by way of independent hotels is widely fragmented, substantially of midscale and lower positioning, and with smaller hotels.

2. Foreign Tourist Arrivals (FTA) crossed 10 mn in FY18. In 2019, India had only 0.73% of global tourist arrivals (*Source: MoT, India and UNWTO World Tourism Barometer, Jan-20)*. On the other hand, the domestic travel industry in India has been robust and has grown materially.

3. Domestic travel has been the mainstay of demand since April 2020 and has reflected substantial capacity, appetite for upper tier products and propensity to pay.

4. The hotel sector has faced several growth and operating limitations including heavy indirect taxation, high land costs, limited entitlements, limited duration leases of government land and hotels, multiple approval requirements and regulatory changes, high cost of debt and shorter loan terms (till about 2016), and lack of convention centres and event support.

5. Since 2000, hotel chains have pursued growth through management contracts and franchising, reducing own investment in hotels. Supply is also more balanced across different price and positioning segments, as compared to an earlier structure that was heavily weighted towards luxury and upper upscale hotels.

6. Institutional ownership of hotels is yet limited, partly constrained by a modest secondary market, valuation mismatch, and long development cycles. Distress arising from the COVID-19 pandemic could drive some ownership consolidation efforts.

7. Evolving guest preferences, with greater appreciation of quality, exclusivity, new destinations, lifestyle aspects and well-curated F&B experiences have enabled newer product types and elements such as Postcard Hotels, conversions though soft brands, amã bungalows by IHCL, food delivery services such as Qmin and Marriott on Wheels, wellness resorts etc.

8. Improved and new airports and roads have enabled multiple opportunities for the hotel sector, and demand growth.

9. Increased urbanisation has created demand in several cities and towns, initially for hotels in the mid-priced and economy segments; several such markets have or will evolve to create upscale hotel potential over the foreseeable future. India's urban population share grew from 27% in 2001, to 31% in 2011 (*per 2011 Census of GOI*), 34% in 2018 (*Per World Urbanisation Prospects Report (The 2018 Revision) published by United Nations*) and is projected at 38.2% by 2036 (*Per Population Projections for India and States 2011-2036 Report (July 2020) of Technical Group constituted by the National Commission on* Population *(NCP) under the Ministry of Health and Family Welfare*). Urban population is projected at 594 mn for 2036, adding 309 urban dwellers from 2001. This growth of existing urban areas and development of new urban areas, will create material opportunities for the hotel sector. Growth of cities has also created multiple micro-markets with hotel needs, enabling hotel chains with multiple brands to achieve deeper penetration and to create service clusters for operational efficiency.

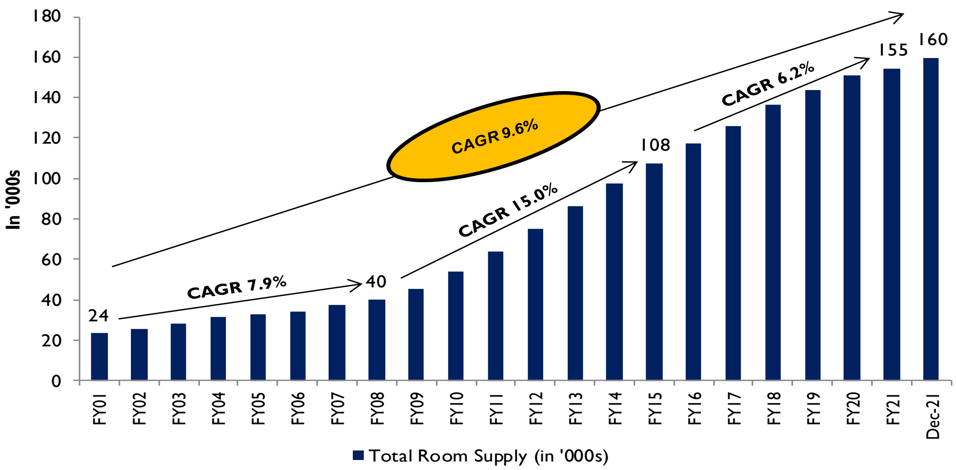
10. Widening middle class and changing demographics, with millennials and younger travellers who seek variety of experiences and are willing to spend on entertainment and recreation will be a major driver for the future.

11. Domestic leisure and weddings are a vital demand source and have been key to reviving hotel sector in the aftermath of COVID-19 pandemic. Principally, domestic leisure and weddings demand have enabled reasonable recovery of occupancy and revenues.

Industry size – chain affiliated hotels

All-India chain-affiliated inventory as at December 2021 is at 160k rooms. Inventory build-up and segmental composition of supply, are reflected in the chart and table below:

All India Chain Affiliated Rooms Supply



Source: Horwath HTL

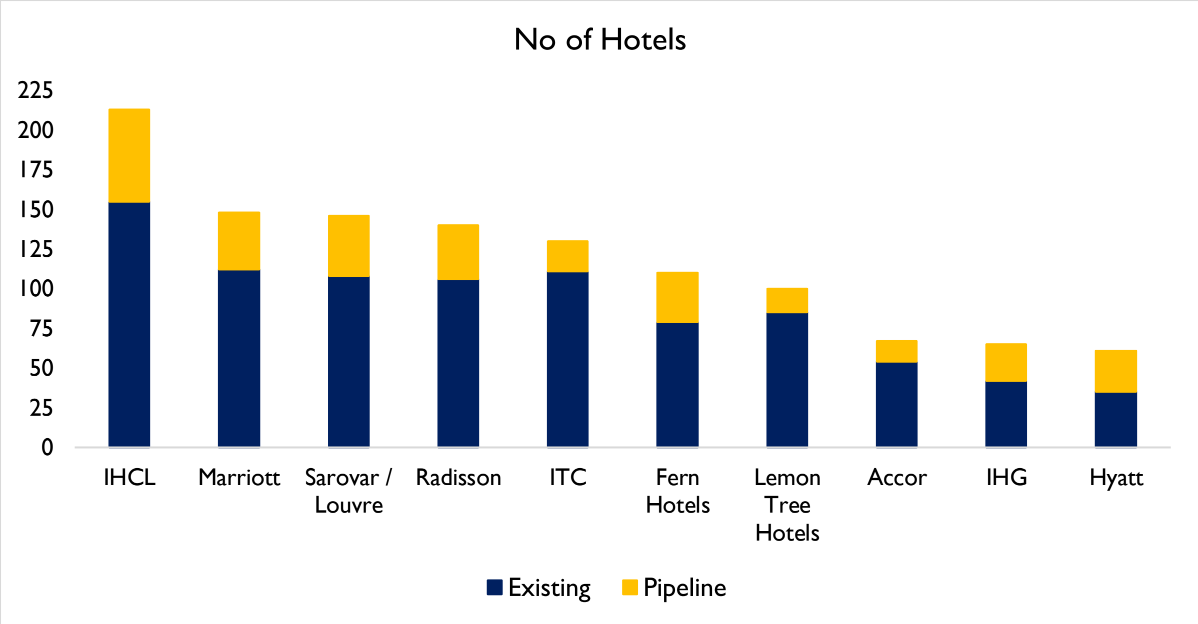
Segmental Growth (Inventory in '000)								
Category	**FY01**	**FY08**	**FY15**	**FY21**	**Dec21**	**CAGR**		
						FY01-08	**FY08-15**	**FY15 - Dec21**
Luxury	6	10	17	25	26	6.9%	7.8%	6.3%
Upper Upscale	7	10	25	30	31	6.2%	13.5%	2.9%
Upscale	5	8	22	31	33	5.7%	16.3%	6.4%
Upper Midscale	4	7	20	28	29	9.7%	16.1%	5.8%
Midscale-Economy	2	5	24	41	41	17.1%	24.2%	8.6%
Total	**24**	**40**	**108**	**155**	**160**	**7.9%**	**15.0%**	**6.0%**
% of Total								
Luxury	27.0%	25.4%	16.1%	16.1%	16.3%			
Upper Upscale	28.8%	25.8%	23.4%	19.4%	19.2%			
Upscale	21.5%	18.6%	20.1%	20.3%	20.5%			
Upper Midscale	15.5%	17.4%	18.5%	17.8%	18.3%			
Midscale-Economy	7.2%	12.9%	21.9%	26.4%	25.8%			

Source: Horwath HTL Report

Supply has deepened across different segments, reducing the supply concentration in the Luxury-Upper Upscale segment, from 56% in 2001 to 35.5% at December 2021. This reduction in supply share is in spite of 44k new rooms added in this segment; better balance has arisen due to material supply growth by 28k, 25k and 39k rooms respectively in upscale, upper midscale and midscale-economy segments.

The top 10 hotel chains have 107k rooms, i.e. approximately 2/3rds of total supply. These rooms are comprised in 887 hotels. Pipeline inventory for these chains through to FY26 is nearly 34k rooms, out of total pipeline of 51k rooms for all chains. This pipeline inventory is comprised in 293 hotels. Inventory of top 10 chains, as at December 2021, is reflected in the charts below:

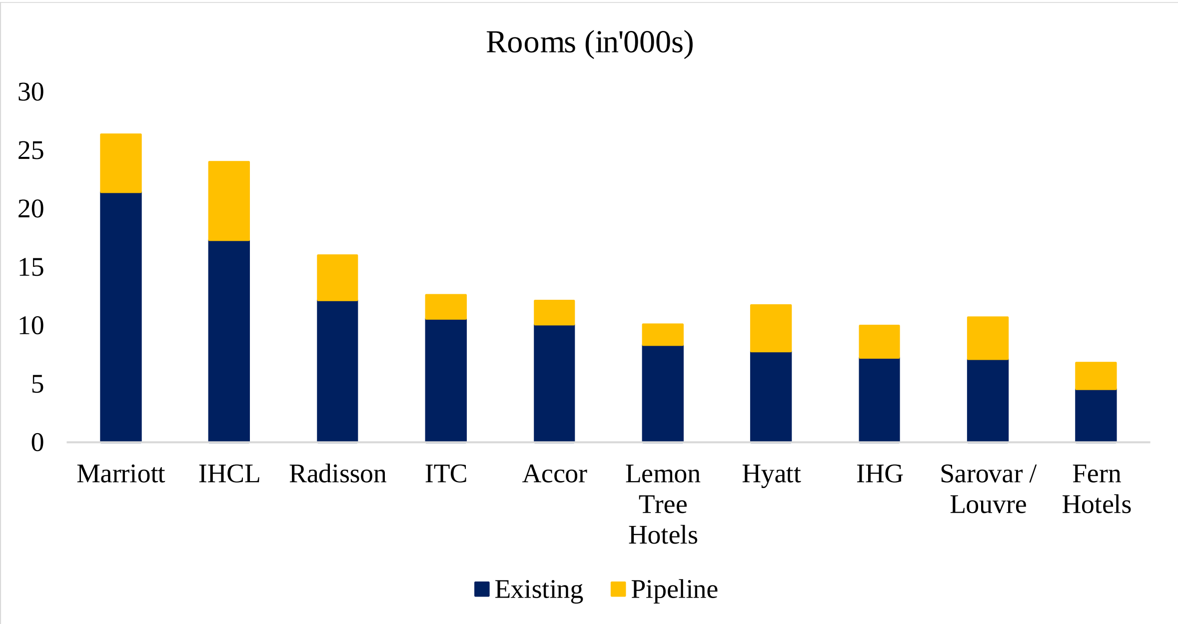
Top 10 Chains – number of hotels



Source: Horwath HTL Report

Notes: (a) Marriott excludes hotels under Luxury Collection franchise; these are included under ITC; (b) Sarovar includes other Louvre group hotels; (c) Radisson franchises under Sarovar management are included in Radisson.

Top 10 Chains – number of hotel rooms



Source: Horwath HTL Report

Notes: (a) Marriott excludes hotels under Luxury Collection franchise; these are included under ITC; (b) Sarovar includes other Louvre group hotels; (c) Radisson franchises under Sarovar management are included in Radisson.

Comments:

Marriott and IHCL, as the top two chains, control 17% of hotel inventory and 24% of rooms inventory.

The top five chains control nearly 45% of chain affiliated room inventory.

Rooms Supply - by Markets

Markets	Rooms in '000s as at Dec21
Bengaluru	**15.1**
Mumbai	**14.0**
NCR	**23.3**
Chennai	**9.9**
Hyderabad	**7.6**
Kolkata	**4.6**
Goa	**7.9**
Rajasthan	**11.3**
Kerala	**5.3**
Ahmedabad	**4.0**
Pune	**7.0**
Others	**49.8**
Total	**159.8**
Major Markets % of Total Supply	**69%**
Inventory	
Top 3 Markets	52.4
5 Megacities	67.0
Emerging Megacities	11.6
Share of chain inventory	
Top 3 Markets	**33%**
5 Megacities	**42%**
Emerging Megacities	**7%**

Source: Horwath HTL Report

Note: (1) Per World Urbanisation Prospects Report (The 2018 Revision) published by United Nations five Megacities are Mumbai, Delhi NCR, Bengaluru, Kolkata and Chennai; emerging Megacities are Ahmedabad and Hyderabad (2) Top 3 markets - Mumbai, Delhi NCR and Bengaluru.

Chain coverage of state capitals

The table below reflects the presence of top five hotel chains in the 35 state / UT capitals in India, with one or more brands:

Chain Coverage – State Capitals

Hotel Chain	State / UT Capitals (Number)
Marriott	16
IHCL	23
Radisson	17

Hotel Chain	State / UT Capitals (Number)
ITC	13
Accor	12

Source: Horwath HTL Report

The leisure sector

The leisure sector has been important in driving demand and revenue revival after lockdowns during the COVID-19 pandemic. Leisure supply for the Top 5 chains as at Dec 21 in the luxury-upper upscale segment is provided in the table below.

Leisure supply – Top 5 chains

	All India; All segment			All India; Luxury-Upper Upscale		
	Hotels	Rooms (in'000s)	Destinations	Hotels	Rooms (in'000s)	Destinations
Total	**631**	**45.8**	**130**	**129**	**13.7**	**52**
Marriott	27	3.9	13	14	2.3	8
IHCL#	61	5.1	39	39	3.6	28
Radisson	38	3.9	23	11	1.6	11
ITC	54	3.0	39	3	0.7	3
Accor	13	2.0	7	2	0.3	2

excludes amã

Source: Horwath HTL Report

Comments:

On all India basis, less than 30% of inventory of rooms is in the leisure segment. Destinations are classified as leisure destinations based on their core character although certain hotels and cities may also have an element of business travel (e.g, Jaipur, Kochi).

20% of hotels and nearly 30% of rooms, among leisure properties, are at Luxury Upper Upscale level.

The Top 5 chains have 31% and 39% share in total leisure supply of hotels and rooms respectively. IHCL is the only chain with double-digit share on both counts.

At the Luxury- Upper Upscale level, (i) the top 5 chains have a material share of supply of hotels and rooms, at 54% and 62% respectively; (ii) IHCL has about 30% of the total number of Luxury-Upper Upscale leisure hotels and over 1/4th of rooms inventory; (iii) IHCL also has much wider geographic coverage, with a spread over 28 destinations while Marriott, ITC and Accor have concentration on fewer markets.

IHCL inventory includes heritage palaces that have been converted to resorts; inventory of the other four chains entirely comprises properties built as hotels / resorts; (b) IHCL inventory includes resorts at five game parks. ITC inventory includes several smaller heritage hotels.

Leisure properties have been very beneficial in the revival of the sector during the pandemic, with strong demand, occupancy and ADR. Chains such as IHCL with reasonable owned inventory of leisure properties has gained; of course, the recent and continuing expansion by hotel chains through an asset light model has enabled owners to gain from strong earnings, with chains getter higher management fees and recognition of brand strength towards further expansion through management contracts.

International presence

IHCL is an India-owned chain, with presence in several overseas markets besides the second largest India based inventory. International presence of leading domestic chains, as at December 2021, is summarised in the table below:

Major domestic chains - International presence as at December 2021

Chains	Hotels	Rooms	Remarks
IHCL	16	2,560	Resorts in Maldives, Bhutan, Sri Lanka, Nepal, Dubai. Hotels in London, New York, San Francisco, Cape Town and Zambia
EIH (Oberoi group)	10	1,101	Hotels in Bali, Lombok, UAE, Egypt, Marrakesh, Madina, & Mauritius. Includes 2 luxury cruises on the Nile. Upcoming in UK, Qatar, Greece.
Sarovar	3	246	Managed Hotels in Nairobi and Zambia
Lords Hotels	3	178	Three operating and one under development hotel in Nepal
Fern	5	154	Nepal, Seychelles and China; 1 upcoming in Bhutan
LTH	2	141	Hotels in Dubai and Bhutan; 3 upcoming hotels in Nepal
Lalit	1	70	In UK
ITC	Nil	Nil	352 room hotel and serviced apartments under development in Sri Lanka
Leela	Nil	Nil	

Source: Horwath HTL Report

Conversions

Conversions are an important element of supply changes. Between FY15 and December 2021, about 20.6k rooms at independent hotels were converted into chain affiliated hotels, while about 16.6k chain-affiliated rooms were de-flagged (i.e. chain affiliation was withdrawn); conversions have added about 4k rooms (net) to chain affiliated inventory.

Operating Structures

Hotels with the Top 10 chains comprise owner operated hotels, hotels under management contracts and franchise. Certain chains (mainly international chains) only operate under management contracts and franchises, while domestic chains have historically owned their hotels and have then moved to add an asset light model to their core of owned hotels. The table below reflects the operating structures of Top 10 chains based on current supply and currently available pipeline data.

Top 10 Chains – Operating Structures (based on hotels signed at date)

									(Rooms in '000s)
	31 March 15			**31 December 21**			**31 March 26**		
	Owned / Leased	**Managed / Franchised**	**Total**	**Owned / Leased**	**Managed / Franchised**	**Total**	**Owned / Leased**	**Managed / Franchised**	**Total**
Marriott	-	12.8	**12.8**	-	21.4	**21.4**	-	26.3	**26.3**
IHCL	10.3	2.7	**13.0**	11.5	5.8	**17.3**	13.6	10.4	**24.0**

(Rooms in '000s)									
	31 March 15			31 December 21			31 March 26		
	Owned / Leased	**Managed / Franchised**	**Total**	**Owned / Leased**	**Managed / Franchised**	**Total**	**Owned / Leased**	**Managed / Franchised**	**Total**
Radisson	-	8.2	**8.2**	-	12.2	**12.2**	-	16.0	**16.0**
ITC	4.1	4.9	**9.0**	5.2	5.4	**10.6**	5.6	7.0	**12.6**
Accor	-	6.4	**6.4**	-	10.1	**10.1**	-	12.1	**12.1**
LTH	2.6	0.2	**2.8**	5.2	3.2	**8.4**	5.9	4.1	**10.1**
Hyatt	-	5.7	**5.7**	-	7.8	**7.8**	-	11.7	**11.7**
Sarovar	-	1.0	**1.0**	0.2	6.9	**7.2**	0.2	9.7	**9.9**
IHG	-	4.1	**4.1**	-	7.3	**7.3**	-	10.8	**10.8**
Fern Hotels	-	1.5	**1.5**	-	4.6	**4.6**	-	6.8	**6.8**
Total	**17.0**	**47.5**	**64.5**	**22.1**	**84.6**	**106.7**	**25.4**	**115.0**	**140.4**

Source: Horwath HTL Report

Notes: (a) Marriott excludes Luxury Collection franchise to ITC Hotels as the hotels are included under ITC owned hotels; (b) Radisson is Radisson Hotels Group and Radisson franchises under Sarovar management are included in Radisson; (c) Sarovar includes other Louvre hotels; (d) Accor minority investment in several hotels is not considered

Comments:

a. Hotel chains are rapidly adopting an asset-light model; managed / franchised hotels comprised 74% of total inventory at end FY15; this has increased to 79% at December 2021 and is expected at 82% by end FY26.

b. It is possible that additional hotels will be contracted in the future, upto FY26, either through conversions or branding and management of brownfield projects taken and completed by investors and developers – to that extent the total share of asset-light hotels in total supply, and supply of individual chains, could be greater than stated above.

c. IHCL portfolio had 79% of owned / leased inventory at end FY15, which reduced to 67% at Dec-21. Based on data currently available, this would reduce to 57% by FY26; further reduction could occur to the extent additional contracts are signed and effected by FY26.

d. ITC had 46% owned share at end FY15; this increased to 49% at December 2021 and will slightly drop to 44% by FY26. LTH is also expected to significantly grow through the management contract route.

e. An asset light model insulates hotel chains from ownership cost burdens and working capital obligations; it also enables faster growth as the reliance is on third party capital for building and operating hotels. At a practical level, however, the chains must respond to business and funding issues of owners particularly in times of deep stress such as the COVID-19 pandemic; chains must render operating / policy support of course without actual funding obligations. This could result in delayed realisation of accrued fees and the occasional closure of hotels for temporary or long-term periods or sale of distressed assets.

f. Asset ownership by hotel chains enables the chains to benefit more fully from strong (and some years of even exceptional) profitability. The larger asset base itself creates an advantage unless the assets are unduly leveraged; the hotel chain also enjoys asset appreciation. While asset ownership requires the chain to carry payroll, debt service and other fixed cost burdens during low or negative business periods, the chains have potentially better ability to control the risks and related operations. As owners, the chains can implement brand standards, HR practices and philosophies and cost efficiencies without reference to another party.

g. Management contracts are a valuable growth route, providing an income stream by way of fees based on revenue and operating profits of the managed hotels. Additionally hotels make contributions to sales and marketing costs which provide a larger pool of funds for chain-wide sales and marketing efforts. Pressure for chain growth has made fees very competitive; however, the more reputed chains are more selective of their clients and are able to derive superior fees. Selectivity of contracted properties and their owners is also important to satisfy meaningful funding of the hotels, ability to cope with occasional financial stress, timely payment of management fees and achievement of longer contract durations. Hotels sold due to debt default could cause the management contract to be terminated, possibly combined with non realisation of fees for a sizeable period.

h. It is also important to highlight that IHCL, ITC and LTH are India based chains with their principal assets and business in India; several international chains in the top 10 above have sizeable India presence but this is a small share of their global portfolio.

Future supply

Supply growth was expected to regain some momentum starting FY21 to FY23, with an average of about 11.5k new rooms expected in each year. Only 3.6k rooms were added in FY21, and only 5.3k rooms till third quarter of FY22. FY22 and FY23 may yet see reasonable supply growth, mainly projects in advanced completion and therefore best carried to opening (at least with partial inventory) unless the promoters have lost their funding ability; per current indications, 2.5k and 13k rooms are expected to be added in Q4 of FY22 and in FY23 respectively.

Typically, the longer duration projects see completion delays so that the effective supply growth may be smaller as projects are either dropped, delayed or downsized. As such, supply growth reflected below does not consider all the projects announced. It is important to recognise that growth of chain- affiliated supply will also occur through conversions that may be signed and implemented over a shorter period – we have only considered properties that are signed at date, but additional conversions can be expected to occur.

Some de-growth would likely occur as existing hotels are closed; we expect majority of these to be transacted as hotels with possible change of brand or positioning; as such, we have no considered any reductions from permanent closures of hotels. For future demand calculation, we have only considered modest temporary closure of hotels.

Based on data available, our assessment of expected project status and timings, and likely phased completion of larger projects, the future supply of chain-affiliated hotels is summarised below.

Future Supply (inventory in '000s)

Category	FY19	FY21	Dec-21	FY26	CAGR			
					FY15 - FY19	FY01- FY21	FY19 - FY26	Dec21 - FY26
Luxury	23	25	26	32	7.6%	7.0%	4.5%	4.7%
Upper Upscale	28	30	31	37	3.0%	7.7%	4.0%	4.8%
Upscale	30	31	33	44	8.1%	9.5%	5.8%	7.1%
Upper Midscale	28	28	29	40	9.3%	10.6%	4.9%	7.5%
Midscale-Economy	34	41	41	58	9.7%	17.2%	7.9%	8.5%

Category	FY19	FY21	Dec-21	FY26	CAGR			
					FY15 - FY19	FY01- FY21	FY19 - FY26	Dec21 - FY26
Total	**144**	**155**	**160**	**211**	**7.5%**	**9.8%**	**5.6%**	**6.7%**
Segmental share								
Luxury	16.1%	16.1%	16.3%	15.0%				
Upper Upscale	19.7%	19.4%	19.2%	17.7%				
Upscale	20.6%	20.3%	20.5%	20.8%				
Upper Midscale	19.8%	17.8%	18.3%	18.8%				
Midscale-Economy	23.8%	26.4%	25.8%	27.6%				

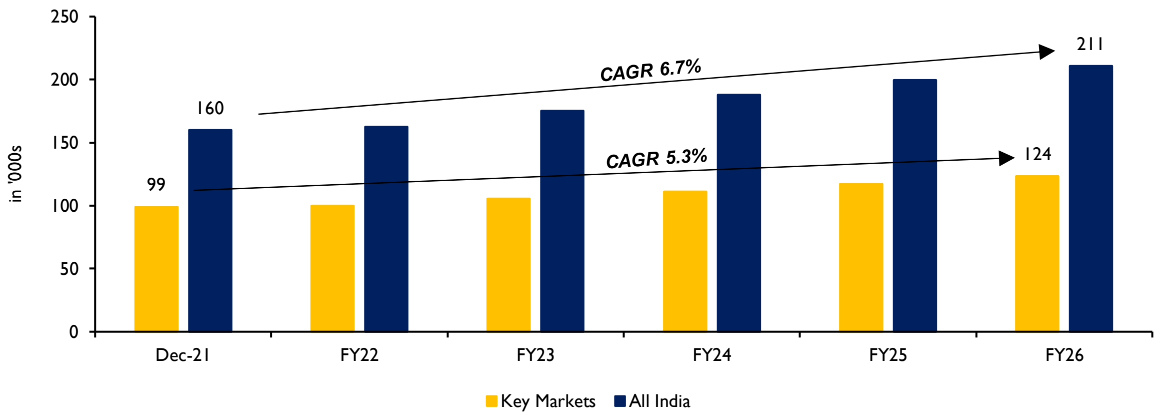
Source: Horwath HTL Report

The pace of supply growth is materially slower than the average pace of growth for the previous 2 decades; the upscale segment is the only segment where growth is expected to outpace the past average.

While growth between December 2021 and FY26 may appear sizeable, it must be recognised that projects due for completion in FY20 and FY21 have been materially delayed and have piled up for completion; the pace of this completion will be moderated over the next 24 to 30 months. It must also be highlighted that 6% CAGR for FY15-December 2021 is materially lower than previously anticipated because of the sharp slowdown since March 20.

Projected supply growth is reflected in the chart below:

Expected Supply – All India, All Segments (Inventory in 000s)



Source: Horwath HTL Report

Key Markets: Mumbai, Delhi NCR, Bengaluru, Chennai, Hyderabad, Kolkata, Goa, Rajasthan and Kerala

Key elements of projected supply are summarised in the table below:

Projected Supply Key Elements (inventory in '000s)

	Dec 21	FY26
Key Markets	99	124
Other Markets	61	87
Total	**160**	**211**
Key Markets supply share - overall	62%	59%
IHCL inventory - % in Key Markets	64%	60%

Source: Horwath HTL Report

Comments on Future Supply

a. Supply growth is mainly expected in upscale, mid-priced and economy segments; these comprise about 76% of pipeline inventory.

b. Material supply growth will occur outside the Key markets, which will see a three percentage point decline in overall supply share. This bodes positively for the industry as newer towns and leisure destinations will be covered by chain affiliated hotels.

c. The top 10 chains have about 66% of pipeline inventory. The top five chains contribute 38% of the pipeline; IHCL has the largest pipeline share at 13%.

Demand

Future Demand

Typical estimation bases for future demand have limited relevance under prevailing operating conditions, with uncertainties concerning health, business travel and international travel. Accordingly, our estimates of future demand are based on demand achieved in FY19, gradual recovery to that level (from the sudden dip that occurred in FY20, and the sharp decline in FY21, and subsequent growth. Our estimates of the pace of recovery and subsequent demand growth are given in the table below:

Demand Recovery / Growth estimates – relative to FY19 demand

Year	Projected Demand Recovery
FY22	70%
FY23	92.5%
FY24	115%
FY25	135%
FY26	145%

Comments:

12. For FY23 we have assumed 15% growth in recovery over FY22.

The table below summarises the supply and demand CAGR for previous and future 5 years:

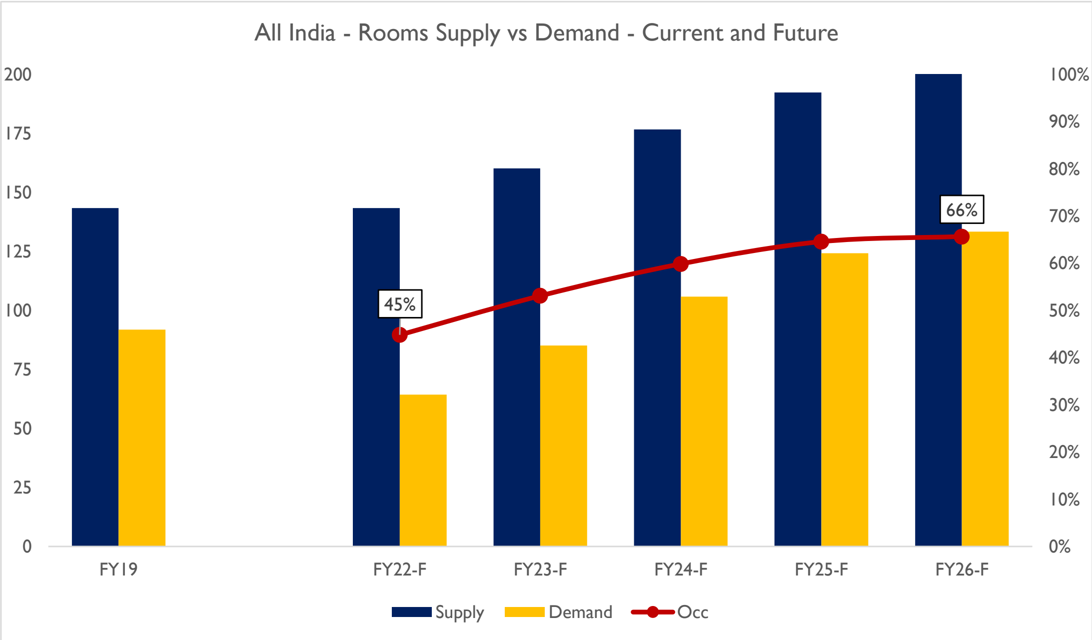
Supply and Demand CAGR

CAGR	FY16-FY20	FY20-25
Supply CAGR	6.5%	5.1%

Demand CAGR	6.7%	6.5%

Based thereon, and with reference to estimates of Future Supply described earlier, the occupancy estimates up to FY25 evolve as reflected in the chart below:

All India – Rooms Supply vs Demand – (FY22–FY26)



Source: Horwath HTL Report

Overview of Some Key Impact Factors

a. **Distressed Assets** – Distressed Assets are inevitable in a capital intensive industry, more so as newer owners enter the sector or existing owners move into newer categories or expand without adequate support. The pandemic has heightened distress and added further to previously stressed assets. Distress has many causes – lack of business and revenue when travel is severely restricted and hotels are shut, high interest rates, short debt terms, project cost escalations due to approval delays and execution issues, under estimation and funding of project costs, overly optimistic demand estimates, external impact on market conditions and demand growth, and others. The distress is partially alleviated by the Emergency Credit Line Guarantee Scheme announced by the government and effective till March 2023; however, this may not adequately mitigate the risk for several major operating and will not help brownfield assets.

   Stressed assets will create acquisition and asset consolidation opportunities for stronger players, Funds, and HNIs – provided valuations are right. Institutional funds may work with larger hotel companies to pursue acquisition options that would include brownfield projects, thereby rescuing incomplete projects and adding to inventory. Consequently, we may see reduced equity availability for new project starts.

b. **Manpower Shortages**: Manpower shortages are increasing, particularly staff and managers with sufficient operating experience and skills for hotel. This poses limitations for all hotels but more specifically for hotels operated by owners as independent properties. Manpower availability will also force greater efficiency in manning and labour costs to the benefit of hotels.

c. **Cost rationalisation**: During the pandemic, several cost rationalisation measures were introduced by hotel chains. As operations and business revives chains will remain cognisant of the need for balance between cost and service. While salary reductions will need to be restored, and increments given, staffing levels are expected to remain lower than prior to the pandemic. Energy cost efficiencies are expected to remain in place as also certain fundamental changes to brand standards and processes. Hotel groups have implemented clustering of various activities and these efficiencies would continue to operate and provide value. Of course, core service elements that are key to the product and brand appeal will be restored. Thus, a judicious mix of cost correction, and yet continuance of key rationalisation approaches, are expected to continue to help operating margins.

Key Demand Drivers

Demand for hotels arises for various purposes, principally:

13. Business related travel, on transient and extended stay basis

14. Leisure

15. MICE

16. Weddings and other social purposes

17. Diplomatic travel

18. Airline crew

19. Transit

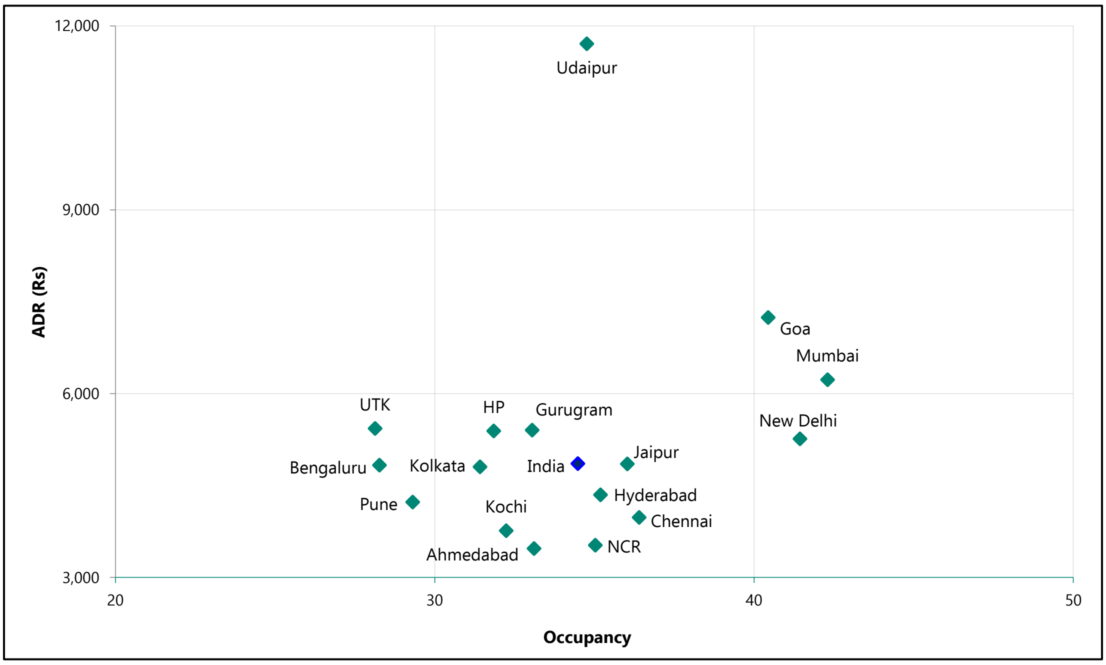
Market Performance Analysis

This section provides an analysis of the performance of hotels on all India basis and for select markets. As data availability varies for different markets and segments, data provided may cover different periods for various markets / segments.

All India and Key markets

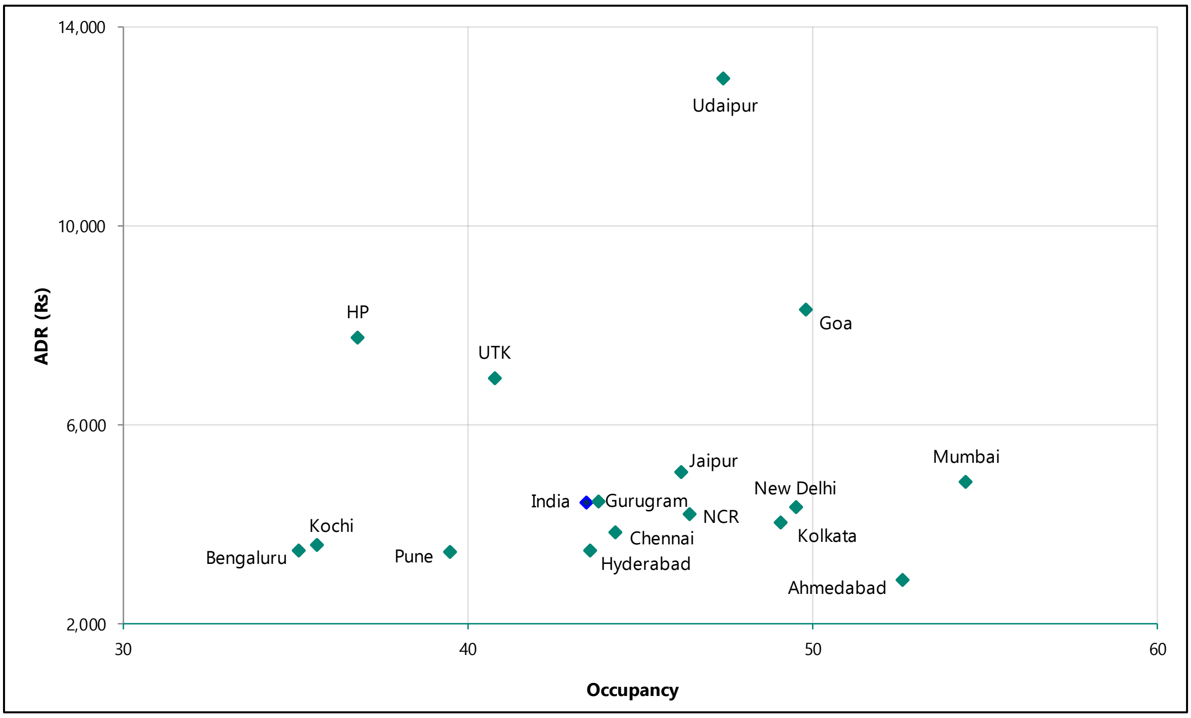
The charts below show occupancy and ADR for key markets, and all India performance for CY20 and CY21 respectively.

Performance of Select Markets – Calendar Year 2020



Source: India Hotel Market Review Report 2020 by STR and Horwath HTL

Performance of Select Markets – Calendar Year 2021

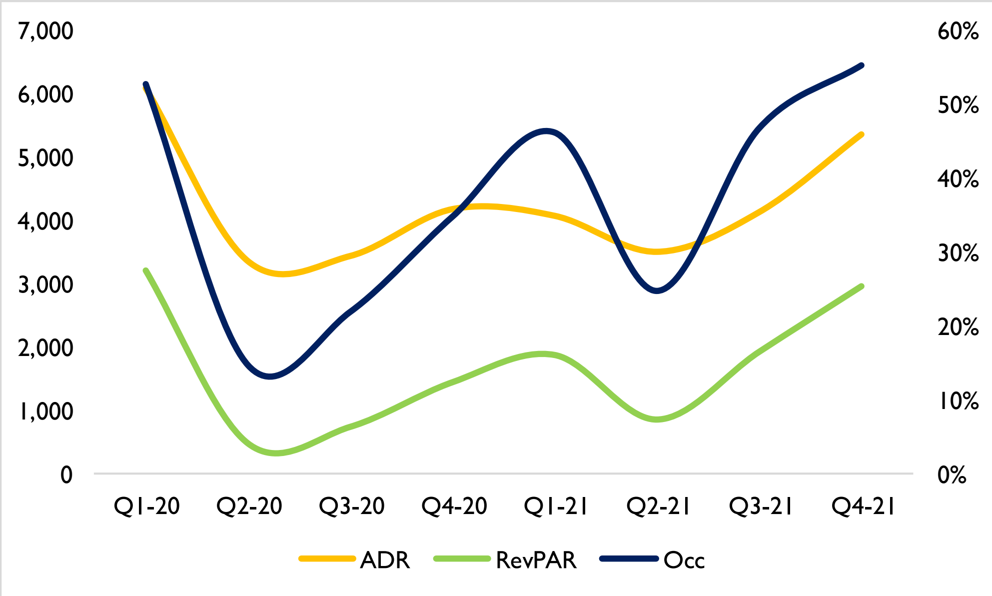


Source: India Hotel Market Review Report 2021 by STR and Horwath HTL

All India occupancy declined from 66% for CY19 to 34.5% for CY20; the decline was even greater post pandemic, with March-December 20 occupancy at 28%. All markets suffered heavy occupancy decline which is to be expected when hotels are closed for several weeks / months and travel was heavily constrained from end March to September 20. All India ADR declined by 19% on full year basis but by about 32% for the pandemic period.

All India performance in the chart below, shows the results of operation in Quarter 1 (January to March) of 2020 and for the seven quarters of the pandemic period from April 20 through December 21.

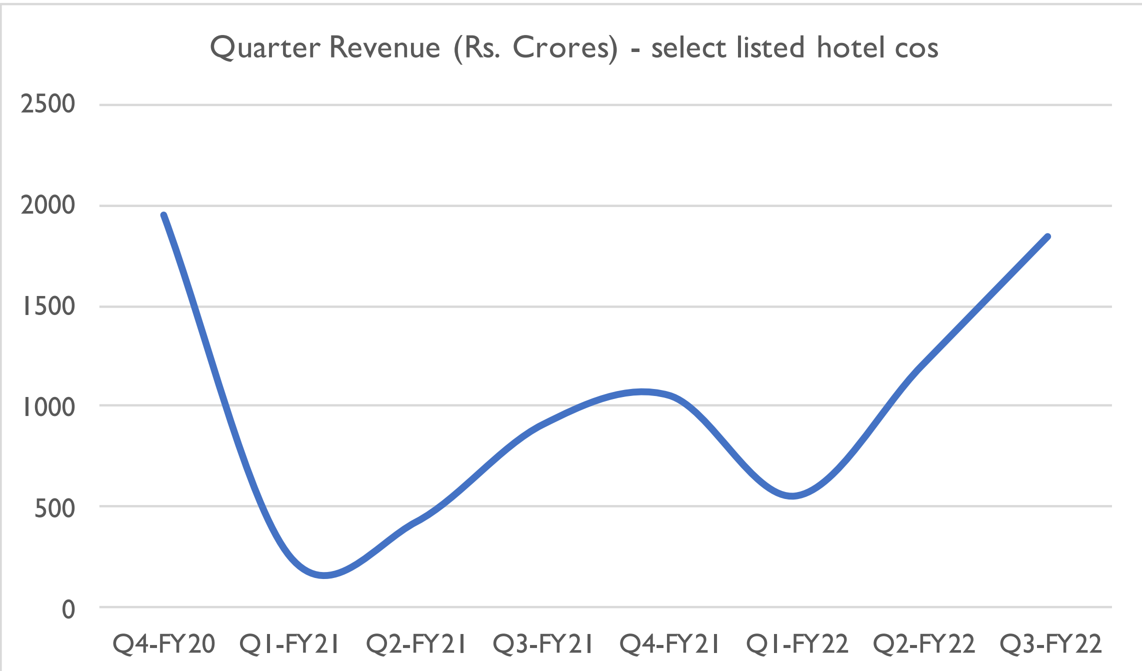
Quarterly Performance (January 20-December 21)



Source: India Hotel Market Review Report 2021 by STR and Horwath HTL

- Reported quarterly revenues for select listed hotel companies (IHCL, EIH Ltd, Lemon Tree Hotels ltd., Chalet Hotels Ltd, Asian Hotels North Ltd and Asian Hotels East Limited reflects the impact and recovery of revenues over several quarter since the pandemic. This is reflected in the chart below:

Quarterly Revenues – select listed hotel companies

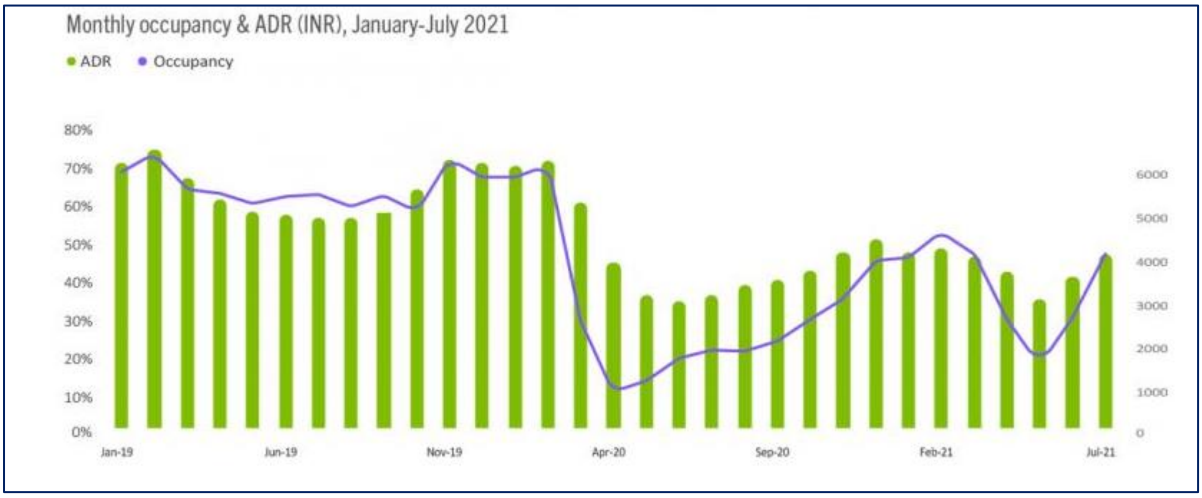


Source: Quarterly Reports of select listed hotel companies

Aggregate revenue declined from Rs. 1,949 crores for Q4-FY20 to Rs. 258 crores in the quarter to June 20. It recovered particularly well starting October 20 so that quarters ending December 20 and March 21 reflected good recovery. Revenues for quarter ended March 21 were 54% of revenues for quarter ended March 20. While revenues for June 21 quarter again declined on the impact of the second wave, these were 214% of the revenues of the corresponding quarter of the previous year (i.e. quarter ended June 20). Revenues recovered in the following two quarters, with Q3-FY22 revenues at Rs. 1,842 crores, short of 5% in terms of full recovery as compared to Q4-FY20.

The chart below reflects occupancy recovery post lockdowns in June 20 quarter, the healthier performances post September 20, impact of the second wave and the sharp recovery in July 21. The recovery trend continued till end of 2021. In fact, December 21 was the best performing month in 2021. Quarterly recovery trend for 2020 and 2021 is shown in the chart below.

Chart 12 – Monthly Occupancy and ADR – January 2019 to July 2021



Source: STR

Outlook for Key Markets

In this section we set out our outlook for Key Markets. Uncertainties associated with COVID-19 pandemic causing business, movement, and related travel restrictions within India and for overseas travel are difficult to foresee with any degree of material certainty and could therefore cause the outlook to change. We have therefore sought to provide a more long-term view rather than only an immediate term view.

Some key overarching factors which will impact demand and rate recovery, overall revenues and profitability are:

a. Resumption of business and leisure travel:

With deeper reach of vaccinations, third wave on the wane and possibility of COVID-19 reaching the stage of an endemic, corporate travel is expected to modestly resume in the foreseeable future and gradually gain momentum through FY 2022. SME and PSU business travel has already partially resumed and can be expected to continue to grow. Resumption and recovery of corporate travel, including inbound travel is critical for markets such as Bengaluru, Gurugram, Pune and Hyderabad; it is also materially important for other metro cities. Inbound leisure travel may be slower to recover – reasonably, long-haul demand flow can be expected in Q4 of CY22 and to gradually gain momentum towards a substantial recovery in FY24.

b. Recovery of Inbound travel

Hotel occupancies in business cities, and ADR levels in leisure resorts will benefit from recovery of inbound travel. In mid-February 2022 Govt of India has waived off the seven day mandatory quarantine for foreign travellers and has also removed the category of 'at risk' countries. This is expected to draw foreign travel to India, Government had permitted limited inbound travel (by charter flights) from October 2021 and had announced permission to open scheduled flights from December 21 before Omicron raised concerns and caused a withdrawal of permission. It would be reasonable to expect scheduled international flights to resume from March / April 2022.

Inbound business travel is starting to see an element of resumption, gaining confidence from wider vaccine coverage in India; travel policies of American companies would determine the pace of recovery over the rest of 2022. Limited leisure travel can also be expected to arise post June 2022; for the higher end visitors, recovery could likely occur from October 22. We reasonably expect inbound travel to have materially recovered by FY24, with completion of recovery and even growth by FY25. Stronger business investment opportunities in India could well accelerate the pace of recovery, to the benefit of the hotel industry.

c. Domestic Leisure

Domestic leisure can be expected to remain strong over the foreseeable future, although demand composition could change as re-opening of schools has curtailed options to combine remote based work with family leisure. Further, resumption of corporate travel and gradual return to offices will also limit the use of leisure resorts on extended basis – however, staycations may not be impacted, or could even partially replace use of resorts in leisure destinations. The extent and pace of moderation will depend upon pace of resumption of normal activities whereby free movement for work, education and recreation is allowed across the country. Material restrictions and lockdowns create pent-up demand which generates strong leisure and recreation travel and revenue flows. Some moderation could occur from the increasing ability for Indians to travel overseas, although this may not occur promptly as international air fares remain high.. Besides, the domestic market has a better understanding and appreciation of many leisure options available in India, duly helped by new developments of quality resorts and destinations. Thus, domestic leisure can be expected to continue to be a significant integral part of leisure travel plans of the domestic market.

d. Weddings and MICE

Weddings and social demand is expected to rebound very quickly once restrictions are removed. MICE travel and demand will take longer to recover as companies remain cautious about large in person meetings and events, seminars and conferences. Smaller meetings and events have started to occur and will gather pace as business travel itself gains momentum. We do not expect inbound MICE travel to resume till Q4 of CY22 or to regain substantial volumes till Q1 of CY25.

e. Crew Demand

Crew demand will steadily increase as more domestic flights and sectors are added. Resumption of inbound scheduled flights will materially add to crew demand.

In the foregoing background, our outlook for different markets is set out below:

<u>Mumbai:</u>

Continued recovery momentum, gaining pace as corporate travel and inbound travel resumes, and achieving year-round occupancy recovery to pre COVID-19 levels by early FY24. ADR recovery to pre COVID-19 levels will take further 12 to 15 months unless MICE recovers more quickly. Supply pipeline is more medium and long-term in nature. Ownership stress on an existing asset and a brownfield asset could curtail the supply side; if this were to continue through several months, overall recovery could be faster.

<u>New Delhi:</u>

Gradual occupancy recovery to pre COVID-19 levels only by FY24 unless diplomatic travel, MICE and leisure group moments recover more quickly. ADR recovery to pre COVID-19 levels only by FY25. Weddings demand will remain strong.

While some demand shift could arise as Jewar airport is commissioned (projected as Q3-2024), this could possibly even add further overall travel momentum into the market. Completion in the next 36 months of DMRC led convention centre on Dwarka Expressway, and completed upgrade of Pragati Maidan would add significant demand basis for MICE growth in the city.

<u>Bengaluru</u>

Being heavily dependent upon corporate travel and some MICE demand, with very limited alternate demand, occupancy recovery is materially dependent on pace of business travel. The city also has new hotel projects in advanced completion stage, and which will therefore open for business. With gradual demand recovery and growing supply base, overall rebound may only occur by FY25; however, if international business travel gains strong momentum, a much speedier recovery is possible. Further, performances can vary by micro-markets and could see better recovery in some micro-markets.

<u>Chennai:</u>

The city centre market is robust and could reasonably recover occupancy by FY24; ADR recovery may take through 2025, particularly as soft occupancy in OMR micro-market may curtail rate growth. OMR micro-market is heavily IT/ITES dependent, with supply that grew much faster than demand; recovery to reasonable occupancy levels could likely be pushed to FY25, materially dependent upon resumption of inbound and domestic corporate travel by international IT companies. Resorts along ECR, will continue to enjoy healthy business conditions from a combination of leisure, staycation, long stay and other uses.

<u>Hyderabad</u>

Hyderabad has similar business issues as Bengaluru, with two exceptions (a) half the inventory base compared to Bengaluru and a modest pipeline; (b) multiple new business projects that may catalyse faster demand recovery. As such, the city may reasonably regain pre COVID-19 occupancy by FY24 and pre COVID-19 ADR by FY25.

<u>Gurugram:</u>

This market is very materially dependent upon resumption of business travel and strong MICE, weddings and social demand; these also enable high luxury upper upscale ADRs. Gurugram has a strong IT / ITeS base, but also reasonably diversified presence of BFSI and manufacturing business. Recovery could be similar to Hyderabad, though ADR recovery could take longer because of material reliance on inbound business travel.

Kolkata:

As a market which draws material strength from weddings and MICE demand besides business travel, the weddings market could recover promptly once event size restrictions are removed; MICE recovery could take longer due to general factors noted earlier. With strong weddings base, rate recovery could also occur more quickly than for other cities. Kolkata has normally absorbed new supply in a meaningful way.

Goa:

Resorts in Goa have fared extremely well through all periods of COVID-19 pandemic when operations were permitted; several achieved record performance levels in Q4-CY21. With sizeable pent-up demand for leisure, and the appeal of Goa as a destination we expect the market to enjoy very positive occupancy and ADR levels with little impact from any demand moderation that may occur for the leisure sector as outlined earlier. Partial or gradual reopening of MICE, and the casinos in Goa, will very adequately compensate any dilution of pure leisure demand.

Rajasthan:

Rajasthan is also expected to enjoy strong performance and recovery, particularly in the main markets such as Jaipur, Udaipur, Jodhpur, and Ajmer. Luxury ADRs will remain strong in Udaipur, Jaipur & Jodhpur; Udaipur had the highest ADR for CY21 at nearly Rs. 17,000. Expanded air connectivity to south and east India, the market's heritage attractions and hotels (including palace hotels and other award-winning hotels) are a major draw. Weddings and social demand will remain strong; recovery of inbound leisure and MICE will help sustain growth. While all segments will benefit, luxury and upper upscale resorts could gain materially from demand trends expected for Rajasthan.

Kerala:

Continued health challenges from COVID-19 pandemic and other natural / health related events, have impacted the state over the last 4 years. The leisure, weddings and MICE attractions are many; however, frequent and continuing negative occurrences are curtailing the performance of the state. Pre COVID-19 levels were moderate and could be regained by FY25. The state has substance for supporting larger tourism flows and values and could gain from concerted action and efforts towards greater positivity and demand push for the destination.

BUSINESS

Overview

We are one of the leading hospitality chains in India by number of hotels (*Source: Horwath HTL Report*) focused on being a dynamic hospitality ecosystem. We are primarily engaged in the business of owning, operating and managing hotels and resorts primarily under various brands including, our flagship brand "*Taj*". The Company was incorporated in 1902 and is promoted by Tata Sons Private Limited, which held 38.42% of the Company's shareholding as of December 31, 2021.

Our first hotel, the Taj Mahal Palace, Mumbai, commenced operations in 1903. In the past few decades, we have expanded geographically to register our presence in key travel destinations both in India and internationally. We have also converted or restored former royal palaces in India into flagship hotels. Some of our marquee hotels which are operated out of former royal palaces include Rambagh Palace, Jaipur, Umaid Bhawan Palace, Jodhpur, Taj Falaknuma Palace, Hyderabad and Taj Lake Palace, Udaipur. In addition to the palace hotels, many hotels are located in iconic or heritage buildings, such as the Taj Mahal Palace, Mumbai, The Pierre, New York or the Taj Cape Town, South Africa. In 2004, we launched hotels under the brand, "*Ginger*", formerly, "*Indione*", to cater to the budget segment. We have, over time, systematically invested in creating assets directly or through subsidiaries, joint ventures or associates in both India and international locations. As of January 31, 2022, we operated or managed 171 hotels and resorts globally with approximately 19,920 rooms with a presence across various geographical segments, including beach resorts, hill stations, wildlife sanctuaries, major cities and tourist destinations. Of this, we have 16 international hotels with 2,560 rooms in 12 international locations.

The spirit of "*Tajness*" – and values of Trust, Awareness and Joy, define a common philosophy across all our hotels to ensure our customers are able to have the same experience across our hotels. We operate our hospitality business through our hospitality brands of "*Taj*", "*SeleQtions*", "*Vivanta*" and "*Ginger*" as well as the recently launched "*amã Stays and Trails*". In addition, we also operate restaurants and our food and beverage business under brands such as Golden Dragon, Wasabi by Morimoto, Thai Pavilion, House of Ming, Shamiana. Recently, we launched "*Qmin*", a repertoire of culinary offerings, delivered to homes using a proprietary Qmin mobile application and also has an offline presence through shops and food trucks. We launched a global version of "*The Chambers*", an exclusive business club in eight cities granting members exclusive benefits and privileges. In addition, we operate spas under the "*Jiva*" brand, shops under "*Khazana*", salons under "*niu&nau*" and cater to airlines from "*TajSATS*", through our joint venture Taj SATS Air Catering Limited. In 2021, "*Taj*" has been rated as the World's Strongest Hotel Brand by Brand Finance, the world's leading brand valuation consultancy in its annual 'Hotels 50 2021' report and ranked as #1 hospitality brand in India in its 'India 100 2021' report.

We undertake our business through direct ownership of hotels, lease arrangements, licensing arrangements and operating/management contracts and franchises. These diverse modes of business operation complement each other and enable us to efficiently capitalise on our brand for achieving sustained growth. We have taken up operating and management contracts in the last few years in order to move to an asset-light model and propose to undertake future expansion largely through development of our existing land bank, utilisation of the unutilised floor space index in our operating hotels and through management contracts.

We have won several awards for our hospitality operations and governance in India and internationally. For further details, please see the section entitled "*Our Business – Awards*" on page 130.

The total income for the financial year ended March 31, 2020, on a consolidated basis, was ₹4,595.56 crores and the profit after tax (attributable to owners) was ₹ 354.42 crores. Our financial results for the financial year ended March 31, 2021 and the nine months ended December 31, 2021 were impacted by the COVID-19 pandemic which impacted global economy, including travel and tourism due to which our financial performance dropped significantly. On a consolidated basis, our total income was ₹1,739.88 crores for the financial year ended March 31, 2021 as compared to ₹4,595.56 crores for the financial year ended March 31, 2020 and our total income was ₹2,256.50 crores for the nine months ended December 31, 2021 as compared to ₹1,113.41 crores for the nine months ended December 31, 2020. The revenues have shown an upward trajectory during the third quarter of the financial years 2021 to 2022.

Our Competitive Strengths

Strong and Well-Established Brand in the Hospitality Industry, Backed by Service Excellence

We are one of the oldest hotel chains in India with our flagship brand "Taj" being ranked as #1 hospitality brand in India (*Source: Brand Finance 'India 100 2021' Report*). Our hotels are renowned for their well-appointed properties, warm customer service and customer experience. This is reflected through several awards won over the years by our hotels and restaurants in India and internationally. In 2021, "Taj" has been rated as the World's Strongest Hotel Brand by Brand Finance, the world's leading brand valuation consultancy in its annual 'Hotels 50 2021' report. Moreover, "Taj" ranked #1 among the strongest brands in India across all sectors in 2020 and ranked #2 in the same category in 2021. We also believe that we derive significant reputational benefit as a result of being a Tata Enterprise. Our brands and our parentage, we believe, have also been our strength through the COVID-19 pandemic.

Our competently trained, motivated and performance-oriented staff delivers high quality and personalised service to our customers.

We have strong food and beverage capabilities with a wide variety of cuisines. Our hotels undertake innovative customer engagement activities on a regular basis and in the past, these have included (i) unique local experiences, such as homestays, nature trails and excursions, (ii) alternative dining experiences, (iii) themed parties for the guests, (iv) integrated holiday programmes, and (v) wellness themes.

Diverse and Expansive Locations of our Hotel Properties, of which some are situated in Iconic Buildings

We have presence in approximately 90 locations, which provides us with a comparative advantage over our competitors in this respect, as achieving this scale of presence would require significant capital expenditure. We have also undertaken selective expansion, both domestically and internationally, in locations such as in Goa, Kerala, Rajasthan, Andamans and Maldives. We have the ability to service a diverse customer base as each of our hotels cater to distinct price points and customer requirements. Our presence across the pricing spectrum provides us with the ability to cater to our customers' diverse requirements based on their respective purpose of visit and propensity to spend. This allows us to offer our customers a wide bouquet of pricing options in each city, which is a unique capability and we believe it is unmatched by our competitors. The table below provides an illustration of the number of our operational hotel in key locations in India, as at December 31, 2021:

Key Locations	Number of operational hotels
Goa	10
Mumbai	8
Bengaluru	8
Chennai	9
New Delhi	7
Jaipur	5

Our hotels are also located at key international travel destinations, such as London, New York, San Francisco, Dubai, Sri Lanka, Maldives, Bhutan and Nepal. This provides us with the ability to tap international customers and cross-sell our hotels, including those located in India. Additionally, some of our hotels are housed in iconic or heritage buildings, such as Taj Mahal Palace, Mumbai and The Pierre, New York, and original royal palaces, which include Rambagh Palace, Jaipur, Umaid Bhawan Palace, Jodhpur, Falaknuma Palace, Hyderabad and Taj Lake Palace, Udaipur. We believe that such locations greatly enhance the attractiveness of our properties to customers. Moreover, due to the location of our hotels in diverse geographic locations, which encompass beach resorts, hill stations, wildlife sanctuaries, major cities and tourist destinations, we have the ability to cater to the requirements of a broad customer segment. Some of the key destinations which provide us with this ability include:

Type of Destination	Location of Some of our Hotels
Beach Resorts	Goa (India), Bekal (India), Bentota (Sri Lanka) and Emboodhu Finolhu (Maldives)
Hill Stations	Coonoor (India), Coorg (India), Ooty (India), Srinagar (India), Theog (India), Darjeeling (India) and Thimpu (Bhutan)
Wildlife Sanctuaries	Bandhavgarh (India), Kanha (India), Panna (India), Pench (India), Chitwan National Park (Nepal), Gir Forest (India), Corbett (India), and Sawai Madhopur (India)
Major Cities	*Indian*: Bengaluru, Chennai, Mumbai, New Delhi, Hyderabad and Kolkata *International*: Cape Town (South Africa), Colombo (Sri Lanka), Dubai (UAE), London (England), New York (USA) and San Francisco (USA)
Tourist Destinations	*Indian*: Ajmer, Amritsar, Jaipur, Jodhpur, Kumarakom, Rishikesh, Varanasi, and Udaipur

Strong and Diversified Food and Beverage Capabilities

Over the years, we have created multiple brands within our food and beverage operations, many of which have been award winning restaurants. Along with our flagship hospitality brands, we have created a framework to maximise the potential of these brands by moving from being a branded house to a house of brands. Some of the restaurants operated by us include Bombay Brasserie, Golden Dragon, Thai Pavilion, Shamiana, Southern Spice and Machan. Our restaurants not only cater to guests, resident in our hotels, but also are very popular with our non-resident patrons. Our dining program, Epicure, which grant several dining privileges and benefits to members, is very well accepted among our customers. As of December 31, 2021, we operated approximately 400 restaurants in our hotels, offering a variety of cuisine, including ethnic Indian, Chinese, Pan Asian, Thai, Japanese, Mediterranean and Italian. Our food and beverage revenue contributed to a significant proportion of our total income during the financial year ended March 31, 2020.

We have also entered into exclusive partnerships with premium brands to create co-branded spaces within our hotels. In order to cater to the younger generation, we have recently launched Seven Rivers in partnership with Anheuser Busch InBev India Limited, to set-up an on-site chain of microbreweries at our hotels. The first such brewery was launched at Taj MG Road, Bengaluru. Additionally, we have entered into partnerships with celebrated and premium brands for creating co-branded lounges within The Chambers.

Our food and beverage capacity is complemented by our food delivery mobile application – Qmin, which enables customers to place food orders from our portfolio of restaurants and cloud kitchens. Under the "*Qmin*" brand, we also provide services to corporates to organise virtual celebrations across cities, launch festival menus and provide offline distribution channels such as

Qmin Shops and Qmin Food Trucks.

We believe that our restaurants and other food and beverage services have developed a strong brand image and gained customer loyalty due to high quality of food served by them and their ambience. Our food and beverage capabilities are backed by experienced, well-qualified and renowned chefs employed by us.

Well Developed Sales and Marketing Function

We have a well-trained sales and marketing team whose functions are divided into sales, marketing, revenue management, digital marketing and social media, public relations and customer relationship management. Due to well defined functions, our sales and marketing team provides impetus to our occupancy percentages. Our sales and marketing network also has an international presence, which provides us with the unique ability to cross-sell our domestic hotels to international travellers and vice-versa. We also have a comprehensive reservation network, which augment our marketing efforts. We have a worldwide reservation team, which is available 24x7 and is accessible through toll free numbers in various countries. Additionally, customers can also make reservations through reservation desks operated at each of our hotels, through global distribution systems for participating hotels, our website (www.tajhotels.com) and online travel portals. All of these modes of reservations are connected to a central reservation system which enables us to manage our global inventory of rooms in real-time. The strength of our sales and marketing infrastructure is also reflected by our customer loyalty programmes - Taj Inner Circle and Epicure, which we have introduced for our patrons.

Integration of Technology and Digitalisation

We have introduced digital technologies towards adopting a culture of innovation to provide improved services and optimise processes. Through increased digitalisation, we provide seamless, contactless and improved experiences to our customers. These technologies include "*I-ZEST*", a zero-touch service transformation and "*Qmin*", a food and beverage delivery mobile application. Through "*I-ZEST*", we provide a suite of digital solutions across our brands, focussing on the safety of our customers. This application enables us to provide offerings such as zero-touch check-ins and check-outs, mobile door keys, digital invoicing, online payment options and QR codes for digital menus in restaurants.

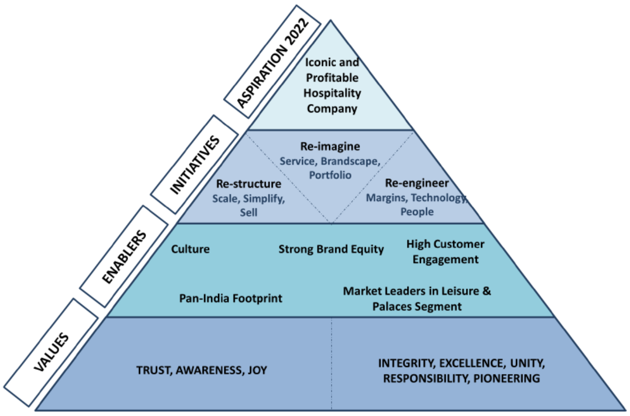
Experienced Management Team and Customer Centric Employees

Our operations are managed by a team of experienced and professional managers with significant experience in the hospitality industry. We believe that our management team has been able to identify opportunities which will, in conjunction with the management's operational expertise, continue to yield positive results for us. We believe that our human resource development programmes, which include e-learning initiatives and leadership and talent development programmes have fostered an enviable workforce. We have also employed various integrated mechanisms to receive and evaluate customer feedback and utilize that to nurture customer centric employees.

Our Business Strategy

Aspiration 2022

Our Board, in February 2018, set our aspiration to be '*The Most Iconic and Profitable Hospitality Company in South Asia*', through Aspiration 2022, by leveraging our strengths and competitive advantages to maintain our position as a market leader. Our aim was to pivot our Company towards a fresh direction of – accelerated aspirational growth, iconic status and a path to profit.



Aspiration 2022 was enabled by our strengths and built on a value system, including, "*Tajness*" - Trust, Awareness and Joy, which defines a common philosophy across all our hotels to ensure our customers are able to have the same experience across our hotels. Our strategy is focused on three key initiatives:

- *Re-structure Growth*: We sought to grow our portfolio by signing approximately 15 properties a year and develop a strong pipeline along with sustained property openings. Our objective is to pursue growth through an asset light model and move to an equal proportion of asset ownership and management properties within our portfolio.

- *Re-imagine Brandscape*: We sought to bring clarity in our brandscape by (i) establishing the supremacy of our brand "*Taj*", which caters to the luxury to upper upscale segment; (ii) clarify the positioning for "*Vivanta*", catering to the upscale segment, (iii) upgrade "*Ginger*" from an economy to lean luxe segment; and (iv) introduction of "*SeleQtions*", a named collection of niche hotels. We moved from being a branded house to a house of brands by reimagining our brandscape across accommodations, food and beverages and ancillary businesses.

- *Re-engineer Margins*: Our focus on margin expansion required improving our EBITDA margins contributed by revenue and cost initiatives. On the balance sheet, our attempt was towards simplification of holdings and monetisation of non-core assets and hotel assets. Towards this end, we may set up a strategic partnership with financial investors for the purposes of acquiring assets from the market with a 30% equity contribution from us. The platform permits monetisation of a couple of assets from our portfolio as well.

Up to March 2020, we made significant progress on the execution of Aspiration 2022. The table below provides our total income and profit after tax attributable to owners of the Company, after the implementation of Aspiration 2022, for the financial years ended March 31, 2018, 2019 and 2020:

(in ₹ crores)

Particulars	Financial Year ended March 31, 2018	Financial Year ended March 31, 2019	Financial Year ended March 31, 2020
Total income	4,165.28	4,595.38	4,595.56
Profit after tax for the year attributable to owners of the Company	100.87	286.82	354.42

COVID-19 and our response – R.E.S.E.T 2020

The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020. The spread of COVID-19 and the recent developments surrounding the global pandemic have disrupted global health and caused high fatalities worldwide. In the first couple of months, our revenue dropped substantially and the tourism industry was facing a near-zero revenue. For details of the risks related to our business due to COVID-19 pandemic, see "*Risk Factors - The extent to which the recent coronavirus (COVID-19) outbreak impacts our Company's business, cash flows, results of the operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted.*" on page 45.

In this context it was important for us to manage our business to survive the pandemic. The changing environment demanded that we change course with stability making strategic changes in an agile manner. We implemented 'R.E.S.E.T 2020' – Revenue growth, Excellence, Spend optimization, Effective asset management and Thrift and financial prudence.

R.E.S.E.T 2020	R.E.S.E.T 2020 Initiatives
Revenue Growth	We implemented several tactical initiatives to maximise opportunities of revenue while laying the foundations for future revenue streams. These included: (i) focusing on domestic tourism, especially at leisure resorts, shorter vacation getaways, staycations, bizcations, holidays within drivable distances, smaller social gatherings within norms; (ii) promotions like 4D – Dream.Drive.Discover.Delight and Urban Getaways targeted at driving-distance holidays and younger travelers amongst other campaigns; (iii) earning revenues from room occupancy due to quarantine, by medical professionals and our customers who conducted business continuity operations from our hotels; and (iv) launching our brand "*amã Stays & Trails*" to take advantage of the demand for exclusive and extended stays. We also explored alternate avenues of revenue by developing innovative and novel products and services. We launched products such as the *Qmin* and *Hospitality@Home*. Currently, Qmin caters to customers in 20 cities across India and the Qmin mobile application has been downloaded by over 4 lakh users until December 31, 2021. Under the "*Qmin*" brand, we have launched Qmin Shops (in and outside hotel) and a Qmin Food Truck in Mumbai, which we propose to expand to other locations as well. In the recent past, *TajSATS* launched a multi-cuisine offering of Indian, pan-Asian and comfort food "*anuka*", and their offerings can also be availed through home delivery through the Qmin mobile application. The network revenue of Qmin (i.e. all revenues from Qmin irrespective of the ownership) for the nine months ended December 31, 2021 was ₹ 57.69 crores. We also continued to sign new leases and management contracts and open new hotels during the financial year ended March 31, 2021. Our revenue initiatives enabled us to take advantage of the

R.E.S.E.T 2020	R.E.S.E.T 2020 Initiatives
	improving conditions.
Excellence	"*Tajness – A Commitment Restrengthened*", our hospitality service standard was implemented with the assurance of safety and hygiene for a new normal world. We implemented revised standard operating procedures (SOPs) that acted as a comprehensive guide covering all functional areas factoring social distancing, digital-first approach and heightened precautionary processes for guests and employees. We implemented new technology, I-ZEST - Zero-Touch Service Transformation, to provide a suite of digital solutions comprising of contactless check-ins and check-outs, digital invoicing, online payment options and QR code enabled digital menus in restaurants to ensure a seamless customer journey by minimizing contact. We also fulfilled our social responsibility by providing more than three million meals to the medical staff and hosted doctors at subsidized rates.
Spend optimization	Our Company has instituted a robust spend optimisation programme to reduce fixed costs and optimise resources. With variable costs standing reduced with lower business volumes, our Company's focus shifted to fixed costs. • Manpower rationalisation programmes were conducted with redeployments and developing new ways of working including, multi-skilling, cluster and shared service approaches. • Contracts for supplies of food ingredients, consumables, etc. were renegotiated and food and beverages offerings were pruned to essentials. • Contracts for services and reduced discretionary spends on repairs, selling, distribution, marketing and administration costs at hotels. During the financial year ended March 31, 2021, we reduced total expenses by 35.17% as compared to financial year ended March 31, 2020.
Effective Asset Management	Through effective management of assets, our Company aimed at restructuring its assets by continuing its strategy of monetizing non-core assets, selling and managing back hotel assets and re-negotiating lease terms for longer term benefits in addition to shorter term waiver or enforcement of '*force majeure'* clauses for relief on account of the pandemic. We continued to focus on simplifying our holding structure by acquiring residual stakes in the companies holding assets/or businesses, namely the site for the Sea Rock Hotel, Roots Corporation Limited and Taj Cape Town, South Africa.
Thrift and financial prudence	We optimized our corporate overheads across all cost heads including, restructuring and redeployment of select corporate office positions, reviewing contracts with professional consultants, marketing spends, renegotiating annual maintenance contracts, technology support agreements, leased-line costs, reducing support staff of inbound and outbound call centers and travel expenses. We deferred capital expenditure and prioritised renovations to essentials and strategic projects. We also increased our liquidity through fresh borrowings to refinance maturing debt and meeting operational cash requirements.

Strategic imperatives going forward

Aspiration 2022 has been the cornerstone of our strategy. While we resorted to R.E.S.E.T. 2020 to deal with the impact of the pandemic, several levers of our growth and profitability drivers were sharpened during this journey. As the travel improves and tourism begins to stabilise, we will turn our focus on the following:

- *Growing our portfolio*: We shall continue to sign new leases and management contracts and open hotels regularly to expand our presence in India. We shall incur capital expenditure selectively on priority projects such as continuing refurbishments and renovation at key hotels, construction of 371 keys Ginger at Santacruz, Mumbai, re-designing of the banquet hall at The Pierre, New York and similar strategic projects. Further, we will also pursue inorganic and organic growth strategies. For further details, see "*Use of Proceeds*" on page 70. At the meeting of our Board of Directors dated October 21, 2021, our Company proposed to purchase the shareholding from all entities holding shares in Roots Corporation Limited, including the shareholding of PIEM Hotels Limited at a consideration not exceeding ₹ 500 crores. Accordingly, our Company has acquired the shareholding of Piem Hotels Limited in Roots Corporation Limited and as at December 31, 2021, our Company directly owned 67.11% of the outstanding equity share capital of Roots Corporation Limited. The shares held by Omega TC Holdings Pte Limited (27.68% of the outstanding equity share capital), and Tata Capital Limited (2.44% of the outstanding equity share capital) is expected to be acquired by our Company before March 31, 2022. The shares held by Tata Investment Corporation Limited (2.78% of the outstanding equity share capital), is expected to be acquired by our Company before August 31, 2022. Additionally, to pursue our growth strategy we may set up strategic partnership with financial investors.

- *Brandscape*: We believe that our reimagined brandscape will be stabilised by strengthening further the new brands we developed such as "*Qmin", "amã Stays and Trails"* and *"anuka"* and reimagined brands such as "*Ginger", "TajSATS", "The Chambers"* and *"Jiva Spas"*. We expect these brands to complement our established brands, namely, "*Taj*", "*SeleQtions*" and "*Vivanta*" to provide a spectrum of offerings to our customers and asset owners.

- *Emerging and new businesses*: A re-imagined "*Ginger*" brand along with a lean luxe model and newly introduced food and beverage offerings holds out a strong growth potential as demand in the mid-scale segment increases. We propose to capitalise on this demand by expanding our presence in high-growth markets with leases and/or management contracts under the "*Ginger*" brand.

  We also propose to scale up businesses we developed with new revenue streams such as "*Qmin", "amã Stays and Trails"* and "*The Chambers"* and "*Seven Rivers"* brewpubs. These revenue streams will complement our mainstream revenue sources of accommodation and food and beverages.

- *Margin expansion*: On the revenue side, our focus is on building significant income streams through management fees by leveraging our brandscape, membership fees in The Chambers and the new revenue streams from "*Qmin", "amã Stays and Trails"*.

  We have continued to focus on keeping our fixed costs and overhead costs lower and our costs the nine months ended December 31, 2021 has been lower than the costs incurred for the nine months ended December 31, 2020. We have also continued to focus on manpower rationalisation with redeployment of our employees to new hotels and continued emphasis on reskilling our employees. We propose to continue this focus on optimising operating costs including fixed costs at our hotels. We believe that our rationalisation programmes, new ways of working, clusters and shared services will keep us lean while ensuring that customer service is improvised at the same time. We seek to retain corporate overheads at an optimal level by applying prudence in allocating resources, continuing redeployments, restructuring and exploring synergies.

  Our focus remains continually on restructuring our balance sheet by managing assets, monetising non-core assets and maintaining debt at manageable levels similar to the year immediately preceding the pandemic. We remain ROCE focused with two imperatives, being, monetisation to reduce our legacy balance sheet and future growth through an asset-light model.

Our Business Operations

Operating Structure

We undertake our business through: (i) direct ownership of hotel properties, (ii) lease arrangements, (iii) licensing arrangements, (iv) operating and management contracts and (v) franchising agreements.

- **Direct ownership of Hotel Properties:** The hotels which are operated by us under the ownership model are located on freehold land owned by us. The land is either owned directly by our Company or by our Company's subsidiaries or jointly controlled entities. For such hotels the title to the buildings, and equipment and furniture or fixtures vests in us.

- **Lease arrangements:** Some of our hotels are located on land which has been leased to us by governmental authorities or private parties. The term of such leases typically varies from 30 years to 99 years, which is typically renewable upon expiry for another term of equivalent period, subject to mutual agreement on the terms and conditions between us and the lessor. We own the building, and furniture or fixtures and are required to pay a specified lease rental for the duration of the lease deed.

- **Licensing arrangements**: We have also entered into licensing agreements to occupy and use buildings on a long-term basis for operating our hotels. Such agreements have been entered into with various parties, including governmental or quasi-governmental authorities and are subject to payment of annual license fee, which may be subject to escalation after periodic intervals. Typically, we provide services in relation to planning, designing, construction and equipment of the hotel under these agreements and ownership of such hotels vests in the licensors at all times. While we retain control over the management and operations of such hotels and are entitled to carry on the operation of the hotels in the manner that we deem fit, we may require consent of the owners for significant alterations to the physical structures of the hotels. All costs and expenses related to the operation of the hotels are borne by us and the property is required to be returned to the licensor in good condition upon expiry of the license period, which ranges from 30 to 99 years. However, we are entitled to take away all movable items if the licensor does not purchase them at a fair market value. Some of the license agreements provide for the first right of refusal in our favour if the licensor proposes to sell the hotel property.

- **Operating and management contracts**: Some of the hotels and bungalows are operated and managed by us through operating and management contracts. In such cases, apart from operating and managing the hotels and bungalows, we also provide advice regarding project and design related services at the construction stage through a separate technical services agreement. Operating and management contracts provide us with the absolute and sole discretion in the supervision of the operation of the hotel. Under these arrangements, we are entitled to basic management fee which is a fixed percentage of the gross income of the hotel and an incentive fee linked to the gross operating profit of the hotel. We may also receive marketing fee and project management fee under some of the operating and management contracts. The term of the operating and management agreements typically ranges from 10 to 30 years, but the parties are also entitled to an early termination, subject to a minimum lock-in period. Upon expiry of the initial term, these agreements are also typically renewable for the period of the initial term, subject to mutual agreement of terms and conditions between us and the owner.

- **Franchising agreements**: We also enter into franchising agreements with individual hotel owning companies ("**Individual Companies**") by offering special expertise relevant for planning, realisation, organisation, operation, franchising and marketing of certain hotels by such Individual Companies. The individual hotels are thereafter included in the bouquet of hotels which our Company operates under one of its brands. However, the use of our Company's brand has been provided on a non-exclusive and non-transferable basis for operation of hotels by the Individual Companies.

Our brand portfolio

We are a house of brands and some of the key brands under which our hotels and stays operate include:

- *"Taj"* is our flagship brand used by our palace hotels, landmark hotels, resorts and safaris and leisure destinations across the globe. "*Taj"* was recently awarded the World's Strongest Hotel Brand 2021 by Brand Finance, a reputed brand consultancy firm in their latest report. As of January 31, 2022, under the "*Taj*" brand we have a portfolio of 89 hotels, of which 74 hotels are in operation and 15 hotels are in the pipeline.

- *"SeleQtions"* is the brand under which we include a collection of our marquee hotels in, and around, key cities across India. It caters to travellers seeking varied stay experiences that are distinct and tell a unique story. As of January 31, 2022, under the "*SeleQtions*" brand we had a portfolio of 24 hotels, of which 18 hotels are in operation and 6 hotels are in the pipeline.

- *"Vivanta"* is the brand under which hotels in business and leisure centres across India and South East Asia. As of January 31, 2022, under the "*Vivanta*" brand we had a portfolio of 35 hotels, of which 24 hotels are in operation and 11 hotels are in the pipeline.

- *"Ginger"* is the brand for budget travelers with hotels in approximately 50 cities in India, which is operated through our Subsidiary, Roots Corporation Limited. As of January 31, 2022, under the "*Ginger*" brand we had a portfolio of 84 hotels, of which 55 hotels are in operation and 29 hotels are in the pipeline. We believe, this is in a position to harness the opportunities offered by a new normal. In spite of the pandemic, Ginger exhibited enhanced performance in ARR in comparison to pre-pandemic levels. Roots Corporation Limited achieved positive EBITDA in the nine months ended December 31, 2021.

- "*amã Stays & Trails*" is our homestay brand for exclusive and longer duration stays in unexplored destinations. As of January 31, 2022, under the "*amã Stays & Trails*" brand we had a portfolio of 72 bungalows, of which 41 bungalows are in operation and 31 bungalows are in the pipeline.

Air Catering Business

We undertake the business of catering to airlines under the brand "*TajSATS*" through our subsidiary, Taj SATS Air Catering Limited. Our flight kitchens are located at Bengaluru, Chennai, Delhi, Goa, Kolkata and Mumbai and is one of the market leaders in this business. Apart from airline catering, these kitchens also provides institutional catering and outdoor catering. In the recent past, *TajSATS* launched a multi-cuisine offering of Indian, pan-Asian and comfort food "*anuka*", and their offerings can also be availed through home delivery through the Qmin mobile application. This enables us to reach city locations which cannot be catered to by our hotels. Our Company also launched "*asa*" under Taj SATS, an exquisite collection of premium, handcrafted chocolates.

Pricing

Our pricing policy is based on anticipated demand and other factors such as market conditions, inflation, competition and the global economy. In addition to rack rates, we also offer discounted public rates, corporate negotiated rates and travel trade rates to individuals, domestic and international corporations, and tour operators and travel agents, respectively. Our contracted rates are negotiated on an annual basis and could be seasonal for leisure business. We also have discounted public rates, which include variable packages and rates and seasonal discounts.

We also utilise revenue management software to assist us in determining pricing at different hotels at different times.

We also extend credit to corporations, tour operators, travel agents, conference organisers and individuals based on their profiles and records of payment.

Sales and Marketing

Our sales and marketing functions are classified into three broad categories viz. (i) sales, (ii) marketing, and (iii) customer relationship management ("**CRM**"). Through our sales and marketing initiatives, we seek to achieve promotion of our brands, integration of newly acquired hotels and increase in RevPAR by increasing average room rate and occupancy levels. We also endeavour to enhance customer engagement through relationship groups and effective utilisation of CRM tools.

Sales

Our sales teams cater to top customer accounts with a dedicated relationship team serving as a single point of contact with our key customers. Our hotels are located in metropolitan cities and tier two cities in India with local sales support.

Internationally, we have established sales offices in various geographies including New York, Los Angeles, San Francisco, London, Dubai and Singapore and appointed public relation agencies in various countries such as the United States of America, the United Kingdom, France, Germany and Italy, to develop business for all our hotels.

Marketing

Our corporate marketing department is primarily responsible for advertising and promotion of our hotels in India and overseas, publication of promotional magazines and strategic publicity. The marketing department is responsible for creating and releasing advertisements in print and electronic media, for advertising visuals of various products and services at our hotels and for the production of hotel brochures, directories and other communication materials. Our corporate marketing department provides support to launch of new hotels through media planning, marketing campaigns and promotions across national in-flight magazines, press, hoardings and radio.

We also engage in various marketing initiatives. For example, we have undertaken strategic initiatives during the pandemic to encourage travellers to take short vacations through 4D: Dream, Drive, Discover, Delight drivecations, Urban Getaways for staycations, Bizcations that offer attractive workcation experiences and INNERgise, that offers holistic wellness experiences. We also opened our hotels to medical professionals and nurses to reduce commuting time. We continue to focus on marketing of our resort destinations for domestic travellers through our Taj Holidays platform.

Our loyalty programmes consist of Taj Inner Circle and Epicure, with Taj Inner Circle being a popular frequent guest programme. The programme entitles members to various redemption benefits for points accumulated by their stay and meals at our hotels in India and abroad. We also relaunched Epicure, our exclusive lifestyle membership programme with new features including a range of discounts at our iconic hotels, award-winning restaurants and doorstep delivery of food though Qmin. We also manage strategic marketing alliances with various partners. These alliances provide opportunities to communicate special offers and exclusive gift cards to members.

Development

Business Development Function

Our teams in business development scan the market identifying opportunities for management contracts, engage with developers and hotel asset owners, work out potential earning capacity of hotel assets and assess brand positioning and project viability with hotel asset owners in order to enter into management contracts or franchise agreements. Our business development function helps us maintain a healthy pipeline of room inventory.

Other Specialised Functions

We specialise in providing a range of services from design development to opening assistance, thus supporting hotel asset owners at every stage of the project. These services relate to guidance and reviews of conceptual, preliminary and final designs and plans for hotel facilities including safety, fire protection and engineering design assistance; kitchen, bar, laundry and valet equipment assistance; integration of management information systems; co-ordinating and planning food and beverage concepts; development of Spa concepts; obtaining a hand-over of the project on completion. Development assistance is also provided to ensure that the hotel is launched successfully covering activities such as preparation of a detailed pre-opening budget, setting up of various systems that include recruitment, training, marketing, advertising and promotion activities.

Awards

Our hotels have been awarded several significant hospitality industry awards in India and internationally, including:

Entity/ Hotel	Award
The Company	• Ranked as World's Strongest Hotel Brand 2021 by Brand Finance • Ranked as the Number #1 Hospitality Hotel Brand in India 2021 by Brand Finance

Entity/ Hotel	Award
	• Ranked Number #2 on the list of India's Strongest Brands 2021 across all sectors by Brand Finance • Ranked Number #1 on the list of India's Strongest Brands 2020 among all sectors by Brand Finance • India's Best Boards Awards under the Mid-Cap Company category by Amrop India-The Economic Times 2021
The Taj Mahal Palace, Mumbai	(i) Accorded the highest guest satisfaction score by TrustYou 2019-2020; (ii) Travel + Leisure Top 500 Hotels in The World 2021; (iii) Top15 Hotels In India: Readers' Choice Awards 2020 by the Condé Nast Traveler; (iv) One of the Favourite Business Hotels by Conde Nast Traveller Readers' Travel Awards 2020; (v) Hotel with the Best Service in India by the Conde Nast Traveler Readers' Travel Awards 2020; Awarded Best Iconic Asset at Worldwide Hospitality Awards 2021
Umaid Bhawan Palace, Jodhpur	Favourite Heritage Hotel in India by the Conde Nast Traveller Readers' Travel Awards 2020
Taj Lake Palace, Udaipur	(i) Travel + Leisure Top 500 Hotels in The World 2021; (ii) Top Hotels in India by the 33rd Global Condé Nast Traveler Readers' Choice Awards 2020; (iii) Top 15 Resort Hotels in Asia by Travel + Leisure US the World's Best Hotel Awards 2020;
Rambagh Palace, Jaipur	(i) Ranked 15th in the list of 'Best Hotels in the World' by 33rd Global Condé Nast Traveler Readers' Choice Awards 2020; (ii) 'Ranked 1st in the list of Top 15 Hotels in India by 33rd Global Condé Nast Traveler Readers' Choice Awards 2020; (iii) The Top 100 Hotels in the World by Travel + Leisure US the World's Best Hotel Awards 2020; (iv) Top 15 Resort Hotels in Asia by Travel + Leisure US the World's Best Hotel Awards 2020; (v) One of the Favourite Destination Wedding Hotels in India by Conde Nast Traveller Readers' Travel Awards 2020
Taj Exotica Resort & Spa, Goa	(i) Best Resorts in the World by the 33rd Global Condé Nast Traveler Readers' Choice Awards 2020; (ii) One of Favourite Spa's in an Indian Hotel by Conde Nast Traveler Readers' Travel Awards 2020
The Pierre, A Taj Hotel, New York	(i) The Top 15 Hotels in New York City by Travel + Leisure US the World's Best Hotel Awards 2020; (ii) Top Hotels in New York City by 33rd Global Condé Nast Traveler Readers' Choice Awards2020
Taj Exotica Resorts & Spa, Maldives	Top 30 Resorts in the Indian Ocean by the 33rd Global Condé Nast Traveler Readers' Choice Awards 2020 and (ii) Favourite Overseas Leisure Hotel by Conde Nast Traveler Readers' Travel Awards 2020
Taj Coral Reef Resort & Spa, Maldives	Top 30 Resorts in the Indian Ocean by the 33rd Global Condé Nast Traveler Readers' Choice Awards 2020
Taj Jumeirah Lakes Towers, Dubai	'Favourite New Hotel' in the Middle East and North Africa by Condé Nast Traveler Middle East Readers' Choice Awards 2020
Taj Rishikesh Resort & Spa, Uttarakhand	Condé Nast Traveler Hot List by Condé Nast Traveler Hot List 2020
Quilon, 51 Buckingham Gate Suites and Residences, London	Quilon retained its Michelin Star for the 14th successive year
Qmin - IHCL's food delivery platform	Best Team Achievement Award at Worldwide Hospitality Awards 2021
IHCL Goa Team	Best Team Achievement Award at Worldwide Hospitality Awards 2021
INNERgise by Jiva	Best Wellness Experience award at Worldwide Hospitality Awards 2021
Thai Pavillion at President, Mumbai – IHCL SeleQtions and Taj City Centre, Gurugram	Certificate Of Authenticity by the Thai Consulate

Competition

Our hotels operate in a highly competitive environment. Competition is primarily based on room rates, quality of accommodations, service level, location and quality of amenities. In addition to the presence of national brands, a number of international brands have also increased their presence in the Indian market in recent years.

Whilst some of these hotels may have certain competitive advantages over us due to greater brand awareness, global spread of operations and distribution networks, we believe our hotels have a better ability to leverage their location and quality of services. We also believe that our familiarity with the complex governmental approval process associated with development of new hotels in India gives us a competitive advantage over new entrants in the Indian market.

Intellectual Property

We believe that trademarks and service marks are important assets to our business. As of December 31, 2021, we have filed applications or obtained registrations of approximately 186 trademark and 258 service marks for our brands, including 'Taj', ‘Tajness’ ‘Taj Mahal Palace & Tower Mumbai’ ‘Taj Lands End Mumbai’, ‘Qmin’, ‘Souk’, ‘Wasabi’ and ‘Vivanta by Taj’ ‘Epicure’ ‘Gateway Hotel” and the image registration of the ‘The Taj Mahal Palace and Tower Wing Exterior” ‘Main Dome of Taj Mahal Palace” and “Taj Mahal Palace (image)” under several classes including hotel related services of the Trade Marks Act, 1999.

Employees

Certain categories of our employees are represented by trade unions. However, we maintain cordial relationship with our employees. During the financial years 2019, 2020 and 2021 and the nine months ended December 31, 2021, none of our hotels faced strikes or other industrial disputes. We provide our employees with various benefits, which include medical reimbursements and loans commensurate with an employee’s designation.

Training

We promote e-learning and distance learning for our managers through our partnerships with leading learning content providers. We also have a multi-tiered Leadership Development programmes for certain category of our employees.

Corporate Social Responsibility

Corporate social responsibility is an important component of our philosophy. We believe that the benefits that we derive from operating in geographically and culturally diverse locations should also benefit the local communities. To achieve this, we partner with both the local communities and national level governmental initiatives for development of underprivileged communities through, amongst others, skill training for trades involved in hotel operations.

We also partner with small scale entrepreneurs, women’s self-help groups non-governmental organizations to source select goods and services, such as fresh food materials, housekeeping related consumables, candles, gift items for guests, dry snacks, and pickles.

Environment, Social and Governance Initiatives

We believe that the tourism industry can play a significant role in preserving the environment. We have assumed ambitious commitments with regard to effective waste management, and optimal utilisation of water, energy and other resources. We have integrated environmental considerations in our day-to-day operations to preserve the planet and we believe we are making steady progress towards our goals. For the financial year ended 2020 to 2021, we have 78 EarthCheck certified hotels in our portfolio.

We have been working towards the upliftment of communities since we opened the doors to our first hotel. We are committed to build capabilities and further the livelihoods of our underprivileged communities. We engage with all our stakeholders in a responsible manner to develop mutually beneficial, long-lasting relationships with them.

The tenets of inclusiveness, transparency, ethics and diligence are integral to our corporate governance practices. Our experienced and diverse Board is the custodian of corporate governance and helps ensure business sustainability, compliance with stakeholder expectations and creation of economic and social value.

Information Technology

To comply with the new normal, our hotels are directing their focus towards digitalisation. Contactless service is the norm and apps, in particular, are playing a crucial role in the way hotels offer their services. We have overhauled otherwise traditionally customer-facing services by a widespread use of technology-assisted options such as mobile check-in, contactless payments, voice control and biometrics. We have also extensively minimised touchpoints, which we continue to aim towards. We have also turned to mobile apps and QR codes for menus at our restaurants to reduce the spread of potentially harmful germs. Online check-ins and check-outs, mobile keys and room settings controlled by Internet of Things (IoT) through the launch of I-ZEST, a suite of digital solutions across our hotels under the brand Taj, Vivanta and SeleQtions. We have introduced a contactless attendance system with facial recognition and thermal sensor in our hotels for the safety of our employees and guests.

ORGANISATIONAL STRUCTURE

Our Company was incorporated as 'The Indian Hotels Company Limited' on April 1, 1902 in the Republic of India under the India Companies Act, 1882, as a public limited company. The CIN of our Company is L74999MH1902PLC000183 and the Registered Office is situated at Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra, India .

The organisational structure of our Company and its Subsidiaries are as follows:

As of the date of this Preliminary Placement Document, we have 29 Subsidiaries, six Joint Ventures and seven Associates:

S.No	Subsidiary Companies
	Domestic
1	Roots Corporation Limited
2	Piem Hotels Limited
3	KTC Hotels Limited
4	United Hotels Limited
5	Benares Hotels Limited
6	ELEL Hotels and Investments Limited
7	Skydeck Properties and Developers Private Limited
8	Sheena Investments Private Limited
9	Luthria & Lalchandani Hotel & Properties Pvt. Ltd.
10	Taj Trade and Transport Company Limited
11	Inditravel Limited
12	Northern India Hotels Limited
13	Taj Enterprises Limited
14	Ideal Ice Limited *(Previously known as Ideal Ice and Cold Storage Limited)*
15	Taj Sats Air Catering Limited
16	Genness Hospitality Private Limited
17	Qurio Hospitality Private Limited
	International
18	BAHC 5 Pte Limited, Singapore
19	IHOCO BV, Netherlands
20	United Overseas Holdings Inc, United States of America(including its wholly owned LLCs) as below:
a)	IHMS (SA) LLC
b)	IHMS (USA) LLC
c)	IHMS (SF) LLC
21	St. James Court Hotels Limited, United Kingdom
22	Taj International Hotels Limited,United Kingdom
23	Taj International Hotels (H.K) Limited, Hong Kong
24	PIEM International Hotels (H.K) Limited, Hong Kong
25	IHMS Hotels (SA) (Proprietary) Limited, South Africa
26	Goodhope Palace Hotels (Proprietary) Limited, South Africa

S.No	Associates
	Domestic
1	Oriental Hotels Limited.
2	Taj Madurai Limited
3	Taida Trading & Industries Ltd.
4	Zarrenstar Hospitality Private Limited
	International
5	Lanka Island Resort Ltd., Sri Lanka
6	TAL Lanka Hotels PLC., Sri Lanka
7	BJETS Pte Ltd., Singapore

S.No	Joint Ventures
	Domestic
1	Taj Karnataka Hotels & Resorts Ltd.
2	Taj Kerala Hotels & Resorts Ltd.
3	Taj GVK Hotels & Resorts Ltd.
4	Taj Safaris Ltd.
5	Kaveri Retreats and Resorts Ltd.
	International
6	TAL Hotels & Resorts Ltd., Hong Kong

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

As per the Articles of Association of our Company, the number of Directors in the Company shall be not less than four and not more than 18. As of the date of this Preliminary Placement Document, the Company has eight Directors, of which seven are Non-Executive Directors and four are Independent Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, amongst others, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table provides information about our Directors as of the date of this Preliminary Placement Document:

Name, Address, Occupation, Nationality Term and DIN	Age (in years)	Designation
N. Chandrasekaran ***Term**:* Liable to retire by rotation ***Period of Directorship***: Since January 27, 2017 ***DIN**:* 00121863 ***Occupation**:* Company Director ***Address***: Floor 21 & 22, 23 South Condominium, Peddar Road, Opposite Sterling Apartments, Mumbai 400 026 ***Date of Birth***: June 2, 1963	58	Chairman* and Non-Executive Director
Nasser Munjee ***Term**:* Five years with effect from August 5, 2019 ***Period of Directorship***: Since August 5, 2019 ***DIN**:* 00010180 ***Occupation**:* Consultant ***Address***: Benedict Villa, House No. 471, Saudevado, Chorao Island, Tiswadi, Goa 403 102 ***Date of Birth***: November 18, 1952	69	Independent Director
Hema Ravichandar ***Term**:* Five years with effect from August 5, 2019 ***Period of Directorship***: Since August 5, 2019 ***DIN**:* 00032929 ***Occupation**:* HR Strategic Advisor ***Address***: 17, Moyenville Road, Langford Town, Bangalore 560 025 ***Date of Birth***: May 14, 1961	60	Independent Director
Venkataramanan Anantharaman ***Term**:* Five years with effect from August 5, 2019 ***Period of Directorship***: Since August 5, 2019 ***DIN**:* 01223191 ***Occupation**:* Advisor ***Address***: B2101, Lodha Bellissimo, N M Joshi Marg, Mahalaxmi, Mumbai 400 011	57	Independent Director

Name, Address, Occupation, Nationality Term and DIN	Age (in years)	Designation
Date of Birth: May 1, 1964		
Anupam Narayan ***Term:*** Five years from August 23, 2021 ***Period of Directorship***: Since August 23, 2021 ***DIN:*** 05224075 ***Occupation:*** Advisor ***Address***: 1404, S. Mary Failing Drive, Portland, 97219 NA, United States of America ***Date of Birth***: December 17, 1953	68	Additional Independent Director[#]
Venu Srinivasan ***Term:*** Liable to retire by rotation ***Period of Directorship***: Since August 10, 2018 ***DIN:*** 00051523 ***Occupation:*** Industrialist ***Address***: West Side House, No. 3, Adyar Club Gate Road, Chennai 600 028 ***Date of Birth***: December 11, 1952	69	Non-Executive Director
Mehernosh Kapadia ***Term:*** Liable to retire by rotation ***Period of Directorship***: Since August 10, 2018 ***DIN:*** 00050530 ***Occupation:*** Director ***Address***: 29, Wood House Apartment, 1st Floor, Woodhouse Road, Colaba, Mumbai 400 001 ***Date of Birth***: May 22, 1953	68	Non-Executive Director
Puneet Chhatwal ***Term:*** Five years from November 6, 2017 ***Period of Directorship***: Since November 6, 2017 ***DIN:*** 07624616 ***Occupation:*** Service ***Address***: Urmi Aangan, Flat No. 501, Next to Jaslok Hospital, Peddar Road, Mumbai 400 026 ***Date of Birth***: April 16, 1964	57	Managing Director and Chief Executive Officer

**N. Chandrasekaran's appointment as Chairman of the Board of the Company shall be co-terminus with his appointment as the Chairman of Tata Sons Private Limited, unless decided otherwise by our Board of Directors.*
[#]Appointment is subject to regularisation at the ensuing AGM.

Biographies of our Directors

N. Chandrasekaran is the Chairman on the board of Tata Sons Limited, and promoter of all Tata Group companies. The Tata Group companies, across 10 business verticals, have aggregate annual revenues over US $110 billion. He was appointed as a Director on its board on October 25, 2016 and was appointed as the Chairman in 2017. He also chairs the Boards of several group operating companies, including Tata Steel, Tata Motors, Tata Power, and Tata Consultancy Services (TCS) – of which he was Chief the Executive Officer from 2009-2017. He was appointed as a Director on the board of India's central bank, the Reserve Bank of India in 2016. He is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management, Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is also the Co-Chair of India US CEO Forum. He is on the Board of Governors of New York Academy of Sciences. He has been awarded with several honorary doctorates by leading universities in India and internationally including an honorary Doctor of Letters from Macquarie University, Australia, honorary Doctor of Science by the Aligarh Muslim University, Doctor of Letters from the Regional

Engineering College, Trichy, Tamil Nadu, where he completed a master's degree in Computer Applications before joining TCS in 1987. He is also the author of "Bridgital Nation".

Nasser Munjee is an Independent Director of the Company. He holds a master's degree in economics from the London School of Economics. He earlier held various positions, including executive director, at HDFC. He was the managing director of IDFC. He was, until recently, the Part time Non-Executive Chairman of DCB Bank. He has served on the Boards of nearly thirty private and public sector companies. Currently he is on the boards of various multinational companies and Trusts in India. He was a technical advisor to the World Bank's Public Private Partnership Infrastructure and Advisory Fund. He was adjudged best Independent Director by the Asian Centre for Corporate Governance and Sustainability. He was also awarded the Indian Business Leader of the year 2014 by Horasis in Switzerland.

Hema Ravichandar is an Independent Director of the Company. She is a Strategic HR Advisor with over 30 years of industry experience. She currently advises several Indian and multinational corporations and is on the board of several companies. She was the Senior Vice-President and Head HRD for Infosys Technologies Limited until 2005. She holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and her expertise includes, human resources development – managing scale, risk, diversity, execution and sustainability, corporate governance, change management, succession planning, diversity and inclusion, anti-sexual harassment initiatives and immigration scenarios. She has several years of experience in executive coaching, mentoring and leadership development and has worked extensively with both business and functional leaders, CEOs and Board Members She has won several awards and accolades, in the past, including "HR Professional of the Year" awards, and has also ranked amongst the "25 Most Powerful Women in Indian Business", " India's Hottest Young Executives of the Year" and "Most Powerful Women in India". She was also conferred with the award in the HR Professional category by the National HRD Network. She has held positions in industry bodies, including on the National Executive Board of NHRDN. She has also served on several award juries.

Venkataramanan Anantharaman is an Independent Director of the Company. He has over 30 years of experience in the financial services sector, having led corporate and investment banking teams at Standard Chartered Bank, Credit Suisse, Deutsche Bank and Bank of America, amongst others. He holds a bachelor's degree in metallurgical engineering from Jadavpur University and a post graduate diploma in management from XLRI, Jamshedpur. He has also completed an advanced professional diploma for the Financial Times Non-Executive Director Programme. He was a Senior Advisor, Funds and Capital Partnership, Mumbai to CDC India Advisers Private Limited. He brings strong board-level advisory experience across mergers & acquisitions, capital markets and risk management. He also serves on the boards of Axis Asset Management Company and Ecom Express Pvt. Ltd. and is a Board Mentor with Critical Eye, a UK-based peer-to-peer board community.

Anupam Narayan is an Additional Independent Director of the Company. He is a strategic business advisor with 40 years of domestic and international experience in private and publicly listed companies in North America and India. He has held leadership and board positions in various hospitality groups and related companies including Best Western International, Red Lion Hotels Corp., Swiss International Hotels and a Kohlberg, Kravis & Roberts (KKR) company. He brings extensive executive experience in strategic growth, finance, branding, marketing and distribution, capital markets, debt financing, IPOs, mergers and acquisitions and real estate development. He has advised clients in Peru, China, Europe and North America and was invited to join a Trade Mission to China and Vietnam led by the Governor, Washington State, USA. He has been a speaker at industry and investment conferences worldwide and currently serves on a number of Boards. He holds a bachelor's degree in metallurgical engineering from the Indian Institute of Technology (IIT), Kanpur, India and a master's degree in business administration from the University of Florida, USA.

Venu Srinivasan is a Non-Executive Director of the Company. He is currently the Chairman and Managing Director of Sundaram-Clayton Limited and TVS Motor Company. He also serves on the boards of Tata Sons and TVS. He has held various positions in industry associations, such as Chairman, National Safety Council, Government of India; President, CII in 2009-2010, and President, SIAM in 1999-2001. He is also Vice Chairman/Trustee at various Tata Trusts. He has an engineering degree from the College of Engineering, Chennai and a master's degree in management from Purdue University, US. He was conferred a 'Doctor of Management' by Purdue University in 2014. In recognition of his contribution to manufacturing, R&D, technology and quality excellence, he was conferred with 'Doctor of Science' by the University of Warwick, UK in the year 2004 and by The Indian Institute of Technology, Kharagpur, in the year 2009. He was bestowed with the Ishikawa-Kano award in the year 2012 by the Asian Network of Quality. For his contribution to Leadership and Management, he was conferred with JRD Tata Corporate Leadership Award by the All India Management Association in the year 2005, and the Jamsetji Tata Lifetime Achievement award by the Indian Society for Quality in the year 2004.

Mehernosh S. Kapadia is a Non- Executive Director of the Company. He has been associated with IHCL and various other companies of Tata group for over four decades. During his tenure at the Tata group, he has undertaken multiple leadership roles liaising with Central and State Governments as well as statutory authorities. He is the Chairman of Taj Air Limited and Vice Chairman of TajSATS Air Catering Limited. Being a board member on several other companies of the Tata group, he continues to work closely with senior leadership.

Puneet Chhatwal is the Managing Director and Chief Executive Officer of the Company. He was appointed on the Board on November 6, 2017. He is a global professional with over three decades of leadership experience at highly acclaimed hotel groups in Europe and North America. Prior to joining the Company, he was the Chief Executive Officer and Member of the Executive Board of Steigenberger Hotels AG – Deutsche Hospitality. He was also the Chief Development Officer of The Rezidor Hotel Group.

He holds a bachelor's degree in arts from the University of Delhi and a diploma in Hotel Management, Catering & Nutrition from the Institute of Hotel Management Catering and Nutrition, Pusa, New Delhi. He holds a master's degree in business administration in hospitality management from ESSEC Business School, Paris and an advanced management program from INSEAD, France. Additionally, he has also completed a graduation course in hotel administration from Institut De Management Hotelier International (Cornel – Essec). He has won several awards and accolades, including the prestigious Carlson fellowship in 2011 and was recognised amongst Europe's 20 extraordinary minds in Sales, Marketing and Technology - HSMAI European Awards, 2014. He was also inducted in the ESSEC-IMHI Hall of Honor 2014.

Relationship with other Directors

None of the Directors are related to each other.

Borrowing Powers of our Board of Directors

Our Company has resolved by way of its resolution dated May 30, 2014 and our shareholders have approved by way of a special resolution dated August 27, 2014, that our Board of Directors is authorized to borrow monies to the extent that the maximum amount of monies so borrowed and outstanding shall not exceed ₹ 5,000 crore, at any time. Our borrowing limits may be changed from time to time, subject to approval of the Board and our Shareholders.

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of (i) fees payable to them for attending meetings of the Board or a committee thereof (except the Managing Director); (ii) commission or remuneration (in case of no profits or inadequacy of profits) payable to them; and (iii) reimbursement of expenses payable to them. In addition, our Chairman received only sitting fees and no other remuneration.

As part of their investment portfolio, certain of our Directors and Key Management Personnel may from time to time hold direct or beneficial interests in securities of our Company or other companies, with which our Company has engaged or may engage in transactions, including those in the ordinary course of business. Our Company does not believe that the holdings in such other companies create a conflict of interest because transactions typically engaged between the issuers of such securities and our Company are not likely to have a material effect on the prices of such securities.

All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms and trust, in which they are interested as directors, members, partners or trustees.

Furthermore, our Directors have not taken any loans from our Company.

Shareholding of our Directors

The shareholding of our Directors the date of this Preliminary Placement Document, is set forth below:

S. No.	Name of the Director	Shareholding in our Company	Percentage of Shareholding in our Company (%)
1.	N. Chandrasekaran	1,11,111	Negligible
2.	Puneet Chhatwal	0.00	0.00
3.	Nasser Munjee	0.00	0.00
4.	Hema Ravichandar	0.00	0.00
5.	Venkataramanan Anantharaman	0.00	0.00
6.	Venu Srinivasan	0.00	0.00
7.	Mehernosh Kapadia	70,532*	Negligible
8.	Anupam Narayan	0.00	0.00

** Jointly held with his wife, i.e. Villoo Mehernosh Kapadia.*

Terms of appointment of our Executive Director

Our Shareholders, pursuant to a resolution passed at the 117th AGM held on July 19, 2018, approved the appointment of Puneet Chhatwal as the Managing Director and Chief Executive Officer of the Company for a period of five years commencing with effect from November 6, 2017 up to November 5, 2022.

The terms of appointment of the Managing Director and Chief Executive Officer are as follows:

Particulars	Description
Basic Salary	Current basic salary of ₹13.50 lakhs per month; upto a maximum of ₹22 lakhs per month. The annual increments will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee and will be performance-based and take into account the Company’s performance as well, within the said maximum amount.
Benefits, perquisites and allowances	Details of benefits, perquisites and allowances are as follows: a) Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation. b) Special allowance at 85% of basic salary per annum. c) Hospitalisation, transport, telecommunication and other facilities. • Hospitalisation and major medical expenses incurred for self and family • Car with driver provided, maintained by the Company for official and personal use as per rules of the Company • Telecommunication facilities including broadband, internet and mobile as per rules of the Company • Housing loan as per the rules of the Company d) Other perquisites and allowances given below subject to a maximum of 55% of basic salary per annum. This includes: • Medical allowance - 8.33% • Leave Travel Concession/Allowance - 8.33% • Other Allowances - 33.34% • Personal Accident Insurance @ actuals, as applicable for the Members of the Executive Committee Level of the Company & Annual club membership/joining fees for one club, both subject to a cap of 5%. e) Contribution to provident fund, superannuation fund or annuity fund and gratuity as per the rules of the Company. In case of no contribution to the superannuation fund, the same would be payable as an allowance as per the Rules of the Company. f) Transfer and relocation expenses as per the terms of agreement entered into between the Company and Puneet Chhatwal.
Commission	In addition to the salary, benefits, perquisites and allowances, Puneet Chhatwal would be paid such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular Financial Year, as may be determined by the Board, subject to overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the Managing Director and Chief Executive Officer will be based on his performance as evaluated by the Board or the Nomination and Remuneration Committee and approved by the Board and will be payable annually after the annual accounts have been approved by the Board and Members. Puneet Chhatwal’s commission amount is linked to his cost to Company. His commission will be equal to total of basic salary + allowances.
Incentive Remuneration	Such incentive remuneration not exceeding 200% of salary to be paid annually at the discretion of the Board, based on certain performance criteria and such other parameters as may be considered appropriate from time to time. Incentive Remuneration would be payable only when the Company cannot pay commission.
Additional Performance Bonus	To be paid at the end of 2, 4 and 5 years based on measurable improvement criteria set out by the Board as detailed in the Agreement entered into between the Company and Puneet Chhatwal summarised as below: **Plan Period:** Five years a. First payout at the end of FY 2019-20 which shall include the prorated payout for the period worked in 2017-18. b. Second payout at the end of FY 2021-22. c. Final Payout at the end of FY 2022-23. **Plan:** The plan is linked to a. EBITDA growth Year on Year, b. The strategic plan targets – ‘Aspiration 2022’. • Turnover (₹ crores), • PAT (₹ crores) and • Return on Equity (%) EBITDA growth has a weightage of 40% and ‘Aspiration 2022’ targets have the remaining 60% weightage, with equal weightage to Turnover, PAT and Return on Equity. However, in any financial year the additional performance bonus so determined will not exceed 125 % of the target bonus amount. However, the Board may on recommendation of the nomination and remuneration committee approve payment of higher additional performance bonus as it may in its sole discretion deem fit.
Minimum Remuneration	Notwithstanding anything to the contrary herein contained, where in any Financial Year during the currency of the tenure of Puneet Chhatwal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, benefits, perquisites and allowances and incentive remuneration as specified above, subject to further approvals as required under Schedule V to the Act, or any modification(s) thereto.

Remuneration of our Directors

Executive Directors

The following tables set forth the compensation of the Managing Director and Chief Executive Officer during the current Financial Year (to the extent applicable) and Financial Years 2021, 2020 and 2019:

(*in ₹ crore*)

Particulars	April 1, 2021 up to December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Salary	1.22	1.62	1.62	1.48
Perquisites and Allowances (includes payment in lieu of superannuation)	2.06	2.18	3.68	3.13
Commission, additional performance bonus and incentive remuneration	2.43	3.24	9.08	6.50
Retirals	0.34	0.19	0.19	0.18
Total Remuneration under Schedule V	**6.05**	**7.23**	**14.57**	**11.29**

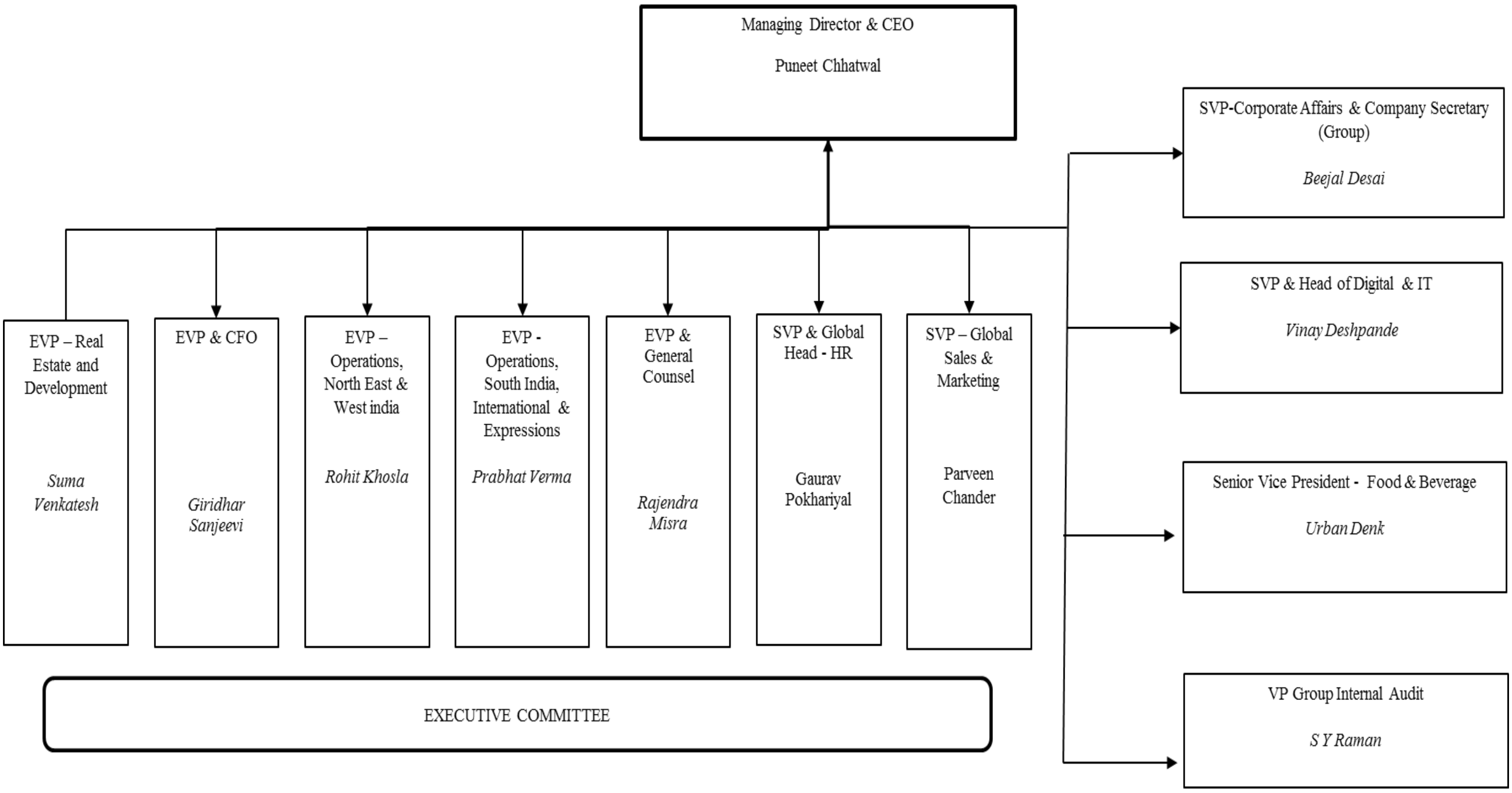
Non-Executive Directors

The following tables set forth all compensation of the Non-Executive Directors during the current Financial Year (to the extent applicable) and the Financial Years 2021, 2020 and 2019:

(in ₹ crore)

S. No.	Name of Director	Remuneration (including sitting fees)			
		April 1, 2021 up to December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
1.	N. Chandrasekaran	0.02	0.03	0.02	0.02
2.	Nasser Munjee	0.03	0.40	0.42	NA
3.	Hema Ravichandar	0.02	0.41	0.42	NA
4.	Venkataramanan Anantharaman	0.03	0.36	0.37	NA
5.	Venu Srinivasan	0.01	0.32	0.30	0.15
6.	Mehernosh Kapadia	0.02	0.32	0.42	0.21
7.	Anupam Narayan	0.01	NA	NA	NA

Organizational Chart of our Company



Key Management Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to the Executive Director, whose details are provided in "*Brief Biographies of our Directors*" above, the details of our other Key Managerial Personnel in terms of the Companies Act and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

S. No.	Name of KMP/SMP	Designation
1.	Giridhar Sanjeevi	Executive Vice President and Chief Financial Officer
2.	Beejal Desai	Senior Vice President Corporate Affairs & Company Secretary (Group) and Compliance Officer

Brief biographies of the Key Managerial Personnel

Puneet Chhatwal, for details in relation to Puneet Chhatwal, please see the section entitled "*Board of Directors and Senior Management – Biographies of our Directors*" on page 136.

Giridhar Sanjeevi is the Executive Vice President and Chief Financial Officer of the Company. He has worked across multiple companies and geographies including in Europe and Asia. He holds a postgraduate diploma in business administration from IIM, Ahmedabad and is a qualified Chartered Accountant. He has worked across various sectors including consumer goods, retail, alcoholic beverages, financial services, pharmaceutical and hospitality. He began his career with ITC Limited in 1987 as a Manager in Internal Audit, and thereafter moved to the investment banking division of IL&FS as a Vice President in Mergers & Acquisition. He was the Vice-President of Shoppers Stop in 2000. Thereafter, between 2001 and 2007 he worked with Diageo in different roles at Mumbai, Singapore and London. He worked as the Chief Financial Officer of Aditya Birla Retail in 2007 – 2010 and President Finance of Wockhardt in 2010-2013. Subsequently, he was the Senior Director – Finance of MSD Pharmaceuticals Private Limited for until 2017. He has won several awards and has been inducted as a member to the Hall of Fame by CFO India in 2021. He is also a member of the CFO board.

Beejal Desai is the Senior Vice President Corporate Affairs & Company Secretary (Group) and Compliance Officer. He holds a bachelor's degree in commerce and a bachelor's degree in law from the Mumbai University and is a Fellow Member of the Institute of the Company Secretaries of India. He has been associated with the Company since 2011 and in his current role he is responsible for Corporate Affairs for the Company. He has won several National and International awards, notably Best Company Secretary, Leisure & Hospitality by the Ethical Board Room Awards 2019, among others.

Brief biographies of the Senior Management Personnel

Suma Venkatesh is the Executive Vice President - Real Estate and Development, and is a part of the Executive Committee, of the Company. Over the last 19 years with the Company, she held various critical roles in the development function. In her current role, she heads the Development, Technical Services and Projects functions. She oversees Company's initiatives for growth through management contracts, acquisitions, licenses and greenfield.

Rohit Khosla is the Executive Vice President - Operations, North and West India and is a part of the Executive Committee, of the Company. In his 22 years of experience with the Company, he has held several leadership positions within the Group in India, Yemen, Maldives and Sri Lanka. In his current role, he oversees operations in Northern, Eastern and Western states of India (Chandigarh, Punjab, Himachal Pradesh and Jammu and Kashmir, West Bengal, Assam, Sikkim, Haryana, Delhi and NCR, Rajasthan, Maharashtra, Gujarat, Uttar Pradesh, Madhya Pradesh and Uttarakhand. He is also responsible for Taj Safaris and hotels in Nepal and Bhutan.

Prabhat Verma is the Executive Vice President – Operations, South India, International and Expressions and is a part of the Executive Committee, of the Company. He joined the Company as a management trainee and has held key positions, such as, General Manager of Taj Malabar, Cochin, Taj Coromandel, Chennai, Crowne Plaza, St. James Court and 51 Buckingham Gate at London. In his current role, he oversees operations in the Southern states in India (Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Andaman and Nicobar Islands) and International locations (UK, Sri Lanka, Maldives, Dubai, Lusaka, Cape Town and U.S.A.). He is also responsible for new businesses including amã Stays & Trails, Qmin, Khazana, 7 rivers, amongst others,

Rajendra Mishra is the Executive Vice President and General Counsel of the Company and is also a part of the Executive Committee of the Company. He joined the Company as a General Counsel on December 1, 2015. He holds a post graduate diploma in Patents Law (PGDPL) from the National Academy of Legal Studies and Research University (NALSAR). He heads the legal function at the Company. Before joining the Company, he was associated with Hindustan Unilever Limited.

S.Y. Raman is the Vice President – Group Internal Audit. In his 33 years of work experience, all of which are with the Tata Group, which includes, 16 years of experience with Tata Consumer Products and 17 years of experience with the Company. At the Company, he has served as Head of Finance at Taj SATS Air Catering Limited, the erstwhile Business SBU and Taj GVK Hotels & Resorts Limited. In his current role, he is responsible for the internal audit functions across the Group.

Parveen Chander is the Senior Vice President – Sales and Marking, and is a part of the Executive Committee of the Company. In his 29 years of experience in operations, he has been involved in various leadership roles within the Company, such as Deputy

General Manager - The Taj Mahal Palace, Mumbai, General Manager - Taj Lake Palace Udaipur, General Manager - Taj Lands End, Mumbai, and most recently as Area Director – West. In his current role, he leads the sales and marketing vertical and is responsible for functions like sales, marketing, brands and loyalty programs.

Gaurav Pokhariyal is the Senior Vice President and Global Head – Human Resources and is a part of the Executive Committee of the Company. He holds a master's degree in business administration in international hospitality and service industries management with marketing and innovation specialization from the Glion Institute of Higher Education, Switzerland. In his 28 years of experience in operations at the Company, he has been involved in various critical roles such as General Manager – The Taj Mahal Palace & Tower, Mumbai, Area Director - New Delhi & General Manager - Taj Palace, New Delhi, Senior Vice President - Operations NCR, UP, Uttarakhand, Jaipur and Ajmer and most recently, Senior Vice President – Operations, North. In his current role, he leads the human resource function, including learning and development, CSR and sustainability, business excellence and safety and security for the Company.

Urban Denk, is the Senior Vice President – Food & Beverage. He joined the Company from Steigenberger Hotels and Resorts, where he was the Director of Culinary Innovations and Development. In his current role, he is responsible for shaping the Food & Beverage philosophy within the Company.

Vinay Deshpande, is the Senior Vice President & Head of Digital & IT of the Company. He is employed with the Tata Group since May 18, 1995. He joined the Company on November 1, 2019 from Tata Consultancy Services. In his current role, he heads the IT & Digital function. He holds a master's degree in technology from the Indian Institute of Technology, Bombay.

Shareholding of Key Management Personnel

As on the date of this Preliminary Placement Document, none of the Key Management Personnel hold Equity Shares in our Company.

Interest of the Key Management Personnel

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment.

As on the date of the Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company in which the Key Management Personnel were interested parties.

None of our Directors are related to any of the Key Management Personnel of our Company.

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility and Sustainability Committee; and (v) Risk Management Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No.	Committee	Name and Designation of Members
1.	Audit Committee	Nasser Munjee (Chairperson)
		Hema Ravichandar
		Venkataramanan Anantharaman
		Anupam Narayan
2.	Nomination and Remuneration Committee	Hema Ravichandar (Chairperson)

S. No.	Committee	Name and Designation of Members
		N. Chandrasekaran
		Venkataramanan Anantharaman
3.	Stakeholders Relationship Committee	Venkataramanan Anantharaman (Chairperson)
		Puneet Chhatwal
		Mehernosh Kapadia
4.	Corporate Social Responsibility and Sustainability Committee	Puneet Chhatwal (Chairperson)
		Nasser Munjee
		Hema Ravichandar
5.	Risk Management Committee	Nasser Munjee (Chairperson)
		Venkataramanan Anantharaman
		Anupam Narayan

Other Confirmations

None of the Directors, Promoter or Key Managerial Personnel of our Company has any financial or other material interest in the Issue and there is no effect of such interest as is different from the interest of other persons.

Neither our Company, nor the Directors or Promoter have ever been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

Neither our Company, nor our Directors or Promoter have been debarred from accessing capital markets under any order or direction made by SEBI. Further, none of the Promoter and Directors have been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors, Promoter or Key Management Personnel of our Company intends to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to our Company and its employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Financial Years, immediately preceding the year of circulation of this Preliminary Placement Document, please see the section entitled "*Related Party Transactions*" on page 44.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company, as on December 31, 2021, is set forth below.

The following table sets forth the details regarding the equity shareholding pattern of our Company as on December 31, 2021:

Category (I)	Category of shareholder (II)	Nos. 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) (VIII) As a % of (A+B+C2)	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: Class eg: X	Class eg:y	Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	Promoter & Promoter Group	9	542425341	0	0	542425341	41.05	542425341	0	542425341	41.05	0	41.05	0	0			542425341
B	Public	357586	778964361	0	0	778964361	58.95	778964361	0	778964361	58.95	0	58.95	0	0			769068656
C	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
C1	Shares underlying DRs	0	0	0	0	0		0	0	0	0	0	0	0	0			0
C2	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	Total	357595	1321389702	0	0	1321389702	100	1321389702	0	1321389702	100	0	100	0	0			1311493997

The following table sets forth the details regarding the equity shareholding pattern of our Promoter and Promoter Group as on December 31, 2021:

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % 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: Class X	Class Y	Total	Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total share s held (b)	
1	Indian		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
a	Individuals/Hindu undivided Family		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
b	Central Government/ State Government(s)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
c	Financial Institutions/ Banks		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
d	Any Other (specify)		9	542425341	0	0	542425341	41.05	542425341	0	542425341	41.05	0	41.05	0	0			542425341
	Bodies Corporate		9	542425341	0	0	542425341	41.05	542425341	0	542425341	41.05	0	41.05	0	0			542425341
	TATA SONS PRIVATE LIMITED	AAACT4060A	1	507655313	0	0	507655313	38.42	507655313	0	507655313	38.42	0	38.42	0	0			507655313
	TATA INVESTMENT CORPORATION	AAACT4120F	1	17857265	0	0	17857265	1.35	17857265	0	17857265	1.35	0	1.35	0	0			17857265

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % 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: Class X	Class Y	Total	Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total share s held (b)	
	LTD																		
	TATA CHEMICALS LIMITED	AAACT4059M	1	11877053	0	0	11877053	0.9	11877053	0	11877053	0.9	0	0.9	0	0			11877053
	EWART INVESTMENTS LIMITED	AAACE2546C	1	2127705	0	0	2127705	0.16	2127705	0	2127705	0.16	0	0.16	0	0			2127705
	TAJ MADURAI LIMITED	AAACT1242N	1	1125393	0	0	1125393	0.09	1125393	0	1125393	0.09	0	0.09	0	0			1125393
	ORIENTAL HOTELS LIMITED	AAACO0728N	1	835997	0	0	835997	0.06	835997	0	835997	0.06	0	0.06	0	0			835997
	TATA INDUSTRIES LIMITED	AAACT4058L	1	739197	0	0	739197	0.06	739197	0	739197	0.06	0	0.06	0	0			739197
	TAIDA TRADING AND INDUSTRIES LIMITED	AAACT1683P	1	187818	0	0	187818	0.01	187818	0	187818	0.01	0	0.01	0	0			187818
	TATA CAPITAL LTD	AADCP9147P	1	19600	0	0	19600	0	19600	0	19600	0	0	0	0	0			19600

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % 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: Class X	Class Y	Total	Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total share s held (b)	
	SIR DORABJI TATA TRUST (Mr R N Tata Mr. V Srinivasan Mr. V Singh Mr. R K Krishna Kumar)	AAATS0494G	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	SIR RATAN TATA TRUST(R N Tata,V Srinivasan,V Singh,J N Tata,R K Krishna Kumar,N N Tata,H C Jehangir)	AAATS1013P	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	LADY TATA MEMORIAL TRUST (Mr F K Kavarana DR.P B Desai Mr.S N Batliwalla DR.M Chandy	AAATL0052B	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	TATA CONSUMER PRODUCTS LIMITED	AABCT0602K	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	Sub-Total (A)(1)		9	542425	0	0	54242534	41.05	542425	0	54242534	41.05	0	41.05	0	0			542425341

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % 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 Voting Rights Class X	Class Y	Total	Total as a % of Total Voting rights	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) No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) No. (a)	As a % of total share s held (b)	Number of equity shares held in dematerialized form (XIV)
				341			1		341		1								
2	Foreign		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
a	Individuals (Non-Resident Individuals/ Foreign Individuals)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
b	Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
c	Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
d	Foreign Portfolio Investor		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
e	Any Other (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	Sub-Total (A)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		9	542425341	0	0	542425341	41.05	542425341	0	542425341	41.05	0	41.05	0	0			542425341

The following table sets forth the details regarding the equity shareholding of the members of the public as on December 31, 2021:

	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % 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)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	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. (a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
									Class X	Class Y	Total								
1	Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
a	Mutual Funds/		23	238933112	0	0	238933112	18.08	238933112	0	238933112	18.08	0	18.08	0	0			238778812
	HDFC TRUSTEE COMPANY LTD A/C - HDFC CHILDREN'S GIFT FUND - INVESTMENT PLAN	AAATH1809A	1	62759094	0	0	62759094	4.75	62759094	0	62759094	4.75	0	4.75	0	0			62759094
	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA VISION FUND	AAATR0090B	1	48055355	0	0	48055355	3.64	48055355	0	48055355	3.64	0	3.64	0	0			48055355
	SBI RETIREMENT BENEFIT FUND-CONSERVATIVE PLAN	AABTS6407Q	1	41679972	0	0	41679972	3.15	41679972	0	41679972	3.15	0	3.15	0	0			41679972
	L&T MUTUAL FUND TRUSTEE LIMITED-L&T ARBITRAGE OPPORTUNITIES FUND	AAATC4460E	1	22337264	0	0	22337264	1.69	22337264	0	22337264	1.69	0	1.69	0	0			22337264
	FRANKLIN INDIA TAXSHIELD	AAATT4931H	1	18362481	0	0	18362481	1.39	18362481	0	18362481	1.39	0	1.39	0	0			18362481
b	Venture Capital Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0

	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareh older (III)	No. of fully paid up equity share s held (IV)	Partly paid- up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Sharehol ding % calculate d 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)	Total shareholdin g , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerializ ed form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shar es held (b)	No. (No t ap pli ca ble) (a)	As a % of total share s held (Not applic able) (b)	
									Class X	Class Y	Tot al								
c	Alternate Investment Funds		2	350000	0	0	350000	0.03	350000	0	350000	0.03	0	0.03	0	0			350000
d	Foreign Venture Capital Investors		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
e	Foreign Portfolio Investors		175	200767147	0	0	200767147	15.19	200767147	0	200767147	15.19	0	15.19	0	0			200767147
	AMANSA HOLDINGS PRIVATE LIMITED	AAKCA 7237L	1	33261407	0	0	33261407	2.52	33261407	0	33261407	2.52	0	2.52	0	0			33261407
	GOVERNMENT PENSION FUND GLOBAL	AACCN 1454E	1	22272854	0	0	22272854	1.69	22272854	0	22272854	1.69	0	1.69	0	0			22272854
f	Financial Institutions/ Banks		5	5915116	0	0	5915116	0.45	5915116	0	5915116	0.45	0	0.45	0	0			5915116
g	Insurance Companies		16	87186624	0	0	87186624	6.6	87186624	0	87186624	6.6	0	6.6	0	0			87186624
	LIFE INSURANCE CORPORATION OF INDIA	AAACL 0582H	1	29101015	0	0	29101015	2.2	29101015	0	29101015	2.2	0	2.2	0	0			29101015
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	AAACI7 351P	1	27378410	0	0	27378410	2.07	27378410	0	27378410	2.07	0	2.07	0	0			27378410
	HDFC LIFE INSURANCE COMPANY LIMITED	AAACH 8755L	1	19774201	0	0	19774201	1.5	19774201	0	19774201	1.5	0	1.5	0	0			19774201

	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % 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 Voting Rights — Class X	Class Y	Total	Total as a % of Total Voting rights	No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII) — No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) — No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	Number of equity shares held in dematerialized form (XIV)
h	Provident Funds/ Pension Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
i	Any Other (specify)		3	5850	0	0	5850	0	5850	0	5850	0	0	0	0	0			5850
	Sub-Total (B)(1)		224	533157849	0	0	533157849	40.35	533157849	0	533157849	40.35	0	40.35	0	0			533003549
2	Central Government/ State Government(s)/ President of India		3	1784819	0	0	1784819	0.14	1784819	0	1784819	0.14	0	0.14	0	0			1784819
	Sub-Total (B)(2)		3	1784819	0	0	1784819	0.14	1784819	0	1784819	0.14	0	0.14	0	0			1784819
3	Non-institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
a	Individuals -		345851	211174984	0	0	211174984	15.98	211174984	0	211174984	15.98	0	15.98	0	0			201521899
i	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		345822	163317592	0	0	163317592	12.36	163317592	0	163317592	12.36	0	12.36	0	0			153957707
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		29	47857392	0	0	47857392	3.62	47857392	0	47857392	3.62	0	3.62	0	0			47564192
	REKHA JHUNJHUNWALA	AAEPJ2191B	1	14287765	0	0	14287765	1.08	14287765	0	14287765	1.08	0	1.08	0	0			14287765
	RAKESH JHUNJHUNWALA	ACPPJ9449M	1	14279200	0	0	14279200	1.08	14279200	0	14279200	1.08	0	1.08	0	0			14279200
b	NBFCs registered		11	133710	0	0	133710	0.01	133710	0	13371	0.01	0	0.01	0	0			133710

	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % 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)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	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. (a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
									Class X	Class Y	Total								
	with RBI										0								
c	Employee Trusts		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
d	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
e	Any Other (specify)		11497	32712999	0	0	32712999	2.48	32712999	0	32712999	2.48	0	2.48	0	0			32624679
	Bodies Corporate		1695	13663393	0	0	13663393	1.03	13663393	0	13663393	1.03	0	1.03	0	0			13606236
	Clearing Members		143	1592972	0	0	1592972	0.12	1592972	0	1592972	0.12	0	0.12	0	0			1592972
	Director or Director's Relatives		4	181803	0	0	181803	0.01	181803	0	181803	0.01	0	0.01	0	0			181803
	Foreign Nationals		7	29822	0	0	29822	0	29822	0	29822	0	0	0	0	0			29822
	Foreign Portfolio Investor (Category - III)		2	469948	0	0	469948	0.04	469948	0	469948	0.04	0	0.04	0	0			468948
	HUF		4659	4247323	0	0	4247323	0.32	4247323	0	4247323	0.32	0	0.32	0	0			4245689
	IEPF		1	2192781	0	0	2192781	0.17	2192781	0	2192781	0.17	0	0.17	0	0			2192781
	LLP		3	1228944	0	0	1228944	0.09	1228944	0	1228944	0.09	0	0.09	0	0			1228944
	Non-Resident Indian (NRI)		4968	9044905	0	0	9044905	0.68	9044905	0	9044905	0.68	0	0.68	0	0			9016376

	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholder (III)	No. of fully paid up equity share s held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Sharehol ding % calculate d 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)	Total shareholdin g , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerializ ed form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shar es held (b)	No. (No t ap pli ca ble) (a)	As a % of total share s held (Not applic able) (b)	
									Class X	Class Y	Tot al								
	Trusts		15	61108	0	0	61108	0	61108	0	61108	0	0	0	0	0			61108
	Sub-Total (B)(3)		357359	244021693	0	0	244021693	18.47	244021693	0	244021693	18.47	0	18.47	0	0			234280288
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)		357586	778964361	0	0	778964361	58.96	778964361	0	778964361	58.96	0	58.96	0	0			769068656

The following table sets forth the details of our non-promoter, non-public shareholders as on December 31, 2021:

	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity share s held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total no. shares held (VII = IV+V+VI)	Sharehol ding % calculate d 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)	Total shareholdin g , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerializ ed form (XIV) (Not Applicable)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shar es held	No. (No t ap pli ca ble)	As a % of total share s held (Not applic able)	
									Class X	Class Y	Tot al								
1	Custodian/DR Holder		0	0	0	0	0		0	0	0	0	0		0	0			0
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0			0

The following table sets forth the details of disclosure made by the trading members holding 1% or more of the total number of shares of the Company as on December 31, 2021:

Sl. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
NIL	NIL	NIL	NIL	NIL	NIL

ISSUE PROCEDURE

Below is a summary, intended to provide a general outline of the procedures for the Bidding, application, payment, Allocation and Allotment of the Equity Shares to be issued pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and Bidders are presumed to have apprised themselves of the same from our Company or the BRLMs.

Our Company, the BRLMs and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLMs and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLMs and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For further details, please see the sections entitled "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" on pages 172 and 180.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and the Placement Document will not be, registered as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in accordance with Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, through a qualified institutions placement. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company being a listed issuer in India may issue equity shares to QIBs, provided, *inter alia,* that:

- a special resolution approving the qualified institutions placement has been passed by its shareholders. Such special resolution must specify (i) that the allotment of the securities is proposed to be made pursuant to the qualified institutions placement; and (ii) the relevant date for the QIP;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, amongst others, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the qualified institutions placement or pursuant to conversion or exchange of eligible securities, are listed on a recognized stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Preliminary Placement Document. For details, please see the section entitled *"Capital Structure*" on page 72;

- invitation to apply in the qualified institutions placement must be made through a private placement offer-cum-application and an application form serially numbered and addressed specifically to the QIBs to whom the qualified institutions placement is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the issuer shall have completed allotments with respect to any earlier offer or invitation made by the issuer or shall have withdrawn or abandoned such invitation or offer made by the issuer, except as permitted under the Companies Act;

- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe; and

- the promoter and directors of the issuer shall not be Fugitive Economic Offenders.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs. A QIB has been specifically defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.

Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board or the Capital Raising Committee decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the resolution of the shareholders of our Company through through special resolution passed by way of a postal ballot on January 29, 2022, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The "relevant date" refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and the "stock exchange" means any of the recognised stock exchanges in India in which the equity shares of the same class of the issuer are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date. Further, in accordance with the resolution of the shareholders of our Company through special resolution passed by way of a postal ballot on January 29, 2022 our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations. Our Company has offered a discount of [●]% amounting to ₹[●] on the Floor Price, in terms of the SEBI ICDR Regulations.

Securities must be allotted within 365 days from the date of the shareholders' resolution approving the qualified institutions placement and also within the period of 60 days from the date of receipt of subscription money from the relevant QIBs. The Equity Shares will be Allotted within 365 days from the date of the shareholders' resolution approving the Issue, being January 29, 2022 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

This Issue was authorised and approved by our Board of Directors on October 21, 2021 and our Shareholders approved the Issue through special resolution passed by way of a postal ballot on January 29, 2022. The minimum number of Allottees for each qualified institutions placement shall not be less than:

- two, where the issue size is less than or equal to ₹ 2,500 million; and
- five, where the issue size is greater than ₹ 2,500 million.

No single Allottee shall be allotted more than 50% of the Issue Size. QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee.

Equity Shares Allotted to an Eligible QIB pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges.

We have applied for, and received, the in-principle approvals of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchanges. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the PAS Rules.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A) pursuant to Section 4(a)(2) of the Securities Act, and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. For a description of certain restrictions on transfer of the Equity Shares, please see the section entitled "*Transfer Restrictions and Purchaser Representations*" on page 180. This Preliminary Placement Document has not been, and the Placement Document will not be filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has filed a copy of this Preliminary Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE each on March 22, 2022.

Issue Procedure

1. Our Company and the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLMs, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs are required to submit a duly filled Application Form, including any revisions thereof, along with the Bid Amount (which is to be transferred to the Escrow Account specified in the Application Form) and a copy of the PAN card or PAN allotment letter (if applicable), during the Issue Period to the BRLMs. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Eligible QIBs will be required to indicate the following in the Application Form:

   (a) a representation that it is either (i) outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and the applicable laws of the jurisdiction where those offers and sales are made, or (ii) a "qualified institutional buyer" as defined in Rule 144A, purchasing the Equity Shares pursuant to Section 4(a)(2) under the Securities Act, and it has agreed to certain other representations set forth in the "*Representation by Investors*" on page 3 and "*Transfer Restrictions and Purchaser Restrictions*" on page 180 and certain other representations made in the Application Form;

   (b) full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail ID, PAN details (if applicable), phone number and bank account details;

   (c) number of Equity Shares Bid for;

   (d) price at which they are agreeable to subscribe for the Equity Shares, and the aggregate Bid Amount for the Equity Shares bid for;

   (e) details of the depository/beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited;

   (f) Equity Shares held by the Eligible QIBs in our Company prior to the Issue; and

   (g) it has agreed to certain other representations set forth in the Application Form.

   Note: *Eligible FPIs are required to indicate the SEBI FPI registration number in the Application Form. The*

Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "IHCL QIP-Issue – Escrow Account" with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, the Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Bid Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in the section entitled "*Issue Procedure– Refunds*" on page 169.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the Book Running Lead Managers.**

8. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CAN sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary accounts of the Successful Bidders maintained by the depository participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company shall then apply for the final listing and trading permissions from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant accounts of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt the receipt of the listing and trading approvals to those Successful Bidders to whom the Equity Shares have been Allotted. Our Company, and the BRLMs shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law, will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions (which are resident in India);
- Mutual Funds;
- pension funds with minimum corpus of ₹ 250 million;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
- systemically important non-banking financial companies.

ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIS DOES NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAW IN THIS REGARD. FVCIS ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the circular issued by SEBI on November 5, 2019, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates. Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restrictions on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoter:

1. rights under a shareholders' agreement or voting agreement entered into with our promoter or promoter group;
2. veto rights; or

3. a right to appoint any nominee director on the board of directors of the issuer.

Provided, however, that an Eligible QIB which does not hold any of the Equity Shares and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to a promoter.

Our Company, the BRLMs and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document.

Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: Affiliates or associates of the BRLMs who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible QIBs shall only use the Application Forms (addressed to them) supplied by the BRLMs in electronic form only for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for the Equity Shares through an Application Form, the Eligible QIB will be deemed to have made the following representations and warranties and the representations, warranties and agreements below as well as made under the sections entitled "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 3, 172 and 180 respectively:

1. Each Bidder confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under applicable laws of India and is eligible to participate in the Issue;

2. Each Bidder confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or person related to the Promoter;

3. Each Bidder confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or Promoter Group, no veto rights or right to appoint any nominee director on the Board other than that acquired in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to the Promoter;

4. Each Bidder acknowledges that it has no right to withdraw or revise its Bid after the Issue Closing Date;

5. Each Bidder confirms that if the Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

6. Each Bidder confirms that the QIB is eligible to Bid for and hold the Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any regulations applicable to the QIB;

7. Each Bidder confirms that the Application would not result in triggering a tender offer under the SEBI Takeover Regulations;

8. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. Each Bidder agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

10. Each Bidder agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLMs. Each Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. Each Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs;

12. Each Bidder confirms that to the best of its knowledge and belief, together with other Eligible QIBs in the Issue that belong to the same group or are under common control, the Allotment to the Eligible QIB shall not exceed 50.00% of the Issue Size. For the purposes of this statement:

    (a). The expression "belongs to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst a QIB, its subsidiary(ies) or holding company and any other QIB; and;

    (b). "Control" shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations.

13. Each Bidder acknowledges that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

14. Each Bidder confirms that it shall not undertake any trade in the Equity Shares credited into the beneficiary account maintained with the Depository Participant by the QIBs until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

15. Each Bidder acknowledges, represents and agrees that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your "**Holding**"), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the SEBI Takeover Regulations. In case such Eligible QIB is an existing shareholder who, together with persons acting in concert, holds 5% or more of the underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the SEBI Takeover Regulations in the event of a change of 2% or more in the existing Holding of the Eligible QIB and persons acting in concert.

16. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

17. The QIB confirms that:

    a. If it is within the United States, it is a U.S. QIB who is, or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the definition of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate;

    b. If it is outside the United States, it is purchasing the Equity Shares in an offshore transaction in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate;

It has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on page 1, 3, 172 and 180, respectively.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN (IF APPLICABLE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLMs, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLMs TO EVIDENCE THEIR STATUS AS A ELIGIBLE QIB.

IF SO REQUIRED BY THE BRLMs, THE ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE BIDDER SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed to be a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on the Successful Bidder upon issuance of the CAN and this Preliminary Placement Document (when dispatched) by our Company (by itself or through any BRLMs) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly filled with information including the name of the Eligible QIB, the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (if applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form. The Application Form shall be submitted to the BRLMs through electronic form only at the following e-mail address:

Name of the BRLMs	Address	Contact Person	Email	Phone (Telephone)
ICICI Securities Limited	ICICI Venture House Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Maharashtra, India	Shekher Asnani/ Gaurav Mittal	IHCL.qip@icicisecurities.com	+91 22 6807 7100
Credit Suisse Securities (India) Private Limited	9th Floor, Ceejay House Plot F Shivsagar Estate, Dr. Annie Besant Road Worli, Mumbai 400 018 Maharashtra, India	Abhishek Joshi	List.ihcl@credit-suisse.com	+91 22 6777 3885

The BRLMs shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the duly filled Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of “IHCL QIP Issue-Escrow Account” with the Escrow Agent, in terms of the arrangement among our Company, the BRLMs and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Issue Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in “IHCL QIP Issue-Escrow Account ” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in “*Issue Procedure– Refunds*” on page 169.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders pursuant to special resolution passed by way of a postal ballot on January 29, 2022, in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLMs, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the book

The Eligible QIBs shall submit their Bids (including the revision of Bids) for the Equity Shares with the Application Form within the Issue Period to the BRLMs and cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the BRLMs.

Price discovery, terms and allocation

Our Company shall determine the Allocation in consultation with the BRLMs on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations, provided however the Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders pursuant to special resolution passed by way of a postal ballot on January 29, 2022, in terms of Regulation 176(1) of the SEBI ICDR Regulations

After finalisation of the Issue Price, our Company will update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLMs on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BRLMs IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF THE EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLMs AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLMs ARE OBLIGED TO ASSIGN ANY REASON FOR ANY SUCH NON-ALLOCATION.

Confirmation of Allotment Notice or CAN

Based on the receipt of the Application Forms and the Bid Amount, our Company, in consultation with the BRLMs, in their sole and absolute discretion, have decided the Successful Bidders to whom the serially numbered CAN shall be electronically sent, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN includes the probable designated date, being the date of credit of the Equity Shares to the respective Successful Bidder's account, as applicable to the respective Successful Bidders ("**Designated Date**").

The Successful Bidders would also be sent this serially numbered Placement Document (which includes the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) along with the serially numbered CAN in electronic form only.

The dispatch of this serially numbered Placement Document and the CAN in electronic form to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIB to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in section "*Notice to Investors*" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of the Equity Shares

Subject to the satisfaction of the terms and conditions in the Placement Agreement, our Company will ensure that the Allotment of Equity Shares is completed by the Designated Date provided in the respective CANs.

In accordance with the SEBI ICDR Regulations, the Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment of the Equity Shares, our Company will apply for final listing and trading approvals from the Stock Exchanges and post the receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs. In the event of any delay in the receipt of listing or trading approvals or cancellation of the Issue, no interest or penalty would be payable by us or the BRLMs.

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC.

After finalization of the Issue Price, our Company has updated this Preliminary Placement Document with the Issue details and has filed it with the Stock Exchanges as the Placement Document, which includes names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by SEBI, the Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been Allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and the number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application Form), in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder is required to mention its PAN allotted under the Income Tax Act, 1961 ("**IT Act**"). A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and may be liable to be rejected. It is to be specifically noted that applicants shall not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Right to Reject Applications

Our Company, in consultation with the BRLMs, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company and the BRLMs in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, please see the section entitled "*Issue Procedure – Refunds*" on page 169. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Equity Shares in Dematerialised form with the Depositories

The Allotment of the Equity Shares shall be only in dematerialised form (i.e., not in physical certificates but represented by the statement issued through the electronic mode). Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

An Eligible QIB applying for the Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either of the Depositories prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with the Depositories.

The Stock Exchanges have electronic connectivity with the Depositories.

The trading of the Equity Shares would be in dematerialised form only for all Allottees in the respective demat segment of the Stock Exchanges. Our Company will not be responsible or liable for the delay in the credit of the Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Bidders.

PLACEMENT

Placement Agreement

The BRLMs have entered into the Placement Agreement dated March 22, 2022 with our Company, pursuant to which the the BRLMs have agreed to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription for Equity Shares to be placed with the QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and the BRLMs, and it is subject to termination in accordance with the terms contained therein.

This Preliminary Placement Document and the Placement Document have not been filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. No assurance can be given on liquidity or sustainability of trading market for the Equity Shares (including the Equity Shares) post the Issue. The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A) pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on BSE and NSE. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

In connection with the Issue, and the BRLMs (or their affiliates) may, for their own accounts, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLMs may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions.

The BRLMs and their respective affiliates may be engaged in or may in the future engage in transactions with, and perform services for our Company, group companies or Affiliates in the ordinary course of business (which would be a separate transaction from this Issue) and may in future engage in commercial banking and investment banking transactions with the Company, its group companies or Affiliates, for which they may have received or may in the future receive fees.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any Issue material and the offering, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized. No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Australia

This Preliminary Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a prospectus or disclosure document under the Australian Corporations Act. This Preliminary Placement Document has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it with ASIC. No offer will be made under this Preliminary Placement Document to any person to whom disclosure is required to be made under Chapter 6D of the Australian Corporations Act. Any offer in Australia of the Equity Shares under this Preliminary Placement Document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act which permit the offer of the Equity Shares without disclosure under Part 6D.2 of the Australian Corporations Act.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to the Issuer that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to any person in Australia except in circumstances where disclosure to such person is not required under Chapter 6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

THE CENTRAL BANK OF BAHRAIN, THE BAHRAIN BOURSE AND THE MINISTRY OF INDUSTRY, COMMERCE AND TOURISM OF THE KINGDOM OF BAHRAIN TAKE NO RESPONSIBILITY FOR THE ACCURACY OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS PRELIMINARY PLACEMENT DOCUMENT OR THE PERFORMANCE OF THE EQUITY SHARES, NOR SHALL THEY HAVE ANY LIABILITY TO ANY PERSON, INVESTOR OR OTHERWISE FOR ANY LOSS OR DAMAGE RESULTING FROM RELIANCE ON ANY STATEMENTS OR INFORMATION CONTAINED HEREIN. THIS PRELIMINARY PLACEMENT DOCUMENT IS ONLY INTENDED FOR ACCREDITED INVESTORS AS DEFINED BY THE CENTRAL BANK OF BAHRAIN. WE HAVE NOT MADE AND WILL NOT MAKE ANY INVITATION TO THE PUBLIC IN THE KINGDOM OF BAHRAIN TO SUBSCRIBE TO THE EQUITY SHARES AND THIS PRELIMINARY PLACEMENT DOCUMENT WILL NOT BE ISSUED, PASSED TO, OR MADE AVAILABLE TO THE PUBLIC GENERALLY. THE CENTRAL BANK OF BAHRAIN HAS NOT REVIEWED, NOR HAS IT APPROVED, THIS PRELIMINARY PLACEMENT DOCUMENT OR THE MARKETING THEREOF IN THE KINGDOM OF BAHRAIN. THE CENTRAL BANK OF BAHRAIN IS NOT RESPONSIBLE FOR THE PERFORMANCE OF THE EQUITY SHARES.

British Virgin Islands

No invitation or offer has or will be made to the public in the British Virgin Islands to purchase or subscribe for any of the Equity Shares.

Canada

The Equity Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Preliminary Placement Document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (“**NI 33-105** the BRLMs are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the Issue.

Cayman Islands

No invitation or offer has or will be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL.

European Economic Area

In relation to each Member State of the European Economic Area and the United Kingdom (each a “**Relevant State**”), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a). to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
(b). to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Manager for any such offer; or
(c). in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall require the Issuer or the Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.
For the purposes of this provision, the expression an “offer to the public” in relation to any Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation” means Regulation (EU) 2017/1129.

Hong Kong

This Preliminary Placement Document has not been delivered for registration to the registrar of companies in Hong Kong, and its contents have not been reviewed or authorized by any regulatory authority in Hong Kong. Accordingly: (i) the Equity Shares have not been and will not be offered or sold in Hong Kong, by means of any document, other than to persons that are considered "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made thereunder, or in other circumstances which do not result in this document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong and as permitted under the SFO; and (ii) no invitation, advertisement or other document relating to the Equity Shares has been or will be issued (or possessed for the purpose of issue), whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made thereunder.

WARNING: The contents of this Preliminary Placement Document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Issue. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Japan

The Equity Shares have not been and will not be registered in Japan pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") in reliance upon the exemption from the registration requirements since the offering constitutes the small number private placement.

Accordingly, the Equity Shares may not be offered or sold outside of this small number private placement, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act of Japan and any other applicable laws, regulations and ministerial guidelines of Japan.

Korea

This Preliminary Placement Document and the Equity Shares have not been registered and will not be registered with the Financial Services Commission of Korea for a public offering in Korea under the Financial Investment Services and Capital Markets Act of Korea ("**FSCMA**"). The Equity Shares have not been and will not be offered, sold or delivered directly or indirectly, or offered, sold or delivered to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea (as defined in the Foreign Exchange Transactions Law of Korea ("**FETL**") and its Enforcement Decree) within one year of the issuance of the Equity Shares, except (i) where relevant requirements are satisfied, the Equity Shares may be offered, sold or delivered to or for the account or benefit of a Korean resident or (ii) as otherwise permitted under applicable Korean laws and regulations, including the FSCMA and the FETL and the decrees and regulations thereunder.

Kuwait

This Preliminary Placement Document is not for general circulation to the public in Kuwait. The Equity Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Equity Shares in Kuwait on the basis a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

Mauritius

THE PUBLIC OF THE REPUBLIC OF MAURITIUS IS NOT INVITED TO SUBSCRIBE FOR THE INTERESTS OFFERED HEREBY. THIS MEMORANDUM RELATES TO A PRIVATE PLACEMENT AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC IN MAURITIUS TO SUBSCRIBE FOR THE INTERESTS OFFERED HEREBY. THE INTERESTS ARE ONLY BEING OFFERED TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS MEETING THE ELIGIBILITY CRITERIA. NO REGULATORY APPROVAL HAS BEEN SOUGHT FOR THE OFFER IN MAURITIUS AND IT MUST BE DISTINCTLY UNDERSTOOD THAT THE MAURITIUS FINANCIAL SERVICES COMMISSION DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF OR ANY REPRESENTATIONS MADE IN CONNECTION WITH THE BANK. THE MEMORANDUM IS FOR THE USE ONLY OF THE NAMED ADDRESSEE AND SHOULD NOT BE GIVEN OR SHOWN TO ANY OTHER PERSON.

New Zealand

This Preliminary Placement Document, and the information within and accompanying this Preliminary Placement Document are not, and are under no circumstances to be construed as an offer of the Equity Shares in New Zealand. No product disclosure statement, prospectus or similar offering or disclosure document in relation to the Equity Shares has been prepared or has been lodged with or reviewed or approved by the Financial Markets Authority, the Registrar of Financial Service Providers or any other regulatory body in New Zealand. The Equity Shares are only available for investment by a "wholesale investor" within the meaning of clause 3(2) of the Financial Markets Conduct Act 2013 ("**FMCA**"). Each recipient of this Preliminary Placement Document represents and agrees that he, she or it:

(a). is a "wholesale investor" for the purposes of clause 3(1) of Schedule 1 of the FMCA) (as the term "wholesale investor" is defined by clause (3)(2) of Schedule 1 of the FMCA);

(b). has not offered or sold, and agrees he, she or it will not offer or sell, any Equity Shares in New Zealand in a manner that would require disclosure under Part 3 of the FMCA; and

(c). has not distributed or published, and agrees he, she or it will not publish this Preliminary Placement Document or any offering material or advertisement in relation to any offer of the Equity Shares in New Zealand.

Oman

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and neither the Capital Market Authority of Oman assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document and shall not have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Qatar and the Qatar Financial Centre

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Issuer has not been authorized or licensed by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Issuer and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the securities offered hereby (including, without limitation, the Equity Shares) should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.

Singapore

This Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a). a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b). a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(d).

(a). to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(b). where no consideration is or will be given for the transfer;
(c). where the transfer is by operation of law;
(d). as specified in Section 276(7) of the SFA; or

as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

South Africa

The Equity Shares may not be offered or sold and will not be offered or sold to the public (as such term is used in Chapter 4 of the Companies Act 71 of 2008 ("**SA Companies Act**")) in the Republic of South Africa save in the circumstances where it is lawful to do so without a registered prospectus being made available before the offer is made. This document does not constitute a registered prospectus for the purposes of and as defined in chapter 4 of the SA Companies Act, and has not been prepared in accordance with the provisions of the SA Companies Act applicable to the content of a prospectus.

This document is not to be distributed, delivered or passed on to any person resident in the Republic of South Africa, unless it is being made only to, or directed only at any person who does not fall within the definition of the public as contemplated in chapter 4 of the South African Companies Act or any other person to whom an offer of the Equity Shares in South Africa may lawfully be made (all such persons together being referred to as "**permitted South African offerees**").

This document must not be acted on or relied on by persons who are not permitted South African offerees.

If the recipient of this document is in any doubt about the investment to which this document relates, the recipient should obtain independent professional advice.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Preliminary Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. If you are in any doubt about the contents of this document, you should consult an authorised financial adviser.

By receiving this Preliminary Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Preliminary Placement Document has not been approved by or filed with the UAE Central Bank, the UAE Securities and Commodities Authority (the "**SCA**") or any other authorities in the UAE (outside of the financial free zones established pursuant to UAE Federal Law No. 8 of 2004), nor have the BRLMs received authorisation or licensing from the UAE Central Bank, SCA or any other authorities in the UAE to market or sell securities or other investments within the UAE. It should not be assumed that any of the BRLMs is a licensed broker, dealer or investment adviser under the laws applicable in the UAE, or that any of them advise individuals resident in the UAE as to the appropriateness of investing in or purchasing or selling securities or other financial products.

No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to the Equity Shares or other investments may or will be consummated within the UAE. The Equity Shares are not intended for circulation or distribution in or into the UAE, other than to persons who are "Qualified Investors" within the meaning of the SCA's Board of Directors Decision No. 3 of 2017 Concerning the Organisation of Promotion and Introduction to whom the materials may lawfully be communicated. This does not constitute a public offer of securities in the UAE under the SCA Chairman of the Board Resolution No. 11/R.M of 2016 on the Regulations for Issuing and Offering Shares of Public Joint Stock Companies, or otherwise.

Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action. Any person considering acquiring securities should consult with an appropriate professional for specific advice rendered based on their respective situation.

Dubai International Financial Centre

The Equity Shares have not been offered and will not be offered, and this Preliminary Placement Document will not be made available to any persons in the Dubai International Financial Centre, except on that basis that:

a. any offer is an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the "**DFSA**"); and

b. this Preliminary Placement Document is made only to, and is only capable of being accepted by, persons who meet the criteria to be a "deemed" Professional Client set out in Rule 2.3.4 of the DFSA Conduct of Business Module of the DFSA rulebook and who is not a natural person.

The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

United Kingdom

This document does not constitute an approved prospectus for the purposes of and as defined in section 85 of Financial Services and Markets Act 2000 ("**FSMA**"), has not been prepared in accordance with the prospectus rules issued by the Financial Conduct Authority ("**FCA**") pursuant to section 73A of the FSMA and has not been approved by or filed with the FCA. The Equity Shares may not be offered or sold and will not be offered or sold to the public in the United Kingdom (within the meaning of section 85 and 102B of the FSMA) save in the circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of the FSMA) being made available to the public before the offer is made.

This document is not to be distributed, delivered or passed on to any person resident in the United Kingdom, unless it is being made only to, or directed only at (a) persons falling within the categories of "investment professionals" as defined in Article 19(5) of the Financial Services and Markets Act (Financial Promotion) Order 2005 as amended (the "**Financial Promotion Order**"), (b) persons falling within any of the categories of persons described in Article 49(2) of the Financial Promotion Order (high net worth companies, unincorporated associations etc), or (c) any other person to whom it may otherwise lawfully be made (all such persons together being referred to as "**relevant persons**").

This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Persons of any other description in the United Kingdom may not receive and should not act or rely on this document or any other marketing materials relating to the Equity Shares.

Potential investors in the United Kingdom are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Equity Shares and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

If the recipient of this document is in any doubt about the investment to which this document relates, they should consult a person authorized under the FSMA who specializes in advising on investing in securities.

United States

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Rule 144A under the Securities Act and referred to in this Preliminary Placement Document as "**U.S. QIBs**"), and (b) outside the United States only in an "offshore transaction" in reliance on Regulation S.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult with legal counsel prior to purchasing any Equity Shares or making any resale, pledge or transfer of such Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below

United States Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the applicable state securities laws.

Outside the United States

Each subscriber of the Equity Shares outside the United States pursuant to Regulation S will be deemed to have represented and agreed that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an informed investment decision and that:

1. the subscriber acknowledges that the Equity Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;

2. the subscriber and the person, if any, for whose account or benefit the subscriber is acquiring the Equity Shares, was located outside the United States at the time the buy order for the Equity Shares was originated and continues to be located outside the United States and has not subscribed to the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;

3. the subscriber is not an affiliate (as defined in Rule 405 of the Securities Act) of our Company or a person acting on behalf of such affiliate; and it is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Equity Shares from our Company or an affiliate (as defined in Rule 405 of the Securities Act) thereof in the initial distribution of the Equity Shares;

4. the subscriber is aware of the restrictions on the offer and sale of the Equity Shares pursuant to Regulation S described in this Preliminary Placement Document;

5. the subscriber is subscribing for the Equity Shares in compliance with laws of jurisdictions applicable to it;

6. the Equity Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S under the Securities Act; and

7. the subscriber acknowledges that our Company, the BRLMs and their respective affiliates (as defined in Rule 405 of the Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its subscription of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Within the United States

Each purchaser of the Equity Shares in the United States subscribing pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an informed investment decision and that:

1. the subscriber is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

2. the subscriber acknowledges that the Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;

3. the subscriber is a U.S. QIB and is aware that the sale to it is being made in a transaction not subject to the registration requirements of the Securities Act and is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer;

4. the subscriber is aware that the Equity Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;

5. if in the future, the subscriber decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only to a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, in accordance with Regulation S under the Securities Act or in accordance with Rule 144 under the Securities Act (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Equity Shares;

7. the subscriber will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

8. our Company shall not recognise any offer, sale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions;

9. the subscriber acknowledges that our Company, the BRLMs and their respective affiliates (as defined in Rule 405 of the Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its subscription of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account; and

10. the Equity Shares may not be acquired by or transferred to (i) any person that is, or that is acting on behalf of or investing assets of, (A) an "employee benefit plan" (as defined in section 3(3) of ERISA) that is subject to the fiduciary responsibility provisions of Title I of ERISA, (B) a "plan" (as defined in Section 4975(e)(1) of the Internal Revenue Code) that is subject to Section 4975 of the Internal Revenue Code or (C) an entity whose underlying assets are deemed to include assets of an employee benefit plan or a plan described in (A) or (B) by reason of such employee benefit plan's or plan's investment in the entity (collectively, a "**Benefit Plan Investor**") or (ii) any person that is, or that is acting on behalf of or investing the assets of a governmental, church or non-U.S. plan that is subject to Similar Law, unless in each case such person's acquisition, holding and disposition of the Equity Shares will not constitute or result in a non-exempt

prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code or a non-exempt violation of any Similar Law, in the case of a plan subject to Similar Law.

11. each subscriber or transferee of Equity Shares or any interest therein that is using assets of a benefit plan investor subject to ERISA or to Section 4975 of the Code (a “benefit plan”), including any fiduciary purchasing Equity Shares on behalf of a benefit plan (“Plan Fiduciary”), will be deemed to have represented by its acquisition of the Equity Shares that:

    a. none of the Company, the BRLMs, agents, dealers and similar parties, or any of their respective affiliated entities (the “**Transaction Parties**”), has provided or will provide advice with respect to the acquisition of Equity Shares by the benefit plan, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (a) is a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the “Advisers Act”), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (b) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan; (c) is an investment adviser registered under the Advisers Act, or, if not registered an as investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (d) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (e) has, and at all times that the benefit plan is invested in Equity Shares will have, total assets of at least U.S. $50,000,000 under its management or control (provided that this clause (e) shall not be satisfied if the Plan Fiduciary is either (i) the owner or a relative of the owner of an investing individual retirement account or (ii) a participant or beneficiary of the benefit plan investing in Equity Shares in such capacity);

    b. the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the benefit plan of Equity Shares;

    c. the Plan Fiduciary is a “fiduciary” with respect to the benefit plan within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgment in evaluating the benefit plan’s acquisition of Equity Shares;

    d. none of the Transaction Parties has exercised any authority to cause the benefit plan to invest in Equity Shares or to negotiate the terms of the benefit plan’s investment in Equity Shares; and

    e. the Plan Fiduciary has been informed by the Transaction Parties: (a) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the benefit plan’s acquisition of Equity Shares; and (b) of the existence and nature of the Transaction Parties financial interests in the benefit plan’s acquisition of Equity Shares.

The above representations are intended to comply with the DOL’s Reg. Sections 29 C.F.R. 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these regulations are revoked, repealed or no longer effective, these representations shall be deemed to be no longer in effect.

None of the Transaction Parties is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of any Equity Shares by any benefit plan.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the BRLMs or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Regulations on October 3, 2018, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by applicable Indian law including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI, the listing agreements entered into by our Company with the Stock Exchanges and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Disclosures under the SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to ensure a minimum public shareholding at 25%. Further, where the public shareholding in a listed company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such commencement or fall, respectively, in the manner specified by SEBI. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above mentioned requirement. Further, pursuant to the budget for financial year 2020, SEBI has been authorised to consider increasing the minimum public shareholding requirement to 35%.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the CNX NIFTY of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, it is the oldest stock exchange in India. The BSE became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

Trading Hours

Trading on both NSE and BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). BSE and NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9:00 a.m. and 5:00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. Since we are an Indian listed company, the provisions of the SEBI Takeover Regulations apply to us.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations. The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations. The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, employees and directors, with respect to their shareholding in the company, and the changes therein.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, inter alia, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Articles of Association, the Companies Act, 2013. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Authorised Capital

The authorised share capital of our Company is ₹2,00,00,00,000 divided into 2,00,00,00,000 Equity Shares of face value of ₹1 each. As on the date of this Preliminary Placement Document, the issued capital of the Company is ₹1,32,14,47,299 comprising of 1,32,14,47,299 Equity Shares of face value of ₹1 each and subscribed and paid-up capital of the Company is ₹1,32,13,89,702 comprising of 1,32,13,89,702 Equity Shares of face value of ₹1 each. The Equity Shares are listed on BSE and NSE.

Dividends

Subject to applicable law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the AGM of shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are declared on per share basis and distributed and paid to shareholders. The Companies Act provides that shares of a company of the same class must receive equal dividend treatment. These distributions and payments are required to be deposited into a separate bank account within five days of the declaration of such dividend.

The Companies Act states that any dividends that remain unpaid or unclaimed within 30 days from the date of declaration of dividends is to be transferred to a special bank account called the dividend unpaid account within seven days from the date of expiry of the period of 30 days. Any money that remains unclaimed for seven years from the date of the transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India. The Articles authorise our Board of Directors to declare interim dividends, which may be declared at any time and shall be set off against the final dividend for the relevant period. Further, the Company shall, before declaring any dividend for each year, transfer to the reserve fund, an amount in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act.

Under the Companies Act, dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings calculated under Indian GAAP, the Companies Act permits our Board of Directors, subject to the approval of our Shareholders, to distribute to our Shareholders, in the form of fully paid-up bonus shares, an amount transferred from our Company's profits or reserves in accordance with the Articles of Association, and the Companies Act.

Bonus shares can only be issued if our Company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal or interest payments on fixed deposits or debt securities issued by it. Bonus shares may not be issued in lieu of dividend. Further, listed companies are also required to follow the SEBI ICDR Regulations for issuance of bonus shares.

Pre-Emptive Rights and Issue of Additional Shares

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it may determine. According to Section 62 of the Companies Act, 2013, such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date our Board of Directors may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to our Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person subject to the provisions of FEMA Rules, if applicable.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash of for a consideration other than cash, in the event a special resolution to that effect is passed by our Shareholders in a general meeting. In addition, our Company will also be required to comply with the SEBI ICDR Regulations.

General Meetings of our Shareholders

There are two types of General Meetings of our Shareholders:

- AGM and;
- EGM.

Our Company must hold its AGM within six months after the expiry of each Financial Year provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Board of Directors may convene an EGM when necessary and is required to call an EGM at the request of shareholder(s) holding in the aggregate not less than one tenth of our Company's paid-up share capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95.00% of the shareholders entitled to vote. Unless the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the memorandum of association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

A shareholder has one vote for each equity share and voting may be on a poll or through electronic means or postal ballot. Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting.

Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means.

Transfer and transmission of shares

Equity Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep an electronic book in which every transfer or transmission of shares will be maintained. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company and vest the whole or any part of the assets of the Company in trustees upon such trust for the benefit of the contributories if considered necessary.

CERTAIN TAX CONSIDERATIONS

The information provided below sets out the possible tax benefits available to the shareholders of an Indian company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the current tax laws presently in force in India.

Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives a shareholder faces, may or may not choose to fulfil. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

The Indian Hotels Company Limited
Mandlik House,
Mandlik Road,
Mumbai - 400 001, India
22 March 2022

Subject: Statement of possible special tax benefits ("the Statement") available to The Indian Hotels Company Limited ("the Company" or "the Parent Company") and its shareholders prepared in accordance with the proposed qualified institutions placement of equity shares of face value of Rs. 1 each ('Equity Shares') to qualified institutional buyers of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations") (the "Proposed Offer" or "Issue")

This report is issued in accordance with the Engagement Letter dated 23 February 2022.

We hereby report that the enclosed Annexure I prepared by the Company, initialed by us for identification purpose, states the possible special-tax benefits available to the Parent Company and its shareholders, under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Preliminary Placement Document, Placement Document and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

In the absence of any communication from us, it may be assumed that there is no change to the above information.

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

Chartered Accountants

ICAI Firm Registration No: 101248W / W-100022

Tarun Kinger
Partner
Membership No: 105003
UDIN: 22105003AFJVXC8367

Place: Mumbai
Date: 22 March 2022

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No:	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017

ANNEXURE I

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE PARENT COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAW IN INDIA

Outlined below are the Possible Special Tax Benefits available to The Indian Hotels Company Limited ('the Company' or 'the Parent Company") and its shareholders under the Income-tax Act, 1961 ('the Act') read with Income-tax Rules, 1962 (together referred to as "Direct Tax Law") applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23.

UNDER THE DIRECT TAX LAWS

A. ***Special tax benefits available to the Company***

No special tax benefits are available to the Company.

B. ***Special tax benefits available to Shareholders***

No special tax benefits are available to the Shareholders of the Company.

NOTES:

1. The above is as per the current Direct Tax Law, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

2. The above Statement of possible special tax benefits sets out the provisions of Direct Tax Law in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

3. This Statement is intended only to provide general information to the investor and is neither designed or intended to be a substitute for professional tax advice.

4. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **The Indian Hotels Company Limited**

Authorized Signatory

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

Chartered Accountants

ICAI firm registration number: 101248W /W-100022

SIGNED FOR IDENTIFICATION BY

Tarun Kinger

Partner
Membership No: 105003
Place: Mumbai

CERTAIN U.S. FEDERAL TAX CONSIDERATIONS

There may be certain material Indian tax consequences to a U.S. holder (as defined below) of ownership of Equity Shares which are based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this Preliminary Placement Document. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Equity Shares. For information on Indian taxation, please refer to the section entitled "*Statement of Possible Special Tax Benefits*" on page 191 of this Preliminary Placement Document.

Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain material U.S. federal income tax consequences to a U.S. holder (as defined below) for purchasing, owning and disposing of Equity Shares acquired pursuant to this Issue. This summary does not address any aspect of U.S. federal non-income tax laws, such as U.S. federal estate and gift tax laws, or state, local or non-U.S. tax laws, and does not purport to be a comprehensive description of all of the U.S. tax considerations that may be relevant to a particular person's decision to acquire Equity Shares.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The discussion applies to you only if you acquire the Equity Shares in this Issue and you hold the Equity Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") . This section does not apply to you if you are a member of a special class of holders subject to special tax rules, including:

- a broker;
- a dealer in securities, commodities or non-U.S. currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;
- a tax-exempt organization;
- an insurance company;
- a regulated investment company;
- an accrual method taxpayer subject to special tax accounting rules as a result of its use of financial statements;
- an investor who is a U.S. expatriate, former U.S. citizen or former long term resident of the United States;
- a controlled foreign corporation;
- a passive foreign investment company;
- a mutual fund;
- an individual retirement or other tax-deferred account;
- a holder liable for alternative minimum tax;
- a holder that actually, indirectly or constructively owns 10% or more of (i) the total combined voting power of all classes of the Company voting stock or (ii) the total value of all classes of the Company stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes;
- a holder that holds Equity Shares as part of a straddle, hedging, constructive sale, conversion or other integrated transaction for U.S. federal income tax purposes; or

- a U.S. holder (as defined below) whose functional currency is not the U.S. Dollar.

This section is based on the Code, existing and proposed income tax regulations issued under the Code, legislative history, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to change at any time, and any change could be retroactive and could affect the accuracy of this discussion. In addition, the application and interpretation of certain aspects of the passive foreign investment company ("**PFIC**") rules, referred to below, require the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these regulations will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion. This discussion is not binding on the U.S. Internal Revenue Service ("**IRS**") or the courts. No ruling has been or will be sought from the IRS with respect to the positions and issues discussed herein, and there can be no assurance that the IRS or a court will not take a different position concerning the U.S. federal income tax consequences of an investment in the Equity Shares or that any such position would not be sustained.

For U.S. federal income tax purposes, you are a "**U.S. holder**" if you are a beneficial owner of Equity Shares that acquired the shares pursuant to this Issue and you are:

- an individual who is a citizen or resident of the United States;

- a U.S. domestic corporation, or other entity treated as a domestic corporation for U.S. federal income tax purposes;

- an estate whose income is subject to U.S. federal income tax regardless of its source; or

- a trust if (1) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

In addition, this discussion is limited to U.S. holders who are not resident in India for purposes of the Income Tax Treaty between the United States and India.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Equity Shares, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Equity Shares that is a partnership and partners in such a partnership should consult their own tax advisors concerning the U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares.

Taxation of Dividends

Subject to the PFIC rules described below under "PFIC Considerations", if you are a U.S. holder you generally must include in your gross income as a dividend the gross amount of any distributions of cash or property (other than certain pro rata distributions of Equity Shares) with respect to Equity Shares, to the extent the distribution is paid by our Company out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. A U.S. holder will include the dividend as ordinary income at the time of actual or constructive receipt. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the Equity Shares and thereafter as capital gain from the sale or exchange of such Equity Shares. Notwithstanding the foregoing, our Company does not intend to maintain calculations of its earnings and profits as determined for U.S. federal income tax purposes. Consequently, distributions generally will be reported as dividend income for U.S. information reporting purposes.

Subject to the PFIC rules described below, dividends paid by a non-U.S. corporation generally will be taxed at the preferential tax rates applicable to long-term capital gain of non-corporate taxpayers if (a) such non-U.S. corporation is eligible for the benefits of certain U.S. treaties or the dividend is paid by such non-U.S. corporation with respect to stock that is readily tradable on an established securities market in the United States, (b) the U.S. holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on shares that have been held by such U.S. holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." If the requirements of the immediately preceding sentence are not satisfied, a dividend paid by a non-U.S. corporation to a U.S. holder, including a U.S. holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the dividend rules.

Dividends received generally will be income from non-U.S. sources, which may be relevant in calculating your U.S. foreign tax credit limitation. Such non-U.S. source income generally will be "passive category income", which is treated separately from other types of income for purposes of computing the foreign tax credit allowable to you. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. holder's particular circumstances. You should consult your own tax advisor to determine the foreign tax credit implications of owning the Equity Shares.

The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. Dollar value of the Indian Rupee payments made, determined at the spot Indian Rupee/U.S. Dollar exchange rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. Dollars will be treated as ordinary income or loss. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

Taxation of Sale, Exchange or Other Taxable Disposition of Equity Shares

Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell, exchange or otherwise dispose of your Equity Shares in a taxable disposition, you generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. Dollar value of the amount realized and your tax basis, determined in U.S. Dollars, in your Equity Shares. Gain or loss recognised on such a sale, exchange or other disposition of Equity Shares generally will be long-term capital gain if the U.S. holder has held the Equity Shares for more than one year. Long-term capital gains of U.S. holders who are individuals (as well as certain trusts and estates) are generally taxed at preferential rates (currently at a maximum rate of 20%). The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes, unless it is attributable to an office or other fixed place of business outside the United States and certain other conditions are met. Your ability to deduct capital losses is subject to limitations.

Medicare Tax

Certain U.S. holders who are individuals, estates or trusts are required to pay a 3.8% Medicare surtax on all or part of that holder's "net investment income", which includes, among other items, dividends on, and capital gains from the sale or other taxable disposition of, the Equity Shares, subject to certain limitations and exceptions. Prospective investors should consult their own tax advisors regarding the effect, if any, of this surtax on their ownership and disposition of the Equity Shares.

PFIC Considerations

The Code provides special rules regarding certain distributions received by U.S. persons with respect to, and sales, exchanges and other dispositions, including pledges, of, shares of stock in a PFIC. A non-U.S. corporation will be treated as a PFIC for any taxable year in which either: (i) at least 75 percent of its gross income is "passive income" or (ii) at least 50 percent of its gross assets during the taxable year (generally based on the average of the fair market values of the assets determined at the end of each quarterly period) are "passive assets," which generally means that they produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties, gains from commodities and securities transactions, and gains from assets that produce passive income. Cash is generally a passive asset. However, under recently proposed U.S. Treasury regulations, on which taxpayers may rely, an amount of cash held in a non-interest bearing financial account that is held for the present needs of an active trade or business and is no greater than the amount necessary to cover operating expenses incurred in the ordinary course of the trade or business and reasonably expected to be paid within 90 days is generally not treated as a passive asset. Goodwill is active to the extent attributable to activities that produce or are intended to produce active income. In determining whether a non-U.S. corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Based on the current and projected composition of our income and assets, and the valuation of our assets, including goodwill, we do not expect to become, a PFIC in the current taxable year or the foreseeable future for U.S. federal income tax purposes. However, no assurance can be given that our Company will not be considered a PFIC in the current or any future taxable years. Our Company's possible status as a PFIC must be determined for each year and cannot be determined until the end of each taxable year. Because this determination is made annually at the end of each taxable year and is dependent upon a number of factors, some of which are beyond our Company's control, including the amount and nature of our Company's income, as well as on the market valuation of our Company's assets, including goodwill, and Equity Shares, and because certain aspects of the PFIC rules are not entirely certain, there can be no assurance that our Company is not a PFIC and will not become a PFIC or that the IRS will agree with our conclusion regarding our PFIC status. If our Company was currently or were to become a PFIC, U.S. holders of Equity Shares would be subject to special rules and a variety of potentially adverse tax consequences under the Code.

A U.S. holder that holds stock in a non-U.S. corporation during any taxable year in which the corporation qualifies as a PFIC is subject to special tax rules with respect to (a) any gain realized on the sale, exchange or other disposition of the stock and (b) any "excess distribution" by the corporation to the holder, unless the holder elects to treat the PFIC as a "qualified electing fund" ("**QEF**") or makes a "mark-to-market" election, each as discussed below. An "excess distribution" is that portion of a distribution with respect to PFIC stock that exceeds 125% of the average of such distributions over the preceding three-year period or, if shorter, the U.S. holder's holding period for its shares. Excess distributions and gains on the sale, exchange or other disposition of stock of a corporation which was a PFIC at any time during the U.S. holder's holding period are allocated ratably to each day of the U.S. holder's holding period. Amounts allocated to the taxable year in which the disposition occurs and amounts allocated to any period in the shareholder's holding period before the first day of the first taxable year that the corporation was a PFIC will be taxed as ordinary income (rather than capital gain) earned in the taxable year of the disposition. Amounts allocated to each of the other taxable years in the U.S. holder's holding period are not included in gross income for the year of the disposition, but are subject to a special tax (equal to the highest ordinary income tax rates in effect for those years, and increased by an interest charge at the rate applicable to income tax deficiencies) that is added to the tax otherwise due for the taxable year in which the disposition occurs. The tax liability for amounts allocated to years before the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the Equity Shares cannot be treated as capital, even if a U.S. holder held such Equity Shares as capital assets. The preferential U.S. federal income tax rates for dividends and long-term capital gain of individual U.S. holders (as well as certain trusts and estates) would not apply, and special rates would apply for calculating the amount of the foreign tax credit with respect to excess distributions.

If a corporation is a PFIC for any taxable year during which a U.S. holder holds shares in the corporation, then the corporation generally will continue to be treated as a PFIC with respect to the holder's shares, even if the corporation no longer satisfies either the passive income or passive asset tests described above, unless the U.S. holder terminates this deemed PFIC status by electing to recognise gain, which will be taxed under the excess distribution rules as if such shares had been sold on the last day of the last taxable year for which the corporation was a PFIC.

The excess distribution rules may be avoided if a U.S. holder makes a QEF election effective beginning with the first taxable year in the holder's holding period in which the corporation is a PFIC. A U.S. holder that makes a QEF election is required to include in income its pro rata share of the PFIC's ordinary earnings and net capital gain as ordinary income and long-term capital gain, respectively, subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. A U.S. holder whose QEF election is effective after the first taxable year during the holder's holding period in which the corporation is a PFIC will continue to be subject to the excess distribution rules for years beginning with such first taxable year for which the QEF election is effective.

In general, a U.S. holder makes a QEF election by attaching a completed IRS Form 8621 to a timely filed (taking into account any extensions) U.S. federal income tax return for the year beginning with which the QEF election is to be effective. In certain circumstances, a U.S. holder may be able to make a retroactive QEF election. A QEF election can be revoked only with the consent of the IRS. In order for a U.S. holder to make a valid QEF election, the corporation must annually provide or make available to the holder certain information. Our Company does not intend to provide to U.S. holders the information required to make a valid QEF election and our Company currently makes no undertaking to provide such information. Accordingly, it is currently anticipated that a U.S. holder will not be able to avoid the special tax rules described above by making the QEF election.

As an alternative to making a QEF election, a U.S. holder may make a "mark-to-market" election with respect to its PFIC shares if the shares meet certain minimum trading requirements. If a U.S. holder makes a valid mark-to-market election for the first tax year in which such holder holds (or is deemed to hold) stock in a corporation and for which such corporation is determined to be a PFIC, such holder generally will not be subject to the PFIC rules described above in respect of its stock. Instead, a U.S. holder that makes a mark-to-market election will be required to include in income each year an amount equal to the excess, if any, of the fair market value of the shares that the holder owns as of the close of the taxable year over the holder's adjusted tax basis in the shares. The U.S. holder will be entitled to a deduction for the excess, if any, of the holder's adjusted tax basis in the shares over the fair market value of the shares as of the close of the taxable year; provided, however, that the deduction will be limited to the extent of any net mark-to-market gains with respect to the shares included by the U.S. holder under the election for prior taxable years. The U.S. holder's basis in the shares will be adjusted to reflect the amounts included or deducted pursuant to the election. Amounts included in income pursuant to a mark-to-market election, as well as gain on the sale, exchange or other taxable disposition of the shares, will be treated as ordinary income. The deductible portion of any mark-to-market loss, as well as loss on a sale, exchange or other disposition of shares to the extent that the amount of such loss does not exceed net mark-to-market gains previously included in income, will be treated as ordinary loss.

The mark-to-market election applies to the taxable year for which the election is made and all subsequent taxable years, unless the shares cease to meet applicable trading requirements (described below) or the IRS consents to its revocation. The excess distribution rules generally do not apply to a U.S. holder for tax years for which a mark-to-market election is in effect. However, if a U.S. holder makes a mark-to-market election for PFIC stock after the beginning of the holder's holding period for the stock, a coordination rule applies to ensure that the holder does not avoid the tax and interest charge with respect to amounts attributable to periods before the election.

A mark-to-market election is available only if the shares are considered "marketable" for these purposes. Shares will be marketable if they are regularly traded on a national securities exchange that is registered with the Securities and Exchange Commission or on a non-U.S. exchange or market that the IRS determines has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. For these purposes, shares will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. Each U.S. holder should ask its own tax advisor whether a mark-to-market election is available or desirable.

A U.S. holder of PFIC stock must generally file an IRS Form 8621 annually. A U.S. holder must also provide such other information as may be required by the U.S. Treasury Department if the U.S. holder (i) receives certain direct or indirect distributions from a PFIC, (ii) recognises gain on a direct or indirect disposition of PFIC stock, or (iii) makes certain elections (including a QEF election or a mark-to-market election) reportable on IRS Form 8621.

U.S. holders are urged to consult their tax advisors as to our Company's status as a PFIC, and, if our Company is treated as a PFIC, as to the effect on them of, and the reporting requirements with respect to, the PFIC rules and the desirability of making, and the availability of, either a QEF election or a mark-to-market election with respect to our Equity Shares. Our Company provides no advice on taxation matters.

Information with Respect to Foreign Financial Assets

In addition, certain U.S. holders may be subject to certain reporting obligations with respect to Equity Shares if the aggregate value of these and certain other "specified foreign financial assets" exceeds $50,000. If required, this disclosure is made by filing Form 8938 with the IRS. Significant penalties can apply if U.S. holders are required to make this disclosure and fail to do so. In addition, a U.S. holder should consider the possible obligation for online filing of a FinCEN Report 114—Foreign Bank and Financial Accounts Report as a result of holding Equity Shares. U.S. holders are thus encouraged to consult their U.S. tax advisors with respect to these and other reporting requirements that may apply to their acquisition of Equity Shares.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to distributions made on our Equity Shares within the U.S. to a non-corporate U.S. holder and to the proceeds from the sale, exchange, redemption or other disposition of Equity Shares by a non-corporate U.S. holder to or through a U.S. office of a broker. Payments made (and sales or other dispositions effected at an office) outside the U.S. will be subject to information reporting in limited circumstances.

In addition, backup withholding of U.S. federal income tax may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (or otherwise establishes, in the manner provided by law, an exemption from backup withholding) or to report dividends required to be shown on the U.S. holder's U.S. federal income tax returns.

Backup withholding is not an additional income tax, and the amount of any backup withholding from a payment to a U.S. holder will be allowed as credit against the U.S. holder's U.S. federal income tax liability provided that the appropriate returns are filed.

You should consult your own tax advisor as to the qualifications for exemption from backup withholding and the procedures for obtaining the exemption.

The foregoing does not purport to be a complete analysis of the potential tax considerations relating to this Issue, and is not tax advice. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the U.S. federal, state and local tax laws or non-tax laws, non-U.S. tax laws, and any changes in applicable tax laws and any pending or proposed legislation or regulations.

CERTAIN ERISA CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes requirements on "employee benefit plans" within the meaning of Section 3(3) of ERISA that are subject to Title I of ERISA, such as pension plans, profit-sharing plans, collective investment funds and separate accounts whose underlying assets include the assets of such employee benefit plans (each, an "**ERISA Plan**"), and on those persons who are fiduciaries with respect to ERISA Plans. ERISA also imposes limits on transactions between ERISA Plans and the ERISA Plan's service providers or other "parties in interest".

Each fiduciary of an ERISA Plan should consider ERISA and the regulations and guidance thereunder when considering an investment in the Equity Shares. Fiduciaries of ERISA Plans, as well as other "plans" and arrangements within the meaning of Section 4975(e)(1) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), that are subject to Section 4975 of the Code (together with ERISA Plans, "**Plans**"), should also consider, among other items, the issues described below when deciding whether to invest in the Equity Shares.

THIS MEMORANDUM IS NOT WRITTEN FOR ANY PARTICULAR PROSPECTIVE INVESTOR, AND IT DOES NOT ADDRESS THE NEEDS OF ANY PARTICULAR PROSPECTIVE INVESTOR. NONE OF THE ISSUER, BRLMs OR THEIR RESPECTIVE AFFILIATES HAS UNDERTAKEN TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND NONE OF THESE PARTIES HAS OR SHALL PROVIDE ANY ADVICE OR RECOMMENDATION WITH RESPECT TO THE MANAGEMENT OF ANY INVESTMENT OR THE ADVISABILITY OF ACQUIRING, HOLDING, DISPOSING OR EXCHANGING OF SUCH INVESTMENT. THE FOLLOWING DISCUSSION IS GENERAL IN NATURE, IS NOT INTENDED TO BE ALL INCLUSIVE AND SHOULD NOT BE CONSTRUED AS LEGAL ADVICE. EACH FIDUCIARY OF A PLAN SHOULD TALK TO ITS LEGAL ADVISER ABOUT THE CONSIDERATIONS DISCUSSED IN THIS SECTION BEFORE INVESTING IN THE EQUITY SHARES. APPLICABLE LAWS GOVERNING THE INVESTMENT AND MANAGEMENT OF THE ASSETS OF GOVERNMENTAL, CERTAIN CHURCH, NON-U.S. AND OTHER PLANS MAY ALSO CONTAIN FIDUCIARY AND PROHIBITED TRANSACTION REQUIREMENTS. ACCORDINGLY, FIDUCIARIES OF SUCH PLANS, IN CONSULTATION WITH THEIR ADVISERS, SHOULD CONSIDER THE IMPACT OF SUCH LAWS ON AN INVESTMENT IN THE EQUITY SHARES.

Fiduciary Duty of Investing ERISA Plans

Under ERISA, a person who exercises discretionary authority or control regarding the management or disposition of an ERISA Plan's assets is generally considered a fiduciary of such an ERISA Plan. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, which should be taken into account with regards to each ERISA Plan's particular facts and circumstances. In considering an investment of an ERISA Plan's assets in the Equity Shares, the ERISA Plan's fiduciary should determine, particularly in light of the risks and limited liquidity inherent in an investment in the Equity Shares, whether the investment would (i) satisfy the diversification requirements of Section 404(a)(1)(C) of ERISA, (ii) be in accordance with the documents and instruments governing the ERISA Plan pursuant to Section 404(a)(1)(D) of ERISA and (iii) be prudent with respect to the issuance's structure and the nature of its proposed investments. When evaluating the prudence of an investment, the ERISA Plan's fiduciary should consider the U.S. Department of Labor (the "**DOL**") regulation on investment duties, which can be found at 29 C.F.R. § 2550.404a-1.

In addition, ERISA requires an ERISA Plan's fiduciary to maintain indicia of ownership for the ERISA Plan's assets within the jurisdiction of the U.S. Federal District Courts. Fiduciaries of ERISA Plans should also consider ERISA's rules relating to delegation of control, and whether an investment in the Equity Shares might constitute or give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Prohibited Transactions

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Plan and persons and their affiliates that have certain relationships to the Plan, including the Plan's fiduciaries and other service providers (referred to as "parties in interest" under Section 3(14) of ERISA and "disqualified persons" under Section 4975 of the Code, and collectively, "**Parties in Interest**"). Regardless of whether the underlying assets of the Issuer are deemed to include the assets of a Plan, an investment in the Equity Shares by a Plan with respect to which any of the Issuer, BRLMs or their respective affiliates (each, a "**Transaction Party**") is considered a Party in Interest may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless a statutory or administrative exemption is applicable to the transaction.

The applicability of any exemption to the prohibited transaction rules will depend in part on the type of fiduciary making the decision to acquire the Equity Shares and the circumstances under which such decision is made. Included among the exemptions are the statutory exemption of Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to purchase and sale of securities and related lending transactions, provided that neither the issuer of the securities nor its affiliate has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any Plan involved in the transaction (in other words, not a fiduciary) and provided further that the Plan pays no more than, and receives no less than, adequate consideration in connection with the transaction) and the administrative exemptions of Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments made by bank collective investment funds), PTCE 84-14 (relating to transactions effected by independent "qualified professional asset managers"), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by certain "in-house asset managers"). Each fiduciary of a Plan that proposes to invest in the Equity Shares should consider, among other things, whether such investment would involve (i) a direct or indirect extension of credit to a Party in Interest, (ii) a sale or exchange of any property between a Plan and a Party in Interest or (iii) a transfer to, or use by or for the benefit of, a Party in Interest of the Plan's assets. In this regard, there can be no assurance that any of these or other exemptions will be available with respect to any particular transaction involving an investment in the Equity Shares. Most of the exemptions do not provide relief from some or all of the self-dealing prohibitions under Section 406 of ERISA or Section 4975 of the Code.

Each fiduciary of a Plan that has engaged in a prohibited transaction may be required to, among other potential actions, (i) restore to the Plan any profit realized on the transaction, (ii) reimburse the Plan for any losses suffered by the Plan as a result of the transaction or (iii) unwind the transaction. Under Section 4975 of the Code, a Party in Interest may be required to pay excise taxes based on the amount involved in the transaction (including a 100% excise tax if the transaction is not corrected within a certain time period).

The Plan Asset Regulation

Under the DOL regulation at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), when a Plan invests in an "**equity interest**" in an entity (which is defined as an interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features) that is neither a publicly offered security nor a security issued by an investment company registered under the U.S. Investment Company Act of 1940, as amended, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets unless it is established that the entity is an "operating company" or that equity participation by "Benefit Plan Investors" is not "significant".

Under the Plan Asset Regulation, an "**operating company**" is defined as an entity that is primarily engaged, directly or through a majority owned subsidiary or subsidiaries, in the production or sale of a product or service other than the investment of capital. Equity participation by "Benefit Plan Investors" in an entity is "**significant**" under the Plan Asset Regulation if, immediately after the most recent acquisition of any equity interest in the entity, 25% or more of the value of any class of equity interests in the entity is held by "Benefit Plan Investors". For purposes of this calculation, the value of any Equity Share held by (i) persons, other than "Benefit Plan Investors", that have discretionary authority or control over the assets of the entity, or that provide investment advice with respect to such assets for a fee, directly or indirectly, or (ii) any "affiliates" within the meaning of paragraph (f)(3) of the Plan Asset Regulation of the foregoing (i) persons are excluded (with respect to the Issuer's assets, a "**Controlling Person**"). A "**Benefit Plan Investor**" means (i) a Plan or (ii) any person or entity whose underlying assets include, or are deemed to include under the Plan Asset Regulation or otherwise for purposes of Title I of ERISA or Section 4975 of the Code, "plan assets" by reason of a Plan's investment in the person or entity. For these purposes, an "**affiliate**" of a person includes any person, directly or indirectly, through one or more intermediaries, "controlling", "controlled" by, or under common "control" with the person, and "**control**", with respect to a person other than an individual, means the power to exercise a controlling influence over the management or policies of such person. It must be true immediately after each acquisition, transfer or disposition of the Equity Shares that less than 25% of the value of any class of equity interests in the entity is held by Benefit Plan Investors in order for the assets of the Issuer to not be treated as "plan assets".

Thus, if the underlying assets of the Issuer are deemed to be "plan assets", the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies). In addition, various providers of fiduciary or other services to the Issuer, and any other parties with authority or control with respect to the entity, could be deemed to be Plan fiduciaries or otherwise Parties in Interest by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

Similar Plans

"Governmental plans" within the meaning of Section 3(32) of ERISA, "church plans" within the meaning of Section 3(33) of ERISA that have made no election under Section 410(d) of the Code, non-U.S. plans described in Section 4(b)(4) of ERISA and other plans that are not Benefit Plan Investors ("**Similar Plan**"), while not subject to the fiduciary responsibility and prohibited transaction provisions of Title I of ERISA and Section 4975 of the Code, may nevertheless be subject to a U.S. federal, state, local, non-U.S. or other law or regulation that contains one or more provisions that are substantially similar to the foregoing provisions of ERISA and the Code ("**Similar Law**").

Representations and Warranties

Each prospective purchaser and subsequent transferee of the Equity Shares will be required to represent that (a) it is or it is not a Benefit Plan Investor or a Controlling Person and (b) its acquisition, holding or disposition of the Equity Shares will not result in or constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law.

Each prospective Shareholder and subsequent transferee that is a Benefit Plan Investor will be deemed to have represented by its investment in the Equity Shares that (x) none of the Transaction Parties has provided any investment recommendation or investment advice to the Benefit Plan Investor, or any fiduciary or other person investing on behalf of the Benefit Plan Investor or who otherwise has discretion or control over the investment and management of "plan assets" (a "**Plan Fiduciary**"), on which either the Benefit Plan Investor or Plan Fiduciary has relied in connection with the decision to invest in the Equity Shares, (y) the Transaction Parties are not otherwise acting as a "fiduciary", as that term is defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or Plan Fiduciary in connection with the Benefit Plan Investor's investment in the Equity Shares and (z) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Whether or not the underlying assets of the Issuer are deemed to be "plan assets", an investment in the Equity Shares by a Benefit Plan Investor is subject to Title I of ERISA or Section 4975 of the Code. Accordingly, Plan Fiduciaries should consult their own counsel as to the consequences under ERISA and the Code of an investment in the Equity Shares. Fiduciaries of Similar Plans, in consultation with their advisors, should consider the impact of their applicable Similar Laws on an investment in the Equity Shares and the considerations discussed above.

The sale of the Equity Shares to a Benefit Plan Investor is in no respect a representation by us that such an investment meets all relevant legal requirements with respect to investments by Benefit Plan Investors generally or any particular Benefit Plan Investor, or that such an investment is appropriate for Benefit Plan Investors generally or any particular Benefit Plan Investor.

LEGAL PROCEEDINGS

Our Company and our Subsidiaries are, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, amongst others, civil suits (including consumer complaints), title and land disputes, criminal proceedings, writ petitions and tax proceedings.

*There is no outstanding legal proceeding which has been considered material in accordance with our Company's "Policy for determining materiality for disclosures of events or information" framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board. Notwithstanding such materiality policy approved by the Board, our Company has solely for the purposes of this Issue, disclosed in this section, all outstanding civil, regulatory and tax proceedings involving our Company and Subsidiaries where the amount involved in such proceedings exceeds ₹ 40 crores ("**Materiality Threshold**") and where amount is not quantifiable or is below the Materiality Threshold but which materially and adversely affect the operations or the financial position of the Company.*

In addition to the above, this section of this Preliminary Placement Document also discloses (i) any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document involving our Company or its Subsidiaries, and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company or Subsidiaries; (ii) any material fraud committed against our Company in the last three years, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company or its future operations; (iv) any default by our Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of our Company under the Companies Act, 2013 or the rules made thereunder; (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action, if any, will be disclosed.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, its Subsidiaries, its Associates or the Promoter, as the case may be, have not been considered as litigation until such time that the above-mentioned entities are not impleaded as a defendant in litigation proceedings before any judicial forum.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Preliminary Placement Document..

Litigation involving our Company

Litigation against our Company

Criminal Proceedings

1. The Additional Chief Judicial Magistrate, First Class, Gautam Buddha Nagar, Noida has issued two summons to Naveen Tomar, the then nominee under the Prevention of Food Adulteration Act, 1954, Skywok Restaurant and Ved Prakash, Chef, Skywok Restaurant, Noida respectively, in relation to adulterated samples of curd collected from Skywok Restaurant, Noida. Summons are yet to be served to Naveen Tomar and Ved Prakash. The matters are currently pending.

2. The Food Safety Officer, Kamrup Metro, Guwahati, ("**FSO**") has filed a criminal complaint before the Chief Judicial Magistrate, Kamrup Metro, Guwahati ("**Court**"), Vivanta by Taj, Guwahati (the "**Hotel**"), Ranju Bhatacharjee, Purchase Manager of the Hotel, and others, in relation to samples of dried salted black beans and shrimp paste collected from the Hotel, allegedly found to contain preservatives prohibited under provisions of the Food Safety and Standards Act, 2006 and the Food Safety and Standards (Food Products Standards and Additives) Regulations, 2011. Subsequently, pursuant to order dated June 23, 2017, Ranju Bhattacharjee has been allowed bail. The matter is currently pending.

3. The Wildlife Crime Control Bureau (the "**WCCB**") has filed a criminal complaint before the Additional Chief Metropolitan Magistrate Court, Delhi (the "**ACMM**"), against Digvijay Singh, the then General Manager, House of Ming, Taj Mahal Hotel, New Delhi (the "**TM Hotel**"), and other executives of the Company (the **Defendants**") on the allegation that a sea cucumber was in possession along with its dish mentioned in the menu card of the House of Ming, Taj Mahal Hotel, New Delhi. Since the sea cucumber was a scheduled animal under the Wildlife (Protection) Act, 1972, a violation of Sections 40(2), 49 and 49B of the Wildlife (Protection) Act, 1972 was alleged against the Defendants. The ACMM had issued summons to the Defendants and had also issued process against TM Hotel and Digvijay Singh. Digvijay Singh has filed an application for revision before the Court of District and Sessions Judge, New Delhi (the "**Sessions Court**"). The Sessions Court allowed the application for revision and quashed the summons issued in the name of Digvijay Singh. Consequently, WCCB has also filed an appeal before the Delhi High Court challenging the order of the Sessions Court for removal of Digvijay Singh's name. No notice has been issued to the Company in this regard. Meanwhile, WCCB made an application before the ACMM for substituting the Company as a party in place of TM Hotel and the ACMM allowed the application.

TM Hotel has filed a petition before the Delhi High Court challenging the same. The ACMM has commenced trial and the matters are currently pending.

4. The Health Department, State of Rajasthan has filed a criminal complaint before the Additional Chief Judicial Magistrate, First Class, Udaipur, against the Taj Lake Palace Hotel, Udaipur (the "**Hotel**"), and other executives of the Company in relation to an allegedly inferior sample of "paneer" used at the Taj Lake Palace Hotel, Udaipur The Hotel has received summons in the name of the executives nominated under the Prevention of Food Adulteration Act, 1954. The Health Department, State of Rajasthan, also issued a notice to the Hotel, Udaipur to provide a valid permit from the local municipal body or to close the restaurant serving the alleged inferior sample of "paneer". Taj Lake Palace Hotel, Udaipur has filed an application before the Additional Chief Judicial Magistrate, First Class, Udaipur to expedite the process of getting the report on the sample of "paneer" from the concerned department. The matter is currently pending.

5. MCGM has filed two criminal complaints before the Metropolitan Magistrate, 41st Court, Mumbai (the "**Metropolitan Magistrate**") against P.R.P. Ramakrishnan ("**Accused**"), the then Chief Engineer of Taj Mahal Palace, Mumbai (the "**TMP Hotel**") for allegedly using motive power for electrical equipment at TMP Hotel without obtaining the license allowing for such usage under Section 390 of the MMC Act (the "**Factory License**"). Pursuant to inspections by the Inspecting Officer, MCGM, notices were issued to P.R.P. Ramakrishnan which stated that the carpentry workshop license had been taken for the premises of TMP Hotel in relation to an earlier basement of the old premises, and the carpentry workshop license had not been renewed by TMP Hotel for the new premises. The Company filed its reply to the notices with a request to renew the carpentry workshop license. The TMP Hotel also renewed the Factory License under protest. The Metropolitan Magistrate issued process against P.R.P. Ramakrishnan, pursuant to applications made by the MCGM. The first criminal complaint was subsequently disposed of by the magistrate court's order dated November 7, 2019, wherein the Accused was acquitted and the complaint was dismissed. In relation to the second criminal complaint regarding the use of power of the electrical equipment, the TMP Hotel's stand was that the same was an integral part of the hotel activities and no independent commercial activity was being undertaken. P.R.P. Ramakrishnan filed a criminal revision application before the Sessions Court challenging both notices by the Metropolitan Magistrate. The Sessions Court, Mumbai, passed two orders rejecting the criminal revision application and the appeal filed by the Company and remanded the matter to the Metropolitan Magistrate for trial. P.R.P. Ramakrishnan has filed a criminal writ petition before the Bombay High Court against MCGM challenging one of the orders passed by the Sessions Court, in relation to the latter matter. The Bombay High Court has granted a stay on the proceedings at the Metropolitan Magistrate until further orders. The matter is currently pending.

6. The Chief Enforcement Officer, in the Enforcement Directorate, Reserve Bank of India ("**RBI**"), Mumbai (the "**ED**"), has filed five criminal complaints before the Metropolitan Magistrate, Esplanade, against the Company and others, alleging, certain exchange control violations, including utilization of funds for purposes without obtaining the requisite RBI approval and the failure to repatriate dues within a prescribed time period, under the erstwhile Foreign Exchange Regulation Act, 1973 read with the Foreign Exchange Management Act, 1999. The matters are currently pending.

7. The Food Safety Officer, Department of Food Safety, New Delhi, has filed a criminal complaint dated December 17, 2020 before the Court of the Adjudicating Officer/Additional District Magistrate, District – New Delhi under the Rule 3.1.1(3) of the Food Safety and Standards Rules, 2011, alleging that the sample collected of 'Arborio Rice' from the premises of M/s Taj Mahal Hotel, Number one, Man Singh Road was misbranded as '100% Italian Arborio Rice' a claim in relation to an origin which is not permitted as per Section 23(1) of the Food Safety & Standards Act, 2006 & Regulation No. 2.3.1.5 of the Food Safety & Standards (Packaging and Labelling) regulation, 2011. The matter is currently pending.

Civil Proceedings

1. Sonia Raj Sood, (the "**Petitioner**") has filed a public interest litigation before the Bombay High Court against the Company and others, in relation to a proposed convention centre-cum-hotel on a plot of land at Bandstand, Bandra, Mumbai, which was acquired by the Company by way of purchase of shares in the sub-lessee company, ELEL Hotels and Investments Limited ("**ELEL**"). In 1979, ELEL had constructed Hotel Sea Rock on the leased land which was subsequently demolished in 2009. The Ministry of Environment and Forests (the "**MoEF**") approved reconstruction of the hotel with FSI of 2.49. Subsequently, the Government of Maharashtra approved sanction of additional FSI of 3.00 to the Company for reconstruction of the hotel under the Development Control Rules, 1991, subject to environmental clearance from the MoEF. The Petitioner has, inter alia, alleged that the project is situated on an ecologically sensitive area as the land on which Hotel Sea Rock is to be constructed falls on Coastal Regulation Zone I(A) ("**CRZ-I(A)")**, various approvals granted were illegal, non-payment of proper stamp duty on transfer of sub-lease and that FSI had been sanctioned under two different regulations namely, Development Control Rules, 1967 and Development Control Rules, 1991.

   The Bombay High Court has passed an interim order recording the statement of the Company that it shall not commence work on the site till the application filed by the Company pending with the MoEF is decided. If the MoEF grants clearance to the said project, in that case, a four weeks' notice is to be given to the Petitioner, prior to the commencement of the work. Similarly, in case commencement certificate is to be issued, three weeks' notice is to be given to the Petitioner.

Subsequently, an application was filed before the National Green Tribunal ("**NGT**") by the Petitioner seeking the final coastal zone management plan for Sub-Urban Mumbai to be quashed and the status of the land/ area involved to be restored to its original status as CRZ-I(A). The relief sought was on the various grounds, *inter alia*, that the conversion of the said land/ area in to CRZ-II, (i) violates the 'Precautionary' and 'Sustainable Development' principles; (ii) the location of the Bandra Fort, an ancient historical monument has been superimposed on the location of Hotel Sea Rock in the final plan and such conversion will threaten the existence of the fort; and (iii) destroy the environment and natural habitat of flora, fauna, mangroves and marine species in the area. The NGT constituted a joint committee to examine the objections. Subsequently, placing reliance on the report submitted by the joint committee, the NGT quashed the application filed by the Petitioner. Aggrieved by the order, the Petitioner has filed a civil appeal against the NGT order dated September 9, 2020 before the Supreme Court of India. ELEL/IHCL have not been made parties to the proceedings by virtue of not being impleaded as parties in the application filed by the Petitioner before the NGT. ELEL has in turn, filed an application for impleadment pending before the Hon'ble Supreme Court. The appeal and the application is currently pending.

2. Lalit Kumar Sardarmal Jain ("**Petitioner**") has filed a PIL (**"Petition"**) before the Bombay High Court against the State of Maharashtra and others, including the Company and Taj Wellington Mews alleging that Taj Wellington Mews has encroached upon the setback land and garden given to the Company for beautification and maintenance for a period of 60 months from 2001, since 15 years, which is in detriment of the rights of the general public. The Company has filed their affidavit in reply opposing the Petition. The matter is currently pending admission.

Litigation by our Company

Criminal Proceedings

1. The Company, through one of its employees, Sunil Singh, has filed a first information report with the Police Station, Shahnagar, Jodhpur, against Raju Singh, a casual worker in Hari Mahal Hotel, Jodhpur in relation to alleged theft of various items, including a mobile phone. Subsequently, criminal proceedings were instituted before the Additional Chief Judicial Magistrate (Junior Division), Jodhpur and the matter is currently pending.

2. 21 cases under the Negotiable Instruments Act, 1881, in relation to matters of dishonor of cheque and cheque bounce due to insufficient funds have been filed by our Company and are pending before various forums, including, Metropolitan Magistrate Andheri, Mumbai, Metropolitan Magistrate, Delhi, Metropolitan Magistrate, Thane, Magistrate Court, Panaji, District Court, Surat Magistrate Court, Alipore, Additional Chief Judicial Magistrate, Jodhpur, Metropolitan Magistrate, Udaipur and Metropolitan Magistrate, Patiala House. The aggregate amount demanded is approximately ₹1.46 crores, to the extent quantifiable. The matters are currently pending.

3. IHCL filed a criminal complaint before the Ld. Metropolitan Magistrate's 40th Court at Girgaum, Mumbai ("**Court**") under Section 452 of the Companies Act, 2013, against Simi Kumar ("**Appellant**"), wherein pursuant to the order dated November 13, 2018 ("**Order**"), being an ex-employee of IHCL, she was convicted for wrongful possession of property provided by IHCL after the termination of her employment agreement, an offence punishable under Section 452 of the Companies Act, 2013. Aggrieved by the Order, Appellant filed an appeal dated December 4, 2018 before the Court of Sessions for Greater Mumbai to set aside the Order and acquit the Appellant from the charge under Companies Act, 2013. The Appellant vide interim order dated January 30, 2019 has vacated the property and handed over possession of the same on 31st March, 2019. The matter is currently pending.

4. The Company through one of its security managers, Mr. Pradeep Kumar, has filed a first information report with the Station House Officer, Police Station, Dwarka, against one hotel resident Mr. Rahul Kumar in relation to alleged theft of various hotel items and amenities amounting to a total outstanding amount of ₹ 82,173 and for threatening the hotel staff with a gun. Subsequently, criminal proceedings were instituted before the Principal District and Sessions Judge, (South west) Dwarka Courts. The matter is currently pending.

Civil Proceedings

1. The Company had been granted lease of land for TMP Hotel by way of three long term leases executed with the trustees of the Mumbai Port Trust (the "**Mumbai Port Trust**") which expired in 1999 and 2001, respectively. The Company made applications to the Mumbai Port Trust requesting renewal of the terms of the lease deeds which should be made to run concurrently for a period of 99 years. Meanwhile, the Mumbai Port Trust had revised general rent rates for all its properties which were being challenged before the Bombay High Court and the Supreme Court by other tenants. Pending the approval of the revised rent by the courts, the Mumbai Port Trust agreed to renew the lease of TMP Hotel for a term of 30 years on revised rates. The Company agreed to such renewal without prejudice to its right to get the leases renewed for a period of 99 years. In 2006, the Mumbai Port Trust further revised the rent, pursuant to its decision that all companies having a paid up capital exceeding ₹ 1 crore would be exempt from the Maharashtra Rent Control Act with effect from September 1, 2006.

The Mumbai Port Trust by way of several letters alleged that the Company is liable for alleged unauthorized construction of mezzanine floors of TMP Hotel and arrear in the revised lease rental terms of 2006, in service tax and has consequently delayed renewal of the lease. The Company also received notices issued by the Mumbai Port Trust for termination of the lease of TMP Hotel under the provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971. Consequently, the Company filed a suit before the Bombay High Court challenging the said notices as illegal, arbitrary and unreasonable and notice of motion has also been filed for relief for stay of the said two notices of termination. The Mumbai Port Trust filed a statement before the Bombay High Court that it shall not give effect to its notice of termination during the pendency of the suit and the statement continues to be in force till date.

Subsequently, the Mumbai Port Trust has filed a notice of motion with the Bombay High Court requesting expedition of the matter and vacation of the earlier order of interim relief. The Mumbai Port Trust's notice of motion was dismissed and the Company's notice of motion was made absolute through order dated October 23, 2018. The Court directed the Mumbai Port Trust to accept the lease rent in consonance with the arrangement of 2002. The Company continues to pay lease rent in terms of the said arrangement. The Mumbai Port Trust has filed an appeal against the order dated October 23, 2018. The appeal is currently pending.

2. The Company ("**Plaintiff**") has filed a commercial suit before the High Court of Judicature at Bombay, Ordinary Original Civil Jurisdiction, Commercial Jurisdiction. The building Oxford House was leased to the Plaintiff by Mumbai Port Trust ("**MPT**') was leased to the Company in 1923 and subsequently assigned to the Company in 2001. Prior to the expiry of the lease, the Company had, in 2015, pursuant to a letter to MPT, sought extension of the lease till 2024 and had also sought renewal of the lease in accordance with the Policy Guidelines for Land Management, 2015 in 2020. After the expiry of the lease, MPT allowed the Company to remain on the lease plot and accepted the lease rent. MPT, however, issued bills for compensation for wrongful use and unauthorized occupation of the plot after the said expiry. Pursuant to the commercial suit, the Company prayed to have MPT either renew the lease or extend the term of the lease till 2024, or have MPT renew the lease policy in accordance with the Land Policy, 2015. The Company has also filed an interim application to restrain MPT from taking steps to terminate the lease or initiate process of eviction till the final disposal of the suit. The matter is currently pending.

Material Property Tax Proceedings involving our Company

IHCL filed a writ petition before the Extraordinary Civil Writ Jurisdiction of the Hon'ble High Court of Delhi against an assessment order dated December 27, 2017 in respect of an assessment in respect to 34 separate assessment years i.e. 1983-1984 to AY 2016-2017, wherein the relevant assessing authority has fixed the rateable value of the subject premises i.e. Hotel Taj Place New Delhi. The Delhi High Court stayed the operation of the order, subject to the deposit of Rs. 30 Crore by the Company, which has already been deposited. The consequent property tax demand is for approximated ₹147 crore in aggregate. IHCL has, pursuant to the writ petition, prayed for the order dated December 27, 2017 to be quashed and set aside along with property tax bill dated January 1, 2018. Subsequently, a bill was received for the year 2018-19, on the basis of the same rateable value, as was determined in the assessment order which had been stayed. The Company filed an interim application in the pending Writ Petition, wherein the Delhi High Court issued notice to NDMC, and orally asked the counsel of NDMC not to take any coercive action against the Hotel. This was followed by another bill was received for 2019-20 on the same rateable value. IHCL again moved an interim application in the pending writ petition seeking stay of the same. The Court was pleased to grant a stay of all the bills, subject to IHCL depositing Rs. 2 Crore. Thereafter NDMC issued another bill for 2021-22 on the same rateable value. IHCL filed a writ petition before the Extraordinary Civil Writ Jurisdiction of the High Court of Delhi ("**Court**"), seeking interim stay of the bill and directions to NDMC to not take any coercive steps against IHCL for recovery of the bill amount till pendency of the petition. The Court vide order dated December 3, 2021, issued notice to NDMC and granted interim stay on the payment of the bill amount subject to IHCL depositing a sum of ₹1 crore with NDMC. The money has been deposited by IHCL. The matter is currently pending.

Proceedings before regulatory authorities involving our Company

A. The Enforcement Directorate, Mumbai (the "**ED**"), had issued 47 show cause notices ("**SCN**") under the erstwhile Foreign Exchange Regulation Act, 1973 to the Company and others in respect of certain alleged exchange control violations including but not limited to irregular reporting; utilization of fund for other purposes without obtaining general and/or special permission of the Reserve Bank of India ("**RBI**"); failure to repatriate dues within the prescribed time period; misutilization of funds borrowed and/or accrued from overseas operations into second and third generation companies created without obtaining RBI permission; diversion of overseas loans raised by the Company without RBI approval, for the period prior to 1998.

Out of the above 47 SCNs, the office of Special Director of Enforcement, Enforcement Directorate ("**SDE - ED**") has passed orders dated September 5, 2017 and March 13, 2019 in respect of 22 SCNs, as follows:

1. The Special Directorate, Western Region, Mumbai, in relation to 4 SCNs, passed an order dated March 13, 2019 dropping the charges against the Company in relation to failure to receive accrual of ₹ 3.14 crore as dues receivable by the Company and operating the casino in Hotel Annapurna ("**HA**") without RBI approval amongst other violations and in relation to granting a loan of ₹50 lakhs through State Bank of India, Mumbai ("**SBI**") to Nepal SBI for benefit of

Hotel Annapurna noting that no penal charges were warranted against the Company for the same. However, consolidated penalty of ₹50 lakhs was imposed against charges alleged under the SCN involving demand draft issued by SBI, in favour of HA to avail a loan for HA. Aggrieved by the order, the Company has filed an appeal against the order to set-aside the said order to the extent of order passed in respect of two SCNs citing failure to consider all contentions put forth through replies by the Company. The appeal is currently pending.

2. The Special Directorate, Western Region, Mumbai, passed an order dated September 5, 2017 jointly dealing with the 7 SCNs which were issued for alleged contraventions under provisions of the Foreign Exchange Regulation Act, 1973 and levyied a penalty of ₹10.88 crores cumulatively for the 7 SCNs on the Company. Aggrieved by the order, the Company filed an appeal before the Appellate tribunal to set-aside the order on grounds of failure to consider submissions on imposition of penalty on grounds that the monetary decisions were made by the earlier management without the approval of the Board of Directors in respect to which the Company was infact a whistle blower in the matter. The appeal is currently pending.

3. The Special Directorate, Western Region, Mumbai passed 2 orders dated March 13, 2019 in respect to 3 SCNs against the Company wherein one the SCNs were filed for allegedly acquiring and transferring certain amounts and carrying out various other transactions without a special or general permission from the RBI. Pursuant to the orders, the Special Directorate imposed a penalty of ₹0.35 crore and ₹0.32 crores on the Company, respectively. The Company has filed 2 appeals against the respective orders on grounds of not being heard, incorrect recording of facts and arbitrary calculation of penalty along with an interim applications to stay the recovery of monetary penalty till the appeals are pending. The matter is currently pending.

4. The Enforcement Directorate had issued 8 show cause notices ("**SCN**") to the Company in relation to various transactions carried out by the Company including remittance of money, assignment of rights, payment of fees and operation of guest houses without Government or Reserve Bank of India ("**RBI**") approval among other violations. The SCNs issued were in pursuance of statements issued by various individuals. A cross-examination application was filed by the Company to examine individuals who were ex-office bearers at the Company. However, the application was refused and the Company was not permitted to cross-examine the individuals by virtue of being ex-office bearers capable of causing adverse impact on the proceedings. The Company was hence asked to make arguments on merits without being given an opportunity to cross-examine the individuals failing which adjudication was to be passed depriving the Company of the right to be heard. Aggrieved by this order, the Company filed an appeal against the same praying to quash the order and give the Company a fair opportunity to be heard. The appeal is currently pending.

B. The Government of Goa, Tourism Department ("**Government of Goa**") issued a show cause notice dated February 6, 2013 ("**SCN**") to Indian Resorts Hotel Limited, Sinquerim (subsequently amalgamated with IHCL) (the "**Company**") for alleged non-payment of lease rental of ₹ 14 crore for the period between July 1, 1998 to June 30, 2012, along with an accumulated interest of ₹ 16.82 crore, pursuant to the lease deed entered into between the Government of Goa and the Company ("**Lease Deed**"), in terms of which the Government of Goa agreed to grant *inter alia* sanctions, clearances, approvals NOCs in respect of the proposed project within two months from the date of submission of the applications. The Company filed its reply to the SCN alleging non-receipt of the requisite approvals and permissions from the Government of Goa, required for commencement of the project. The Company further contended that pursuant to the minutes of the meeting dated January 27, 2006 of the Chamber of the Commissioner Secretary Tourism stated rentals are to be paid as soon as all licenses are obtained for commencement of the project. Thereafter, the Secretary of Tourism on October 20, 2021 passed an order terminating the Lease Deed with effect from six months from the date of the aforesaid order and directed amongst others, for the Company (i) to handover possession of the property on or before 6 months from the date of the said order, and (ii) pay the arrears of lease rental along with the adequate interest from 1998 until October 2021 ,aggregating to ₹ 65 crore within 30 days from the date of the receipt of the said order. The Company challenged the said order before High Court of Bombay's Goa bench (**"Court")** through a writ petition. Simultaneously, the Company invoked arbitration proceedings by filing an application dated October 17, 2020 before the High Court of Bombay. The Hon'ble High Court, vide its order dated January 11, 2022, stayed the operation of order dated October 20, 2021, for payment of lease rent till February 21, 2022 and directed parties to take appropriate steps for early listing and disposal of the IHCL's pending application dated October 17, 2020, for appointment of Arbitrator. The Court further vide its order dated February 21, 2022 continued the stay on the operation of the order dated October 20, 2021 for payment of lease rent till March 14, 2022.

The Court disposed of the Company's application for appointment of arbitrator vide order dated February 21, 2022. Subsequently, the Arbitrator was appointed and application under Section 17 of the Arbitration and Conciliation Act, 1996, was filed by the Company for seeking interim stay on the operation and implementation of the order dated October 20, 2021, in relation to which the proceedings have commenced. Accordingly, the High Court vide order dated March 14, 2022 accepted the Company's request to withdraw the writ petition. The matter is currently pending before the Arbitrator.

Litigation against our Subsidiaries

Criminal Proceedings

1. Pawan Kumar, Food Inspector, Nagar Nigam, Lucknow, filed a criminal complaint before the Chief Judicial Magistrate, First Class, Lucknow, against Ravi Prakash Saxena and Abhay Apte, in their capacity as representatives of one of our Subsidiaries, PIEM Hotels Limited, in relation to a sample of chocolate taken from the Taj Residency, Lucknow, allegedly, found to be in contravention of the Prevention of Food Adulteration Act, 1954 and the rules thereunder. The matter is currently pending.

2. Three criminal complaints have been filed by the Food Inspector, Nagar Nigam, Varanasi before the District Courts, Varanasi against certain executives of one of our Subsidiaries, Benaras Hotels Limited, for violation of the provisions of the Prevention of Food Adulteration Act, 1954 and rules made thereunder in relation to misbranding of food items in two of such complaints and adulterated samples of food collected from Taj Ganges Hotel, Varanasi (now known as The Gateway Hotel Ganges, Varanasi), a unit of Benaras Hotels Limited in the third. Sunil Vig, one of the former executives of the Benaras Hotels Limited, against whom the complaint in respect of adulteration of food was filed, was discharged by an order of the First Additional Chief Judicial Magistrate, Varanasi, which in appeal before the High Court of Judicature, Allahabad, passed an order remanding the proceedings to a lower court for fresh trial. The matters are currently pending.

3. Adjudicating Officer, Directorate of Enforcement, Delhi Zonal Office, New Delhi has initiated adjudication proceedings against Taj Trade and Transport Company Limited, including, certain of its directors, on the grounds that they had failed to realize the proceeds from the export of certain goods by Taj Trade and Transport Company Limited, for a total amount of ₹ 0.07 crores. Pursuant to an order (the "**Order**"), penalty of ₹ 0.10 crore was imposed on Taj Trade Transport Company Limited and penalty of ₹ 0.03 lakhs was imposed on each of the directors. Against such Order, Taj Trade and Transport Company Limited, and the directors filed an appeal before the Appellate Tribunal for Foreign Exchange, New Delhi. The matter is currently pending.

4. A criminal complaint has been, registered with the Tughlaq Road Police Station, New Delhi, against the erstwhile Chief Engineer of The Ambassador Hotel, New Delhi – IHCL SeleQtions, under section 336, 338 and 304A of the Indian Penal Code, in relation to an accident giving rise to three casualties due to a gas leak at the Sewerage Treatment Plant ("**STP**") of the hotel which was being managed by a third party contractor. The Chief Engineer has been granted bail, however the complaint is currently pending.

Civil Proceedings

An arbitration petition had been filed by one Sunil Gupta ("**Petitioner**") against Roots Corporation Limited ("**RCL**") before the High Court of Delhi. RCL had entered into a lease agreement with Aerens GoldSouk ("**AGIL**") subsequent to which AGIL was to sell the property to the Petitioner. The right to first refusal for such a transaction rested with RCL, however, AGIL alleged that the same was not exercised by RCL and the property was sold to the Petitioner pursuant to which RCL tendered rent to the Petitioner. RCL maintains that it was only supplied with the copy of a copy of the unregistered sale deed. The Petitioner has alleged that RCL defaulted in its payments and requested a rent reduction multiple times. Subsequently, the Petitioner issued a termination notice against the lease agreement following a rental due of ₹43.70 crore and invoked the arbitration clause and filed an arbitration petition. In its reply to the petition, RCL stated that not only did the Petitioner not have jurisdiction, the agreement to lease was between AGIL and RCL and no arbitration agreement was in place between the Petitioner and RCL. Further, it also stated that the agreement to lease was improperly stamped and hence liable to be impounded. The Court in it order dated October 4, 2016 observed that the Petitioner had failed in his duty to duly stamp and register the lease agreement and found merit in RCL's contention that the rent was to be calculated according to the clauses of the agreement and that the sub-registrar report based on which the stamp duty was calculated stands refused and the arbitration petition was accordingly dismissed subject to having a fresh petition filed when the stamp duty was paid.

However, RCL had filed a suit simultaneously before the district court of Ludhiana, for restraining AGIL and the Petitioner from interfering with RCL's enjoyment of property along with damages, however, following the arbitration petition's dismissal, this suit was dismissed holding that an arbitration clause existed between the Petitioner and RCL. Subsequently, RCL filed a civil revision petition before the Chandigarh High Court to have the order passed by the Ludhiana district court revised following which the Petitioner re-filed the arbitration petition after purportedly paying the stamp duty as directed by the High Court. Order dated January 10, 2019 ruled in favor of the Petitioner and the arbitration petition passed and a sole arbitrator was appointed accordingly. RCL filed a Special leave petition before the civil appellate jurisdiction of the Supreme Court of India on the grounds that the stamp duty on the lease agreement was not duly paid, and that Sunil Gupta was not party to the lease agreement. The Supreme Court vide order dated February 22, 2019 stayed further arbitration proceedings. Due to the stay granted, RCL's civil revision petition is also pending adjudication. The matters are currently pending.

Litigation by our Subsidiaries

Criminal Proceedings

Six cases under the Negotiable Instruments Act, 1881, in relation to matters of dishonor of cheque and cheque bounce due to insufficiency funds have been filed by one of our Subsidiaries, PIEM Hotels Limited, and are pending before various forums, namely, Chief Metropolitan Magistrate Esplanade Courts, Mumbai, and the Additional Chief Judicial Magistrates Court, Lucknow. The aggregate amount demanded is approximately ₹0.07 crores, to the extent quantifiable. The matters are currently pending.

Other Proceedings Involving Subsidiaries.

The New Delhi Municipal Council ("**NDMC**") sent two property tax demand notices dated October 21, 2019 and July 30, 2021 demanding an amount payable of approximately ₹18.65 crore of which ₹16.37 crore was stated to be in arrears and ₹2.27 crore was stated as tax to Sir Sobha Singh & Sons Pvt Ltd("**Applicant**"). owners of the hotel building leased to M/s United Hotels Ltd, a subsidiary of IHCL, in relation to its property Hotel Ambassador. Aggrieved by the notices, the owner of the hotel building had filed a writ petition before High Court of Delhi's extraordinary civil writ jurisdiction, seeking direction quashing the said notices on grounds of being in disregard to past orders of the High Court and Supreme Court and being based on rateable value which has been judicially invalidated as it was based on 2009 bye laws which have been declared *ultra vires*. The Applicant had made oral arguments before the Joint Director (Tax) previously under notice for hearing dated March 28, 2019, however, was re-called for making arguments due to the transfer of the previous Joint Director. Since this led to the issuance of a fresh notice and opportunity for hearing the Applicant refrained from pressing the writ petition. However, the opportunity for hearing was not extended and the NDMC issued an assessment order dated February 4, 2021 imposing rateable value. The Applicant has filed an application for restoration of the writ petition under the circumstances. The Application is currently pending.

Material frauds committed against our Company in the last three years, and the action taken by our Company.

There are no material frauds committed against our Company in the last three years.

Details of default in repayment of (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon

There is no default in repayment of (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon.

Details of default in annual filings under the Companies Act or rules made thereunder

There has been no default in the annual filings under the Companies Act or the rules made thereunder.

Details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of our Company and its future operations

There has been no order passed by any regulator, court or tribunal which impacts the going concern status of our Company and/or its future operations.

Inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document involving our Company and its Subsidiaries, and prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 and prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries.

Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last three years preceding the year of this Preliminary Placement Document and directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

There has been no litigation or legal actions pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last three years preceding the year of this Preliminary Placement Document or any directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

Tax Proceedings involving our Company

Details of outstanding tax proceedings involving our Company are disclosed below.

Nature of Proceedings	Number of Proceedings	Amount involved (₹ crore)*
Direct Tax		
Company	2	327.26
Sub-Total	2	327.26

** To the extent quantifiable*

INDEPENDENT AUDITORS

The consolidated financial statements of The Indian Hotels Company Limited as of 31 March 2021, 2020 and 2019, and for the years then ended, included in this Preliminary Placement Document, and the operating effectiveness of the internal financial controls with reference to the consolidated financial statements of The Indian Hotels Company Limited as on 31 March 2021, 2020 and 2019 have been audited by B S R & Co. LLP, independent auditors, as stated in their reports appearing herein, which contain other matters paragraphs that state their reports are based upon reports of other auditors. The report with respect to the year ended 31 March 2021 and 31 March 2020 includes an "Emphasis of matter" paragraph which draws attention to the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management. .

With respect to the unaudited condensed consolidated interim financial statements for the periods ended 31 December 2021, included herein, B S R & Co. LLP independent auditors, has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report, which contains other matters paragraphs which draws attention to the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management and their report is based upon report issued by other auditors and that the financial statements of five subsidiaries have not been reviewed, included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. .

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GENERAL INFORMATION

1. Our Company was incorporated as 'The Indian Hotels Company Limited' on April 1, 1902 in the Republic of India under the India Companies Act, 1882, as a public limited company.

2. The CIN of our Company is L74999MH1902PLC000183.

3. The website of our Company is www.ihcltata.com.

4. Our Registered Office is situated at Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra and our Corporate Office is situated at 9th Floor, Express Towers, Barrister Rajani Patel Marg, Nariman Point,Mumbai 400 021, Maharashtra, India.

5. Our Equity Shares are listed on BSE and NSE.

6. The Issue was authorised and approved by our Board, through the resolution passed at its meeting on October 21, 2021 and our Shareholders, through the special resolution passed by way of a postal ballot on January 29, 2022.

7. Our Company has received in-principle approvals in terms of Regulation 28 of the SEBI Listing Regulations from each of BSE and NSE on March 22, 2022, to list the Equity Shares on the Stock Exchanges. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

8. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 11:00 a.m. to 3:00 p.m. on any weekday (except Saturdays and public holidays) at our Registered Office.

9. Except as disclosed in this Preliminary Placement Document, our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

10. There has been no material change in the financial or trading position of our Company since December 31, 2021, the date of the Unaudited Condensed Interim Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.

11. Except as disclosed in this Preliminary Placement Document, there are no legal or arbitration proceedings against or affecting our Company or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which are, or might be, material in the context of the Issue. For further details, please see the section entitled "*Legal Proceedings*" on page 202.

12. Except as disclosed in this Preliminary Placement Document, our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

13. No change in the control of the Company will occur consequent to the Issue.

14. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR

15. The Floor Price for the Equity Shares under the Issue is ₹203.48 which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of the shareholders of our Company accorded through their special resolution passed by way of a postal ballot on January 29, 2022 and in terms of Regulation 176(1) of the SEBI Regulations.

16. Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing so at his or her own risk.

17. Beejal Desai is the Company Secretary and Compliance Officer of our Company. His details are as follows:

Beejal Desai
Senior Vice President Corporate Affairs & Company Secretary (Group) and Compliance Officer
The Indian Hotels Company Limited
9th Floor, Express Towers
Barrister Rajani Patel Marg
Nariman Point
Mumbai 400 021

Tel: +91 22 6137 1710
E-mail: investorrelations@tajhotels.com

FINANCIAL STATEMENTS

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Report on review of the Unaudited Condensed Consolidated Interim Financial Statements

To the Board of Directors of The Indian Hotels Company Limited

1. We have reviewed the accompanying unaudited condensed consolidated interim financial statements of The Indian Hotels Company Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its associates and the joint ventures for the period from 01 April 2021 to 31 December 2021 which comprise of condensed consolidated interim balance sheet as at 31 December 2021, the condensed consolidated interim statement of profit and loss (including other comprehensive income), the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flows for the nine months ended 31 December 2021 and notes to the unaudited condensed consolidated interim financial statements including a summary of significant accounting policies and other explanatory information (together referred to as 'unaudited condensed consolidated interim financial statements').

2. These unaudited condensed consolidated interim financial statements, which is the responsibility of the Parent's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on these unaudited condensed consolidated interim financial statements based on our review.

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

4. The unaudited condensed consolidated interim financial statements include the unaudited financial information of the entities mentioned in Annexure I.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying unaudited condensed consolidated interim financial statements are not prepared, in all material aspects, in accordance with Ind AS 34 and other accounting principles generally accepted in India.

Report on review of the Unaudited Condensed Consolidated Interim Financial Statements (Continued)

6. We draw attention to Note 4 to the unaudited condensed consolidated interim financial statements, which describes the economic and social effects of uncertainties the entity is facing as a result of COVID-19 which is impacting the Group's financial performance as assessed by the management.
   Our conclusion is not modified in respect of this matter.

7. We did not review the condensed interim financial statements of five subsidiaries included in the unaudited condensed consolidated financial statements whose condensed interim financial statements reflects total assets of Rs. 2,082.62 crores as at 31 December 2021, total revenues of Rs. 243.35 crores, total net loss after tax of Rs. 8.27 crores, total comprehensive income of Rs. 25.93 crores for the period from 01 April 2021 to 31 December 2021, and net cash inflows of Rs. 10.36 crores for the period from 01 April 2021 to 31 December 2021, as considered in the unaudited condensed consolidated interim financial statements. The unaudited condensed consolidated interim financial statements also include the Group's share of net loss after tax of Rs. 12.56 crores and total comprehensive loss of Rs. 11.54 crores for the period ended 31 December 2021 as considered in the unaudited condensed consolidated interim financial statements, in respect of one associate and two joint ventures, whose condensed interim financial statements have not been reviewed by us. These condensed interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the unaudited condensed consolidated interim financial statements, in so far relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.
   Our conclusion is not modified in respect of this matter.

8. These unaudited condensed consolidated interim financial statements includes condensed interim financial statements of twelve subsidiaries which have not been reviewed, whose condensed interim financial statements reflects total assets of Rs. 513.98 crores as at 31 December 2021 total revenues of Rs. 46.84 crores, total net loss after tax of Rs. 2.70 crores, total comprehensive loss of Rs. 2.70 crores for the period from 01April 2021 to 31 December 2021, and net cash inflows of Rs. 11.38 crores for the period 01 April 2021 to 31 December 2021. The unaudited condensed consolidated interim financial statements also include the Group's share of net loss after tax of Rs. 6.58 crores and total comprehensive loss of Rs. 4.64 crores for the period 01 April 2021 to 31 December 2021 as considered in the unaudited condensed consolidated interim financial statements, in respect of six associates and four joint ventures, based on their condensed interim financial statements which have not been reviewed. According to the information and explanations given to us by the Parent's management, this condensed interim financial statements is not material to the Group.
   Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
UDIN:22105003AFJVBL7426

Mumbai
22 March 2022

Annexure 1

List of entities included in unaudited financial results

Sr. No.	Name of component	Relationship
1	PIEM Hotels Limited	Subsidiary Company
2	Benares Hotels Limited	Subsidiary Company
3	United Hotels Limited	Subsidiary Company
4	Roots corporation Limited	Subsidiary Company
5	Inditravel Limited	Subsidiary Company
6	Taj Trade and Transport Company Limited	Subsidiary Company
7	KTC Hotels Limited	Subsidiary Company
8	Northern India Hotels Limited	Subsidiary Company
9	Taj Enterprises Limited	Subsidiary Company
10	Skydeck properties and Developers Private Limited	Subsidiary Company
11	Sheena Investments Private Limited	Subsidiary Company
12	ELEL Hotels and Investments Limited	Subsidiary Company
13	Luthria & Lalchandani Hotels & Properties Private Limited	Subsidiary Company
14	Ideal Ice and Cold Storage Company Limited	Subsidiary Company
15	United Overseas Inc.	Subsidiary Company
16	St. James Court Hotel Limited	Subsidiary Company
17	Taj International Hotels Limited	Subsidiary Company
18	Taj International Hotels (H.K) Limited	Subsidiary Company
19	PIEM International (H.K) Limited	Subsidiary Company
20	IHOCO BV	Subsidiary Company
21	IHMS Hotels (SA) Proprietary Limited	Subsidiary Company
22	Good Hope Palace Hotels Proprietary Limited	Subsidiary Company
23	Taj SATS Air Catering Limited	Joint Venture
24	Taj Karnataka Hotels and Resorts Limited	Joint Venture
25	Taj Kerala Hotels and Resorts Limited	Joint Venture
26	Taj GVK Hotels and Resorts Limited and its joint venture	Joint Venture
27	Taj Safaris Limited	Joint Venture
28	Kaveri Retreat & Resorts Limited	Joint Venture
29	TAL Hotels & Resorts Limited (including its subsidiaries and an associate)	Joint venture
30	Zarrenstar Hospitality Private Limited	Associates
31	Oriental Hotels Limited	Associates
32	Taj Madurai Limited	Associates
33	Taida Trading & Industries Limited	Associates
34	Lanka Island Resorts Limited	Associates
35	TAL Lanka Hotels PLC	Associates
36	Bjets PTE Limited, Singapore	Associates

The Indian Hotels Company Limited
Condensed Consolidated Interim Balance Sheet as at December 31, 2021

	December 31, 2021	March 31, 2021
		(₹ crores)
Assets		
Non-current assets		
Property, Plant and Equipment	5,598.56	5,728.00
Capital work-in-progress	254.89	164.99
Right-of-Use assets	1,496.90	1,529.74
Goodwill	617.04	610.97
Intangible assets	557.09	568.99
Intangible assets under development	0.77	-
Investments accounted using the equity method	546.65	578.37
Financial assets		
Investments	466.46	456.17
Loans	-	5.05
Other financial assets	84.81	78.19
Deferred tax assets (net)	131.56	117.98
Advance income tax (net)	146.46	203.40
Other non-current assets	305.32	316.98
	10,206.51	**10,358.83**
Current assets		
Inventories	99.71	92.88
Financial assets		
Investments	288.09	448.63
Trade receivables	307.33	219.84
Cash and cash equivalents	852.78	94.27
Other balances with banks	58.38	59.36
Loans	9.99	16.68
Other financial assets	93.48	88.95
Other current assets	129.03	132.20
	1,838.79	**1,152.81**
Assets classified as held for sale	1.60	1.07
	1,840.39	**1,153.88**
Total	**12,046.90**	**11,512.71**
Equity and liabilities		
Equity		
Equity share capital	132.14	118.93
Other equity	5,127.16	3,529.51
Equity attributable to owners of the company	**5,259.30**	**3,648.44**
Non-controlling interests	632.51	634.57
Total equity	**5,891.81**	**4,283.01**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	1,709.48	2,223.83
Lease liabilities	1,848.53	1,846.38
Other financial liabilities	31.82	25.71
Provisions	94.85	91.74
Deferred tax liabilities (net)	63.07	78.05
Other non-current liabilities	11.84	15.93
	3,759.59	**4,281.64**
Current liabilities		
Financial liabilities		
Borrowings	1,020.19	1,409.01
Lease liabilities	39.89	39.11
Trade payables	395.99	317.81
Other financial liabilities	366.87	709.49
Provisions	189.49	170.76
Current income tax liabilities (net)	35.29	34.95
Other current liabilities	347.78	266.93
	2,395.50	**2,948.06**
Total liabilities	**6,155.09**	**7,229.70**
Total	**12,046.90**	**11,512.71**

The accompanying notes forms an integral part of condensed consolidated interim financial statements

As per our report of even date as attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

For and on behalf of the Board

Tarun Kinger
Partner
Membership No. 105003

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Mumbai, March 22, 2022

The Indian Hotels Company Limited

Condensed Consolidated Interim Statement of Profit and Loss for the nine months ended December 31, 2021

(₹ crores)

	December 31, 2021	December 31, 2020
Income		
Revenue from operations	2,184.14	960.14
Other income	72.36	153.27
Total income	**2,256.50**	**1,113.41**
Expenses		
Food and beverages consumed	188.21	86.95
Employee benefit expense and payment to contractors	840.02	686.06
Finance costs	348.48	296.71
Depreciation and amortisation expenses	304.17	305.30
Other operating and general expenses	910.14	620.20
Total expenses	**2,591.02**	**1,995.22**
Profit/(Loss) before exceptional items, tax and share of profit of equity accounted investees	**(334.52)**	**(881.81)**
Exceptional items	(0.74)	134.60
Profit/(Loss) before tax and share of profit of equity accounted investees	**(335.26)**	**(747.21)**
Tax expense		
Current tax	2.06	0.60
Deferred tax credit	(35.20)	(143.52)
Total tax expense	**(33.14)**	**(142.92)**
Profit/(Loss) after tax before share of profit of equity accounted investees	**(302.12)**	**(604.29)**
Share of Profit/(Loss) of associates and joint venture (net of tax)	(34.42)	(93.62)
Profit/(Loss) for the period	**(336.54)**	**(697.91)**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit obligation	7.84	22.14
Change in fair value of equity instruments designated irrevocably as fair value through other comprehensive income	10.29	159.68
Share of other comprehensive income in associates and joint ventures (net of tax)	4.28	3.06
Add/(Less) : Income tax credit/(expense) on the above	(6.52)	(8.82)
Net other comprehensive income not to be reclassified subsequently to profit or loss	**15.89**	**176.06**
Items that will be reclassified subsequently to profit or loss		
Exchange differences on translating the financial statement of foreign operations	6.55	22.20
Share of other comprehensive income in associates and joint ventures (net of tax)	(1.16)	1.43
Add/(Less) : Income tax credit/(expense) on the above	-	-
Net other comprehensive income to be reclassified subsequently to profit or loss	**5.39**	**23.63**
Other comprehensive income for the period, net of tax	**21.28**	**199.69**
Total comprehensive income for the period	**(315.26)**	**(498.22)**
Profit/(Loss) for the period attributable to:		
Owners of the company	(321.91)	(628.81)
Non-controlling interests	(14.63)	(69.10)
	(336.54)	**(697.91)**
Total comprehensive Income for the period attributable to:		
Owners of the company	(317.16)	(453.38)
Non-controlling interests	1.90	(44.84)
	(315.26)	**(498.22)**
Earnings per share :		
Basic and Diluted - (₹) (* not annualised)	*(2.61)	*(5.13)
Face value per equity share - (₹)	1.00	1.00

The accompanying notes forms an integral part of condensed consolidated interim financial statements

As per our report of even date as attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

For and on behalf of the Board

Tarun Kinger
Partner
Membership No. 105003

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Mumbai, March 22, 2022

The Indian Hotels Company Limited

Condensed Consolidated Interim Statement of Changes in Equity for the nine months ended December 31, 2021

(₹ crores)

	A. Equity Share Capital	B. Other Equity											
		Reserves and surplus						Items of other comprehensive income					
	Equity Share Capital Subscribed	Capital Reserve	Capital Reserve on Consolidation	Securities Premium	General Reserve	Other reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statement of foreign operations	Total Other Equity	Equity attributable to owners of the company	Non Controlling Interests	Total Equity
Balance as at April 1, 2020	**118.93**	**43.91**	**111.57**	**2,702.05**	**692.56**	**194.30**	**152.26**	**94.25**	**246.98**	**4,237.88**	**4,356.81**	**764.90**	**5,121.71**
Profit/(Loss) for the year ended March 31, 2021	-	-	-	-	-	-	(720.11)	-	-	(720.11)	(720.11)	(75.52)	(795.63)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes	-	-	-	-	-	-	29.97	195.81	14.58	240.36	240.36	26.91	267.27
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**(690.14)**	**195.81**	**14.58**	**(479.75)**	**(479.75)**	**(48.61)**	**(528.36)**
Adjustment on account of change in holding of Minority Interest	-	-	-	-	-	-	(169.16)	-	-	(169.16)	(169.16)	(80.87)	(250.03)
Dividend	-	-	-	-	-	-	(59.46)	-	-	(59.46)	(59.46)	(0.85)	(60.31)
Transfer from Debenture Redemption Reserve to General Reserve	-	-	-	-	32.39	(32.39)	-	-	-	-	-	-	-
Realised loss on sale of investment transferred from Other Comprehensive Income	-	-	-	-	-	-	5.80	(5.80)	-	-	-	-	-
Balance as at March 31, 2021	**118.93**	**43.91**	**111.57**	**2,702.05**	**724.95**	**161.91**	**(760.70)**	**284.26**	**261.56**	**3,529.51**	**3,648.44**	**634.57**	**4,283.01**
Profit/(Loss) for the period ended December 31, 2021	-	-	-	-	-	-	(321.91)	-	-	(321.91)	(321.91)	(14.63)	(336.54)
Other Comprehensive Income for the period ended December 31, 2021, net of taxes	-	-	-	-	-	-	5.79	(6.47)	5.43	4.75	4.75	16.53	21.28
Total Comprehensive Income for the period ended December 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**(316.12)**	**(6.47)**	**5.43**	**(317.16)**	**(317.16)**	**1.90**	**(315.26)**
Adjustment on account of change in holding of Minority Interest	-	-	-	-	-	-	-	-	-	-	-	(0.01)	(0.01)
Dividend	-	-	-	-	-	-	(47.57)	-	-	(47.57)	(47.57)	-	(47.57)
Transfer from Debenture Redemption Reserve to General Reserve	-	-	-	-	47.97	(47.97)	-	-	-	-	-	-	-
Allocation of Shares on Rights basis	13.21	-	-	-	-	-	-	-	-	-	13.21	-	13.21
Premium on allocation of shares on Rights basis	-	-	-	1,968.76	-	-	-	-	-	1,968.76	1,968.76	-	1,968.76
Share issue expenses written off against Securities Premium	-	-	-	(10.33)	-	-	-	-	-	(10.33)	(10.33)	-	(10.33)
Change in ownership interests in subsidiaries	-	-	-	-	-	3.95	-	-	-	3.95	3.95	(3.95)	-
Balance as at December 31, 2021	**132.14**	**43.91**	**111.57**	**4,660.48**	**772.92**	**117.89**	**(1,124.39)**	**277.79**	**266.99**	**5,127.16**	**5,259.30**	**632.51**	**5,891.81**

The accompanying notes forms an integral part of condensed consolidated interim financial statements

As per our report of even date as attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

-

For and on behalf of the Board

Tarun Kinger
Partner
Membership No. 105003

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Mumbai, March 22, 2022

The Indian Hotels Company Limited

Condensed Consolidated Interim Statement of Cash Flows for the nine months ended December 31, 2021

	December 31, 2021	December 31, 2020
		(₹ crores)
Cash Flow From Operating Activities		
Profit / (Loss) Before Tax	(335.26)	(747.21)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation expenses on Property, plant and equipment	255.96	259.14
Depreciation and amortisation expenses on Right-of-Use assets	48.21	46.16
Gain arising out of acquiring controlling stake in a joint venture	-	(82.04)
Profit on sale of investments	(4.27)	(4.19)
Profit on sale of a hotel property	(7.12)	-
(Profit)/Loss on disposal of Property, plant and equipment	0.82	(14.03)
Allowance for Doubtful Debts and advances	(0.40)	8.83
Dividend Income	(4.66)	(5.43)
Interest Income	(30.64)	(41.33)
Finance Cost	229.13	181.52
Interest on lease liability	119.35	115.19
Exchange (Gain)/ Loss on Long term borrowing/Assets (net)	19.98	(62.44)
Assets written off	19.94	1.84
Provision for disputed claims	21.45	10.60
Provision for Employee Benefits	0.39	10.65
Gain on investments carried at fair value through statement of profit and loss	(1.07)	(1.05)
Fair valuation Gain on derivative contracts	(6.29)	(16.62)
	660.78	**406.80**
Cash Operating Profit before working capital changes	**325.52**	**(340.41)**
Adjustments for increase / decrease in operating assets and liabilities:		
Inventories	6.83	5.63
Other financial assets	(106.04)	39.07
Other financial liabilities	180.68	(151.01)
	81.47	**(106.31)**
Cash Generated from Operating Activities	**406.99**	**(446.72)**
Income taxes refund	54.72	28.21
Net Cash Generated From/(Used In) Operating Activities (A)	**461.71**	**(418.51)**
Cash Flow From Investing Activities		
Payments for purchase of property, plant & equipment	(230.07)	(146.01)
Proceeds from disposal of property, plant and equipment	17.20	20.16
Purchase of current investments	(1,234.84)	(1,117.25)
Proceeds from sale / redemption of current investments	1,329.61	1,303.66
Purchase of non-current investments	(175.00)	(31.64)
Disposal of long term investment	71.10	11.82
Option Deposit against purchase of shares repaid	(71.10)	-
Interest received	25.61	14.16
Dividend received (includes dividend from joint ventures and associates)	4.66	6.98
Long Term Deposits repaid by joint venture	0.30	-
Bank Balances not considered as Cash & Cash Equivalents	(1.80)	26.20
Long Term Deposits refunded	11.17	-
Short term Loans given to others	(0.03)	(9.63)
Long-term deposits placed for hotel properties	(2.00)	(2.04)
Short-term deposits placed with Other Companies	-	(0.45)
Net Cash Generated /(Used) In Investing Activities (B)	**(255.19)**	**75.96**
Carried over	**206.52**	**(342.55)**

The Indian Hotels Company Limited

Condensed Consolidated Interim Statement of Cash Flows for the nine months ended December 31, 2021

		(₹ crores)
	December 31, 2021	December 31, 2020
Brought over	**206.52**	**(342.55)**
Cash Flow From Financing Activities		
Share issue and Loan arrangement expenses	(17.89)	(0.15)
Interest and other borrowing costs paid	(204.25)	(164.57)
Payment of lease liability (including Interest)	(108.67)	(98.77)
Proceeds from long-term borrowings	1,281.50	976.51
Repayment of long-term borrowings	(2,182.22)	(391.50)
Proceeds from short-term borrowings	208.16	100.51
Repayment of short-term borrowings	(212.11)	(15.00)
Proceeds from issue of Equity shares on rights basis	1,981.97	-
Dividend including unclaimed dividend	(47.37)	(61.46)
Settlement of cross currency Interest rate swap (net)	(147.63)	(0.55)
Net Cash Generated/(Used) In Financing Activities (C)	**551.49**	**345.02**
Net Increase/(Decrease) In Cash and Cash Equivalents (A + B + C)	**758.01**	**2.47**
Cash and Cash Equivalents - Opening	**94.27**	**250.82**
Add: Opening cash balance of Subsidiary on acquisition	-	1.60
Exchange difference on translation of foreign currency cash and cash equivalents	0.50	(0.54)
Cash and Cash Equivalents - Closing	**852.78**	**254.35**

The accompanying notes forms an integral part of condensed consolidated interim financial statements

As per our report of even date as attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

For and on behalf of the Board

Tarun Kinger
Partner
Membership No. 105003

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Mumbai, March 22, 2022

1. **Corporate Information**

The Indian Hotels Company Limited ("IHCL" or the "Company"), and its subsidiaries (referred collectively as the "Group") is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts. These consolidated financial statements of the Group also include the Group's interest in associates and joint ventures.

The Company is domiciled and incorporated in India in 1902 and has its registered office at Mandlik House, Mandlik Road, Mumbai, 400 001, India. It is promoted by Tata Sons Private Limited (Formerly Tata Sons Limited), which holds a significant stake in the Company.

2. **Basis of preparation**

These unaudited condensed consolidated interim financial statements which comprise the condensed consolidated balance sheet as at December 31, 2021 , the condensed consolidated statement of profit and loss (including other comprehensive income), the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the nine month ended December 31, 2021 and key explanatory information (together herein after referred to as "Unaudited Condensed Consolidated Interim Financial Statements") have been prepared in accordance with the principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India.

The accounting policies and critical accounting estimates & judgements followed in the preparation of the Unaudited Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of Annual Financial Statements.

The Ministry of Corporate affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are effective from 01 April 2021. These amendments require certain regroupings in the Schedule III format of Balance sheet. The Company has given effect of such regroupings in its Unaudited Condensed Consolidated Interim Financial Statements including figures for the corresponding previous period to the extent applicable.

The Unaudited Condensed Consolidated Interim Financial Statements do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Company's Audited Financial Statements as at March 31, 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last Audited Financial Statements. These Unaudited Condensed Consolidated Interim Financial Statements are not the statutory accounts for the purpose of any statutory compliances or for regulatory requirements in any jurisdiction.

These Unaudited Condensed Consolidated Interim Financial Statements have been prepared only for the purpose of inclusion in the Preliminary Placement Document and the Placement Document to be filed with the Securities and Exchange Board of India, Registrar of Companies and the Stock Exchanges in connection with the proposed offering of equity shares of face value of ₹ 1 each in a QIP in accordance with provision of SEBI ICDR 2018.

3. These Unaudited Condensed Consolidated Interim Financial Statements have been approved by the Company's Capital Raising Committee of the Board on March 22, 2022.

4. **Going Concern**

Negative working capital:

As at the period end, the group's current liabilities have exceeded its current assets by ₹ 555.11 crores primarily on account of current maturities of long term borrowings aggregating ₹ 832.98 crores falling due within 12 months following the balance sheet date. The Group has secured additional financing for the next 12 months (including committed line of credit aggregating ₹ 626.52 crores in the form of secured/unsecured borrowings from banks and financial institutions) to prevent disruption of the operating cash flows and enable the Group meet its debts and obligations as they fall due. Accordingly, the financial statements of the Group are prepared on a going concern basis.

COVID-19 and related uncertainty due to the pandemic

The Group has assessed the possible impact of COVID-19 in preparation of the consolidated interim financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Group has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated as at the date of approval of these consolidated interim financial results and the Group will continue to closely monitor any material changes to future economic conditions.

The business has been impacted during the nine months period on account of COVID-19. During the first three months of the year, the Group witnessed softer revenues due to the second wave of COVID-19 and consequent lockdowns in several states across the country. However, during the second and current quarter of the year, the Group witnessed positive and sharp recovery of demand, especially in leisure destinations. The beginning of the fourth quarter has started with the third wave of COVID-19 and the Group is closely monitoring the situation.

5. **Rights Issue:**

a) During the quarter ended December 31, 2021 the Company has allotted 13,21,31,257 Rights Equity Shares of face value of ₹ 1 each at a price of ₹ 150 per Rights equity share to the eligible equity shareholders of the Company as on record date for an amount aggregating ₹ 1981.97 crores on Rights Basis. Accordingly, Earnings per share for the nine months ended December 31, 2020 have been retrospectively adjusted for the bonus element in respect of the Rights issue.

b) The Proceeds of the issue are utilized in accordance with the details set forth below:

₹ crores

Sr. No.	Item Head	Amount as proposed in the Letter of Offer document dated 09.11.2021	Amount utilised during the Period	Total Unutilised amount as on 31.12.2021
1	Repayment, pre-payment or redemption, in full or part, of certain borrowings availed by the Company	1,200.00	950.00	250.00
2	Payment for the acquisition of 3,48,51,356 equity shares (aggregating 37.07% of the paid-up equity share capital) of Roots Corporation Limited from its existing shareholders, namely, Omega TC Holdings Pte Limited, Tata Capital Limited and Piem Hotels Limited	454.11	85.08	369.03
3	Part payment for the acquisition of 4,02,846 equity shares (aggregating 14.28% of the paid-up equity share capital) of ELEL from Excalibur	175.00	174.80	0.20
4	Investment in our step-down Subsidiary, namely, United Overseas Holding Inc. through our WOS namely IHOCO BV, for repayment or pre-payment of certain borrowings availed by such Subsidiary	75.00	75.00	-
5	General corporate purposes*	66.50	24.00	42.50
6	Share Issue Expenses	11.36	-	11.36
	Total	**1,981.97**	**1,308.88**	**673.09**

* The total allotment of equity shares under the above Rights Issue is net of 8,570 Equity Shares that have been kept in abeyance against custodian cases. Consequently, the Issue amount of ₹ 12.85 lakhs pertaining to such cases has been reduced from the General corporate purposes.

Of the unutilised amount of ₹ 673.09 crores as on December 31, 2021, an amount of ₹ 661.31 crores has been placed in Bank fixed deposits and the balance ₹ 11.78 crores is lying in the Monitoring Agency /Allotment Account.

6. **Capital Commitments**

a) Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for is ₹ 260.85 crores (March 31, 2021 - ₹ 283.30 crores).

b) During the previous year, the Company had signed a binding agreement for acquisition of balance equity stake of 14.28% in ELEL Hotels & Investments Ltd ("ELEL"), a step down subsidiary, from its existing shareholders for a consideration of ₹ 250 crores payable in a phased manner on achievement of certain agreed milestones but not later than the end of December 2021. The final instalment of ₹ 174.80 crores (net of TDS) was paid during the quarter ended December 31, 2021 out of the proceeds of the Rights issue. Consequent to this acquisition, ELEL has become a wholly owned step down subsidiary of the Company effective December 28, 2021 and 100% leasehold owner of the landmark Sea rock hotel site.

c) The Board of Directors at its meeting on October 21, 2021 had approved the purchase of balance stake in Roots Corporation Limited ("RCL") aggregating to ~ 39.84% of the equity share capital of RCL from the existing shareholders of RCL, viz. Omega TC Holdings Pte Limited, Tata Capital Limited, Tata Investment Corporation Limited and Piem Hotels Limited, at an acquisition cost not exceeding ₹ 500 crores. The foregoing transaction will result in RCL becoming a wholly owned subsidiary of the Company. During the quarter ended December 31, 2021, the Company has completed purchase of 65,35,948 shares from PIEM Hotels Limited aggregating to ₹ 85.08 crores (net of TDS) (~ 6.95 % of the equity share capital of RCL) out of the proceeds of the Rights issue. The buyout from the remaining shareholders will be completed on receipt of all necessary approvals.

7. <u>Contingent liabilities</u>

The Group is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses and is exposed to other contingencies arising from having issued guarantees to lenders of its subsidiaries and other entities. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate.

(a) On account of matters in disputes :

Amounts in respect of claims (excluding interest and penalties) asserted by various revenue authorities on the Company and the Group, in respect of taxes, etc., which are in dispute, and not provided for, are as under:

		₹ crores
Particulars	**December 31, 2021**	**March 31, 2021**
Income Tax	242.61	260.70
Luxury tax	0.88	1.60
Entertainment tax	2.23	2.23
Sales tax / VAT	20.86	20.29
Property and Water tax	235.31	241.68
Service tax	22.61	22.24
Licence Fees	22.50	-
Others	30.14	30.24

The Group is a defendant in various legal actions and a party to claims as above, plus interest thereon, which arose during the ordinary course of business. The Group's management believes based on the facts presently known, that the results of these actions will not have a material impact on the Company's financial statements. It is not practicable for the Group to estimate the timings of cash flows, if any, in respect of the above.

(b) In January 2022, the Company has received the order giving effect (OGE) from income tax Assessing Officer with respect to AY 2008-09 and AY 2009-10, pursuant to Income Tax Appellate Tribunal (ITAT)'s order, granting refund aggregating to ₹ 85.36 crores (including interest of ₹ 36.89 crores). As the case has been decided purely on technical / legal grounds and not on merit, the Company has evaluated that it is likely that the Income Tax Department could prefer appeal before the High Court (HC). The said interest income of ₹ 36.89 crores has been accounted as other income in January 2022, as OGE is the substantive event under the Income Tax Act, 1961. The Company will consider the financial impact in regard to the above assessment years once the matter reaches finality.

8. Other Income for nine months ended December 31, 2021 includes ₹ 17.80 crores towards lease rent concessions received for certain properties, in accordance with Ind AS 116 'Leases'.

9. Other Expense for nine months ended December 31, 2021 includes ₹ 19.02 crores towards write off on account of Export Incentives which was recognized in the earlier years

10. Exceptional items comprise of:

		₹ crores
Particulars	**December 31, 2021**	**December 31, 2020**
Exchange gain/(loss) on long term borrowing	**(14.15)**	30.00
Change in fair value of derivative contracts	**6.29**	22.57
Profit on sale of a hotel property by a Subsidiary	**7.12**	-
Gain arising out of acquiring controlling stake in a joint venture	**-**	82.03
	(0.74)	134.60

11. Revenue from Contracts with Customers

The Group's revenue primarily comprises of Revenue from Hotel operations, Management and Operating Fee and Membership fees income. The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

		₹ crores
	December 31, 2021	**December 31, 2020**
Revenue based on geography		
Revenue from contract with customers		
India	1,673.67	802.08
Overseas	422.12	104.59
	2,095.79	**906.67**
Other Operating Revenue		
India	74.98	51.70
Overseas	13.37	1.77
	88.35	**53.47**
	2,184.14	**960.14**
Revenue based on product and services		
Revenue from contract with customers		
Room Revenue	1,063.96	419.12
Food & Beverages and Banquets	766.56	320.76
Shop rentals	21.57	25.71
Membership fees	85.34	53.25
Management & Operating fees	158.36	87.83
	2,095.79	**906.67**
Other Operating Revenue		
Other revenue related to hotel ancillary services	88.35	53.47
	88.35	**53.47**
	2,184.14	**960.14**

12. Loans and Borrowings

Borrowings as at December 31, 2021 is tabulated as below:

		₹ crores
	December 31 2021	**March 31 2021**
Long Term (excluding debt due with one year)	1,709.48	2,223.83
Short Term (including debt due within one year)	1,020.19	1,409.01
Total	**2,729.67**	**3,632.84**

The details of the loans raised and repaid during the nine months ended December 31, 2021 is as below:

	₹ crores
Balance as at March 31, 2021	**3,632.84**
New Issues:	
6.70%, Unsecured Non-Convertible Debentures	250.00
8.7%, Term Loan from HDFC Ltd	150.00
6.5% -7.50%, ECLGS Loan from Axis and Kotak Bank	144.00
3.45% (GBP SONIA+ 3.4%), Term Loan availed by St James Court, a subsidiary	584.58
3.5%-4.5%, Term Loans availed by UOH Inc, a subsidiary	163.88
7.10% -8%, Term Loan availed from Axis, Kotak and HDFC Bank by RCL, a subsidiary	54.61
Other short-term loans bearing interest @ 4.2% to 8.95% (including overdraft)	137.10
Total	**1,484.16**
Repayments:	
9.95% Secured Non-Convertible Debentures	250.00
10.10% Secured 10.10% Non-Convertible Debentures	300.00
6.5% -7.50%, ECLGS Loan from Axis and Kotak Bank	144.00
7.30%-7.65%, Term Loan from Axis Bank	361.00
7.25%-7.75%, Term Loan from Kotak Bank	133.00
8.7%, Term Loan from HDFC Ltd	400.00
7.10%-8%, Term Loan by RCL, a subsidiary	37.34
3.45% (GBP SONIA+ 3.4%), Term from a bank by St James Court, a subsidiary	531.67
Other short-term loans bearing interest @ 4.3% to 8.95%	231.83
Total	**2,388.83**
Other movements	1.50
Balance as at December 31, 2021	**2,729.67**

13. Financial Instrument

a. Financial instruments by category:

₹ crores

	FVTPL		FVOCI		Amortised cost		Total carrying value	
	December 31 2021	March 31 2021	December 31 2021	March 31 2021	December 31 2021	March 31 2021	December 31 2021	March 31 2021
Financial assets:								
Measured at fair value								
Investments (Refer Footnote below):								
Equity shares	-	-	466.46	527.27	-	-	466.46	527.27
Mutual fund units	288.09	377.53	-	-	-	-	288.09	377.53
Total	**288.09**	**377.53**	**466.46**	**527.27**	**-**	**-**	**754.55**	**904.80**
Not measured at fair value								
Trade receivables	-	-	-	-	307.33	219.84	307.33	219.84
Cash and cash equivalents	-	-	-	-	852.78	94.27	852.78	94.27
Other balances with banks	-	-	-	-	58.38	60.97	58.38	60.97
Loans	-	-	-	-	9.99	21.73	9.99	21.73
Other financial assets	-	-	-	-	178.29	165.53	178.29	165.53
	-	**-**	**-**	**-**	**1406.77**	**562.34**	**1406.77**	**562.34**
Total	**288.09**	**377.53**	**466.46**	**527.27**	**1406.77**	**562.34**	**2161.32**	**1,467.14**
Financial liabilities:								
Measured at fair value								
Derivative instruments	-	153.86	-	-	-	-	-	153.86
Not measured at fair value								
Borrowings	-	-	-	-	2,729.67	3,632.84	2,729.67	3,632.84
Lease Liabilities					1,888.42	1,885.49	1,888.42	1,885.49
Trade payables	-	-	-	-	395.99	317.81	395.99	317.81
Other financial liabilities	-	-	-	-	398.69	581.34	398.69	581.34
Total	**-**	**153.86**	**-**	**-**	**5,412.77**	**6,417.48**	**5,412.77**	**6,571.34**

Footnotes:

a. The above excludes investments in joint ventures and associates amounting to ₹ 546.65 crores (March 31, 2021 - ₹ 578.37 crores) which are accounted as per equity method.

b. FVTPL = Fair Value Through Profit and Loss and FVOCI = Fair Value Through Other Comprehensive Income.

a) Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis, it also includes the financial instruments which are measured at amortised cost for which fair values are disclosed.

₹ crores

	Level 1		Level 2		Level 3		Total	
	December 31 2021	**March 31 2021**	**December 31 2021**	**March 31 2021**	**December 31 2021**	**March 31 2021**	**December 31 2021**	**March 31 2021**
Financial assets:								
Measured at fair value								
Investments:								
Equity shares	332.73	322.44	-	-	133.73	204.83	466.46	527.27
Mutual fund units	288.09	377.53	-	-	-	-	288.09	377.53
Total	**620.82**	**699.97**	**-**	**-**	**133.73**	**204.83**	**754.55**	**904.80**
Financial liabilities:								
Measured at fair value								
Derivative instruments	-	-	-	153.86	-	-	-	153.86
Not measured at fair value (Refer Footnotes below)								
Borrowings								
Non-convertible debentures	-	-	1,216.53	1,541.10	-	-	1,216.53	1,541.10
Total	**-**	**-**	**1,216.53**	**1,694.96**	**-**	**-**	**1,216.53**	**1,694.96**

Footnotes:

a. The Company has not disclosed the fair value of certain short term financial instruments such as trade receivables, trade payables, short term loans, deposits etc. as their carrying amounts are a reasonable approximation of fair value.

b. The carrying amounts of the borrowings excluding non-convertible debentures that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

c. The Investments measured at fair value and falling under fair value hierarchy level 3 are valued based on valuation reports provided by external valuers with the exception of two investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The investments other than those whose fair values approximate cost are individually immaterial.

14. Taxes :

A deferred tax asset of ₹ 245.13 crores has been recognised by the Group for the unused tax losses as at December 31, 2021. These losses essentially represents business losses and unabsorbed depreciation.

The recoverability of the deferred tax assets has been assessed based on:

- Internal budgets, profit forecasts prepared by management, after duly considering the potential impact of COVID-19 in the future business of the company.
- applying tax principles to those forecasts; and
- following the methodology required by Ind AS 12 – Income Taxes.

15. There has been no material change in the Financial Risks and Risk Management Framework as compared to March 31, 2021

16. Related Party Disclosures

The names of related parties of the Company are as under:

(i) **Company having significant influence**

Name of the Company	Country of Incorporation
Tata Sons Pvt. Ltd. (including its subsidiaries and joint ventures)	India

(ii) **Joint Ventures**

Name of the Company	Country of Incorporation
Domestic	
Taj Sats Air Catering Ltd. and its Subsidiaries	India
Taj Karnataka Hotels & Resorts Ltd.	India
Taj Kerala Hotels & Resorts Ltd.	India
Taj GVK Hotels & Resorts Ltd.	India
Taj Safaris Ltd.	India
Kaveri Retreats and Resorts Ltd.	India
International	
TAL Hotels & Resorts Ltd. and its Subsidiaries	Hong Kong

(iii) **Associates**

Name of the Company	Country of Incorporation
Domestic	
Oriental Hotels Limited and its subsidiaries	India
Taj Madurai Limited	India
Taida Trading & Industries Ltd. and its subsidiaries	India
Zarrenstar Hospitality Private Limited	India
International	
Lanka Island Resort Ltd.	Sri Lanka
TAL Lanka Hotels PLC	Sri Lanka
BJETS Pte Ltd., Singapore	Singapore

(iv) **Key Management Personnel**

Particulars	Relation
Puneet Chhatwal	Managing Director & CEO

(v) **Post Employment benefit plans**

The Indian Hotels Company Ltd. Employees Provident Fund

The Indian Hotels Company Ltd. Superannuation Scheme

The Indian Hotels Employees Gratuity Trust

Taj Residency Employees Provident fund Trust (Bangalore unit)

Piem Hotel Employees Gratuity Trust

Taj Residency Hotel Employees Gratuity Trust

(a) The details of related party transactions for the nine months ended December 31, 2021 and December 31, 2020 are as follows:

₹ crores

	Company having significant influence*	**Key Management Personnel**	**Associates and Joint Ventures#**	**Post Retirement benefit plans**
Interest expense	**3.52**	**-**	**0.01**	**-**
	2.39	-	-	-
Interest income	**-**	**-**	**1.12**	**-**
	-	-	*1.59*	-
Dividend Paid	**18.88**	**-**	**0.08**	**-**
	23.59	-	*0.10*	-
Dividend income	**4.50**	**-**	**0.00**	**-**
	4.50	-	*1.51*	-
Operating/ License Fees expenses	**-**	**-**	**-**	**-**
	-	-	-	-
Operating fees income	**0.51**	**-**	**26.73**	**-**
	0.86	-	*11.49*	-
Purchase of goods and services	**44.68**	**-**	**3.11**	**-**
	44.15	-	*0.43*	-
Sale of goods and services	**43.56**	**-**	**0.78**	**-**
	7.88	-	*0.69*	-
Purchase of shares	**-**	**-**	**-**	**-**
	-	-	-	-
Issue of Shares (Right Basis)	**847.68**	**-**	**-**	**-**
	-	-	-	-
Deputed staff reimbursements	**0.03**	**-**	**6.38**	**-**
	0.03	-	*5.99*	-
Deputed staff out	**0.52**	**-**	**19.08**	**-**
	0.77	-	*18.74*	-
Other cost reimbursements	**-**	**-**	**0.46**	**-**
	0.09	-	*0.19*	-
Loyalty expense (Net of redemption credit)	**0.01**	**-**	**1.07**	**-**
	-	-	*0.28*	-
Contribution to funds	**-**	**-**	**-**	**12.83**
	-	-	-	*12.46*
Inter Corporate Deposit ("ICD") Raised	**-**	**-**	**-**	**-**
	-	-	-	-
ICD Repaid	**15.00**	**-**	**-**	**-**
	-	-	-	-

₹ crores

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
ICD Placed	**-**	**-**	**-**	**-**
	-	*-*	*0.55*	*-*
ICD Encashed	**-**	**-**	**0.30**	**-**
	-	*-*	*-*	*-*
Remuneration paid	**-**	**6.05**	**-**	**-**
(Refer Footnote (ii) & (iii))	*-*	*5.39*	*-*	*-*

The details of amounts due to or from related parties as at December 31, 2021 and March 31, 2021 are as follows:

₹ crores

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Trade receivables	**11.84**	**-**	**35.60**	**-**
	6.35	*-*	*33.51*	*-*
Trade payables	**2.17**	**-**	**1.55**	**-**
	8.84	*-*	*1.30*	*-*
Other Receivable/ (Other Payable)	**0.51**	**-**	**8.96**	**-**
	0.57	*-*	*14.91*	*-*
Interest Receivable	**-**	**-**	**0.49**	**-**
	-	*-*	*0.02*	*-*
Interest Payable	**0.46**	**-**	**-**	**-**
	0.06	*-*	*-*	*-*
Loan Receivable	**-**	**-**	**12.45**	**-**
	-	*-*	*12.75*	*-*
Allowance for doubtful loan	**-**	**-**	**3.17**	**-**
	-	*-*	*3.17*	*-*
Option Deposit	**-**	**-**	**-**	**-**
	71.1	*-*	*-*	*-*
Deposits Payable	**40.05**	**-**	**0.54**	**-**
	55.05	*-*	*-*	*-*
Deposits Receivable	**0.08**	**-**	**0.09**	**-**
	0.08	*-*	*10.98*	*-*

* Including its subsidiaries and joint ventures
# Including its subsidiaries

Footnotes:

(i) Figures in italics are of the previous periods.

(ii) Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company's liability to all its employees.

(iii) From time to time key management personnel of the group including directors of entities, which they have control or significant influence, may purchase services from the group, those purchase are on the same terms and conditions as those entered into with other group employees or customers.

17. Segmental Information:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Managing Director and Chief Executive Officer of the Company who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker. From the internal organisation of the Group's activities and consistent with the internal reporting provided to the chief operating decision-maker and after considering the nature of its services, the ultimate customer availing those services and the methods used by it to provide those services, "Hotel Services" has been identified to be the Group's sole operating segment. Hotel Services include "Revenue from Operations" including Management and Operating Fees where hotels are not owned or leased by the Group. The organisation is largely managed separately by property based on centrally driven policies and the results and cash flows of the period, financial position as of each reporting date aggregated for the assessment by the Managing Director and Chief Executive Officer.

Disclosure of segment-wise information is not applicable, as hoteliering is the Group's only reportable business segment. Information on Geographical Segment is as below:

₹ crores

	Revenue from Hotel Services by location of operation		**Non-current assets (see footnote below)**	
Country	**December 31, 2021**	**December 31, 2020**	**December 31, 2021**	**March 31, 2021**
India	1,748.65	853.78	5,619.69	5,793.52
U.S.A.	244.51	64.72	1,105.16	1,050.16
U.K.	175.43	38.29	1,233.93	1,236.13
Other Overseas locations	15.55	3.35	401.21	432.29
Total	**2184.14**	**960.14**	**8359.99**	**8,512.10**

Footnote : Non-current assets exclude financial assets, deferred tax assets and goodwill.
No single customer contributes more than 10% or more of the Group's total revenue for the nine months ended December 31, 2021.

18. On April 30, 2021, the Board of Directors of the Company had recommended dividend of ₹ 0.40 per share aggregating to ₹ 47.57 crores in respect of the year ended March 31, 2021. This was paid during the period.

19. Subsequent Event transaction:

No material developments have occurred since the date of the last Unaudited Condensed Consolidated Interim Financial Statements i.e., December 31, 2021 except as disclosed in note 7 (b).

20. Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

For and on behalf of the Board

Tarun Kinger
Partner
Membership No. 105003

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Mumbai, March 22, 2022

Independent Auditors' Report

To the Members of The Indian Hotels Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of The Indian Hotels Company Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act 2013, ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2021, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 2(e) to the consolidated financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Group's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i. Impact of COVID-19 pandemic on Going Concern

Refer Note 47 – "Going Concern" and Note 2(e) "Estimation related to COVID-19" of the consolidated financial statements

During the year, the business of the Group was significantly impacted due to COVID-19. Significant number of hotels were not operating for the first six months on account of restrictions imposed due to lockdowns; with lifting of lockdown restrictions all the hotels started operating from second half of the year.

Presently, various state Governments have imposed restrictions due to the resurgence of COVID-19 cases, which has significantly impacted business of the Group.

The Group has assessed the impact of COVID-19 on the future cash flow projections. The Group has also prepared a range of scenarios to estimate financing requirements.

In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding of the key controls relating to the Group's forecasting process
- Compared the forecasted statement of profit and loss and cash flows with the Group's business plan approved by the board of directors

- Obtained an understanding of key assumptions adopted by the Group in preparing the forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Group's business
- Assessed the forecasted income statement and cash flow by considering plausible changes to the key assumptions adopted by the Group
- Performed the following procedures as mitigating factors:
  - Obtained understanding of new borrowing proposed to be availed including additional credit pronounced under government scheme;
  - Assessed Government's efforts to counter the impact of resurgence in COVID-19 cases and the impact of the same on future projections;
- Assessed disclosures made in the consolidated financial statements with regard to the above. Refer to notes 47 and 2(e).

ii. Goodwill – evaluation of adequacy of provision for impairment of goodwill

As a result of past acquisitions, the Group carries capitalised goodwill aggregating ₹ 610.97 Crores.

Management performs an impairment assessment on an annual basis as required by Ind AS 36 Impairment of Assets.

For the Cash generating units (CGUs) which contain goodwill, the determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use, requires judgement on the part of management in both identifying and then valuing the relevant CGUs. Recoverable amounts of these CGU's are based on management's view of variables such as future average revenue per available room, room occupancy, room rates, rate per cover etc. and operating expenditure and the most appropriate discount rate.

Refer to note 5 – "Goodwill" and note 6 – "Intangible assets" of the consolidated financial statements.

We considered goodwill impairment to be key audit matter due to the extent of judgement and assumptions involved in the assessment process.

How our audit addressed the key audit matter

We performed an evaluation of managements' assessment of the Group's CGU. Further, our evaluation included discussion with management, review of the internal reporting structure, the decision making process and how resources are allocated among business units of the Group. We subsequently evaluated the impairment assessment made by management to also ensure they were in accordance with Ind AS.

Our procedures included challenging management on the suitability of the impairment model and reasonableness of the assumptions through performing the following:

- Benchmarking the key market related assumptions in management's valuation models with industry comparators and assumptions made in prior years including revenue and margin trends, capital expenditure on network assets and spectrum, market share and customer churn, against external data where available, utilizing our internal valuation specialists;
- Recalculation of the discount rate by our internal valuation specialists using external information and comparison to management's assumptions;
- Testing the mathematical accuracy of the cash flow model and agreeing relevant data to the Board approved strategic long-term plan;
- Assessing the reliability of management's forecast through a review of actual performance against previous forecasts;
- Assessing and validating the appropriateness of the disclosures made in the financial statements.

Other information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this information, we are required to report the fact. We have nothing to report in this regard.

Management and Board of Director's Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of sixteen subsidiaries, whose financial statements reflect total assets of ₹ 2,483.15 crores as at 31 March 2021, total revenues of ₹ 222.54 crores and total net loss after tax (before consolidation adjustments) of ₹ 102.65 crores and net cash outflows amounting to ₹ 4.22 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ₹ 67.36 crores for the year ended on that date, as considered in the consolidated financial statements, in respect of six associates and seven joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

(b) Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

A. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) the consolidated balance Sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 32 and Note 42 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 21 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2021;

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditor's report under section 197(16):

We draw your attention to Note 43 to the consolidated financial statements for the year ended March 31, 2021 according to which the managerial remuneration paid/payable to the CEO and Managing Director of the Holding Company amounting to ₹ 7.23 crores and consequently the total managerial remuneration for the financial year amounting to ₹ 7.23 crores exceed the prescribed limits under Section 197 read with Schedule V to the Act by ₹ 5.91 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Holding Company proposes to obtain in the forthcoming Annual General Meeting.

Further, in our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid/payable during the current year by such subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. In our opinion and according to the information and explanations given to us, the remuneration paid to any director by a subsidiary company and a joint venture incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us and other auditors.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
ICAI UDIN: 21105003AAAABX4982

Mumbai
30 April 2021

Annexure 'A'

to the Independent Auditors' Report on the consolidated financial statements of The Indian Hotels Company Limited

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of The Indian Hotels Company Limited ("hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint ventures as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal controls stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act 2013 (hereinafter referred to as "the Act")

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial control with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal control systems over financial reporting.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statement

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statement includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to its thirteen subsidiary companies, its three associates and its six joint ventures which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
ICAI UDIN: 21105003AAAABX4982

Mumbai
30 April 2021

Consolidated Balance Sheet

as at March 31, 2021

(₹ crores)

	Note	March 31, 2021	March 31, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	5,728.00	5,270.65
Capital work-in-progress		164.99	243.15
Right-of-Use assets	4	1,529.74	1,583.28
Goodwill	5	610.97	614.58
Intangible assets	6	568.99	590.34
Intangible assets under development		-	0.93
Investments accounted using the equity method	7	578.37	672.35
Financial assets			
Investments	8(a)	456.17	318.00
Loans	9(a)	5.05	16.65
Other financial assets	10(a)	78.19	118.36
Deferred tax assets (net)	11(a)	117.98	76.50
Advance income tax (net)		203.40	227.85
Other non-current assets	12(a)	316.98	348.31
		10,358.83	**10,080.95**
Current assets			
Inventories	13	92.88	93.61
Financial assets			
Investments	8(b)	448.63	436.24
Trade receivables	14	219.84	290.02
Cash and cash equivalents	15	94.27	250.82
Other balances with banks	16	59.36	64.76
Loans	9(b)	16.68	4.77
Other financial assets	10(b)	88.95	160.98
Other current assets	12(b)	132.20	132.37
		1,152.81	**1,433.57**
Assets classified as held for sale	3(vi)	1.07	3.74
		1,153.88	**1,437.31**
Total		**11,512.71**	**11,518.26**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	118.93	118.93
Other equity	18	3,529.51	4,237.88
Equity attributable to owners of the company		**3,648.44**	**4,356.81**
Non-controlling interests		634.57	764.90
Total equity		**4,283.01**	**5,121.71**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19(a)	2,223.83	2,125.80
Lease liabilities	35	1,846.38	1,842.57
Other financial liabilities	21(a)	25.71	201.37
Provisions	22(a)	91.74	121.09
Deferred tax liabilities (net)	11(b)	78.05	186.85
Other non-current liabilities	23(a)	15.93	18.05
		4,281.64	**4,495.73**
Current liabilities			
Financial liabilities			
Borrowings	19(b)	242.53	166.25
Lease liabilities	35	39.11	56.14
Trade payables	20	317.81	389.32
Other financial liabilities	21(b)	1,875.97	819.89
Provisions	22(b)	170.76	154.46
Current income tax liabilities (net)		34.95	33.77
Other current liabilities	23(b)	266.93	280.99
		2,948.06	**1,900.82**
Total liabilities		**7,229.70**	**6,396.55**
Total		**11,512.71**	**11,518.26**
The accompanying notes form an integral part of the consolidated financial statements	1 - 49		

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 30, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs
& Company Secretary (Group)

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ crores)

	Note	March 31, 2021	March 31, 2020
INCOME			
Revenue from operations	24	1,575.16	4,463.14
Other income	25	164.72	132.42
Total income		**1,739.88**	**4,595.56**
EXPENSES			
Food and beverages consumed		143.82	370.56
Employee benefit expense and payment to contractors	26	894.01	1,494.60
Finance costs	27	402.82	341.12
Depreciation and amortisation expenses	28	409.63	404.24
Other operating and general expenses	29	899.09	1,630.45
Total expenses		**2,749.37**	**4,240.97**
Profit/(Loss) before exceptional items, tax and share of profit of equity accounted investees		(1,009.49)	354.59
Exceptional items	30	159.95	40.95
Profit/(Loss) before tax and share of profit of equity accounted investees		**(849.54)**	**395.54**
Tax expense			
Current tax		1.01	169.15
Deferred tax credit		(156.34)	(124.38)
Total tax expense		**(155.33)**	**44.77**
Profit/(Loss) after tax before share of profit of equity accounted investees		**(694.21)**	**350.77**
Share of Profit/(Loss) of associates and joint venture (net of tax)		(101.42)	12.97
Profit/(Loss) for the year		**(795.63)**	**363.74**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		37.62	(21.52)
Change in fair value of equity instruments designated irrevocably as fair value through other comprehensive income		209.90	(118.25)
Share of other comprehensive income in associates and joint ventures (net of tax)		2.92	(3.66)
Add/(Less) : Income tax credit/(expense) on the above		(11.78)	6.47
Net other comprehensive income not to be reclassified subsequently to profit or loss		**238.66**	**(136.96)**
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating the financial statement of foreign operations		31.20	116.47
Share of other comprehensive income in associates and joint ventures (net of tax)		(2.59)	12.93
Add/(Less) : Income tax credit/(expense) on the above		-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		**28.61**	**129.40**
Other comprehensive income for the year, net of tax		**267.27**	**(7.56)**
Total comprehensive income for the year		**(528.36)**	**356.18**
Profit/(Loss) for the year attributable to:			
Owners of the company		(720.11)	354.42
Non-controlling interests		(75.52)	9.32
		(795.63)	**363.74**
Total comprehensive Income for the year attributable to:			
Owners of the company		(479.75)	344.60
Non-controlling interests		(48.61)	11.58
		(528.36)	**356.18**
Earnings per share :	46		
Basic and Diluted - (₹)		(6.05)	2.98
Face value per equity share - (₹)		1.00	1.00
The accompanying notes form an integral part of the consolidated financial statements	1 - 49		

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 30, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs
& Company Secretary (Group)

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

(₹ crores)

	a) Equity Share Capital	b) Other Equity											
		Reserves and Surplus					Items of Other Comprehensive Income						
	Equity Share Capital Subscribed	Capital Reserve	Capital Reserve on Consolida-tion	Securities Premium	General Reserve	Other reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statement of foreign operations	Total Other Equity	Equity attributable to owners of the company	Non Controlling Interests	Total Equity
Balance as at April 1, 2019	**118.93**	**43.91**	**111.81**	**2,702.05**	**561.98**	**324.60**	**(110.32)**	**206.01**	**124.36**	**3,964.40**	**4,083.33**	**755.83**	**4,839.16**
Profit for the year ended March 31, 2020	-	-	-	-	-	-	354.42	-	-	354.42	354.42	9.32	363.74
Other Comprehensive Income for the year ended March 31, 2020, net of taxes	-	-	-	-	-	-	(17.67)	(114.77)	122.62	(9.82)	(9.82)	2.26	(7.56)
Total Comprehensive Income for the year ended March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**336.75**	**(114.77)**	**122.62**	**344.60**	**344.60**	**11.58**	**356.18**
Dividend	-	-	-	-	-	-	(59.46)	-	-	(59.46)	(59.46)	(3.17)	(62.63)
Tax on Dividend	-	-	-	-	-	-	(11.70)	-	-	(11.70)	(11.70)	0.66	(11.04)
Transfer from Debenture Redemption Reserve to General Reserve	-	-	-	-	130.50	(130.50)	-	-	-	-	-	-	-
Realised loss on sale of investment transferred from Other Comprehensive Income	-	-	-	-	-	-	(3.01)	3.01	-	-	-	-	-
Change in ownership interests in Joint venture	-	-	(0.24)	-	-	-	-	-	-	(0.24)	(0.24)	-	(0.24)
Change in ownership interests in subsidiaries	-	-	-	-	0.08	0.20	-	-	-	0.28	0.28	-	0.28
Balance as at March 31, 2020	**118.93**	**43.91**	**111.57**	**2,702.05**	**692.56**	**194.30**	**152.26**	**94.25**	**246.98**	**4,237.88**	**4,356.81**	**764.90**	**5,121.71**
Loss for the year ended March 31, 2021	-	-	-	-	-	-	(720.11)	-	-	(720.11)	(720.11)	(75.52)	(795.63)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes	-	-	-	-	-	-	29.97	195.81	14.58	240.36	240.36	26.91	267.27
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**(690.14)**	**195.81**	**14.58**	**(479.75)**	**(479.75)**	**(48.61)**	**(528.36)**
Adjustment on account of change in holding of Minority Interest (Refer Note 33 (ii))	-	-	-	-	-	-	(169.16)	-	-	(169.16)	(169.16)	(80.87)	(250.03)
Dividend	-	-	-	-	-	-	(59.46)	-	-	(59.46)	(59.46)	(0.85)	(60.31)
Transfer from Debenture Redemption Reserve to General Reserve	-	-	-	-	32.39	(32.39)	-	-	-	-	-	-	-
Realised Gain on sale of investment transferred from Other Comprehensive Income	-	-	-	-	-	-	5.80	(5.80)	-	-	-	-	-
Balance as at March 31, 2021	**118.93**	**43.91**	**111.57**	**2,702.05**	**724.95**	**161.91**	**(760.70)**	**284.26**	**261.56**	**3,529.51**	**3,648.44**	**634.57**	**4,283.01**

The accompanying notes form an integral part of the consolidated financial statements (Refer Note 1 - 49)

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 30, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

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Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs &
Company Secretary (Group)

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ crores)

	March 31, 2021	March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(849.54)	395.54
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation expenses on Property, plant and equipment	347.66	334.99
Depreciation and amortisation expenses on Right-of-Use assets	61.97	69.25
Gain arising out of acquiring controlling stake in a joint venture	(82.04)	
Profit on sale of investments	(5.63)	(9.82)
Profit on sale of a hotel property	(25.74)	-
Profit on disposal of Property, plant and equipment	(18.58)	(136.86)
Allowance for Doubtful Debts and advances	12.51	6.65
Dividend Income	(5.43)	(7.32)
Interest Income	(44.79)	(18.67)
Finance Cost	248.51	184.23
Interest on lease liability	154.31	156.89
Exchange (Gain)/ Loss on Long term borrowing/Assets (net)	(56.38)	2.61
Assets written off	3.29	6.91
Provision no longer required written back	-	(0.17)
Provision for disputed claims	10.69	2.53
Provision for Employee Benefits	11.32	(2.09)
Gain on investments carried at fair value through statement of profit and loss	(2.51)	(0.28)
Fair valuation (Gain)/ Loss on derivative contracts	(25.00)	21.76
	584.16	**610.61**
Cash Operating Profit before working capital changes	(265.38)	1,006.15
Adjustments for increase / decrease in operating assets and liabilities:		
Inventories	11.67	(13.21)
Other financial assets	107.38	(29.05)
Other financial liabilities	(195.72)	65.75
	(76.67)	**23.49**
Cash Generated from Operating Activities	**(342.05)**	**1,029.64**
Income taxes refund/(paid)	23.36	(206.17)
Net Cash Generated From Operating Activities (A)	**(318.69)**	**823.47**
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	(215.47)	(487.39)
Proceeds from disposal of property, plant and equipment	28.30	175.39
Capital subsidy received from Government	1.10	40.69
Purchase of current investments	(1,512.32)	(1,934.32)
Proceeds from sale / redemption of current investments	1,579.30	1,712.12
Purchase of non-current investments	(73.00)	(3.36)
Disposal of long term investment	11.31	29.79
Interest received	17.60	15.68
Dividend received (includes dividend from joint ventures and associates)	6.98	13.92
Bank Balances not considered as Cash & Cash Equivalents	14.60	(17.53)
Long Term Deposits refunded/ (placed)	(6.22)	-
Short term Loans (given) /repaid by other company	-	3.89
Proceeds from sale of hotel properties	31.69	-
Long-term deposits placed for hotel properties	(3.04)	(47.38)
Short-term deposits placed with Others Companies	(0.49)	(3.38)
Net Cash Generated /(Used) In Investing Activities (B)	**(119.66)**	**(501.88)**
Carried over	**(438.35)**	**321.59**

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2021

(₹ crores)

	March 31, 2021	March 31, 2020
Brought over	**(438.35)**	**321.59**
CASH FLOW FROM FINANCING ACTIVITIES		
Loan arrangement expenses	(0.15)	(0.14)
Interest and other borrowing costs paid	(232.08)	(155.45)
Payment of lease liability (including Interest)	(138.93)	(136.12)
Proceeds from long-term borrowings	1,040.57	732.30
Repayment of long-term borrowings	(402.24)	(637.80)
Proceeds from short-term borrowings	100.02	283.18
Repayment of short-term borrowings	(25.98)	(155.02)
Dividend and (including tax on dividend in previous period and Unclaimed dividend)	(60.05)	(75.73)
Settlement of cross currency Interest rate swap (net)	(0.79)	(120.60)
Net Cash Generated/(Used) In Financing Activities (C)	**280.37**	**(265.38)**
Net Increase/(Decrease) In Cash and Cash Equivalents (A + B + C)	**(157.98)**	**56.21**
Cash and Cash Equivalents - Opening	**250.82**	**189.29**
Add: Opening cash balance of Subsidiary on acquisition	1.60	-
Exchange difference on translation of foreign currency cash and cash equivalents	(0.17)	5.32
Cash and Cash Equivalents - Closing	**94.27**	**250.82**

Refer Note 19 (viii) for movement in financing activity

The accompanying notes form an integral part of the consolidated financial statements (Refer Note 1 - 49)

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 30, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs
& Company Secretary (Group)

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Note 1. Corporate Information

The Indian Hotels Company Limited ("IHCL" or the "Company"), and its subsidiaries (referred collectively as the "Group") is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts. These consolidated financial statements of the Group also include the Group's interest in associates and joint ventures.

The Company is domiciled and incorporated in India in 1902 and has its registered office at Mandlik House, Mandlik Road, Mumbai –400 001, India. It is promoted by Tata Sons Private Limited (Formerly Tata Sons Limited), which holds a significant stake in the Company.

These consolidated financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on April 30, 2021.

Note 2. Basis of Preparation, Principles of Consolidation and Equity Accounting, Critical Accounting Estimates and Judgements, Significant Accounting Policies and Recent Accounting Pronouncements

The consolidated financial statements have been prepared on the following basis:

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

(b) Basis of Preparation

The Consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of the Group. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(c) Principles of Consolidation and Equity Accounting

(i) Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of that entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Group transactions, balances and unrealised gains on transactions between entities within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

(ii) Joint ventures, associates and equity method accounting

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangements have rights to the net assets and obligations for the liabilities, relating to the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance sheet.

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its Associates and its Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amounts of equity accounted investments are tested for impairment.

The financial statements of subsidiaries, joint ventures and associates consolidated are drawn upto the same reporting date as that of the Company except one of the associate and joint venture which has the reporting date of December 31, 2020.

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate an equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

(iv) Goodwill

a. Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

b. Goodwill arising from the acquisition of associates and joint ventures is included in the carrying value of the investment in associates and joint ventures.

c. Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value. The impairment loss on goodwill is reported in the Consolidated Statement of Profit and Loss.

d. Goodwill on acquisition of the foreign subsidiaries is restated at the rate prevailing at the end of the year.

(d) Critical Accounting Estimates and Judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment, Right-of-Use assets and Intangible assets that are subject to amortisation/depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Impairment of investments:** The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charges in the Consolidated Statement of Profit and Loss.

  Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and the tax charge in the Consolidated Statement of Profit and Loss.
- **Loyalty programme:** The Group estimates the fair value of points awarded under the Loyalty programme by applying statistical techniques. Inputs include making assumptions about expected breakages, the mix of products that will be available for redemption in the future and customer preferences, redemption at own hotels and other participating hotels.

  The group assessed whether the loyalty points provide a material right to the customer that needs to be accounted for as a separate performance obligation. The group determines that the loyalty points provide a material right that the customer would not exercise without entering into the contract.
- **Fair value measurement of derivative and other financial instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet Date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.
- **Litigation:** From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a

reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet Date.

- **Determination of control:** The group has exercised its judgement not to consolidate entities with majority holding where the group does not have any power or control over or exposure to entity and does not have any rights to variable returns from its involvement with the entity. Also, for all strategic investments in entities where there is a contractual agreement in the form of joint venture agreement were classified as joint venture.

- **Recognition of deferred tax liability on undistributed profits:** The extent to which the group can control the timing of reversal of deferred tax liability on undistributed profit of its subsidiaries requires judgement.

- **Leases:**

  Critical judgements in determining the lease term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

  Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(e) Estimation Uncertainty due to COVID-19:

On March 11, 2020, the World Health Organisation declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020. Business operations in the various international markets where the Group operates have also been impacted to varying extent based on the spread of the pandemic and the restrictions on business activities placed by the respective foreign Governments.

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to all the businesses of the Group and its joint ventures and associates.

The business has been severely impacted during the year on account of COVID-19. The Group witnessed softer revenues due to the lockdown imposed during the first six months of the year and a significant number of the Group's hotels had to be shut down. With the unlocking of restrictions, all the Group's hotels have been opened and business is expected to gradually improve across all hotels. During the second half of the year, the Group witnessed some signs of recovery of demand, especially in leisure destinations. Whilst there has been a second wave of the COVID-19 pandemic in the last few months in some of the countries where the Group operates, there has also been increased vaccination drive by the respective Governments and the Group continues to closely monitor the situation.

The Group has also assessed the potential impact of COVID-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to raise finances from banks and institutions for working capital needs and long term fund requirements and the Group is in a comfortable liquidity position to meet its commitments.

The Group has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Group. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Group as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

Significant accounting policies

(f) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and shop rentals: Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognised in the period in which services are being rendered.

Other Allied services: In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Management and Operating fees: Management fees earned from hotels managed by the Group are usually under long-term contracts with the hotel owner. Under Management and Operating Agreements, the Company's performance obligation is to provide hotel management services and a license to use the Company's trademark and other intellectual property.

Management and incentive fee is earned as a percentage of revenue and profit and are recognised when earned in accordance with the terms of the contract based on the underlying revenue, when collectability is certain and when the performance criteria are met. Both are treated as variable consideration.

Membership Fees: Membership fee income majorly consists of membership fees received from the loyalty program and Chamber membership fees. Income is earned when the customer enrolls for membership programs. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Loyalty program: The Group operates loyalty programme, which provides a material right to customers that they would not exercise without entering in to a contract and the eligible customers earns points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues related to award points is deferred and a contract liability is created and on redemption/ expiry of such award points, revenue is recognised at pre-determined rates.

Contract balances

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when the Group's right to receive the amount is established.

(g) Employee Benefits

i. Short term Employee Benefits

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related service. The accruals for employee entitlements to benefits such as salaries, bonuses and annual leave represent the amounts which the Group has a present obligation to pay as a result of the employee's services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

ii. Post-Employment Benefits:

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

a) Provident and family pension fund

The eligible employees of domestic components of the Group are entitled to receive post-retirement benefits in respect of provident fund and family pension fund a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund managed by the trust set up by the Group, or to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred.

Employee benefits arising out of contributions towards Provident Fund and Family Pension Scheme to Regional Provident Fund Commissioner or the Central Provident Commissioner and Social Security etc. paid/payable during the year are recognised as expense in the Statement of Profit and Loss account in the period in which the employee renders services.

Eligible employees of some of the overseas components of the Group are members of defined contribution plans. These plans, in addition to employee contribution, require the Group to make contributions equivalent to a pre-define percentage of each eligible participant's plan compensation for each year. The Group may also make a profit sharing contribution of uniform percentage of eligible participant's plan compensation based on profit as defined. The Group recognised such contribution as an expense in the year in which the employee renders service.

b) Superannuation

The Group has a defined contribution plan for eligible employees of its domestic components, wherein it annually contributes a sum equivalent to a defined percentage of the eligible employee's annual basic salary to a fund administered by the trustees. The Group recognises such contributions as an expense in the year in which the corresponding services are received from the employees.

c) Others

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligation therein, based on independent external actuarial valuations carried out at the Balance Sheet date.

Certain international subsidiaries operate a defined contribution pension scheme and the pension charge represents the amounts paid/payable by them to the fund in the period in which the employee renders services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

a) **Gratuity**

The Group accounts for the net present value of its obligations for gratuity benefits, based on independent actuarial valuations, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or asset as of the reporting date. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

In case of funded scheme, the Group makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds in respect of eligible employee in case of certain domestic components and the parent / company.

b) **Post-Retirement Pension Scheme and Medical Benefits**

The net present value of the Group's obligation towards post retirement pension scheme for retired whole time directors and post- employment medical benefits to qualifying employees is actuarially determined, based on the projected unit credit method. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

The Group also participates in an industry-wide defined benefit plan which provides pension linked to final salaries in respect of employees of certain overseas hotel properties. The plan is funded in a manner such that contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period. It is not practicable to determine the present values of the Group's obligations as the covered hotel properties have not received information from the plan's administrator. In the absence of sufficient information the plan has been accounted as if it was a defined contribution plan.

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

c) **Provident Fund Trust**

In respect of contribution to the trust set up by the Group, since the Group is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

Other Long-term Employee Benefits

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(h) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(q) below). Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalised and depreciated over their estimated useful life.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Indian Entities

Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The estimated useful lives of the assets are as follows:

Class of Assets	Estimated Useful Life
Building	30 to 80 years
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices – Computers, Laptops etc.	6 years
Operating supplies (issued on opening of a new hotel property)	2 to 3 years
Other miscellaneous hotel assets	4 years

In respect of buildings on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to leasehold buildings are depreciated on the basis of their estimated useful lives or the expected lease period, whichever is lower.

Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

International Entities

Depreciation on assets is provided at Straight Line Method (SLM) based on the estimated useful life detailed below. In respect of improvements in the nature of structural changes and major refurbishment to buildings occupied on lease, depreciation is provided for over the period of the lease.

Class of Assets	Estimated Useful Life
Long term lease hold property	Over the term of lease
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives. Freehold land is not depreciated.

(i) Intangible Assets

Intangible assets include cost of acquired software and designs, cost incurred for development of the Company's website and certain contract acquisition costs including the lease rights acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising for other intangible assets is as under:

Class of Assets	Estimated Useful Life
Website Development Cost	5 years
Software and Licences	6 years
Service and Operating Rights	10 years
Leasehold property rights	Over the term of lease

An intangible assets is derecognised on disposal, or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(j) Impairment of Assets

Goodwill which has an indefinite useful life is not subject to amortisation and is tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(k) Foreign Currency Translation

Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupee (₹).

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Translation of financial statements of foreign operations

Assets and liabilities of foreign entities are translated into Indian Rupees on the basis of the closing exchange rates as at the end of the year. Income and expenditure and cash flow are generally translated using average exchange rates for the period unless those rates do not approximate the actual exchange rates at the dates of specific transactions, in which case the exchange rates as at the dates of transaction are used. All resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as a part of gain or loss on sale.

(l) Lease

On inception of a contract, the Group assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Group statement of financial position as a right-of-use asset and a lease liability.

Right to Use Assets

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated to a residual value over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed annually.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is reasonably certain that it will not exercise the option. Minimum lease payments include the cost of a purchase option if the Group is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable Lease

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

Short-term leases and leases of low-value assets

The Group has opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Presentation of lease payments in Cash Flow Statements:

Lease payments are presented as follows in the Group statement of cash flows:

- Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- Payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from financing activities; and
- Payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

COVID-19-related rent concessions

In the current year, the Group has applied the amendments to Ind AS 116 that are effective for an annual period that begins on or after 1 April 2020 Refer Note 2(x).

(m) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(n) Government Grants

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Group will comply with the attached conditions.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants which are essentially in the nature of reimbursements are netted of against the related expenses.

Government grants related to assets are presented in the balance sheet by deducting the grant in calculating the carrying amount of the asset.

(o) Income Taxes

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates at the end of the reporting period in the countries where the company and its subsidiaries and its associates and joint ventures operate and generate taxable income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of the goodwill. The deferred tax is also not accounted if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profits/(taxable loss).

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax assets can be realised. Deferred tax assets positions are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences between the carrying amount and the tax bases of investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(p) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Group created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets and contingent liabilities are reviewed at each balance sheet date.

(q) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(r) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

(s) Earnings per share

Basic earnings per share is computed by dividing the Profit or Loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(t) Exceptional items

The Group discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Group and provides consistency with the Group's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Group. Exceptional items can include, but are not restricted to, gains and losses on the disposal of properties/significant undertakings, impairment charges, exchange gain/ (loss) on long term borrowings/ assets and changes in fair value of derivative contracts.

(u) Financial Instruments

a. Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- **Cash and cash equivalents -** Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- **Debt Instruments -** The Group classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset:

  i. Financial assets at amortised cost

  Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Group's income in the Statement of Profit and Loss using the effective interest rate method.

  ii. Financial assets at Fair Value through Other Comprehensive Income ("FVOCI")

  Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

iii. **Financial assets at Fair Value through Statement of Profit and Loss ("FVTPL")**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

- **Equity Instruments -** The Group subsequently measures all equity investments (other than the investment in joint ventures and associates which are measured using equity method of accounting) at fair value. Where the Group has elected to present fair value gains and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Group's right to receive payment is established.

  The Group has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments not held for trading.

  When the equity investment is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

The Group assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Group recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

b. **Financial liabilities**

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

Derivatives contracts

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The fair value changes of derivatives which are not designated as a hedging instrument are accounted through Statement of Profit and Loss. During the years reported, no hedge relationship was designated.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(v) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the Statement of Profit and Loss.

(w) Business combination

The Group uses the "acquisition method" of accounting to account for its business combinations as per which the identifiable assets or liabilities (and contingent liabilities) assumed are recognised at their fair values (with limited exceptions). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interests of the acquire, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition date amounts of identifiable assets acquired and the liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as Capital Reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as Capital Reserve.

Transaction costs incurred (other than debt / equity instrument related) in connection with a business combination, such as legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If the Group obtains control over one or more entities that are not businesses, then the bringing together of those entities are not business combinations. The cost of acquisition is allocated among the individual identifiable assets and liabilities of such entities, based on their relative fair values at the date of acquisition. Such transactions do not give rise to goodwill and no non-controlling interest is recognised.

In case of business combinations involving entities under common control, the above policy done not apply. Business combinations of entities under common control are accounted using the “pooling of interests” method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination

(x) Recent accounting pronouncements

New and amended standards adopted by the Group:

In the current year, the Group has applied the below amendments to Ind AS 116 that are effective for an annual period that begins on or after 1 April 2020:

The Group has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- There is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient retrospectively to all eligible rent concessions and has not restated prior period figures. The Group has benefited from waiver of lease payments of ₹ 35.05 crores (including those leases where the Company availed the above practical expedients) on certain hotel properties/ office premises. The waiver of lease payments has been accounted for as “Other Income” in the statement of profit or loss. The Company has derecognised the part of the lease liability that has been extinguished by the forgiveness of lease payments.

New Standards or other amendments issued but not yet effective:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Note 3 : Property, plant and equipment (owned, unless otherwise stated)

(₹ crores)

	Freehold Land	Buildings (Refer Footnote i and vi)	Plant and machinery	Furniture & fixtures (Refer Footnote ii)	Office Equipment (Refer Footnote ii)	Vehicles	Total
Cost							
Gross carrying value							
As at April 1, 2019	265.17	3,995.57	1,314.53	608.21	72.93	10.58	6,266.99
Translation adjustment (Refer Footnote iii)	8.77	110.62	2.20	10.48	0.83	-	132.90
Additions (Refer Footnote iv)	-	133.71	111.49	58.63	14.85	3.68	322.36
Adjustments (Refer Footnote vii)	-	(24.29)	(15.58)	-	-	-	(39.87)
Disposals (Refer Footnote vi)	8.32	33.87	10.98	5.83	0.91	0.32	60.23
At March 31, 2020	**265.62**	**4,181.74**	**1,401.66**	**671.49**	**87.70**	**13.94**	**6,622.15**
Translation adjustment (Refer Footnote iii)	(3.04)	58.33	3.92	5.25	(0.40)	-	64.06
Addition on acquisition (Refer Footnote viii)	64.80	384.19	39.11	28.03	2.69	-	518.82
Additions (Refer Footnote iv)	22.11	153.29	90.27	39.35	4.64	0.40	310.06
Disposals (Refer Footnote vi)	1.35	12.97	8.25	1.53	1.51	0.43	26.04
At March 31, 2021	**348.14**	**4,764.58**	**1,526.71**	**742.59**	**93.12**	**13.91**	**7,489.05**
Accumulated Depreciation							
As at April 1, 2019	-	430.32	346.36	213.22	40.34	3.57	1,033.81
Translation adjustment (Refer Footnote iii)	-	15.22	0.95	7.49	0.62	-	24.28
Charge for the year	-	130.77	105.02	59.58	11.72	1.07	308.16
Disposals	-	5.22	4.21	4.34	0.70	0.28	14.75
At March 31, 2020	**-**	**571.09**	**448.12**	**275.95**	**51.98**	**4.36**	**1,351.50**
Translation adjustment (Refer Footnote iii)	-	5.61	1.56	2.66	(0.23)	-	9.60
Addition on acquisition (Refer Footnote viii)	-	34.77	22.29	24.97	2.41	-	84.44
Charge for the year	-	148.82	101.71	60.45	12.08	1.24	324.30
Disposals	-	1.41	4.76	0.82	1.41	0.39	8.79
At March 31, 2021	**-**	**758.88**	**568.92**	**363.21**	**64.83**	**5.21**	**1,761.05**
Net Block							
At March 31, 2020	**265.62**	**3,610.65**	**953.54**	**395.54**	**35.72**	**9.58**	**5,270.65**
At March 31, 2021	**348.14**	**4,005.70**	**957.79**	**379.38**	**28.29**	**8.70**	**5,728.00**

Footnotes :

(i) Cost includes improvements to buildings constructed on leasehold land ₹ 3,190.73 crores; (Previous year ₹ 2,999.78 crores)

(ii) Furniture, Fixtures and Office Equipment as at the year end include assets acquired on finance lease: Cost ₹ 5.30 crore (Previous year ₹ 4.90 crore), Accumulated Depreciation ₹ 2.28 crores (Previous year ₹ 1.27 crores), Depreciation for the year ₹ 0.87 crore (Previous year ₹ 0.48 crore) and carrying value as at the reporting date of ₹ 3.02 crores (Previous year ₹ 3.63 crores).

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

(iv) Addition includes ₹ 1.00 crores (Previous year ₹ 1.51 crores) on account of interest cost on borrowings capitalised on certain qualifying assets (Refer Note 27).

(v) For details of pledged assets refer Note 19 footnote (ii).

(vi) Disposals include adjustment of ₹ 1.07 crores (Previous year - ₹ 3.74 crores) comprising of residential flats, re-classified as held for sale.

(vii) Claims received during previous year is directly attributable to specific assets amounting to ₹ 39.87 crores has been reduced/adjusted against the respective assets and accordingly depreciation in future years would be lower.

(viii) During the year, Group has acquired entire stake in a jointly controlled entity, IHMS SA Pty limited ("IHMS SA") consequently IHMS SA along with its subsidiary has become a wholly owned subsidiaries and due to which net block increase by ₹ 434.38 crores.

Note 4 : Right-of-use assets

(₹ crores)

	Leasehold Land	Buildings	Office Premises	Total
Cost				
Gross carrying value				
As at April 1, 2019 (Refer Note 35)	194.53	1,511.83	35.60	1,741.96
Reassessment of leases	-	29.23	-	29.23
Additions	-	46.37	-	46.37
Disposals	0.15	170.63	-	170.78
At March 31, 2020	**194.38**	**1,416.80**	**35.60**	**1,646.78**
Translation adjustment (Refer Footnote iii)	-	6.35	-	6.35
Addition on acquisition (Refer Footnote v)	-	6.48	0.43	6.91
Additions	9.58	1.96	10.27	21.81
Disposals	0.03	24.37	-	24.40
At March 31, 2021	**203.93**	**1,407.22**	**46.30**	**1,657.45**
Accumulated Amortisation				
As at April 1, 2019 (Refer Note 35)	-	-	-	-
Translation adjustment (Refer Footnote iii)	-	1.36	-	1.36
Charge for the year (Refer Footnote i)	3.34	61.96	7.00	72.30
Disposals	-	10.16	-	10.16
At March 31, 2020	**3.34**	**53.16**	**7.00**	**63.50**
Translation adjustment (Refer Footnote iii)	-	0.14	0.02	0.16
Addition on acquisition (Refer Footnote v)	-	1.37	0.23	1.60
Charge for the year (Refer Footnote i)	3.63	52.05	7.49	63.17
Disposals	-	0.72	-	0.72
At March 31, 2021	**6.97**	**106.00**	**14.74**	**127.71**
Net Block				
At March 31, 2020	**191.04**	**1,363.64**	**28.60**	**1,583.28**
At March 31, 2021	**196.96**	**1,301.22**	**31.56**	**1,529.74**

Footnote :

(i) Amortisation includes ₹ 1.20 crores (Previous year ₹ 1.94 crores) which is capitalised during the year.

(ii) The Company’s leased assets mainly comprise land and hotel properties and offices. Leases contain a wide range of different terms and conditions. The term of property leases ranges from 1 to 198 years. Many of the Company’s property leases contain extension or early termination options, which are used for operational flexibility.

One of the land lease agreement with the Government has expired and is in an advanced stage of renewal. In the absence of a definitive agreement and uncertainty about the timing of the cash flows, this lease is not included in the calculation of Right-of-Use Assets and corresponding Lease liabilities. The rental for this land continues to be provided as lease expense on a best estimate.

(iii) Adjustment on account of foreign exchange translation difference on opening balance and depreciation charge for the year is reflected as “Translation Adjustment”.

(iv) Variable lease payments are payable under certain of the Company’s hotel leases and arise where the Company is committed to making additional lease payments that are contingent on the performance of the hotels. (Refer Note 35 (c))

(v) During the year, Group has acquired entire stake in a jointly controlled entity, IHMS SA Pty limited (“IHMS SA”) consequently IHMS SA along with its subsidiary has become a wholly owned subsidiaries and due to which net block increase by ₹ 5.31 crores.

Note 5 : Goodwill

(₹ crores)

	March 31, 2021	March 31, 2020
Opening Balance	614.58	583.47
Add : Foreign Exchange fluctuation for the year	(3.61)	31.52
Less : Adjustment on account of additional stake in a subsidiary	-	(0.41)
Closing Balance	**610.97**	**614.58**

Footnote :

The Group tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill, which arose on acquisition of the assets/entities, is allocated to a cash generating unit “CGU” representing the lowest level with the Group at which goodwill is monitored for internal management reporting purposes.

Note 5 : Goodwill (contd.)

The recoverable value of the CGU is determined on the basis of 'fair value less cost to sell'. The Group determined fair values using the market approach, when available and appropriate, or the income approach, or a combination of both. The Group assesses the valuation methodology based upon the relevance and availability of the data at the time the valuation is performed. If multiple valuation methodologies are used, the results are weighted appropriately.

Valuations using the market approach are derived from metrics of publicly traded companies or historically completed transactions of comparable businesses. The selection of comparable businesses is based on the markets in which the reporting units operate giving consideration to risk profiles, size, geography, and diversity of products and services.

Goodwill mainly comprises of ₹ 427.17 crores (Previous year - ₹ 430.78 crores) allocated to the International business (United Kingdom) and ₹ 130.99 crores (Previous year - ₹ 130.99 crores) allocated to a component of domestic business. The estimated fair value of these CGUs is based on market value of property. The remaining amount of goodwill of ₹ 52.81 crores (Previous year - ₹ 52.81 crores) relates to different CGUs which is individually immaterial.

Note 6 : Other intangible assets

(₹ crores)

	Leasehold property rights (acquired) (Refer Footnote iii)	Website development cost	Software and licences (Refer Footnote i)	Service and Operating Rights	Total
Cost					
Gross carrying value					
As at April 1, 2019	633.22	21.50	54.94	3.70	713.36
Translation adjustment (Refer Footnote ii)	0.99	-	-	0.34	1.33
Additions	6.67	1.16	2.54	-	10.37
Disposals	0.04	-	0.01	-	0.05
At March 31, 2020	**640.84**	**22.66**	**57.47**	**4.04**	**725.01**
Translation adjustment (Refer Footnote ii)	(0.34)	-	-	(0.12)	(0.46)
Addition on acquisition (Refer Footnote iv)	-	-	1.75	-	1.75
Additions	0.04	0.45	1.27	-	1.76
Disposals	0.03	-	0.02	-	0.05
At March 31, 2021	**640.51**	**23.11**	**60.47**	**3.92**	**728.01**
Accumulated Amortisation					
As at April 1, 2019	58.14	13.05	32.87	3.70	107.76
Translation adjustment (Refer Footnote ii)	0.88	-	-	0.34	1.22
Charge for the year	13.75	4.30	7.67	-	25.72
Disposals	0.01	-	0.02	-	0.03
At March 31, 2020	**72.76**	**17.35**	**40.52**	**4.04**	**134.67**
Translation adjustment (Refer Footnote ii)	(0.32)	-	-	(0.12)	(0.44)
Addition on acquisition (Refer Footnote iv)	-	-	1.49	-	1.49
Charge for the year	12.84	4.03	6.49	-	23.36
Disposals	0.03	-	0.03	-	0.06
At March 31, 2021	**85.25**	**21.38**	**48.47**	**3.92**	**159.02**
Net Block					
At March 31, 2020	**568.08**	**5.31**	**16.95**	**-**	**590.34**
At March 31, 2021	**555.26**	**1.73**	**12.00**	**-**	**568.99**

Footnotes :

(i) Software includes Customer Reservation System and other licensed software.

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

(iii) Leasehold property rights mainly consists of lease acquisition rights for the hotel property including land. Refer Note 2(i) for accounting policy.

(iv) During the year, Group has acquired entire stake in a jointly controlled entity, IHMS SA Pty limited ("IHMS SA") consequently IHMS SA along with its subsidiary has become a wholly owned subsidiaries and due to which net block increase by ₹ 0.26 crores.

Note 7 : Investments accounted using the equity method

		Face Value	March 31, 2021 Holdings As at	March 31, 2021 (₹ crores)	March 31, 2020 Holdings As at	March 31, 2020 (₹ crores)
	Break up of investments in joint ventures and associate (carrying value determined using the equity method of accounting) as below :-					
(a)	**Equity investments in joint venture companies (Refer Note 36(c))**					
	Fully paid unquoted equity investments					
	Taj Kerala Hotels & Resorts Ltd. (49,89,430 shares acquired during the year)	₹ 10	19,141,094	14.72	14,151,664	13.95
	Taj SATS Air Catering Ltd.	₹ 10	8,874,000	41.78	8,874,000	69.95
	Taj Karnataka Hotels & Resorts Ltd. (Refer footnote (iii))	₹ 10	1,398,740	-	1,398,740	-
	Taj Safaris Ltd.	₹ 10	29,720,502	9.13	29,720,502	9.04
	Kaveri Retreat & Resorts Ltd.	₹ 10	13,176,467	45.24	13,176,467	43.49
	Zarrenstar Hospitality Private Ltd	₹ 1	1	-	1	-
	IHMS Hotels (SA) (Proprietary) Ltd. (Refer footnote (iii), (vi))	ZAR 1	-	-	86,739,958	-
	TAL Hotels and Resorts Ltd.	$ 1	4,946,282	105.35	4,946,282	124.74
	Total Aggregate unquoted investments			**216.22**		**261.17**
	Fully paid quoted equity investments					
	Taj GVK Hotels & Resorts Ltd.	₹ 10	16,000,400	115.66	16,000,400	123.21
	Total Aggregate quoted investments			**115.66**		**123.21**
	Total Investments carrying value			**331.88**		**384.38**
(b)	**Equity investments in associate companies (Refer Note 36(c))**					
	Fully paid unquoted equity investments					
	Taj Madurai Ltd.	₹ 10	912,000	4.94	912,000	4.04
	Taida Trading & Industries Ltd. (Refer footnote (iv))	₹ 100	65,992	-	65,992	-
	Lanka Island Resorts Ltd.	LKR 10	19,965,525	29.90	19,965,525	33.40
	Bjets Pte Ltd. (Refer footnote (iv))	$ 1	20,000,000	-	20,000,000	-
	Total Aggregate unquoted investments			**34.84**		**37.44**
	Fully paid quoted equity investments					
	Oriental Hotels Ltd. (Refer footnote (v))	₹ 10	66,166,530	210.40	66,166,530	238.99
	TAL Lanka Hotels Plc	LKR 10	34,375,640	1.25	34,375,640	11.54
	Total Aggregate quoted investments			**211.65**		**250.53**
	Total Investments carrying value			**246.49**		**287.97**
	Total Investments in joint ventures and associates			**578.37**		**672.35**

Footnotes :

		March 31, 2021	March 31, 2020
(i)	Aggregate carrying amount of Quoted Investments	327.31	373.74
	Market value of Quoted Investments	340.53	289.87
	Aggregate amount of impairment in value of investments	-	-
(ii)	Aggregate carrying amount of Unquoted Investments	251.06	298.61

(iii) The carrying value of these investments is carried at nil value as the Group's interest using equity method in these entities are reduced to zero. The Group has also picked up additional losses under the equity method to the extent of the Group's other exposures in terms of loans given and Fees/dues Outstanding's. (Refer Note no 21(b)).

(iv) The carrying amount of these investments has been reported as nil, as the Group's share of losses exceeds the cost/carrying value. (Refer Note 36(c))

(v) Includes 1.25% (Previous year 5.40%), of the shares held in the form of Global Depository Receipts (GDR).

(vi) During the year, Group has acquired entire stake in IHMS SA Pty limited ("IHMS SA") consequently IHMS SA along with its subsidiary has become a wholly owned subsidiaries. (Refer Note 37)

Note 8 : Investments

		Face Value	March 31, 2021 Holdings As at	March 31, 2021 (₹ crores)	March 31, 2020 Holdings As at	March 31, 2020 (₹ crores)
(a)	**Non current**					
	Equity investments in other companies (Non current)					
	Carried at fair value through Other Comprehensive Income:					
	Fully paid unquoted equity investments					
	Tata Industries Ltd. (Refer Footnote (v)	₹ 100	42,74,590	55.73	42,74,590	55.73
	Tata International Ltd (addition during the year)	₹ 1000	12,000	34.57	8,000	18.11
	Tata Sons Private Ltd. (Refer Footnote (v)	₹ 1000	4,500	25.00	4,500	25.00
	Kumarakruppa Frontier Hotels Private Ltd.	₹ 10	96,432	7.92	96,432	7.48
	Taj Air Ltd.	₹ 10	2,22,40,200	6.41	2,22,40,200	5.58
	TP Kirnali Solar Limited (Refer footnote (vi)) (40,63,410 shares purchased during the year)	₹ 10	40,63,410	4.06	-	-
	Tata Services Ltd.	₹ 1000	421	0.04	421	0.04
	TRIL Infopark Ltd. (Refer Footnote iii)	₹ 10	-	-	7,11,00,000	71.10
	MPOWER Information Systems Private Ltd. *	₹ 10	5,28,000	-	5,28,000	-
	Smile and Care Products Private Ltd. *	₹ 10	49,800	-	49,800	-
	Saraswat Co-operative Bank Ltd. *	₹ 10	2,000	-	2,000	-
	Damania Airways Ltd.*	₹ 10	500	-	500	-
	Bombay Mercantile Co-operative Bank Ltd. *	₹ 30	333	-	333	-
	Hotels and Restaurant Co-op. Service Society Ltd. *	₹ 50	20	-	20	-
	Hindustan Engineering & Industries Ltd. *	₹ 10	7	-	7	-
				133.73		**183.04**
	Fully paid quoted equity investments:					
	India Tourism Development Corporation Ltd.	₹ 10	67,50,275	259.24	67,50,275	87.75
	Titan Company Ltd.	₹ 1	4,00,000	62.30	5,00,000	46.67
	Tulip Star Hotels Ltd.	₹ 10	35,800	0.14	35,800	0.09
	HDFC Bank Ltd.	₹ 1	5,000	0.75	5,000	0.43
	Graviss Hospitality Ltd.	₹ 2	4,500	0.01	4,500	0.01
	EIH Ltd. *	₹ 2	37	-	37	-
	Hotel Leela Venture Ltd. *	₹ 2	25	-	25	-
	Asian Hotels (North) Ltd. *	₹ 10	2	-	2	-
	Asian Hotels (East) Ltd. *	₹ 10	2	-	2	-
	Asian Hotels (West) Ltd. *	₹ 10	2	-	2	-
				322.44		**134.95**
	Investment in Preference Shares (carried at amortised costs)					
	Central India Spinning Weaving & Manufacturing Company Ltd. * (10% unquoted Cumulative Preference Shares)	₹ 500	50	-	50	-
	Investment in Others (carried at amortised costs)					
	Hindusthan Engineering & Industries Ltd *	₹ 10	7	-	7	-
	National Savings Certificate *			-		0.01
				-		**0.01**
	Total Investments carrying value			**456.17**		**318.00**

* Value of these investments individually is less than ₹ 50,000

Footnotes :

		March 31, 2021	March 31, 2020
(i)	Aggregate carrying amount of Quoted Investments	322.44	134.95
	Market value of Quoted Investments	322.44	134.95
(ii)	Aggregate carrying amount of Unquoted Investments and Others	133.73	183.05

(iii) Reclassified to current investment (Refer Note 8 (b) (iii)).

(iv) The fair value hierarchy and classification are disclosed in Note 38(b).

(v) For these investments, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(vi) During the year, the Group invested 26% as mandated in TP Kirnali Solar Limited, a subsidiary of Tata Power Limited in order to obtain captive solar power supply for some of its hotel in Mumbai. The Group does not have control nor have any power to participate in financial and operating policy decision of TP Kirnali Solar Limited.

Note 8 : Investments (contd.)

(₹ crores)

	March 31, 2021	March 31, 2020
(b) Current		
Investments carried at fair value through profit and loss:		
Investments in mutual fund units (unquoted)	377.53	436.24
	377.53	**436.24**
Fully Paid Unquoted Equity Investments		
TRIL Infopark Ltd. (Face value ₹ 10), (7,11,00,000 shares) (Refer Footnote (iii))	71.10	-
	71.10	**-**
Investments carried at fair value through Other Comprehensive Income:		
Equity investments in other entities (unquoted)		
BAHC 5 Pte Ltd. (Refer Footnote (ii))	-	-
1 (Previous year - 1) equity shares of US $ 1 each (₹ 73 (Previous year ₹ 75))		
Total Current investments	**448.63**	**436.24**

Footnote :

(i) Aggregate carrying amount of Unquoted Investments	448.63	436.24

(ii) This investment are temporarily held for disposal in near future (Refer Note 36(a)(ii)(b))

(iii) Transfer of shares is restricted due to option granted for 10 years upto July, 2021 to Tata Realty and Infrastructure Ltd. for repurchase of the shares at par value. Tata Realty and Infrastructure Ltd. has deposited a sum of ₹ 71.10 crores has been transferred to current (Previous year ₹ 71.10 crores shown under non current) as Option Deposit, which shall be adjusted upon exercise of the option or refunded. As the exercise option is in July 2021, it has been reclassified as current investment (Refer Note 43 (c)).

Note 9 : Loans

(₹ crores)

	March 31, 2021	March 31, 2020
(a) Non Current Loans at amortised costs		
(Unsecured, considered good unless stated otherwise)		
Loans to Related Parties (Refer Note 43)		
Considered good	5.05	16.65
Credit impaired	3.27	3.27
	8.32	**19.92**
Less : Allowance for credit impaired	3.27	3.27
	5.05	**16.65**
(b) Current Loans at amortised costs		
(Unsecured, considered good unless stated otherwise)		
Loans		
Related parties (Refer Note 43)	16.05	3.42
Others	0.63	1.35
	16.68	**4.77**

Note 10 : Other financial assets

(₹ crores)

		March 31, 2021	March 31, 2020
(a)	**Non current**		
	Long-term security deposits placed for hotel properties at amortised costs		
	Long-term security deposits placed for hotel properties at amortised costs	49.77	75.02
		49.77	**75.02**
	Less : Allowance for doubtful deposits	2.00	2.00
		47.77	**73.02**
	Deposits with Public Bodies and Others at amortised costs		
	Related parties (Refer Note 43)	0.08	0.08
	Public Bodies and Others	27.66	32.63
		27.74	**32.71**
	Less : Allowance for doubtful deposits	0.02	0.02
		27.72	**32.69**
	Deposits with banks (Refer Note 16)	1.61	10.81
	Interest receivable	0.04	0.08
	Others	1.05	1.76
		78.19	**118.36**
(b)	**Current**		
	Deposit with public bodies and others		
	Public Bodies and Others	31.11	29.70
		31.11	**29.70**
	Other advances		
	Considered good	19.16	13.87
	Considered doubtful	3.07	2.32
		22.23	**16.19**
	Less : Allowance for doubtful advances	3.07	2.32
		19.16	**13.87**
	Interest receivable		
	Related Parties (Refer Note 43)	0.02	0.49
	Others	1.34	6.72
		1.36	**7.21**
	Other receivable		
	Related Parties (Refer Note 43)	15.80	83.12
	Others	21.52	27.08
		37.32	**110.20**
		88.95	**160.98**

Note 11 : Deferred tax assets (net)

(₹ crores)

		March 31, 2021	March 31, 2020
(a)	**Deferred tax assets:**		
	Allowance for doubtful debts	0.56	0.44
	Provision for employee benefits	1.99	4.18
	Right-of-use assets (net of Lease Liabilities)	8.06	6.22
	Unused tax losses (Business)	112.51	70.67
	MAT credit entitlement	20.43	20.43
	Others	5.51	2.80
	Total (A)	**149.06**	**104.74**
	Deferred tax liabilities:		
	Property, Plant and equipment & Intangible Assets	27.74	27.71
	Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	3.21	0.38
	Others	0.13	0.15
	Total (B)	**31.08**	**28.24**
	Net Deferred tax assets (A-B) (Refer Footnote i)	**117.98**	**76.50**

Footnotes :

(i) Deferred tax assets and deferred tax liabilities of entities within the group have been offset as they relate to the same governing taxation laws.

(ii) For details in deferred tax balances, Refer Note 40.

(₹ crores)

		March 31, 2021	March 31, 2020
(b)	**Deferred tax liabilities:**		
	Property, Plant and equipment & Intangible Assets	300.69	307.31
	Unamortised borrowing costs	2.20	0.34
	Fair valuation changes of derivative contracts	0.27	-
	Others	0.63	0.07
	Total (A)	**303.79**	**307.72**
	Deferred tax assets:		
	Allowance for doubtful debts	8.43	4.78
	Provision for employee benefits	19.97	33.84
	Right-of-use assets (net of Lease Liabilities)	52.65	47.23
	Unused tax losses (Business)	112.11	-
	Fair valuation changes of derivative contracts	-	5.93
	Reward Points	11.90	12.31
	Provision for Contingencies	4.77	3.34
	Others	15.91	13.44
	Total (B)	**225.74**	**120.87**
	Net Deferred tax liabilities (A-B) (Refer Footnote i)	**78.05**	**186.85**

Footnotes :

(i) Deferred tax liabilities and deferred tax assets of entities within the group have been offset as they relate to the same governing taxation laws.

(ii) For details in deferred tax balances, Refer Note 40.

Note 12 : Other assets

(₹ crores)

	March 31, 2021	March 31, 2020
(a) Non current		
Capital advances	17.89	35.66
Prepaid expenses	150.31	120.32
Deposits with government authorities	117.67	111.41
Incentive receivables	27.30	76.67
Others	3.81	4.25
	316.98	**348.31**
(b) Current		
Prepaid expenses	53.61	58.86
Indirect tax recoverable	41.97	43.53
Advances to suppliers	17.38	26.95
Loans and advances to employee	1.92	2.01
Incentive receivables	15.76	0.77
Others	1.56	0.25
	132.20	**132.37**
Total other assets	**449.18**	**480.68**

Note 13 : Inventories (At lower of cost or net realisable value)

(₹ crores)

	March 31, 2021	March 31, 2020
Food and Beverages	43.66	51.26
Stores and Operating Supplies	41.29	42.35
Apartment held for sale	7.93	-
	92.88	**93.61**

Note 14 : Trade Receivables

(₹ crores)

	March 31, 2021	March 31, 2020
(Unsecured) (Refer Note 43 for Related Party Disclosures)	219.84	290.02
Considered good	-	-
Significant increase in credit risk	38.72	26.63
Credit impaired	**258.56**	**316.65**
	38.72	26.63
Less : Allowance for credit impaired	**219.84**	**290.02**

Footnote:

Allowance for credit impaired		
Opening Balance	26.63	29.81
Add: Allowance during the year	11.76	5.90
	38.39	**35.71**
Less: Bad Debts written off/ Reversal of allowances no longer required	0.33	(9.08)
Closing Balance	**38.72**	**26.63**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

Note 15 : Cash and Cash Equivalents

(₹ crores)

	March 31, 2021	March 31, 2020
Cash on hand	2.73	3.89
Cheques, drafts on hands	1.71	0.59
Balances with banks in current account	62.48	129.72
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	27.35	116.62
	94.27	**250.82**

Note 16 : Other Balances with banks

(₹ crores)

	March 31, 2021	March 31, 2020
Call and Short-term deposit accounts	51.47	58.39
Deposits pledged with others	0.99	8.73
Margin money deposits	6.42	6.41
Earmarked balances	2.09	2.04
	60.97	**75.57**
Less : Term deposit with banks maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current 'Other financial asset' (Refer Note 10(a))	1.61	10.81
	59.36	**64.76**

Note 17 : Equity Share capital

(₹ crores)

	March 31, 2021	March 31, 2020
Authorised Share Capital		
200,00,00,000 (Previous year - 200,00,00,000) Equity Shares of ₹ 1 each	200.00	200.00
	200.00	**200.00**
Issued Share Capital		
118,93,07,472 (Previous year - 118,93,07,472) Equity Shares of ₹ 1 each	118.93	118.93
	118.93	**118.93**
Subscribed and Paid Up		
118,92,58,445 (Previous Year - 118,92,58,445) Equity Shares of ₹ 1 each, Fully Paid	118.93	118.93
(Refer Footnote (iv))	**118.93**	**118.93**

Footnotes:

(i) The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2021		March 31, 2020	
	No. of shares	₹ crores	No. of shares	₹ crores
As at the beginning of the year	118,92,58,445	118.93	118,92,58,445	118.93
Add : Shares issued during the year	-	-	-	-
As at the end of the year	**118,92,58,445**	**118.93**	**118,92,58,445**	**118.93**

Note 17 : Equity Share capital (contd.)

(iii) Shareholders holding more than 5% shares in the Company :

	March 31, 2021		March 31, 2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹ 1 each fully paid				
Tata Sons Private Limited	45,30,05,131	38.09	45,30,05,131	38.09
Reliance Capital Trustee Company Limited	*	*	8,41,68,733	7.08
HDFC Trustee Company Limited	*	*	7,97,96,753	6.71

* less than 5%

(iv) 49,027 (Previous year - 49,027) 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.

(v) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date Nil (Previous year - Nil)

(vi) Equity Shares held by associates :

	March 31, 2021		March 31, 2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹ 1 each fully paid				
Oriental Hotels Limited	7,52,398	0.06	7,52,398	0.06
Taida Trading and Industries Limited	1,87,818	0.02	1,87,818	0.02
Taj Madurai Limited	11,25,393	0.09	11,25,393	0.09

Note 18 : Other equity

(₹ crores)

		March 31, 2021	March 31, 2020
a)	**Reserves and surplus**		
	Capital Reserve (Refer Footnote (a) below)		
	Opening and Closing Balance	43.91	43.91
	Capital Reserve on Consolidation (Refer Footnote (b) below)		
	Opening Balance	111.57	111.81
	Less : Change in ownership in a Joint venture	-	(0.24)
	Closing Balance	**111.57**	**111.57**
	Securities Premium (Refer Footnote (c) below)		
	Opening and Closing Balance	2,702.05	2,702.05
	Other Reserves		
	Capital Redemption Reserve (Refer Footnote (d) below)		
	Opening Balance	10.79	10.59
	Add : Change in ownership	-	0.20
	Closing Balance	**10.79**	**10.79**
	Debenture Redemption Reserve (Refer Footnote (e) below)		
	Opening Balance	187.40	317.90
	Less : Transfer to General Reserve	(32.39)	(130.50)
	Closing Balance	**155.01**	**187.40**
	Other Reserve (Refer Footnote (f) below)		
	Opening and Closing Balance	(3.89)	(3.89)
		161.91	**194.30**
	General Reserve (Refer Footnote (g) below)		
	Opening Balance	692.56	561.98
	Add : Transfer from Debenture Redemption Reserve	32.39	130.50
	Add : Change in ownership	-	0.08
	Opening and Closing Balance	**724.95**	**692.56**
	Retained Earnings		
	Opening Balance	152.26	154.00
	Less: Adjustment on account of transition to the new lease standard, net of taxes	-	(264.32)
	Less : Adjustment on account of change in holding of Minority Interest (Refer Note 33 (ii))	(169.16)	
	Add : Profit/(Loss) for the year	(720.11)	354.42
	Less : Final Dividend	(59.46)	(59.46)
	Less : Tax on Dividend (net)	-	(11.70)
	Less: Realised Gain/(loss) on sale of investment transferred from Other Comprehensive Income	5.80	(3.01)
	Less: Remeasurements of post employment benefit obligation, (item of other comprehensive income recognised directly in retained earnings)	38.89	(22.92)
	Add : Tax on remeasurements of post employment benefit obligation	(8.92)	5.25
	Closing Balance	**(760.70)**	**152.26**
	Total	**2,983.69**	**3,896.65**
b)	**Other Comprehensive Income (Refer Footnote (h) below)**		
	(Refer Statement of changes in equity for the reclassification adjustments to retained earnings)		
	Equity Instruments fair valued through Other Comprehensive Income	284.26	94.25
	Exchange differences on translating the financial statement of foreign operations	261.56	246.98
		545.82	**341.23**
		3,529.51	**4,237.88**

Note 18 : Other equity (contd.)

Footnote:

Description of nature and purpose of each reserve

a) **Capital Reserve:** Capital reserve mainly consists of reserves transferred on amalgamation of subsidiaries in earlier years.

b) **Capital Reserve on Consolidation :** During acquisition, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve on account of acquisition.

c) **Securities Premium:** Securities premium represents the premium charged to the shareholders at the time of issuance of equity shares. The securities premium can be utilised based on the relevant requirements of the Companies Act, 2013.

d) **Capital Redemption Reserve:** Capital Redemption Reserve was created on redemption of Preference shares in earlier years.

e) **Debenture Redemption Reserve:** The Company created Debenture Redemption Reserve out of the profits which is available for the purpose of redemption of debentures. On redemption of debentures, the same will be transferred to General Reserve.

f) **Other Reserve:** These expenses relates to share issue expenses incurred by one of its subsidiary company in accordance with IND AS 32 : Financial Instruments Presentation

g) **General Reserve:** General reserve was created from time to time by way of transfer of profits from retained earnings for appropriation purposes based on the provisions of the Companies Act prior to its amendment.

h) **Other Comprehensive Income:** This represents the cumulative gains and losses arising on the revaluation of investments in equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such investments are disposed off.

Note 19 : Borrowings

(₹ crores)

		March 31, 2021	March 31, 2020
(a)	**Non current**		
	Debentures		
	Non convertible debentures		
	Secured (Refer Footnote ii)	1,044.72	1,044.36
	Unsecured (Refer Footnote iii)	445.68	199.96
		1,490.40	**1,244.32**
	Term loans		
	From Banks		
	Secured (Refer Footnote iv)	1,649.61	1,187.84
	From Other parties		
	Secured (Refer Footnote v)	247.20	-
		1,896.81	**1,187.84**
	Others	3.10	3.66
	Total	**3,390.31**	**2,435.82**
	Less: Current maturities of Long term borrowings (Refer Note 21 (b))	**1,166.48**	**310.02**
	Total non current borrowings	**2,223.83**	**2,125.80**
(b)	**Current**		
	Loans repayable on demand		
	From Bank		
	Secured (Refer Footnote vi)	25.42	-
	Unsecured (Refer Footnote vi)	0.64	12.40
		26.06	**12.40**
	Other short-term loans		
	From Bank		
	Secured (Refer Footnote vii(a))	10.00	-
	Unsecured (Refer Footnote vii(b))	151.47	113.85
		161.47	**113.85**
	From Related parties (Refer Note 43)		
	Unsecured (Refer Footnote vii(c))	55.00	40.00
		55.00	**40.00**
	Total	**216.47**	**153.85**
	Total current borrowings	**242.53**	**166.25**

Note 19 : Borrowings (contd.)

Footnotes :

(i) Details of borrowings as at:

(₹ crores)

	Effective Rate of Interest (%)	Maturity	March 31, 2021		March 31, 2020	
			Face Value	Amortised cost	Face Value	Amortised cost
Debentures						
Non convertible debentures (NCDs)						
Secured						
7.85% Non convertible debentures	7.85	April 15, 2022	495.00	494.72	495.00	494.36
10.10% Non convertible debentures	10.10	November 18, 2021	300.00	300.00	300.00	300.00
9.95% Non convertible debentures	9.95	July 27, 2021	250.00	250.00	250.00	250.00
			1,045.00	**1,044.72**	**1,045.00**	**1,044.36**
Unsecured						
7.85% Non-Convertible Debentures	7.85	April 20, 2020	-	-	200.00	199.96
7.50% Non-Convertible Debentures	7.50	April 23, 2023	150.00	149.26	-	-
7.95% Non-Convertible Debentures	7.95	June 5, 2023	300.00	296.42	-	-
			450.00	**445.68**	**200.00**	**199.96**
			1,495.00	**1,490.40**	**1,245.00**	**1,244.32**
Term loan from banks						
Secured (Refer Footnote iv)			-	1,649.61	-	1,187.84
Term loans from other parties						
Secured (Refer Footnote v)			-	247.20	-	-
Others				3.10		3.66
			1,495.00	**3,390.31**	**1,245.00**	**2,435.82**
Short term borrowings (Refer Footnote vi and vii)			-	242.53	-	166.25
Total Borrowings			**1,495.00**	**3,632.84**	**1,245.00**	**2,602.07**

(ii) Non convertible debentures - secured include:

a) 4,950, 7.85% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 495 crores, allotted on January 20, 2017 are repayable at par after the end of 5th year from the date of allotment i.e. on April 15, 2022

b) 3,000, 10.10% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 300 crores, allotted on November 18, 2011 are repayable at par on November 18, 2021 i.e. at the end of 10th year from the date of allotment. This has been classified under current maturities of long term borrowings.

c) 2,500, 9.95% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 250 crores, allotted on July 27, 2011 are repayable at par on July 27, 2021 i.e. at the end of 10th year from the date of allotment. This has been classified under current maturities of long term borrowings.

All the Secured Non convertible debentures are rated, listed and secured by a pari passu first charge created on all the property, plant and equipment of the Company, both present and future.

(iii) Non convertible debentures - unsecured include:

a) 2,000, 7.85% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 200 crores, allotted on April 20, 2017 have been fully redeemed on due date i.e. April 20, 2020. In the previous year, this was classified under current maturities of long term borrowings.

b) 1,500, 7.50% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 150 crores, allotted on April 23, 2020 are repayable at par on April 23, 2023 i.e. at the end of 3rd year from the date of allotment.

c) 3,000, 7.95% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 300 crores, allotted on June 05, 2020 are repayable at par on June 05, 2023 i.e. at the end of 3rd year from the date of allotment.

(iv) Term Loan from Banks (Secured) include:

a) Secured term loan from a bank amounting to ₹ 475 crores (Previous year ₹ 365 crores) is repayable over a period of 6 years from the date of first drawdown i.e. December 06, 2019 and has the final maturity date of December 6, 2025. This loan is linked to MCLR of the bank and currently carries an average interest rate of 7.80%. The Company has created partial charge, on pari-passu basis, on certain identified immovable properties against this loan. The current maturity of the said loan amounting to ₹ 50 crores has been classified under current maturities of long term borrowings.

b) Secured term loan from a bank amounting to ₹ 361 crores (Previous year ₹ 330 crores) is repayable over a period of 6 years from the date of first drawdown i.e. December 09, 2019 and has the final maturity date of December 8, 2025. This loan is linked to MCLR of the bank and currently carries an average interest rate of 7.50%. The Company has created charge, on pari-passu basis, on certain identified immovable properties against this loan. The current maturity of the said loan amounting ₹ 38 crores has been classified under current maturities of long term borrowings.

Note 19 : Borrowings (contd.)

c) Piem had obtained secured term loan from banks amounting to ₹ 36 crores is repayable over a period of 6 years (including moratorium of one year) from the date of the first drawdown with the final maturity date of December 11, 2026. This loan is linked to MCLR of the bank and currently carries an average interest rate of 8.75%. The Company is in the process of creating a charge on certain immovable properties against this loan.

d) Roots Corporation Limited (RCL), a subsidiary of the Company, had obtained a secured loan facility from Kotak Bank for ₹ 75 crores which carries variable interest rate of 6 month MCLR + 30bps (effective interest as at March 31, 2021 8.05% (Previous year 8.5%) payable at monthly rests. Principal amount is repayable in quarterly instalments up to March 2022. Outstanding loan as at March 31, 2020 ₹ 22.50 crores (Previous Year ₹ 42 crores).

RCL has created a charge by way of hypothecation and mortgage of 2 hotel properties namely Ginger Nashik, Ginger Bhubaneshwar and Property, Plant and Equipment contained therein

Further, RCL had obtained loan of ₹ 50 crores from HDFC Bank Ltd which carries variable interest rate of 1 year MCLR + 5bps (effective interest as at March 31, 2020 7.65% (Previous year 8.7%) payable at monthly rest. Principal amount payable in 2 equal quarterly instalments of ₹ 1 crore and 16 quarterly instalments of ₹ 3 crores each. The repayment schedule started from July 2020. Outstanding loan as at March 31, 2021 ₹ 45 crores (Previous Year ₹ 50 crores).

RCL has created a charge by way of hypothecation and mortgage of one hotel property namely Ginger Mangalore. RCL is in a process to create a charge by way of hypothecation and mortgage of one hotel property namely Ginger Trivandrum.

e) St James Court Hotels Limited, an overseas subsidiary of the company, had undertaken a new loan of £ 44.5 million in the year 2017 at a floating rate of 3 month Sterling LIBOR + 1.65%. Repayments of this loan are £ 1.5 million per annum (payable quarterly) with the balance repayable in August 19, 2021. As at the year end March 31, 2021 balance outstanding is £ 37.75 million (Previous year £ 39.25 million) out of which repayable within a year is £ 37.75 million (Previous year £ 1.50 million).

Further in 2018, a new revolving loan facility was taken for £ 15 Million at a floating rate of 3 month Sterling LIBOR + 1.85%, against which the company had drawn down £11 Million which is repayable on August 08, 2021. The company has now signed a term sheet for refinancing of the term loan, falling due in August 2021, with Standard Chartered Bank and Barclays Bank.

These loans are secured against the St James Court Hotel.

f) United Overseas Inc., a Wholly owned subsidiary has entered into a loan agreement with Bank of Baroda, New York branch on February 12, 2021, for a total loan amount of $ 30 million. The term of the loan is six years, i.e., till March 31, 2027. As per the agreement the Company has to withdraw the entire amount of $ 30 million on or before June 30, 2021. UOH has withdrawn an amount of $ 6 million as of March 31, 2021 at an effective interest rate of 4.04%. This facility has been mortgaged by its subsidiary's hotel property, Taj Campton place, San Francisco property.

g) The Group acquired 100% controlling interest in Good Hope Palace Hotels Proprietary Limited (GHPH) on June 30, 2020. As a part of Business combination, loan outstanding in GHPH amounting to US$ 24 m is also added to the borrowings of the company. This loan is repayable on July 31, 2023 and carries interest @ 6 month US LIBOR plus 2.25% which is calculated half yearly. The property, plant and equipment of GHPH are held as security for this loan.

(v) Term Loan from others (Secured) include:

Secured term loan from a Financial Institution amounting to ₹ 250 crores drawn on September 28, 2020 is repayable in 28 equal successive quarterly instalment from the end of 27th month from the month in which the first utilisation occurs with the final maturity date of September 30, 2029. This loan is linked to benchmark rate of the institution and currently carries an interest rate of 8.70%. The Group has pledged its entire investment in ELEL Hotels & Investments Limited (ELEL) as security for this loan. Further, the Group is required to create charge on certain identified leasehold immovable properties belonging to ELEL by December 31, 2021 or in the absence of this, any other suitable immovable assets to the satisfaction of the lender.

Short Term Loans :

(vi) Loans repayable on demand

Loans repayable on demand from bank, consists of overdraft facility.

(vii) Other short-term loans includes (Unsecured)

a) Roots Corporation Limited (RCL), a subsidiary of the Company, had obtained a secured short term loan facility from Axis Bank for ₹ 10 crores which carries variable interest rate of 6 month MCLR + 0.75bps (effective interest as at March 31, 2021 8.2%) payable at monthly rests. Principal amount is repayable at the end of the tenure. Outstanding loan as at March 31, 2021 ₹ 10 crores. The Company is in a process to create a charge by way of hypothecation and mortgage of one hotel property namely Ginger Agartala and assets contained therein for this facility.

b) United Overseas Inc., a Wholly owned subsidiary has availed $ 15 million of credit agreement from J.P. Morgan Bank which expired on Dec 23, 2020 and was further renewed for a period of 1 year. At March 31, 2021, entire $15 million was drawn down and outstanding on credit facility. The weighted average interest rate of the outstanding loans was approximately 4.31% and 3.87% for the year ending March 31, 2021 and March 31, 2020 respectively.

On April 30, 2020, UOH obtained further uncommitted temporary facility for short term loans from JP Morgan Chase Bank, North America, amounting to $ 7,000,000. The amount outstanding on this facility as of March 31, 2021 was $ 5,500,000 having an average interest of approximately 4.25%.

c) Loan from related parties consists of an inter-corporate deposits obtained by the Group which carries interest of 8% to 9% p.a. having a balance tenor of 3-6 months with an option of early repayment.

Note 19 : Borrowings (contd.)

(viii) Disclosure of changes in liabilities arising from financing activities (read with cash flow statement)

This section sets out an analysis of net debt and the movement in net debt for each of the periods presented below:

(₹ crores)

	March 31, 2021	March 31, 2020
a) Net debt		
Cash and cash equivalents	94.27	250.82
Current investments	377.53	436.24
Call and Short-term deposit accounts	51.47	58.39
Total Liquid investment (a)	**523.27**	**745.45**
Long term borrowings (including current maturities shown under Other Current financial liabilities)	3,390.31	2,435.82
Short term borrowings	242.53	166.25
Gross Debt (b)	**3,632.84**	**2,602.07**
Net Debt ((b) - (a))	**3,109.57**	**1,856.62**
b) Other financial liabilities		
Liability on derivative contracts	153.86	179.68
Interest accrued but not due / Unclaimed interest	73.20	56.49
Total Other financial liabilities	**227.06**	**236.17**
Grand Total	**3,336.63**	**2,092.79**

₹ crores

	Liquid Assets					Liabilities from Financing activities		
	Cash and cash equivalents	Current Investments	Bank Balance	Gross Debt	Net Debt	Derivatives	Interest accrued but not due / Unclaimed interest	Total
	(a)	(b)	(c)	(d)	(e) = (d)-(a)-(b)-(c)	(f)	(g)	(h) = (e)+(f)+(g)
Net Debt as at March 31, 2019	**189.29**	**211.21**	**47.48**	**2,325.98**	**1,878.00**	**279.42**	**54.76**	**2,212.18**
Cash flows	56.21	222.20	10.91	222.66	(66.66)	(121.99)	-	(188.65)
Interest expense	-	-	-	31.83	31.83	-	152.40	184.23
Interest paid	-	-	-	(0.72)	(0.72)	-	(154.73)	(155.45)
Transferred to IEPF	-	-	-	-	-	-	(0.46)	(0.46)
Other non- cash movements:					-		4.28	4.28
Added to Borrowings								
Fair value adjustments	-	2.83	-	-	(2.83)	21.76	-	18.93
Foreign Currency Translation Difference	5.32	-	-	22.32	17.00	0.49	0.24	17.73
Net Debt as at March 31, 2020	**250.82**	**436.24**	**58.39**	**2,602.07**	**1,856.62**	**179.68**	**56.49**	**2,092.79**
Cash flows	(157.98)	(67.00)	(6.92)	712.42	944.32	(0.79)	-	943.53
Interest expense	-	-	-	2.23	2.23	-	238.88	241.11
Interest paid	-	-	-	(9.63)	(9.63)	-	(222.45)	(232.08)
Added to Borrowings								
On acquisition of subsidiary	-	-	-	297.56	297.56	-	-	297.56
Fair value adjustments	-	8.29	-	-	(8.29)	(25.00)	-	(33.29)
Foreign Currency Translation Difference	1.43	-	-	28.19	26.76	(0.03)	0.28	27.01
Net Debt as at March 31, 2021	**94.27**	**377.53**	**51.47**	**3,632.84**	**3,109.57**	**153.86**	**73.20**	**3,336.63**

Note 20 : Trade Payables (Refer Note 43 for Related Party Disclosures)

(₹ crores)

	March 31, 2021	March 31, 2020
Vendor payables	157.52	190.90
Accrued expenses and others	160.29	198.42
	317.81	**389.32**

Note 21 : Other financial liabilities

(₹ crores)

	March 31, 2021	March 31, 2020
(a) Non current		
Liability on derivative contracts	-	179.68
Deposits from others	6.99	15.34
Creditors for capital expenditure	-	1.23
Employee related liabilities	-	5.12
Other contractual liability (Refer Note 33(ii))	18.72	-
	25.71	**201.37**
(b) Current		
Current maturities of long-term borrowings (Refer Note 19 (a))		
Debentures	550.00	199.96
Term loan from banks	615.59	109.27
Others	0.89	0.79
	1,166.48	**310.02**
Liability on derivative contracts	153.86	-
Other contractual liability (Refer Note 33(ii))	165.14	
Contract Liability towards loyalty programmes (Refer Note 31(iii) (b)))	47.57	49.18
Other payables		
From related parties (Refer Note 43)	0.55	1.93
From other parties	3.27	7.40
	3.82	**9.33**
Additional liability on account of loss in joint ventures to the extent of exposure (Refer Note 7(a)(iii))	1.45	79.82
Deposits from others		
Option Deposit received against purchase of shares (Secured) (Refer Note 8(b)(iii))	71.10	71.10
Unsecured	25.17	20.05
	96.27	**91.15**
Interest accrued but not due on borrowings	73.20	56.46
Creditors for capital expenditure	22.24	32.41
Unclaimed dividends	1.51	1.58
Unclaimed matured deposits and interest accrued thereon	-	0.03
Unclaimed matured debentures and interest accrued thereon ₹ 25,153 (Previous Year - ₹ 25,153)	-	-
Employee related liabilities	68.03	115.13
Other liabilities	76.40	74.78
	1,875.97	**819.89**

Footnotes:

The fair value hierarchy and classification are disclosed in Note 38.

Note 22 : Provisions

(₹ crores)

	March 31, 2021	March 31, 2020
(a) Non current		
Provision for employee benefits (Refer Note 41)		
Compensated absences	55.43	62.29
Gratuity	9.33	30.90
Post-employment medical benefits	6.84	6.92
Post-retirement pension	20.14	20.98
	91.74	**121.09**
(b) Current		
Provision for employee benefits (Refer Note 41)		
Compensated absences	22.63	24.70
Gratuity	0.17	2.03
Post-employment medical benefits	0.46	0.43
Post-retirement pension	1.59	1.22
Other employee benefits	2.84	0.75
	27.69	**29.13**
Provision for others		
Provision for disputed dues (Refer Footnote i)	143.07	125.33
	143.07	**125.33**
	170.76	**154.46**

Footnote:

(i) **Provision for disputed dues include provisions for the following:**

(₹ crores)

	Opening Balance	Additions	Utilisation	Closing Balance
Disputed claims for taxes, levies and duties	**122.75**	**19.67**	**1.93**	**140.49**
	119.37	*20.74*	*17.36*	*122.75*
Dispute on contractual matters	**0.41**	**-**	**-**	**0.41**
	0.41	*-*	*-*	*0.41*
Dispute in respect of employee benefits	**2.17**	**-**	**-**	**2.17**
	2.17	*-*	*-*	*2.17*
Total	**125.33**	**19.67**	**1.93**	**143.07**
	121.95	*20.74*	*17.36*	*125.33*

a) The above matters are under litigation / negotiation and the ultimate outcome and timing of the cash flows, if any cannot be currently determined.

b) Figures in italics are in respect of previous year.

Note 23 : Other current liabilities

(₹ crores)

	March 31, 2021	March 31, 2020
(a) Non current		
Advances collected from customers	15.93	18.05
	15.93	**18.05**
(b) Current		
Income received in advance (Refer Footnote (i))	34.91	33.50
Deferred Revenue (Refer Footnote (i))	58.28	66.76
Advances collected from customers (Refer Footnote (i))	143.67	124.08
Statutory dues (Refer Footnote (ii))	30.07	56.65
	266.93	**280.99**

Footnote:

(i) Refer Note 31(iii) for detailed disclosure relating to Ind AS 115 - Revenue from contract with customers.

(ii) Statutory dues includes amount payable towards indirect taxes, tax deducted at source and employee related dues.

Note 24 : Revenue from Operations (Refer Note 31(i), (ii))

(₹ crores)

	March 31, 2021	March 31, 2020
Rooms, restaurants and banquets income	1,247.92	3,866.06
Shop rentals	34.19	47.59
Membership fees	77.40	114.82
Management and operating fees	136.45	212.70
Other operating income	79.20	221.97
Total	**1,575.16**	**4,463.14**

Note 25 : Other Income

(₹ crores)

	March 31, 2021	March 31, 2020
Interest Income from financial assets at amortised cost		
Inter-corporate deposits	1.10	1.56
Deposits with banks	8.39	9.90
Others	29.16	4.73
	38.65	**16.19**
Interest on income tax refunds	6.14	2.48
	44.79	**18.67**
Dividend Income from Investments		
from Investments that are fair valued through Other Comprehensive Income	5.40	7.24
from Investments that are fair valued through Profit and Loss	0.03	0.08
Profit on disposal of Property, plant and equipment (Net)	18.58	82.36
Profit on sale of current investment	5.63	9.82
Gain on investments carried at fair value through profit and loss	2.51	0.40
Exchange gain (Net)	28.26	-
Others	59.52	13.85
Total	**164.72**	**132.42**

Note 26 : Employee Benefit Expenses and Payment to Contractors

(₹ crores)

	March 31, 2021	March 31, 2020
Salaries, wages, bonus etc.	712.56	1,171.41
Company's contribution to provident and other funds (Refer Note 22, 41)	43.18	64.97
Reimbursement of expenses on personnel deputed to the company	46.19	51.52
Payment to contractors	35.43	98.46
Staff welfare expenses	56.65	108.24
Total	**894.01**	**1,494.60**

Note 27 : Finance Costs

(₹ crores)

	March 31, 2021	March 31, 2020
Interest expense		
Interest Expense at effective interest rate on borrowings which are measured at amortised cost	242.47	182.19
Add/(Less) : Settlements on interest rate swap contracts	(1.36)	0.40
	241.11	**182.59**
Interest on Lease liability	154.31	156.89
On income tax demand	6.43	2.77
Other borrowing costs	1.97	0.38
	403.82	**342.63**
Less : Interest capitalised (Refer Footnote)	1.00	1.51
Total	**402.82**	**341.12**

Footnote :

The Group has capitalised the interest cost on borrowings relating to qualifying assets including within capital work in progress

Note 28 : Depreciation and Amortisation Expenses

(₹ crores)

	March 31, 2021	March 31, 2020
Depreciation on Property, Plant and Equipment	324.30	308.16
Depreciation of Right-of-use Assets *	61.97	70.36
Amortisation on Intangible Assets	23.36	25.72
Total	**409.63**	**404.24**

* Amortisation charge for the year excludes ₹ 1.20 crores (Previous year ₹ 1.94 crores) which is capitalised during the year.

Note 29 : Operating and General Expenses

(₹ crores)

	March 31, 2021	March 31, 2020
(a) Operating expenses consist of the following :		
Linen and room supplies	27.59	66.13
Catering supplies	20.37	28.04
Other supplies	7.11	6.38
Fuel, power and light	172.85	269.87
Repairs to buildings	32.09	56.77
Repairs to machinery	51.10	73.78
Repairs to others	16.70	30.04
Linen and uniform washing and laundry expenses	20.47	47.56
Security charges and Others	28.22	48.46
Guest transportation	16.08	44.96
Travel agents' commission	37.16	100.01
Discount to collecting agents	12.99	48.14
Other operating expenses	29.93	111.94
Total	**472.66**	**932.08**
Carried Over	**472.66**	**932.08**

Note 29 : Operating and General Expenses (contd.)

(₹ crores)

	March 31, 2021	March 31, 2020
Brought Over	**472.66**	**932.08**
(b) General expense consist of the following :		
Rent (Refer Note 35)	32.69	22.31
Licence fees (Refer Note 35)	60.32	145.90
Rates and taxes	70.97	120.93
Insurance	26.33	17.61
Advertising and publicity	29.74	104.79
Printing and stationery	6.18	12.40
Passage and travelling	2.55	16.58
Allowance for doubtful debts and Bad debts written off	11.76	5.90
Expenditure on corporate social responsibility	14.79	8.27
Professional fees	44.36	56.47
Support services	43.02	67.40
Exchange loss (Net)	-	1.08
Payment made to statutory auditors (Refer Footnote below)	7.84	7.72
Directors' fees and commission	2.12	4.07
Other expenses	73.76	106.94
Total	**426.43**	**698.37**
	899.09	**1,630.45**

Footnote:

Payment made to statutory auditors:

(₹ crores)

	March 31, 2021	March 31, 2020
As auditors	6.32	6.42
For other services (including tax audit and company law matters)	1.30	0.92
Expenses and incidentals	0.22	0.38
	7.84	**7.72**

Note 30 : Exceptional Items

(₹ crores)

	March 31, 2021	March 31, 2020
Exceptional Items comprises of the following :		
Exchange Gain / (Loss) on long term borrowings/assets (net)	29.12	-
Change in fair value of derivative contracts	25.00	(21.76)
Profit on sale of investment in a Joint Venture company	-	2.12
Profit on sale of hotel property in a subsidiary	23.80	6.09
Profit on sale of land and building	-	54.50
Gain arising out of acquiring controlling stake in a joint venture	82.03	-
Total	**159.95**	**40.95**

Note 31 : Revenue from Contracts with Customers and Assets/Liabilities

The Group's revenue primarily comprises of Revenue from Hotel operations, Management and Operating Fee and Membership fees income as tabulated below.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and Loss:

(₹ crores)

	March 31, 2021	March 31, 2020
Revenue from operations		
Revenue from contract with customers		
Room Revenue, Food & Beverages and Banquets	1,247.92	3,866.06
Shop rentals	34.19	47.59
Membership fees	77.40	114.82
Management & Operating fees	136.45	212.70
	1,495.96	**4,241.17**
Other operating revenue		
Export Incentive	0.41	30.20
Other revenue	78.79	191.77
	79.20	**221.97**
Total Revenue from operations	**1,575.16**	**4,463.14**

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

(₹ crores)

	March 31, 2021	March 31, 2020
Revenue based on geography		
Revenue from contract with customers		
India	1,354.02	3,206.09
Overseas	141.94	1,035.08
	1,495.96	**4,241.17**
Other Operating Revenue		
India	76.17	187.97
Overseas	3.03	34.00
	79.20	**221.97**
	1,575.16	**4,463,14**
Revenue based on product and services		
Revenue from contract with customers		
Room Revenue	702.48	2,133.14
Food & Beverages and Banquets	545.44	1,732.92
Shop rentals	34.19	47.59
Membership fees	77.40	114.82
Management & Operating fees	136.45	212.70
	1,575.16	**4,241.17**
Other Operating Revenue		
Export Incentives	0.41	30.20
Other revenue	78.79	191.77
	79.20	**221.97**
	1,575.16	**4,463.14**

Note 31 : Revenue from Contracts with Customers and Assets/Liabilities (contd.)

iii) Contract balances

The contract liabilities primarily relate to the unredeemed customer loyalty points and the advance consideration received from customers for which revenue is recognised when the performance obligation is over/ services delivered.

a) Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services. It also includes membership fee received for Chambers Membership, Epicure membership and Spa and Health Club Memberships and disclosed as Income received in advance.

b) Contract liability towards Loyalty programme represents the liability of the Company towards the points earned by the members.

(₹ crores)

	March 31, 2021	March 31, 2020
Contract liabilities		
Income received in advance	34.91	33.50
Advance collections from customer	159.60	142.13
Deferred Revenue	58.28	66.76
Contract Liability towards loyalty programmes	47.57	49.18
	300.36	**291.57**

Footnote:

Considering the nature of business of the Group, the above contract liabilities are generally materialised as revenue within the same operating cycle.

Note 32 : Contingent Liabilities (to the extent not provided for) and contingent assets

The Group is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses and is exposed to other contingencies arising from having issued guarantees to lenders of its subsidiaries and other entities. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate.

(a) On account of matters in disputes :

Amounts in respect of claims (excluding interest and penalties) asserted by various revenue authorities on the Company and the Group, in respect of taxes, etc., which are in dispute, and not provided for, are as under:

(₹ crores)

	March 31, 2021	March 31, 2020
Income Tax	260.70	238.24
Luxury tax	1.60	1.39
Entertainment tax	2.23	2.23
Sales tax / VAT	20.29	16.09
Property and Water tax	241.68	226.21
Service tax	22.24	10.23
Others	30.24	24.04

The Group is a defendant in various legal actions and a party to claims as above, plus interest thereon, which arose during the ordinary course of business. The Group's management believes based on the facts presently known, that the results of these actions will not have a material impact on the Company's financial statements. It is not practicable for the Group to estimate the timings of cash flows, if any, in respect of the above.

Note 32 : Contingent Liabilities (to the extent not provided for) and contingent assets (contd.)

(b) On account of lease agreements:

In respect of a plot of land provided to the Company under a lease agreement, on which the Company has constructed a hotel, the lessor has made a claim of ₹ 527.24 crores to date, (13 times the previous annual rental) for increase in the rentals with effect from 2006-07. The Company believes these claims to be untenable. The Company has contested the claim based upon legal advice, by filing a suit in the Honourable High Court of Judicature at Bombay on grounds of the lessor's inconsistent stand on automatic renewal of lease, levy of lease rentals and method of computing such lease rent, within the terms of the then existing lessor's policy as also a Supreme Court judgment on related matters. Even taking recent enactments into consideration, in the opinion of the Company, the computation cannot stretch beyond ₹ 147.03 crores (excluding interest / penalty), and this too is being contested by the Company on merit.

Further, a "Notice of Motion" has been filed by the Company before the Honourable High Court of Judicature at Bombay, inter alia, for a stay against any further proceedings by the lessor, pending a resolution of this dispute by the Honourable Bombay High Court, and the Company has obtained a stay order from the court.

(c) Other claims against the Group not acknowledge as debt :

(i) Legal and statutory matters ₹ 4.98 crores (March 31, 2020 - ₹ 4.98 crores)

(ii) Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimates above, including where:

a) plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

b) the proceedings are in early stages;

c) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

d) there are significant factual issues to be resolved; and/or there are novel legal issues presented

The Group's Management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Group's financial position, though the outcomes could be material to the Group's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

(d) Claims filed by the Group:

The Company had invested in a Greenfield Project in Guwahati, Assam which is eligible as "Mega Project" under the Industrial and Investment Policy of Assam, 2014 and is entitled to apply for the revenue grant under the Assam Industrial Policy. The Company had made application for the grant/subsidy which is essentially is the form of reimbursement of SGST and Luxury Tax paid for a period of 10 years upto a maximum of 150% of the original capital outlay.

During the year, the Company's application was processed by the Industries Department of State Government of Assam and "Eligibility and Entitlement Certificate" was issued by Commissioner of Taxes, Guwahati, Assam.

On the basis of entitlement certificate, the Company accrued income of ₹ 12.69 crores towards reimbursement of taxes for the past years & ₹ 0.45 crore for the current financial year which has been recognised in "Other Operating Income". This grant is expected to be received by the Company once the verification of claims/ scrutiny & assessment of the previous year's taxes is completed by the said department

(e) In respect of one domestic subsidiary, for the proposed construction of a hotel on the plot of land, a Public Interest Litigation (PIL) has been filed against the Union of India and Others (including the Company/Group), interalia, challenging the various permissions / approvals. The Group is contesting the PIL on merits, and the matter is pending. The Group has not commenced construction pending regulatory and other approvals.

Note 33 : Capital Commitments

i) Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for is ₹ 283.30 crores (March 31, 2020 - ₹ 306.96 crores).

ii) During the year, the Company has entered into a definitive agreement to purchase the balance 14.28% stake in ELEL Hotels and Investments Ltd (ELEL), a step down subsidiary, from its existing shareholders for a consideration of ₹ 250 crores over a period of two years in a phased manner on achievement of certain milestones and not later than end of December 2021. Consequent to this acquisition, ELEL will become a wholly owned step down subsidiary of the Company. Further, on recognition of the financial liability, the non-controlling interest has been de-recognised and the difference between the two has been recognised within equity, amounting to ₹ 169.16 crores.

The transaction has been accounted as a forward contract as per Ind AS 109 – Financial Instruments and a financial liability of ₹ 250 crores has been recognised at its present value.

The Company paid an advance consideration of ₹ 50 crores for the acquisition and balance has to be paid in stages on achievement of certain milestones but not later than end of December 31, 2021.

Note 34 : Guarantees and Undertakings given

Guarantees given by the Group and outstanding as on March 31, 2021 - ₹ 13.31 crores (March 31, 2020 - ₹ 13.25 crores). Also, refer to note 36(c)(ii) for Guarantees on behalf of certain joint ventures.

Note 35 : Leases – Ind AS 116

The Group has taken land and immovable properties on lease which are generally long term in nature with varying terms, escalation clauses and renewal rights expiring within five to one hundred and ninety eight years. On renewal, the terms of the leases are renegotiated.

a) Total lease liabilities are analysed as follows:

(₹ crores)

	March 31, 2021	March 31, 2020
Denominated in the following currencies:		
Rupees	1,445.28	1,459.17
US dollars	276.09	290.71
Sterling	159.67	148.83
Others	4.45	-
Total	**1,885.49**	**1,898.71**
Analysed as:		
Current *	39.11	56.14
Non-current	1,846.38	1,842.57
Total	**1,885.49**	**1,898.71**

* The Current Portion of the lease liability is excluding the interest component on the lease liability. Actual Lease Payments (including notional interest as per Ind AS 116) would be ₹ 177.20 crores. Refer note (b) below for the Maturity Analysis of the Lease Payments.

Note 35 : Leases – Ind AS 116 (contd.)

b) Exposure to future cash flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

Maturity analysis:

(₹ crores)

	March 31, 2021	March 31, 2020
Less than 1 year	177.20	188.91
Between 1 and 2 years	179.32	177.08
Between 2 and 5 years	537.48	526.47
More than 5 years	9,094.75	9,129.32
Total	**9,988.75**	**10,021.78**

In addition, in certain circumstances the Group is committed to making additional lease payments that are contingent on the performance viz. gross operating profits, revenues etc. of the hotels that are being leased for which no lease liability has been recognised as it is contingent in nature.

c) Overall lease rentals (including provisions and amount adjusted against advances) for the year ended March 31, 2021 are as below:

(₹ crores)

	March 31, 2021	March 31, 2020
Minimum Lease Payments/ Fixed Rentals	135.48	179.27
Contingent rents	52.33	145.90
Total	**187.80**	**325.17**

Note 36 : Interest in Other Entities

a) Subsidiaries

i) The parent's subsidiaries at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the group and the effective ownership of the group is enumerated in the table below. The country of incorporation or registration is also their principal place of business.

(%)

	Country of Incorporation	Effective Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Domestic					
Benares Hotels Ltd.	India	51.68	51.68	48.32	48.32
ELEL Hotels & Investments Ltd. ^	India	85.72	85.72	14.28	14.28
Inditravel Ltd.@	India	78.88	78.86	21.12	21.14
Ideal Ice and Cold Storage Company Ltd.#	India	100.00	-	-	-
KTC Hotels Ltd.	India	100.00	100.00	-	-
Luthria & Lalchandani Hotels and Properties Private Ltd.^	India	87.15	87.15	12.85	12.85
Northern India Hotels Ltd.	India	48.56	48.56	51.44	51.44
Piem Hotels Ltd.	India	51.57	51.57	48.43	48.43
Roots Corporation Ltd.	India	63.74	63.74	36.26	36.26
Sheena Investments Private Ltd.	India	100.00	100.00	-	-
Skydeck Properties & Developers Private Ltd.	India	100.00	100.00	-	-
Taj Enterprises Ltd.@	India	93.40	93.19	6.60	6.81
Taj Trade & Transport Ltd.@	India	73.03	73.03	26.97	26.97
United Hotels Ltd.	India	55.00	55.00	45.00	45.00

Note 36 : Interest in Other Entities (contd.)

(%)

	Country of Incorporation	Effective Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
International					
IHOCO BV	Netherlands	100.00	100.00	-	-
IHMS Hotels (SA) Proprietary Ltd.*	South Africa	100.00	-	-	-
Good Hope Palace Hotels Proprietary Ltd.*	South Africa	100.00	-	-	-
Piem International (HK) Ltd.	Hong Kong	51.57	51.57	48.43	48.43
St. James Court Hotel Ltd.	United Kingdom	72.25	72.25	27.75	27.75
Taj International Hotels (HK) Ltd.	Hong Kong	100.00	100.00	-	-
Taj International Hotels Ltd.	United Kingdom	100.00	100.00	-	-
United Overseas Holding Inc.	United States of America	100.00	100.00	-	-

@ The Group has acquired additional stake in Taj enterprise Ltd. whereby the Group's holding has increased to 93.40% from 93.19% and consequently, there are changes in the effective holding in certain subsidiaries.

The Group has acquired 100% stake in Ideal Ice and Cold Storage Company Ltd on March 19, 2021.

^ The Group has entered into a definitive agreement to purchase the balance 14.28% stake in ELEL Hotels and Investments Ltd (ELEL) and hence, for the purpose of consolidation of its accounts, effective holding of ELEL and its step down subsidiary, Luthria & Lalchandani Hotels and Properties Private Ltd is considered as 100%. (Refer Note 33(ii)).

* Refer note 37 on acquisition of IHMS Hotels (SA) Proprietary Ltd and Good Hope Palace Hotels Proprietary Ltd w.e.f. July 1, 2020.

ii) Significant judgements and assumptions:

a. The management have concluded that the group controls Northern India Hotels Limited, even though it holds less than half of the effective interest of this subsidiary. This is because the group is the largest shareholder and the direct ownership in this company is 94.15% through Piem Hotels Limited, a subsidiary in which the group holds 51.57%.

b. The investment in BAHC 5, a company incorporated in Singapore in which the group holds 100% issued equity shares, is a temporary investment that is presently held for disposal. In the view of the management, the Group does not have any power or control over or exposure to this entity. It does not have any rights to variable returns from its involvement with this entity and thus the financial statements of this entity are not consolidated.

c. The Group holds 51% of the equity share capital of Taj SATS Air Catering Ltd. However, as per the contractual arrangement in the form of joint venture agreement, the group considers it has joint control over the net assets of this entity and has been reclassified as joint venture.

d. The Company has executed a definitive agreement to purchase the balance 14.28% stake in ELEL Hotels and Investments Ltd (ELEL) on or before December 31, 2021 and accordingly, recognised derivative assets and liabilities in its books. The management is of the view that, in substance, Group exercise full control of ELEL and its step down subsidiary, Luthria & Lalchandani Hotels and Properties Private Ltd have been consolidated accordingly. The resultant adjustment for non-controlling interest has been given in other equity Refer Note 33(ii).

e. The Group has not consolidated TP Kirnali Solar Limited as an "Associate" as Management believes that it does not have control nor have any power to participate in financial and operating policy decision of TP Kirnali Solar Limited. This investment is solely in order to obtain captive solar power supply for some of it hotels in Mumbai.

Note 36 : Interest in Other Entities (contd.)

b) Non-controlling interests ('NCI')

i) The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group are set out below. The amounts disclosed for each subsidiary are before inter-company eliminations or other adjustment :-

(₹ crores)

Summarised Balance Sheet	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current Assets	46.45	76.06	41.48	53.83	6.46	8.44	8.36	34.69
Current Liabilities	106.06	121.47	137.79	99.08	57.91	56.65	514.52	90.57
Net Current Assets	**(59.61)**	**(45.41)**	**(96.31)**	**(45.25)**	**(51.45)**	**(48.21)**	**(506.16)**	**(55.88)**
Non-Current Assets	752.53	769.31	646.07	682.10	607.76	618.67	1,290.22	1,200.32
Non-Current Liabilities	113.49	101.66	404.39	442. 24	0.76	0.76	144.53	488.49
Net Non-Current Assets	**639.04**	**667.65**	**241.67**	**239.86**	**607.00**	**617.91**	**1145.69**	**711.83**
Net Assets	**579.43**	**622.24**	**145.36**	**194.61**	**555.55**	**569.70**	**639.54**	**655.94**
Accumulated NCI	**280.61**	**301.35**	**52.71**	**70.56**	**-**	**81.35**	**177.47**	**182.02**

(₹ crores)

Summarised Statement of Profit and Loss	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue	154.01	389.32	134.86	212.65	0.19	0.27	43.20	351.54
Profit/(Loss) for the year	(68.76)	7.97	(49.38)	(22.77)	(14.15)	(14.26)	(67.27)	28.53
Other Comprehensive Income	25.95	(9.20)	0.14	0.13	-	-	50.87	23.54
Total Comprehensive Income	**(42.81)**	**(1.23)**	**(49.24)**	**(22.64)**	**(14.15)**	**(14.26)**	**(16.41)**	**52.07**
Total Comprehensive Income allocated to NCI	(20.73)	(0.60)	(17.86)	(8.21)	(0.51)	(2.04)	(4.55)	14.45
Dividend paid to NCI	-	1.85	-	-	-	-	-	-

(₹ crores)

Summarised Statement of Cash Flows	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Cash Flows from Operating Activities	(40.24)	40.93	18.74	83.08	3.44	(2.56)	(36.74)	85.28
Cash Flows from / (used in) Investing Activities	8.18	(48.58)	29.30	(46.62)	2.07	2.59	(20.22)	(29.54)
Cash Flows from / (used in) Financing Activities	30.53	5.66	(47.44)	(40.54)	(0.08)	(0.08)	34.90	(52.32)
Net Increase/(Decrease) in Cash & cash Equivalents	**(1.53)**	**(1.99)**	**0.60**	**(4.08)**	**5.43**	**(0.04)**	**(22.06)**	**3.43**

Note 36 : Interest in Other Entities (contd.)

ii) **Individually immaterial non-controlling interest("NCI"):**

(₹ crores)

	March 31, 2021	March 31, 2020
Aggregate carrying amount of individually immaterial	123.78	129.61
Aggregate amount of NCI's share of profits/loss	(5.13)	7.83
Aggregate amount of NCI's share of other comprehensive Income	0.17	0.14
Aggregate amount of NCI's share of total comprehensive Income	(4.96)	7.97

c) Interests in associates and joint ventures

i) Details of the associates and joint ventures of the group as at March 31, 2021 and 2020 are set out below. The entities below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business. The Group follows equity method of accounting for the measuring its investments/interests in associates and joint ventures, the details of which are as below :-

(₹ crores)

	Country of Incorporation	Effective Holding "%"	Carrying amount		Quoted fair value	
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Joint Ventures						
Taj SATS Air Catering Ltd.	India	51.00	41.78	69.95	*	*
Taj Karnataka Hotels & Resorts Ltd. (Refer Note no 21(b))	India	44.27	-	-	*	*
Taj Kerala Hotels & Resorts Ltd.	India	28.78	14.72	13.95	*	*
Taj GVK Hotels & Resorts Ltd.	India	25.52	115.66	123.21	174.72	165.44
Taj Safaris Ltd.	India	41.81	9.13	9.04	*	*
Kaveri Retreat & Resorts Ltd.	India	50.00	45.24	43.49	*	*
Zarrenstar Hospitality Private Ltd	India	50.00	-	-	*	*
TAL Hotels & Resorts Ltd.	Hong Kong	27.49	105.35	124.74	*	*
IHMS Hotels (SA)(Pty) Ltd. (Refer Note no 21(b) & 37)	South Africa	50.00	-	-	*	*
			331.88	**384.38**	**174.72**	**165.44**
Associates						
Oriental Hotels Ltd.	India	35.67	210.40	238.99	150.53	114.14
Taj Madurai Ltd.	India	26.00	4.94	4.04	*	*
Taida Trading and Industries Ltd.	India	34.78	-	-	*	*
BJets Pte Ltd	Singapore	45.69	-	-	*	*
Lanka Island Resorts Ltd	Sri Lanka	24.66	29.90	33.40	*	*
TAL Lanka Hotels PLC	Sri Lanka	24.62	1.25	11.54	15.28	10.29
			246.49	**287.97**	**165.81**	**124.43**
Total			**578.37**	**672.35**	**340.53**	**289.87**

* Unlisted entity – no quoted price available

ii) Commitments and contingent liabilities in respect of associates and joint ventures

(₹ crores)

	March 31, 2021	March 31, 2020
Commitment to provide funding for joint ventures capital commitments, if called	-	145.41
Capital Commitment for joint ventures and associate	2.08	7.73
Guarantees given by joint ventures and associates	1.09	1.41
Share of contingent liabilities in joint ventures and associates	38.43	37.30

Note 36 : Interest in Other Entities (contd.)

iii) Summarised financial information for associates and joint ventures

The summarised financial information for those joint ventures and associates that are material to the Group are set out below. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not of the Group's share of those amount. They have amended to reflect adjustments made when using equity method for the differences in accounting policies.

(₹ crores)

Summarised Balance Sheet	Taj GVK Hotels and Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31 2020 *	December 31 2019 *	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current assets								
Cash and cash equivalents	0.15	0.68	2.99	2.19	43.11	66.42	23.65	46.22
Other assets	41.14	49.25	87.34	162.10	39.00	39.65	56.81	58.35
	41.29	**49.93**	**90.33**	**164.29**	**82.10**	**106.07**	**80.46**	**104.57**
Non-current assets	775.89	798.95	232.47	243.00	681.85	756.59	690.31	915.63
Total assets	**817.19**	**848.88**	**322.80**	**407.29**	**763.96**	**862.66**	**770.77**	**1020.20**
Current liabilities								
Financial liabilities (excluding trade payables)	63.28	41.15	6.07	14.10	22.17	19.74	38.94	43.24
Other liabilities	153.32	160.08	60.95	65.76	63.98	62.38	43.52	235.72
	216.60	**201.23**	**67.02**	**80.16**	**86.15**	**82.12**	**82.46**	**278.97**
Non-current Liabilities								
Financial liabilities (excluding trade payables)	116.53	135.98	0.99	1.75	83.33	81.39	219.63	191.85
Other liabilities	112.01	110.03	24.77	40.12	257.12	291.28	18.04	18.60
	228.54	**246.01**	**25.76**	**41.88**	**340.45**	**372.67**	**237.67**	**210.45**
Total liabilities	**445.14**	**447.24**	**92.79**	**122.03**	**426.60**	**454.79**	**320.13**	**489.42**
Net assets	**372.05**	**401.63**	**230.02**	**285.25**	**337.36**	**407.87**	**450.64**	**530.78**

Footnote:

* The latest available financial statement of this entity is only up to December 31, 2020 and accordingly has been used for the purpose of the preparation of the consolidated financial statement of the Company.

iv) Reconciliation of carrying amounts

(₹ crores)

Summarised Balance Sheet	Taj GVK Hotels and Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31 2020 *	December 31 2019 *	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net Assets	372.05	401.63	230.02	285.25	337.36	407.87	450.64	530.78
Group's Share	25.52%	25.52%	51.00%	51.00%	27.49%	27.49%	35.67%	35.67%
Share of Net assets	94.96	102.51	117.31	145.48	92.74	112.12	160.74	189.33
Goodwill	20.70	20.70	-	-	12.62	12.62	49.66	49.66
Unrealised Gain	-	-	(75.53)#	(75.53)#	-	-	-	-
Carrying Amount	**115.66**	**123.21**	**41.78**	**69.95**	**105.35**	**124.74**	**210.40**	**238.99**

Unrealised gain represents profit on sale of air catering business by the Group to Taj SATS on a slump sale basis on October 1, 2001 and sale of air catering business of Taj Madras flight Kitchen.

Note 36 : Interest in Other Entities (contd.)

v) Summary Statement of Profit and Loss

(₹ crores)

Summarised Statement of Profit and Loss	Taj GVK Hotels and Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31 2020 *	December 31 2019 *	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue	127.09	330.75	152.51	395.24	105.28	273.50	123.12	298.83
Depreciation	16.67	16.57	16.58	14.48	39.02	40.48	28.75	27.70
Interest Income	0.44	0.28	1.33	1.47	0.49	0.18	3.10	5.00
Interest Expense	20.15	22.59	1.52	1.21	31.34	38.85	22.00	24.02
Income Tax Expense	(6.80)	18.29	(20.22)	2.84	6.43	(8.35)	(21.96)	0.20
Profit/(Loss) for the year	(29.05)	35.83	(59.82)	28.46	(69.57)	(8.26)	(71.28)	(8.26)
Other Comprehensive Income for the year	(0.54)	(0.08)	4.59	(2.13)	(0.78)	24.75	(5.30)	17.92
Total Comprehensive Income for the year	(29.59)	35.76	(55.23)	26.33	(70.35)	16.49	(76.58)	9.66
Dividend Received	-	0.96	-	-	-	1.95	1.27	3.19

* Refer Footnote of Note 36 (c)(iii) above

vi) Individually immaterial joint ventures and associates

(₹ crores)

	March 31, 2021	March 31, 2020
Aggregate carrying amount of individually immaterial	105.17	115.46
Aggregate amount of the group's share of profit/loss	(18.95)	(5.47)
Aggregate amount of the group's share of other comprehensive Income	0.28	(2.67)
Aggregate amount of the group's share of total comprehensive Income	(18.67)	(8.14)

Footnote:

The financial statements of joint ventures and associates consolidated are drawn upto the same reporting date as of the Company except in case of a joint venture and an associate company where the financial statements have been drawn upto December 31, 2020.

Note 37 : Acquisition of IHMS (SA) Hotels Pty Ltd ("IHMS SA")

IHMS (SA) Hotels Pty Ltd ("IHMS SA") was joint venture between the Group and Tata Africa Holdings Limited. On June 30, 2020, IHOCO BV (a wholly owned subsidiary of IHCL) acquired remaining 50% stake in IHMS. The business acquisition was conducted by entering into a share purchase agreement for a total consideration of $1 (₹75) and assumption of all the debt in IHMS SA.

IHMS through its wholly owned subsidiary Good Hope Palace Proprietary Limited ("GHPH") owns Taj Cape Town, South Africa, a 159 keys luxury property in the commercial hub of Cape Town. As a result of the acquisition, IHMS and GHPH became a 100% step down subsidiary of IHCL with effect from July 1, 2020.

Note 37 : Acquisition of IHMS (SA) Hotels Pty Ltd ("IHMS SA") (contd.)

The following table summarises the consideration paid for IHMS and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date:

	(₹ crores)
Net assets acquired	
Land	64.80
Building	349.32
Other Property Plant and Equipment	20.52
Right of use assets	5.31
Lease Liability	(5.54)
Net Working Capital	(6.83)
Fair value of Tangible Assets acquired	**427.59**
Fair Value of Intangible Assets Acquired	-
Total fair value of tangible and intangible assets acquired (A)	**427.59**
Price paid per legal agreements (₹ 75)	-
Add: Fair value of debt obligations	427.59
Total Purchase consideration (B)	**427.59**
Goodwill (A - B)	**-**

Note 38 : Financial Instruments Measurements and Disclosures

a) Financial instruments by category:

(₹ crores)

	FVTPL		FVOCI		Amortised cost		Total carrying value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets:								
Measured at fair value								
Investments								
(Refer Footnote below):								
Equity shares	-	-	527.27	318.00	-	-	527.27	318.00
Mutual fund units	377.53	436.24	-	-	-	-	377.53	436.24
Total	**377.53**	**436.24**	**527.27**	**318.00**	**-**	**-**	**1,004.80**	**754.24**
Not measured at fair value								
Trade receivables	-	-	-	-	219.84	290.02	219.84	290.02
Cash and cash equivalents	-	-	-	-	94.27	250.82	94.27	250.82
Other balances with banks	-	-	-	-	60.97	75.56	60.97	75.56
Loans	-	-	-	-	21.73	21.42	21.73	21.42
Other financial assets	-	-	-	-	165.53	268.54	165.53	268.54
	-	**-**	**-**	**-**	**562.34**	**906.36**	**562.34**	**906.36**
Total	**377.53**	**436.24**	**523.21**	**318.00**	**562.34**	**906.36**	**1,467.14**	**1,660.60**
Financial liabilities:								
Measured at fair value								
Derivative instruments	153.86	179.68	-	-	-	-	153.86	179.68
Not measured at fair value								
Borrowings	-	-	-	-	3,632.84	2,602.07	3,632.84	2.602.07
Lease Liabilities					1,885.49	1,898.71	1,885.49	1,898.71
Trade payables	-	-	-	-	317.81	389.32	317.81	389.32
Other financial liabilities	-	-	-	-	581.34	531.56	581.34	531.56
Total	**153.86**	**179.68**	**-**	**-**	**6,417.48**	**5,421.66**	**6,571.34**	**5,601.34**

Footnotes:

a. The above excludes investments in joint ventures and associates amounting to ₹ 578.37 crores (March 31, 2020 - ₹ 672.35 crores) which are accounted as per equity method.

b. FVTPL = Fair Value Through Profit and Loss and FVOCI = Fair Value Through Other Comprehensive Income.

Note 38 : Financial Instruments Measurements and Disclosures (contd.)

b) Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis, it also includes the financial instruments which are measured at amortised cost for which fair values are disclosed.

(₹ crores)

	Level 1		Level 2		Level 3		Level 4	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets:								
Measured at fair value								
Investments:								
Equity shares	322.44	134.95	-	-	204.83	183.05	527.27	318.00
Mutual fund units	377.53	436.24	-	-	-	-	377.53	436.24
Total	**699.97**	**571.19**	**-**	**-**	**204.83**	**183.05**	**1,004.80**	**754.24**
Financial liabilities:								
Measured at fair value								
Derivative instruments	-	-	153.86	179.68	-	-	153.86	179.68
Not measured at fair value (Refer Footnotes below)								
Borrowings								
Non-convertible debentures	-	-	1,541.10	1,271.73	-	-	1,541.10	1,271.73
Total	**-**	**-**	**1,694.96**	**1,451.41**	**-**	**-**	**1,694.96**	**1,451.41**

Footnotes:

a. The Company has not disclosed the fair value of certain short term financial instruments such as trade receivables, trade payables, short term loans, deposits etc. as their carrying amounts are a reasonable approximation of fair value.

b. The carrying amounts of the borrowings excluding non-convertible debentures that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

c. The Investments measured at fair value and falling under fair value hierarchy level 3 are valued based on valuation reports provided by external valuers with the exception of two investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The investments other than those whose fair values approximate cost are individually immaterial.

c) Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

a. **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price / declared NAV. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

b. **Level 2:** Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

c. **Level 3:** If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

Note 38 : Financial Instruments Measurements and Disclosures (contd.)

d) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for the equity instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of non-convertible debentures is valued using FIMMDA guidelines
- the fair value for the cross currency swaps/principal swap is determined using forward exchange rates at the balance sheet date
- certain long term unlisted shares have been considered at their respective cost as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. All other unlisted shares are determined based on the income approach or the comparable market approach. These unquoted investments categorised under Level 3.
- the fair value of the remaining financial instruments is determined using the discounted cash flow analysis.

e) Inter level transfers:

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year.

f) Reconciliations of level 3 fair values

The following table shows reconciliation from the opening balances to closing balances for Level 3 fair values:

(₹ crores)

	Equity instruments
Balance as at March 31, 2019	189.52
Net change in fair value (unrealised)	(6.47)
Balance as at March 31, 2020	**183.05**
Addition/ (deletion) during the year	10.66
Net change in fair value (unrealised)	11.12
Balance as at March 31, 2021	**204.83**

Note 39 : Financial Risk Management

Risk management framework

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal audit team. The Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 39 : Financial Risk Management (contd.)

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

a) Credit risk

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Group's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Group.

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities, Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

i) Financing arrangements

The Group had access to certain undrawn borrowing facilities at the end of the reporting period. Major facilities are listed below:

(₹ crores)

	March 31, 2021	March 31, 2020
Expiring within one year:		
Bank overdraft	112.04	94.34
Short term bank loans	70.35	102.56
Long-term bank loans	797.93	355.00
Expiring beyond one year	-	-
Total	**980.33**	**551.90**

The bank overdraft facilities may be drawn at any time by the respective companies in the Group.

Note 39 : Financial Risk Management (contd.)

In addition to above, the Group has also executed a facility agreement with certain banks/financial institution to avail loan in one of its overseas subsidiary to the extent of GBP 56 million, which will be essentially used to re-finance existing loans. The same has not been drawn down yet.

The Group continues to engage with the banks and financial institutions and evaluating options to raise money for future operation needs.

ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross, undiscounted and exclude future contractual interest payments.

(₹ crores)

	Carrying value as at March	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities:						
Borrowings (including redemption premium)	**3,632.84**	**1,419.85**	**810.96**	**1,290.91**	**138.54**	**3,660.26**
	2,602.07	*479.88*	*1,006.96*	*942.00*	*178.42*	*2,607.26*
Lease liability	**1,885.49**	**177.20**	**179.32**	**537.48**	**9,094.75**	**9,988.75**
	1,898.71	*188.91*	*177.08*	*526.47*	*9,129.32*	*10,021.78*
Trade and other payables	**317.81**	**317.81**	**-**	**-**	**-**	**317.81**
	389.32	*389.32*	*-*	*-*	*-*	*389.32*
Interest Accrued on borrowings	**72.45**	**72.45**				**72.45**
	56.46	*56.46*				*56.46*
Other Financial liabilities	**508.89**	**486.86**	**2.57**	**19.46**	**-**	**508.89**
	475.10	*475.10*	*-*	*-*	*-*	*475.10*
Total	**6,417.48**	**2,474.17**	**992.85**	**1,847.85**	**9,233.29**	**14,548.16**
	5,421.66	*1,687.87*	*1,303.69*	*1,584.74*	*9,319.60*	*13,895.90*
Derivative instruments	**153.86**	**153.86**	**-**	**-**	**-**	**153.86**
	179.68	*2.45*	*177.23*	*-*	*-*	*179.68*
Financial guarantee contract	**-**	**-**	**-**	**-**	**-**	**-**
	-	*2.32*	*14.31*	*128.78*	*-*	*145.41*
Total financial liabilities	**6,571.34**	**2,628.03**	**992.85**	**1,847.85**	**9,233.29**	**14,702.02**
	5,601.34	*1,692.64*	*1,495.23*	*1,713.52*	*9,319.60*	*14,220.99*

Figures in italics are of the previous year.

The Group management periodically monitors its Interest Service Cover Ratio to manage the liquidity risk towards the repayment of the interest liability. The interest cover ratio for the Group for the year ending March 31, 2021 and March 31, 2020 was (0.18) and 3.48 respectively.

The formula used for the calculation of Interest Service Cover ratio (which has been computed on a trailing twelve-month basis) is as below:

Interest Service Coverage Ratio = (Profit before tax + Interest (Net) + Provision for diminution in long term investment + Depreciation)/Interest (Net)

Note 39 : Financial Risk Management (contd.)

iii) Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and current investment.

(₹ crores)

	Note	March 31, 2021	March 31, 2020
Borrowings	19	3,632.84	2,602.07
Less: Cash and cash equivalents	15	94.27	250.82
Less: Call and short term deposits	16	51.47	58.39
Less: Current investments	8(b)	377.53	436.24
Net debt		**3,109.57**	**1,856.62**
Total Equity	17/18	4,283.01	5121.71
Gearing ratio		0.73	0.36

c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives to manage its exposure to foreign currency risk and interest rate risk. All such transactions are carried out within the guidelines set by the risk management committee.

i) Foreign Currency risk

The predominant currency of the Group's revenue and operating cash flows is Indian Rupees (₹). The Company's reported debt has an exposure to borrowings held in US dollars. Movements in foreign exchange rates can affect the Company's reported profits and net assets.

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

Derivative Instruments outstanding:

Nature of Derivative	Currency	March 31, 2021		March 31, 2020	
		Currency million	Fair values ₹ crores	Currency million	Fair values ₹ crores
Cross currency Interest rate Swap (CCS)	US$	55.17	152.62	55.17	177.23
Interest Rate Swap (IRS)	GBP	20.00	1.24	20.00	2.45
Total			**153.86**		**179.68**

Note 39 : Financial Risk Management (contd.)

Sensitivity

In relation to the CCS, for the year ended March 31, 2021 and March 31, 2020, every 3% depreciation in the exchange rate between the Indian rupee and US dollar, shall reduce the Group's profit before tax by approximately 1.57% and 2.19% respectively. For the year ended March 31, 2021 and March 31, 2020, every 3% appreciation in the exchange rate between the Indian rupee and US dollar, shall increase the Group's profit before tax by approximately 2.44% and 4.46% respectively. The above derivative is maturing in July, 2021 and the last reset of interest rate has been done in July, 2020. There will be no further reset of interest rate from March till July, 2021 and hence, the sensitivity is not computed

The above relates to the Company and foreign currency risk in respect of other components is insignificant.

Un-Hedged Foreign currency exposure payable:

Currency	March 31, 2021	March 31, 2020
United States Dollar (Million)	0.62	0.62

Sensitivity

For the year ended March 31, 2021 and March 31, 2020, every 3% depreciation/ appreciation in the exchange rate between the Indian rupee and US dollar, shall affect the Company's profit before tax by approximately 0.03 % and 0.03 % respectively.

ii) Interest rate risk

The Group adopts a policy to hedge the interest rate movement in order to mitigate the risk with regards to floating rate linked loans based on the market outlook on interest rates. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The total borrowing at variable rate was ₹ 2,048.48 crores as at March 31, 2021 (March 31, 2020 - ₹ 1,316.08 crores). The carrying value of the long term debt approximates fair value since the current interest rate approximates the market rate.

iii) Other market price risks

The Group's exposure to equity securities' price risk arises from investments held by the Group and classified in the balance sheet as fair value through Other Comprehensive Income. If the equity prices of quoted investments are 3% higher/ lower, the equity for the year ended March 31, 2021 would increase/ decrease by ₹ (9.67) crores (for the year ended March 31, 2020: increase/ decrease by ₹ 4.05 crores).

Note 40 : Income Tax Disclosure

i) Income Tax recognised in the Statement Profit and Loss:

(₹ crores)

	March 31, 2021	March 31, 2020
Current Tax		
In respect of the current year	2.16	163.17
In respect of earlier years	(1.15)	5.98
	1.01	**169.15**
Deferred Tax		
In respect of the current year		
MAT credit	-	(1.17)
Other items	(155.94)	(21.02)
Adjustment to deferred tax attributable to changes in tax rates and laws*	-	(97.37)
In Respect of earlier years	(0.40)	(4.82)
	(156.34)	**(124.38)**
Total tax expense recognised in the current year	**(155.33)**	**44.77**

* During the previous year, some of the eligible companies in the Group has elected to exercise the option permitted under section 115BAA of the Income tax act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and the full impact of the re-measurement of the opening deferred tax liabilities amounting to ₹ 87.42 crores has been recognised in the statement of Profit and Loss account for the year ended March 31, 2020.

The Group reviews its income tax treatments in order to determine its impact on the financial statements. As a practice, where the interpretation of income tax law is not clear, management relies on the some or all of the following factors to determine the probability of its acceptance by the tax authority:

- Strength of technical and judicial argument and clarity of the legislation;
- Past experience related to similar tax treatments in its own case;
- Legal and professional advice or case law related to other entities.

After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the Company's financial Statements.

Note 40 : Income Tax Disclosure (contd.)

ii) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below:

(₹ crores)

	March 31, 2021	March 31, 2020
Profit/(Loss) before tax (a)	(849.54)	395.54
Income tax rate as applicable in India (b)	25.17%	25.17%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	(213.81)	99.55
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(0.04)	(1.89)
Income considered to be capital in nature under tax and tax provisions	-	(0.27)
Effect of expenses that are not deductible in determining taxable profit	9.84	11.53
Expense considered to be capital in nature under tax and tax provisions	5.18	5.14
Income subject to lower rate of income tax	-	(10.66)
Deferred tax asset not recognised in Statement of Profit and Loss	65.87	29.60
Fair value gain on acquisition of a joint venture	(20.65)	-
Effect on deferred tax balances due to the change in income tax rate	(0.56)	(97.37)
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(0.04)	(0.03)
Difference (net) in tax rates between the company and components/ Jurisdiction	5.38	2.94
Others items, individually not material	(4.95)	5.07
	(153.78)	**43.61**
Prior year taxes as shown above	(1.55)	1.16
Income tax expense recognised in the Statement of Profit and Loss	**(155.33)**	**44.77**

iii) Income tax recognised in Other Comprehensive Income:

(₹ crores)

	March 31, 2021	March 31, 2020
Current Tax		
Tax impact on profit on sale of investment in equity shares at fair value through Other Comprehensive Income	-	-
Deferred tax		
Arising on income and expenses recognised in Other Comprehensive Income:		
Net fair value gain on investments in equity shares at fair value through Other Comprehensive Income	2.58	(1.19)
Remeasurement of defined benefit obligation	9.20	(5.28)
Total income tax recognised in Other Comprehensive Income	**11.78**	**(6.47)**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will not be reclassified to profit or loss	11.78	(6.47)
	11.78	**(6.47)**

iv) The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

(₹ crores)

	March 31, 2021	March 31, 2020
Deferred Tax assets (net)	117.98	76.50
Deferred Tax liabilities (net)	(78.05)	(186.85)
Net Deferred Tax Liability	**39.93**	**(110.35)**

Note 40 : Income Tax Disclosure (contd.)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(₹ crores)

	Opening Balance	Recognised in the Statement of Profit and Loss (net)		Recognised in Other Comprehensive Income (net)	Adjustment on adoption of Ind AS 116	MAT credit utilised	Exchange difference (net)	Closing balance
		Impact of change in Income Tax Rate	Others					
Deferred tax (liabilities)/ assets:								
Property, Plant and equipment & Intangible Assets	**(335.02)**	**-**	**6.65**	**-**	**-**	**-**	**(0.06)**	**(328.43)**
	(484.72)	*130.42*	*19.31*	*-*	*-*	*-*	*(0.03)*	*(335.02)*
Right-to-Use Assets Net of Lease Liability	**53.45**	**-**	**7.26**		**-**			**60.71**
	-	*(16.94)*	*6.48*		*63.91*			*53.45*
Unamortised borrowing cost	**(0.34)**	**-**	**(1.86)**	**-**	**-**	**-**	**-**	**(2.20)**
	(0.37)	*0.10*	*(0.07)*	*-*	*-*	*-*	*-*	*(0.34)*
Provision for Employee Benefits	**38.02**	**-**	**(6.86)**	**(9.20)**	**-**			**21.96**
	38.87	*(10.52)*	*4.39*	*5.28*	*-*			*38.02*
Fair valuation changes of derivative contracts	**5.93**	**-**	**(6.20)**	**-**	**-**	**-**	**-**	**(0.27)**
	(2.26)	*0.63*	*7.56*	*-*	*-*	*-*	*-*	*5.93*
Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	**(0.38)**	**-**	**-**	**(2.83)**	**-**	**-**	**-**	**(3.21)**
	(1.57)	*-*	*-*	*1.19*	*-*	*-*	*-*	*(0.38)*
MAT Credit Entitlement	**20.43**	**-**	**-**	**-**	**-**	**-**	**-**	**20.43**
	19.34	*-*	*(0.08)*	*-*	*-*	*1.17*	*-*	*20.43*
Unused tax losses (Business) (net)	**70.67**	**-**	**148.18**	**-**	**-**	**-**	**5.77**	**224.62**
	73.52	*6.92*	*(12.12)*	*-*	*-*	*-*	*2.35*	*70.67*
Allowance for doubtful debts	**5.23**	**-**	**3.76**	**-**	**-**	**-**	**-**	**8.99**
	5.85	*(1.56)*	*0.94*	*-*	*-*	*-*	*-*	*5.23*
Reward Points	**12.31**	**-**	**(0.41)**	**-**		**-**	**-**	**11.90**
	14.83	*(4.15)*	*1.63*	*-*		*-*	*-*	*12.31*
Provision for Contingencies	**3.33**	**-**	**1.44**	**-**		**-**	**-**	**4.77**
	11.67	*(3.26)*	*(5.08)*	*-*		*-*	*-*	*3.33*
Others	**16.02**	**-**	**4.38**	**0.25**	**-**	**-**	**0.01**	**20.66**
	17.51	*(4.27)*	*2.89*	*-*	*-*	*-*	*(0.11)*	*16.02*
Total Deferred Tax Liability	**(110.35)**	**-**	**156.34**	**(11.78)**	**-**	**-**	**5.72**	**39.93**
	(307.33)	*97.37*	*25.85*	*6.47*	*63.91*	*1.17*	*2.21*	*(110.35)*

Figures in italics are of the previous year.

v) A deferred tax asset of ₹ 148.18 crores has been recognised by the Group for the unused tax losses during the current year. These losses essentially represents business losses and unabsorbed depreciation.

The recoverability of the deferred tax assets has been assessed based on:

- Internal budgets, profit forecasts prepared by management, after duly considering the potential impact of Covid-19 in the future business of the Company.
- applying tax principles to those forecasts; and
- following the methodology required by Ind AS 12 – Income Taxes.

Note 40 : Income Tax Disclosure (contd.)

Based on the assessments as above, the management determines that deferred tax assets created on unused tax losses (business losses and unabsorbed depreciation) should reverse well within the statutory time limit. These losses can be fully set-off against future taxable profits earned by the respective companies in the Group, and accordingly based on the reasonable certainty that sufficient future taxable income would be generated considering the size of the company, it growth trajectory and past performance history during normal times, appropriate amount of deferred tax asset has been created during the year. The management will continue to monitor and review these assets based on the profit forecasts in future.

vi) Deferred tax asset amounting to ₹ 701.95 crores and ₹ 657.28 crores as at March 31, 2021 and March 31, 2020 respectively in respect of unused tax losses have not been recognised by the Group. The tax loss carry-forwards of ₹ 3,261.28 crores and ₹ 3,064.04 crores as at March 31, 2021 and March 31, 2020, respectively, relates to certain subsidiaries on which deferred tax asset has not been recognised by the Group, because there is a lack of reasonable certainty that these subsidiaries may generate future taxable profits. Approximately, ₹ 687.25 crores and ₹ 412.52 crores as at March 31, 2021 and March 31, 2020 respectively of these tax losses has carry-forwards is not currently subject to expiration dates. The remaining tax loss carry-forwards of approximately ₹ 2,574.03 crores and ₹ 2,651.52 crores as at March 31, 2021 and March 31, 2020 respectively, expires in various years through fiscal 2038. Deferred tax assets on unused tax losses have been recognised by certain subsidiaries to the extent of profits arising from the reversal of existing taxable temporary differences.

vii) Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries amounting to ₹ 1,391.01 crores and ₹ 1,554.13 crores as at March 31, 2021 and March 31, 2020, respectively has not been recognised. Further, it is not practicable to estimate the amount of the unrecognised deferred tax liabilities for these undistributed earnings.

Note 41 : Employee Benefits

(a) The Group has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds" (net of recoveries):

(₹ crores)

	March 31, 2021	March 31, 2020
Provident Fund	23.28	26.04
Superannuation Fund	4.19	3.92
Total	**27.47**	**29.96**

Multi-Employer Benefit Plans

One of the international subsidiaries, United Overseas Holding Inc., along with its LLP's namely "the New York LLC" is a party to the Industrywide Collective Bargaining Agreement between the New York Hotel Trades Council ("NYC Union") and the Hotel Association of New York City, Inc. The collective bargaining agreement provides for union sponsored multi-employer defined benefit plans (the "Plans") to which the New York LLC makes contributions for the benefit of their employees covered by the collective bargaining agreements. The New York LLC has not received information from the Plans' administrators to determine their share of unfunded benefit obligations, if any. The New York LLC has not undertaken to terminate, withdraw or partially withdraw from the Plans. The risks of participating in the multi-employer plan are different from a single-employer plan in the following aspects:

(i) Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.

Note 41 : Employee Benefits (contd.)

(ii) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

(iii) If an employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The New York LLC's participation in the Plans for the year ended December 31, 2020 and 2019 is outlined in the table below. The "EIN Number" column provides the Employer Identification Number (EIN). The most recent Pension Protection Act (PPA) zone status available is for the Plans' year-end at December 31, 2020 and 2019.

The zone status is based on information that the New York LLC received from the Plans and is certified by the actuaries of the Plans. Among other factors, pension plans in the red zone are generally less than 65% funded, pension plans in the yellow zone are less than 80% funded, and pension plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates pension plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is pending or has been implemented. The New York LLC's contributions to its respective Plans did not exceed more than 5% of the total contributions to the Plans by all participating employers. The following is a summary of the Plans to which the New York LLC make contributions for the benefit of their employees covered by the collective bargaining agreements.

Plans	EIN Number	Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/ Implemented	Contribution by the Company for the year ended	
			2020	2019		December 31, 2020 US $	December 31, 2019 US $
New York LLC							
Pension Fund (i)	13-1764242	001	Green	Green	Yes	1,859,270	4,046,529
Health Benefits Fund (ii)	13-6126923	501	NA	NA	Yes	7,569,220	7,954,067
Prepaid Legal Services Fund (iii)	13-3418414	508	NA	NA	Yes	54,253	76,968
Total - New York LLC						**9,482,743**	**12,077,564**

(i) New York Hotel Trades Council and Hotel Association of New York City, Inc. Pension Fund

(ii) New York Hotel Trades Council and Hotel Association of New York City, Inc. Health Benefits Fund

(iii) New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Services Fund

Defined Contribution 401(k) Plans

United Overseas Holding Inc. and its LLC's, wholly owned subsidiaries in the United States of America, have defined contribution plans for the benefit of their eligible employees pursuant to Section 401(k) of the Internal Revenue Code. In addition to employee 401(k) contributions, the plans require employer contributions of 3% of each eligible participant's plan compensation for each year. The employer may also make a profit sharing contribution of a uniform percentage of eligible participants' plan compensation based on profits as defined. The employer contributions charged to the Company's and the Subsidiaries' operations for the years ended March 31, 2021 and 2020 are as follows:

(US $)

	March 31, 2021	March 31, 2020
San Francisco LLC	40,586	110,987
New York LLC	95,073	188,498
Company	20,718	31,950
Total Employer Contributions	**156,377**	**331,435**

Note 41 : Employee Benefits (contd.)

(b) The Group operates post retirement defined benefit plans as follows :-

(i) Funded :

- Provident Fund
- Post Retirement Gratuity
- Pension to Employees – Post retirement minimum guaranteed pension scheme for certain categories of employees, which is funded by the Company and the employees.

(ii) Unfunded :

- Post Retirement Gratuity
- Pension to Executive Directors and Employees – Post retirement minimum guaranteed pension scheme for select existing and retired executive directors and certain categories of employees, which is unfunded.
- Post Employment Medical Benefits to qualifying employees

(c) Provident Fund:

The Company operates Provident Fund Scheme through a trust – 'The Indian Hotels Company Limited Employees Provident Fund' ('the Plan'), set up by the Company and for certain categories contributions are made to State Plan.

The Plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of the services by the employee. In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumptions provided below, there is no shortfall as at March 31, 2021 and March 31, 2020.

The details of fund and plan asset position are given below:

(₹ crores)

	March 31, 2021	March 31, 2020
Plan Assets as at period end	687.57	634.96
Present Value of Funded Obligation at period end	687.57	634.96
Amount recognised in the Balance Sheet	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

(₹ crores)

	March 31, 2021	March 31, 2020
Guaranteed Rate of Return	8.50%	8.50%
Discounted Rate for remaining term to Maturity of Investment	6.80%	6.55%
Expected Rate of Return on Investment	8.70%	8.61%

The Company contributed ₹ 11.80 crores and ₹ 13.15 crores towards provident fund during the year ended March 31, 2021 and March 31, 2020 respectively and the same has been recognised in the statement of profit and loss.

In light of the Supreme Court judgement dated February 28, 2019 regarding the definition of wages for calculation of Provident fund contribution, the Company as advised, on a prudent basis, has provided for the liability prospectively from date of judgement.

Note 41 : Employee Benefits (contd.)

(d) Pension Scheme for Employees:

The Group has formulated a funded pension scheme for certain employees. The actuarial liability arising on the above, after allowing for employees' contribution is determined as at the year end, on the basis of uniform accrual benefit, with demographic assumptions taken as Nil.

(e) The above defined benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

a. Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to government security yields prevailing as at the Balance Sheet date. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has a relatively balanced mix of investments in equity, government securities, bonds and other debt instruments. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate that a reasonable portion of the plan assets should be invested in equity securities to leverage the return generated by the Fund.

b. Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

c. Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

d. Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(f) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2021 :-

(i) Amount to be recognised in Balance Sheet and movement in net liability

(₹ crores)

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Present Value of Funded Obligations	**226.38**	**-**	**-**	**-**	**8.08**
	231.97	*-*	*-*	*-*	*8.26*
Present Value of Unfunded Obligations	**2.43**	**7.30**	**3.30**	**18.44**	**-**
	2.32	*7.35*	*3.62*	*18.58*	*-*
Fair Value of Plan Assets	**(219.69)**	**-**	**-**	**-**	**(11.18)**
	(201.82)	*-*	*-*	*-*	*(10.73)*
Amount not recognised due to asset limit	**-**	**-**	**-**	**-**	**1.05**
	-	-	-	-	0.84
Net (Asset) / Liability	**9.12**	**7.30**	**3.30**	**18.44**	**(2.05)**
	32.47	*7.35*	*3.62*	*18.58*	*(1.63)*

Note 41 : Employee Benefits (contd.)

(ii) Expenses recognised in the Statement of Profit & Loss

(₹ crores)

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Current Service Cost	**13.50**	**0.11**	**0.20**	**-**	**0.17**
	12.21	*0.09*	*0.15*	*-*	*0.15*
Past service Cost	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*
Interest Cost	**1.59**	**0.47**	**0.24**	**1.20**	**(0.11)**
	1.00	*0.49*	*0.19*	*1.21*	*(0.12)*
Total	**15.09**	**0.58**	**0.44**	**1.20**	**0.06**
	13.21	*0.58*	*0.34*	*1.21*	*0.03*

(iii) Expenses recognised in Other Comprehensive Income (OCI)

(₹ crores)

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Remeasurements during the period due to:					
Changes in financial assumptions	**(2.21)**	**(0.11)**	**(0.06)**	**(0.25)**	**(0.09)**
	12.45	*0.62*	*0.37*	*1.47*	*0.54*
Changes in demographic assumptions	**-**	**-**	**-**	**-**	**-**
	0.04	*-*	*-*	*-*	*-*
Experience adjustments	**(6.18)**	**(0.31)**	**0.18**	**0.10**	**(0.19)**
	5.39	*(0.07)*	*0.66*	*0.41*	*(0.40)*
Actual return on plan assets less interest on plan assets	**(28.42)**	**-**	**-**	**-**	**(0.24)**
	0.23	*-*	*-*	*-*	*(0.18)*
Adjustment to recognise the effect of asset ceiling	**-**	**-**	**-**	**-**	**0.16**
	-	*-*	*-*	*-*	*0.02*
Expenses recognised	**(36.81)**	**(0.42)**	**0.12**	**(0.15)**	**(0.36)**
	18.08	***0.55***	***1.03***	***1.88***	***(0.02)***

Note 41 : Employee Benefits (contd.)

(iv) Reconciliation of Defined Benefit Obligation

(₹ crores)

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Opening Defined Benefit Obligation	**234.29**	**7.35**	**3.62**	**18.58**	**8.26**
	207.93	*6.61*	*2.65*	*16.62*	*7.91*
Current Service Cost	**13.50**	**0.11**	**0.20**	**-**	**0.17**
	12.21	*0.09*	*0.15*	*-*	*0.15*
Past Service Cost	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*
Interest Cost	**14.05**	**0.47**	**0.24**	**1.20**	**0.53**
	14.31	*0.49*	*0.19*	*1.21*	*0.56*
Remeasurements due to actuarial loss/ (gain) arising from:					
Changes in financial assumptions	**(2.21)**	**(0.11)**	**(0.06)**	**(0.25)**	**(0.09)**
	12.45	*0.62*	*0.37*	*1.47*	*0.54*
Changes in demographic assumptions	**-**	**-**	**-**	**-**	**-**
	0.04	*-*	*-*	*-*	*-*
Experience adjustments	**(6.18)**	**(0.31)**	**0.18**	**0.10**	**(0.19)**
	5.39	*(0.07)*	*0.66*	*0.41*	*(0.40)*
Benefits Paid	**(24.67)**	**(0.21)**	**(0.88)**	**(1.19)**	**(0.60)**
	(19.97)	*(0.39)*	*(0.40)*	*(1.13)*	*(0.50)*
Liabilities assumed	**0.02**	**-**	**-**	**-**	**-**
	1.93	*-*	*-*	*-*	*-*
Closing Defined Benefit Obligation	**228.81**	**7.30**	**3.30**	**18.44**	**8.08**
	234.29	*7.35*	*3.62*	*18.58*	*8.26*

(v) Reconciliation of Fair Value of Plan Assets

(₹ crores)

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Opening Fair Value of Plan Assets	**201.82**	**-**	**-**	**-**	**10.73**
	186.19	*-*	*-*	*-*	*10.15*
Interest on Plan Assets	**12.46**	**-**	**-**	**-**	**0.74**
	13.31	*-*	*-*	*-*	*0.74*
Remeasurements due to:					
Actual return on plan assets less interest on plan assets	**28.42**	**-**	**-**	**-**	**0.23**
	(0.23)	*-*	*-*	*-*	*0.18*
Contribution by Employer	**1.65**	**0.21**	**0.88**	**1.19**	**0.13**
	20.87	*0.39*	*0.40*	*1.13*	*0.16*
Benefits Paid	**(24.67)**	**(0.21)**	**(0.88)**	**(1.19)**	**(0.60)**
	(19.97)	*(0.39)*	*(0.40)*	*(1.13)*	*(0.50)*
Assets acquired	**-**	**-**	**-**	**-**	**-**
	1.66	*-*	*-*	*-*	*-*
Closing Fair Value of Plan Assets	**219.69**	**-**	**-**	**-**	**11.23**
	201.82	*-*	*-*	*-*	*10.73*
Expected Employer's contribution/ outflow next year	**17.00**	**-**	**-**	**-**	**-**
	17.10	*-*	*-*	*-*	*-*

Note 41 : Employee Benefits (contd.)

(vi) Actuarial Assumptions

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Discount rate (p.a.) in %	**6.80%**	**6.80%**	**6.80%**	**6.80%**	**6.80%**
	6.65%	*6.65%*	*6.65%*	*6.65%*	*6.65%*
Salary Escalation Rate (p.a.) in %	**4.00-5.00%**	**-**	**4.00%**	**-**	**-**
	4.00-5.00%	-	*4.00%*	-	-
Pension Escalation Rate (p.a.) in %	**-**	**-**	**-**	**4.00%**	**-**
	-	-	-	*4.00%*	-
Annual increase in healthcare costs (p.a.) in %	**-**	**6.00%**	**-**	**-**	**-**
	-	*6.00%*	-	-	-
Mortality Table *					
Mortality table in service(LIC)	**Table 1**	**Table 1**	**Table 1**	**NA**	**NA**
	Table 1	*Table 1*	*Table 1*	*NA*	*NA*
Mortality table in retirement(LIC)	**NA**	**Table 2**	**Table 2**	**Table 2**	**Table 2**
	NA	*Table 2*	*Table 2*	*Table 2*	*Table 2*

* Table 1 – Indian Assured Lives Mortality (2012-14) Ult table

Table 2 – UK Published S1PA Mortality rate

(vii) Disaggregation of Plan Assets (Managed by an Insurance Company)

a) Gratuity Funded

(₹ crores)

	March 31, 2021				March 31, 2020			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Government Debt Instruments	93.96	-	93.96	43%	94.60	-	94.60	47%
Other Debt Instruments	52.31	0.09	52.40	24%	41.19	0.09	41.28	20%
Property	-	-	-	-	-	-	-	-
Other Equity Instruments	33.01	-	33.01	15%	30.53	-	30.53	15%
Insurer managed funds	-	24.46	24.46	11%	-	22.70	22.70	11%
Others	12.80	3.07	15.86	7%	0.62	12.10	12.72	6%
Total	**192.07**	**27.62**	**219.69**	**100%**	**166.94**	**34.89**	**201.83**	**100%**

b) Pension Staff Funded

(₹ crores)

	March 31, 2021				March 31, 2020			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Government Debt Instruments	4.72	-	4.72	42%	4.82	-	4.82	45%
Other Debt Instruments	3.60	-	3.60	32%	4.72	-	4.72	44%
Other Equity Instruments	0.21	-	0.21	2%	0.21	-	0.21	2%
Others	-	2.65	0. 98	24%	-	0.98	0. 98	9%
Total	**8.53**	**2.65**	**11.18**	**100%**	**9.75**	**0.97**	**10.73**	**100%**

Note 41 : Employee Benefits (contd.)

(viii) Sensitivity Analysis (for each defined benefit plan)

(%)

	Gratuity				Pension Top up			
	March 31, 2021		March 31, 2020		March 31, 2021		March 31, 2020	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate	Discount rate	Life Expectancy	Discount rate	Salary Escalation rate
Impact of increase in 50 bps on DBO	(3.08)	3.33	(3.08)	3.32	(6.08)	-	(5.87)	-
Impact of decrease in 50 bps on DBO	3.27	(3.16)	3.27	(3.15)	6.65	-	6.41	-
Impact of life expectancy 1 year decrease	-	-	-	-	-	(1.90)	-	(1.93)
Impact of life expectancy 1 year Increase	-	-	-	-	-	1.82	-	1.85

(%)

	Pension Staff Funded					
	March 31, 2021			March 31, 2020		
	Discount rate	Life Expectancy	Pension rate	Discount rate	Life Expectancy	Pension rate
Impact of increase in 50 bps on DBO	(3.58)	-	-	(3.74)	-	-
Impact of decrease in 50 bps on DBO	3.85	-	-	4.01	-	-

(%)

	Post- Employment Medical Benefits Unfunded					
	March 31, 2021			March 31, 2020		
	Discount rate	Life Expectancy	Health care Cost	Discount rate	Life Expectancy	Health care Cost
Impact of increase in 50 bps on DBO	(4.68)	-	-	(4.85)	-	-
Impact of decrease in 50 bps on DBO	5.10	-	-	5.29	-	-
Impact of life expectancy 1 year decrease	-	(3.61)	-	-	(3.52)	-
Impact of life expectancy 1 year Increase	-	3.43	-	-	3.35	-
Defined benefit obligation on healthcare costs rate minus 100 bps	-	-	(4.45)	-	-	(4.61)
Defined benefit obligation on healthcare costs rate plus 100 bps	-	-	5.23	-	-	5.44

(%)

	Pension Director Unfunded					
	March 31, 2021			March 31, 2020		
	Discount rate	Life Expectancy	Health care Cost	Discount rate	Life Expectancy	Health care Cost
Impact of increase in 50 bps on DBO	(4.37)	-	-	(4.54)	-	-
Impact of decrease in 50 bps on DBO	4.72	-	-	4.93	-	-
Impact of life expectancy 1 year decrease	-	(4.19)	-	-	(4.02)	-
Impact of life expectancy 1 year Increase	-	4.04	-	-	3.88	-
Defined benefit obligation on pension increase rate minus 100 bps	-	-	(8.70)	-	-	(9.03)
Defined benefit obligation on pension increase rate plus 100 bps	-	-	10.02	-	-	10.45

(ix) Movement in Asset Ceiling

(₹ crores)

	March 31, 2021	March 31, 2020
Opening Value of asset ceiling	0.84	0.76
Interest on Opening balance of asset ceiling	0.05	0.06
Remeasurement due to:		
change in Surplus/(deficit)	0.16	0.02
Closing value of asset ceiling	**1.05**	**0.84**

Footnote: Figures in italics under (i) to (vi) are of the previous year.

Note 41 : Employee Benefits (contd.)

(x) Expected future benefit payments:

(₹ crores)

	Gratuity Funded	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Within one year	**48.11**	**0.46**	**-**	**1.26**	**0.77**
	45.89	*0.43*	*-*	*1.21*	*0.71*
Between one and five years	**88.91**	**2.06**	**2.11**	**5.34**	**3.03**
	98.02	*1.99*	*3.06*	*5.17*	*2.87*
After five years	**251.70**	**14.85**	**2.09**	**33.60**	**11.54**
	248.48	*15.18*	*1.83*	*34.70*	*12.11*
Weighted average duration of the Defined	**6.43**	**9.77**	**12.85**	**9.08**	**7.05**
Benefit Obligation (in years)	*6.39*	*10.13*	*12.33*	*9.46*	*7.36*

Due to the restrictions in the type of investments that can be held by the gratuity and pension fund as per the prevalent regulations, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

Note 42 : Other Regulatory Matters

The Company, on a review of its foreign operations had, in the past, made voluntary disclosures to the appropriate regulator, of what it considered to be possible irregularities, in relation to foreign exchange transactions relating to the period prior to 1998. Arising out of such disclosures, the Company received show cause notices and the Company had replied to the notices. Prior to 2018, the Company has received adjudication cum demand of ₹ 10.89 crores on certain matters which has been disputed by the Company. This has been disclosed as Contingent Liability. The Company has filed appeal against the adjudication cum demand, and the appeal is pending. During the financial year 2018-19, the Company received adjudication cum demand aggregating ₹ 1.12 crores on three other matters being contested. The Company has filed appeals against these adjudication cum demand orders and the same are pending. For the balance Show Cause Notices, adjudication proceedings are pending.

Note 43 : Related Party Disclosures

(a) The names of related parties of the Group are as under:

i. Company having significant influence

Tata Sons Private Ltd. (including its subsidiaries and joint ventures)

ii. Associates and Joint Ventures

The names of all the associates and joint ventures are given in Note 36 (c)

iii. Key Management Personnel

Key managerial personnel comprise the whole-time directors of the Company, who have the authority and responsibility for planning, directing and controlling the activities of the Company and the Group.

Following are the Key Management Personnel:	Relation
Puneet Chhatwal	Managing Director & CEO

iv. Post Employment benefit plans

The Indian Hotels Company Ltd. Employees Provident Fund
The Indian Hotels Company Ltd. Superannuation Scheme
The Indian Hotels Employees Gratuity Trust
Taj Residency Employees Provident fund Trust (Bangalore unit)
Piem Hotel Employees Gratuity Trust
Taj Residency Hotel Employees Gratuity Trust

Note 43 : Related Party Disclosures (contd.)

(b) The details of related party transactions during the year ended March 31, 2021 and March 31, 2020 are as follows:

(₹ crores)

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Interest expense	**4.76**	**-**	**-**	**-**
	1.53	-	*0.94*	-
Interest income	**-**	**-**	**2.11**	**-**
	-	-	*2.03*	-
Dividend Paid	**23.59**	**-**	**0.10**	**-**
	22.61	-	*0.10*	-
Dividend income	**4.50**	**-**	**1.52**	**-**
	4.60	-	*6.40*	-
Operating/ License Fees expenses	**-**	**-**	**-**	**-**
	0.21	-	-	-
Operating fees income	**11.68**	**-**	**20.20**	**-**
	12.73	-	*55.20*	-
Purchase of goods and services	**52.18**	**-**	**2.04**	**-**
	72.02	-	*2.60*	-
Sale of goods and services	**24.19**	**-**	**1.53**	**-**
	56.28	-	*1.01*	-
Purchase of shares	**6.60**	**-**	**4.99**	**-**
	-	-	*2.99*	-
Sale of shares	**-**	**-**	**-**	**-**
	-	-	*29.79*	-
Deputed staff reimbursements	**0.04**	**-**	**8.10**	**-**
	-	-	*9.52*	-
Deputed staff out	**0.98**	**-**	**22.73**	**-**
	0.23	-	*30.80*	-
Other cost reimbursements	**0.05**	**-**	**0.26**	**-**
	0.60	-	*0.78*	-
Loyalty expense (Net of redemption credit)	**-**	**-**	**0.40**	**-**
	0.07	-	*5.15*	-
Contribution to funds	**-**	**-**	**-**	**17.63**
	-	-	-	*49.09*
Inter Corporate Deposit ("ICD") Raised	**30.00**	**-**	**-**	**-**
	55.00	-	*23.00*	-
ICD Repaid	**15.00**	**-**	**-**	**-**
	15.00	-	*35.00*	-
ICD Placed	**-**	**-**	**1.11**	**-**
	-	-	*3.55*	-
ICD Encashed	**-**	**-**	**0.30**	**-**
	-	-	*3.00*	-
Remuneration paid / payable	**-**	**7.23**	**-**	**-**
(Refer Footnote (ii) & (iii))	-	*14.57*	-	-

Note 43 : Related Party Disclosures (contd.)

(₹ crores)

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Trade receivables (Refer Note 14)	**6.35**	**-**	**33.51**	**-**
	10.00	*-*	*34.52*	*-*
Trade payables (Refer Note 20)	**8.84**	**-**	**1.30**	**-**
	17.56	*-*	*2.00*	*-*
Other Receivable/ (Other Payable)	**0.57**	**-**	**14.91**	**-**
(Refer Note 10 and 21)	*0.74*	*-*	*80.73*	*-*
Interest Receivable	**-**	**-**	**0.02**	**-**
(Refer Note 10)	*-*	*-*	*0.49*	*-*
Interest Payable	**0.06**	**-**	**-**	**-**
(Refer Note 21)	*0.08*	*-*	*-*	*-*
Loan Receivable	**-**	**-**	**12.75**	**-**
(Refer Note 9)	*-*	*-*	*23.24*	*-*
Allowance for doubtful loan	**-**	**-**	**3.17**	**-**
(Refer Note 9)	*-*	*-*	*3.17*	*-*
Option Deposit	**71.10**	**-**	**-**	**-**
(Refer Note 21)	*71.10*	*-*	*-*	*-*
Deposits Payable	**55.05**	**-**	**-**	**-**
(Refer Note 19)	*40.05*	*-*	*-*	*-*
Deposits Receivable	**0.08**	**-**	**10.98**	**-**
(Refer Note 10)	*0.08*	*-*	*-*	*-*

* Including its subsidiaries and joint ventures

\# Including its subsidiaries

Footnotes:

(i) Figures in italics are of the previous periods.

(ii) Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company's liability to all its employees.

(iii) The remuneration paid/ payable to Managing Director & CEO for the years ended March 31, 2021 and March 31, 2020 is ₹ 7.23 crores and ₹ 14.57 crores, respectively. For the year ended March 31, 2021, remuneration includes ₹ 3.24 crores of incentive remuneration, being part of minimum remuneration, which is accrued based on recommendation by the Nomination and Remuneration Committee. The total managerial remuneration for the financial year (amounting to ₹ 7.23 crores) exceed the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013 by ₹ 5.91 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Company proposes to obtain in the forthcoming Annual general Meeting.

(iv) From time to time key management personnel of the group including directors of entities, which they have control or significant influence, may purchase services from the group, those purchase are on the same terms and conditions as those entered into with other group employees or customers.

Note 43 : Related Party Disclosures (contd.)

(c) Statement of Material Transactions

(₹ crores)

	March 31, 2021	March 31, 2020
Company having substantial interest and its subsidiaries and joint ventures		
Tata Sons Private Limited		
Dividend income	4.50	4.50
Dividend paid	22.65	21.66
Trade payables	-	4.09
Sale of goods and services	3.46	6.65
Other cost reimbursements	0.04	0.57
Deposits Receivable	-	0.08
Tata SIA Airlines Limited		
Sale of goods and services	4.49	19.60
Tata AIG General Insurance Company Limited		
Purchase of goods and services	17.99	9.90
Tata Realty and Infrastructure Limited		
Option Deposit	71.10	71.10
Tata Zambia Limited		
Operating / Licence fees expense	-	0.21
Tata Consultancy Services Limited		
Operating fees income	10.75	-
Purchase of goods and services	24.34	56.86
Sale of goods and services	10.30	17.10
Trade receivables	1.89	3.57
Trade payables	6.54	9.57
Tata Communications Ltd.		
Trade Payables	1.17	2.39
Tata International Limited		
Interest expense	0.65	-
ICD Raised	15.00	-
Interest Payable	0.06	-
Deposit outstanding	15.00	-
Purchase of shares	6.60	-
Taj Air Limited		
Interest expense	4.10	1.53
ICD Raised	15.00	55.00
ICD Repaid	15.00	15.00
Interest Payable	-	0.08
Deposit outstanding	40.00	40.00
Remuneration to Key Management Personnel		
Puneet Chhatwal	7.23	14.57

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

Note 43 : Related Party Disclosures (contd.)

(₹ crores)

	March 31, 2021	March 31, 2020
Associates		
Oriental Hotels Ltd.		
Operating fees income	9.80	23.91
Deputed staff reimbursement	3.48	4.11
Deputed staff out	11.06	14.68
Loyalty expense (Net of redemption credit)	0.36	3.24
Other cost reimbursements	0.07	0.32
Trade receivables	9.70	8.37
Trade Payables	1.79	1.79
Other Receivable / (Payable)	4.83	-
Dividend Income	1.25	3.28
Taida Trading & Industries Ltd.		
Interest income	0.63	0.58
Interest receivable	0.02	0.45
ICD Placed	1.11	0.55
Loan Receivable	7.70	6.59
Allowance for doubtful loan	3.17	3.17
Joint Ventures		
Taj GVK Hotels & Resorts Ltd.		
Operating fees income	4.41	12.65
Deputed staff reimbursement	2.73	3.56
Deputed staff out	5.22	8.42
Other cost reimbursements	0.12	0.29
Trade Receivables	15.72	11.04
Other Receivable / (Payable)	5.70	-
Taj Kerala Hotels & Resorts Ltd.		
Deputed staff reimbursement	0.91	-
Other Receivable / (Payable)	3.92	-
Loyalty expense (Net of redemption credit)	0.05	-
Purchase of shares	4.99	-
Taj Karnataka Hotels & Resorts Ltd.		
Interest income	0.48	0.48
ICD Encashed	0.30	-
Other Receivable / (Payable)	0.07	-
Loan Receivable	5.05	5.35
Loyalty expense (Net of redemption credit)	0.06	-
Taj SATS Air Catering Ltd.		
Interest expense	-	0.94
Sale of shares	-	29.79
ICD Raised	-	23.00
ICD Encashed	-	35.00
Other Receivable / (Payable)	-	(0.89)
Taj Safaris Ltd.		
Other Receivable / (Payable)	0.13	-
Purchase of Shares	-	2.99
ICP Encashed	-	3.00
ICD Placed	-	3.00

Note 43 : Related Party Disclosures (contd.)

(₹ crores)

	March 31, 2021	March 31, 2020
Kaveri Retreat & Resorts Limited		
Other receivable/(Other payable)	(0.35)	(0.50)
TAL Hotels & Resorts Ltd.		
Dividend income	-	2.03
Interest income	1.00	0.96
Operating fees income	-	7.14
Other cost reimbursements	0.04	-
Other receivable/(Other payable)	-	(0.27)
Loan Receivable	10.98	11.30
Loyalty expense (Net of redemption credit)	0.07	1.38
IHMS Hotels (SA)(Pty) Ltd.		
Trade Receivable	-	5.87
Other Receivable	-	75.56
Post-employment benefits plans		
Contribution to superannuation fund	4.65	4.89
Contribution to provident fund	11.80	23.45
Contribution to Gratuity Fund	-	19.75

Note 44 : Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Managing Director and Chief Executive Officer of the Company who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker. From the internal organisation of the Group's activities and consistent with the internal reporting provided to the chief operating decision-maker and after considering the nature of its services, the ultimate customer availing those services and the methods used by it to provide those services, "Hotel Services" has been identified to be the Group's sole operating segment. Hotel Services include "Revenue from Operations" including Management and Operating Fees where hotels are not owned or leased by the Group. The organisation is largely managed separately by property based on centrally driven policies and the results and cash flows of the period, financial position as of each reporting date aggregated for the assessment by the Managing Director and Chief Executive Officer. The Group's management reporting and controlling systems principally use accounting policies that are the same as those described in Note 2 in the summary of significant accounting policies under Ind AS. As the Group is engaged in a single operating segment, segment information that has been tabulated below is Group-wide:

(₹ crores)

Country	Revenue from Hotel Services by location of operations		Non-current assets (see footnote below)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
India	1,430.19	3,394.06	5,793.52	5,982.76
U.S.A.	96.82	665.63	1,050.16	1,118.33
U.K.	42.42	403.45	1,236.13	1,163.40
Other Overseas locations	5.73	-	432.29	0.02
Total	**1,575.16**	**4,463.14**	**8,512.10**	**8,264.51**

Footnote: Non-current assets exclude financial assets, deferred tax assets and goodwill.

No single customer contributes more than 10% or more of the Group's total revenue for the years ended March 31, 2021 and March 31, 2020.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

Note 45 : Additional Information as Required under Schedule III to the Companies Act, 2013, of Enterprises consolidated as Subsidiary / Associates / Joint Ventures

Name of the entity of the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores
Parent								
The Indian Hotels Company Ltd.	92.71%	3,970.57	(72.87)%	(524.78)	86.98%	209.06	(65.81)%	(315.72)
Subsidiaries								
Indian								
Piem Hotels Ltd.	13.35%	571.83	(9.55)%	(68.76)	10.80%	25.95	(8.92)%	(42.81)
Benares Hotels Ltd.	1.69%	72.23	(0.73)%	(5.23)	0.05%	0.13	(1.06)%	(5.10)
United Hotels Ltd.	0.43%	18.35	(0.77)%	(5.51)	0.17%	0.42	(1.06)%	(5.09)
Roots Corporation Ltd.	3.39%	145.36	(6.86)%	(49.38)	0.05%	0.13	(10.27)%	(49.25)
Inditravel Ltd.	0.12%	4.98	(0.11)%	(0.76)	0.01%	0.03	(0.15)%	(0.73)
Taj Trade & Transport Company Ltd.	0.17%	7.08	(0.55)%	(3.97)	0.01%	0.02	(0.82)%	(3.95)
KTC Hotels Ltd.	0.07%	2.87	0.03%	0.19	-	-	0.04%	0.19
Northern India Hotels Ltd.	0.78%	33.32	0.34%	2.42	-	-	0.50%	2.42
Taj Enterprises Ltd.	0.13%	5.67	(0.22)%	(1.59)	-	-	(0.33)%	(1.59)
Skydeck Properties and Developers Private Ltd.	10.50%	449.58	0.02%	0.12	-	-	0.03%	0.12
Sheena Investments Private Ltd.	0.07%	2.91	0.01%	0.08	-	-	0.02%	0.08
ELEL Hotels and Investments Ltd.	12.97%	555.55	(1.96)%	(14.15)	-	-	(2.95)%	(14.15)
Luthria and Lalchandani Hotel and Properties Private Ltd.	-	(0.04)	-	-	-	-	-	-
Ideal Ice & Cold Storage Company Ltd.	-	(0.01)	-	-	-	-	-	-
Foreign								
United Overseas Holdings Inc.	10.97%	470.00	(33.55)%	(241.60)	-	-	(50.36)%	(241.60)
St. James Court Hotel Ltd.	14.93%	639.54	(9.34)%	(67.27)	-	-	(14.02)%	(67.27)
Taj International Hotels Ltd.	0.04%	1.58	(1.08)%	(7.77)	-	-	(1.62)%	(7.77)
Taj International Hotels (H.K.) Ltd.	3.08%	131.96	0.33%	2.37	-	-	0.49%	2.37
Piem International (HK) Ltd.	3.62%	155.25	(3.07)%	(22.08)	-	-	(4.60)%	(22.08)
IHOCO BV.	51.63%	2,211.15	(38.96)%	(280.55)	-	-	(58.48)%	(280.55)
IHMS Hotels (SA) Proprietary Ltd. (Refer Footenote ii)	1.89%	80.76	(0.04)%	(0.30)	-	-	(0.06)%	(0.30)
Good Hope Palace Hotels Proprietary Limited	2.37%	101.55	4.85%	34.93	-	-	7.28%	34.93
Non-controlling interests in all subsidiaries		634.57		75.52		(26.91)		48.61

Note 45 : Additional Information as Required under Schedule III to the Companies Act, 2013, of Enterprises consolidated as Subsidiary / Associates / Joint Ventures (contd.)

Name of the entity of the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores
Associates (Investment as per the equity method)								
Indian								
Oriental Hotels Ltd.	4.91%	210.40	(3.53)%	(25.42)	(0.02)%	(0.04)	(5.31)%	(25.46)
Taj Madurai Ltd	0.12%	4.95	0.02%	0.11	0.45%	1.07	0.25%	1.18
Taida Trading & Industries Ltd (Refer Footnote i)	-	-	-	-	-	-	-	-
Foreign								
Lanka Island Resorts Ltd.	0.70%	29.90	(0.40)%	(2.89)	(0.03)%	(0.07)	(0.62)%	(2.96)
TAL Lanka Hotels Plc	0.03%	1.25	(1.39)%	(10.02)	(0.07)%	(0.18)	(2.13)%	(10.20)
Bjets Pte Ltd. (Refer Footnote i)	-	-	-	-	-	-	-	-
Joint Ventures (Investment as per the equity method)								
Indian								
Taj GVK Hotels and Resorts Ltd.	2.70%	115.66	(1.03)%	(7.41)	(0.06)%	(0.14)	(1.57)%	(7.55)
Taj Kerala Hotels and Resorts Ltd.	0.34%	14.72	(0.60)%	(4.30)	0.03%	0.08	(0.88)%	(4.22)
Taj SATS Air Catering Ltd.	0.98%	41.78	(4.24)%	(30.51)	0.97%	2.34	(5.87)%	(28.17)
Taj Karnataka Hotels and Resorts Ltd.	(0.03)%	(1.45)	0.01%	0.10	-	-	0.02%	0.10
Taj Safaris Ltd.	0.21%	9.13	0.01%	0.05	0.01%	0.03	0.02%	0.08
Kaveri Retreat & Resorts Ltd	1.06%	45.24	0.24%	1.75	-	-	0.36%	1.75
Zarrenstar Hospitality Private Ltd	-	-	-	-	-	-	-	-
Foreign								
IHMS Hotels (SA)(Pty) Ltd. (Refer Footnote ii)	-	-	(0.52)%	(3.77)	-	-	(0.79)%	(3.77)
TAL Hotels & Resorts Ltd.	2.46%	105.35	(2.66)%	(19.12)	(0.07)%	(0.17)	(4.02)%	(19.29)
Consolidation Adjustments / Eliminations	(153.18)%	(6,560.53)	77.68%	559.39	11.90%	28.61	122.56%	588.00
TOTAL	**100.00%**	**4,283.01**	**100.00%**	**(720.11)**	**100.00%**	**240.36**	**100.00%**	**(479.75)**

Footnotes:

i) The carrying value of these investments in Associates has been reported as Nil, as the Group's share of losses exceeds the cost of investments.

ii) IHMS Hotels (SA)(Pty) Ltd. has been accounted as Joint venture till june 30, 2020. Persuant to it becoming a subsidiary on July 1, 2020, it has been accounted as a subsidiary from the date of acquisition.

Note 46 : Earnings Per Share (EPS):

Earnings Per Share is calculated in accordance with Ind AS 33 – 'Earnings Per Share'.

	March 31, 2021	March 31, 2020
Profit/(Loss) after tax (owner's share) – (₹ crores)	(720.11)	354.42
Weighted average number of Equity Shares	118,92,58,445	118,92,58,445
Earnings Per Share - Basic and Diluted - (₹)	(6.05)	2.98
Face Value per Equity Share (₹)	1	1

Note 47 : Going Concern

Negative working capital:

As at the year end, the group's current liabilities have exceeded its current assets by ₹ 1,794.18 crores primarily on account of current maturities of long term borrowings aggregating ₹ 1,166.48 crores and liabilities on account of derivative and other contracts aggregating to ₹ 319 crores falling due within 12 months following the balance sheet date. The Group has secured additional financing for the next 12 months to prevent disruption of the operating cash flows and enable the Group meet its debts and obligations as they fall due. Accordingly, the financial statements of the Group are prepared on a going concern basis.

Impact of COVID – 19

The Group and its associates and joint ventures faces significant uncertainties due to COVID-19 which have impacted the operations of these entities adversely starting from the month of March 2020 onwards. Management of the individual entities has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and has prepared a range of scenarios to estimate financing requirements.

Subsequent to the reporting date, the group has undrawn lines of credit aggregating ₹ 980.33 crores. In addition, the group continues to engage with the banks and financial institutions and evaluating options to raise money for future operation needs. Also refer note 2 (e) Estimation uncertainty due to COVID-19.

Based on aforesaid assessment, management believes that as per estimates made conservatively, the group will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as at March 31, 2021.

Note 48 : Government Grants

a) **Government grants for the purpose of supporting businesses during the Covid 19 pandemic:**

i. **Corona Virus Job Retention Scheme in the United Kingdom (UK):**

St James Court Limited (SJCL) and Taj International Hotels Limited (TIHL), subsidiaries of the Group in UK, have received grants of ₹ 35.50 crores (£ 3.67 million) and ₹ 9.67 crores (£ 1.00 million) under the Government's furlough scheme during the year. These grants are given for specified staff over a specified period of time during which they are not permitted to work for the company due to the pandemic. The grant is not repayable provided the conditions of grant have been met. The Group believes it has met all the required conditions. The amounts reimbursed to the companies for the furloughed staff are netted off against the company's payroll cost.

ii. **Business Rates Relief Scheme (UK):**

Under this scheme, property taxes were levied at nil rate for the eligible business. St James Court Limited received benefits under the Business Rates holiday from the government, amounting to ₹ 27.67 crores (£2.86 million) for FY 2020-21.

iii. **Employee Retention Card Scheme in the United States of America (USA):**

United Overseas Holding Inc. (UOH), wholly owned subsidiary, availed benefits under the furlough scheme given by the Federal government under the COVID 19 stimulus package which allows businesses to take credit of the wages paid to employees on furlough and not working. UOH has accrued ₹ 22.72 crores ($ 3.07 million) for the scheme. The amounts reimbursed to the companies for the furloughed staff are netted off against the company's payroll cost.

Note 48 : Government Grants (contd.)

b) Revenue grant under the Assam Industrial Policy

The Company had invested in a Greenfield Project in Guwahati, Assam which is eligible as "Mega Project" under the Industrial and Investment Policy of Assam, 2014 and is entitled to apply for the revenue grant under the Assam Industrial Policy. During the year, on receipt of the requisite eligibility certificate from the regulatory authority, the Company accrued income of ₹ 12.69 crores towards reimbursement of taxes for the past years & ₹ 0.45 crore for the current financial year which has been recognised in "Other Operating Income". This grant is expected to be received by the Company once the verification of claims/ scrutiny & assessment of the previous year's taxes is completed by the said department. (Refer Note 32 (d))

Note 49 : Dividends

Dividends paid during the year ended March 31, 2021 out of Retained Earning was ₹ 0.50 per equity share for the year ended March 31, 2020, aggregating to ₹ 59.46 crores.

The dividends declared by the Company are based on the profits available for distribution as reported in the standalone financial statements of the Company. Accordingly, the retained earnings reported in these financial statements may not be fully distributable. As of March 31, 2021, retained earnings not transferred to reserves available for distribution was ₹ 250.64 crores.

On April 30, 2021, the Board of Directors of the Company have proposed a final dividend of ₹ 0.40 per share in respect of the year ended March 31, 2021, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 47.57 crores.

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 30, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs
& Company Secretary (Group)

INDEPENDENT AUDITORS' REPORT

To the Members of The Indian Hotels Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of The Indian Hotels Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act 2013, ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the *Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 2(e) to the consolidated financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Group's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i. Impact of COVID-19 pandemic on Going Concern

Refer Note 45 – "Going Concern" and Note 2(e) "Estimation related to COVID-19" of the consolidated financial statements.

On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic.

The Indian Government has imposed lock-downs across the country from 22 March 2020 up to 30 June 2020. These lockdowns and restrictions due to COVID – 19 pandemic have posed significant challenges to the businesses of the Group. This required the Group to assess impact of COVID-19 on its operations.

The Group has assessed the impact of COVID-19 on the future cash flow projections. The Group has also prepared a range of scenarios to estimate financing requirements.

In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding of the key controls relating to the Group's forecasting process
- Compared the forecasted statement of profit and loss and cash flows with the Group's business plan approved by the board of directors
- Obtained an understanding of key assumptions adopted by the Group in preparing the forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Group's business
- Assessed the forecasted income statement and cash flow by considering plausible changes to the key assumptions adopted by the Group
- Performed the following procedures as mitigating factors:
  - o Obtained understanding of new borrowing facilities availed subsequent to the year-end;
  - o Assessed impact of Government's announcement to lift the lockdown restrictions and Company's plan to re-open hotels in a phased manner;

Assessed disclosures made in the consolidated financial statements with regard to the above. Refer to notes 45 and 2(e).

ii. Goodwill – evaluation of adequacy of provision for impairment of goodwill

As a result of past acquisitions, the Group carries capitalised goodwill aggregating ₹ 614.58 Crores.

Management performs an impairment assessment on an annual basis as required by Ind AS 36 Impairment of Assets.

For the Cash generating units (CGUs) which contain goodwill, the determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use, requires judgement on the part of management in both identifying and then valuing the relevant CGUs. Recoverable amounts of these CGU's are based on management's view of variables such as future average revenue per available room, room occupancy, room rates, rate per cover etc. and operating expenditure and the most appropriate discount rate.

Refer to note 5 – "Goodwill" and note 6(a) –

"Intangible assets" of the consolidated financial statements.

We considered goodwill impairment to be key audit matter due to the extent of judgement and assumptions involved in the assessment process.

How our audit addressed the key audit matter

We performed an evaluation of managements' assessment of the Group's CGU. Further, our evaluation included discussion with management, review of the internal reporting structure, the decision making process and how resources are allocated among business units of the Group. We subsequently evaluated the impairment assessment made by management to also ensure they were in accordance with Ind AS.

Our procedures included challenging management on the suitability of the impairment model and reasonableness of the assumptions through performing the following:

- Benchmarking the key market related assumptions in management's valuation models with industry comparators and assumptions made in prior years including revenue and margin trends, capital expenditure on network assets and spectrum, market share and customer churn, against external data where available, utilizing our internal valuation specialists;
- Recalculation of the discount rate by our internal valuation specialists using external information and comparison to management's assumptions;
- Testing the mathematical accuracy of the cash flow model and agreeing relevant data to the Board approved strategic long-term plan;
- Assessing the reliability of management's forecast through a review of actual performance against previous forecasts;
- Assessing and validating the appropriateness of the disclosures made in the financial statements.

iii. Adoption of Ind AS 116-Leases

As described in Note 34 to the consolidated financial statements, the Group adopted Ind AS 116, on 1 April 2019. The Group has recognised right-of-use operating lease assets aggregating

₹ 1,661.84 Crores and a lease liabilities aggregating ₹ 1,931.94 Crores as of 1 April 2019. The lease liabilities are initially measured by discounting future lease payments during the lease term as per contractual arrangement.

Auditing the Group's adoption of Ind AS 116 involved judgment because the Group has significant number of lease contracts. Certain aspects of Ind AS 116 required the Group to exercise judgments including determination of Incremental Borrowing Rate ('IBR') and lease term.

How our audit addressed the key audit matter

Our audit procedures included the following:

- We obtained an understanding and evaluated the design of controls over the Group's accounting of Ind AS 116. We tested the operating effectiveness of those controls over the application of accounting policies, evaluation of the completeness of the lease portfolio and the determination of IBR and lease term.
- To test the Group's implementation of the new leasing standard, we performed the following procedures:
  - o an evaluation of the completeness of the population of contracts meeting the definition of a lease under Ind AS 116,
  - o testing the accuracy of the Group's computation of initial right-of-use assets and lease liabilities.
- Additionally, we involved valuation specialists to evaluate the key assumptions and methodologies to develop the IBR.

Examined the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition in the consolidated financial statements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this information, we are required to report the fact. We have nothing to report in this regard.

Management and Board of Director's Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is also responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of fifteen subsidiaries, whose financial statements reflect total assets of ₹ 2,574.39 crores as at 31 March 2020, total revenues of ₹ 582.40 crores and net cash outflows amounting to ₹ 4.08 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ 5.07 crores for the year ended on that date, as considered in the consolidated financial statements, in respect of five associates and six joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

(b) Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

A. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) the consolidated balance Sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 31, Note 35(c)(ii) and Note 40 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 21 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2020;

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No. 101248W/ W-1000022

Tarun Kinger
Partner
Membership No.105003
ICAI UDIN:20105003AAAABL7971

Place: Mumbai
Date: June 10, 2020

ANNEXURE 'A'

to the Independent Auditors' Report on the consolidated financial statements of The Indian Hotels Company Limited

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of The Indian Hotels Company Limited ("hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint ventures as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal controls stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial control with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal control systems over financial reporting.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statement

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statement includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to its thirteen subsidiary companies, its three associates and its six joint ventures which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No. 101248W/ W-1000022

Tarun Kinger
Partner
Membership No.105003
ICAI UDIN:20105003AAAABL7971

Place: Mumbai
Date: June 10, 2020

CONSOLIDATED BALANCE SHEET
as at March 31, 2020

(₹ crores)

	Note	March 31, 2020	March 31, 2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	5,270.65	5,233.18
Capital work-in-progress		243.15	115.93
Right-of-Use assets	4	1,583.28	-
Goodwill	5	614.58	583.47
Intangible assets	6(a)	590.34	605.60
Intangible assets under development		0.93	0.25
Investments accounted using the equity method	7	672.35	687.67
Financial assets			
Investments	8(a)	318.00	436.26
Loans	9(a)	16.65	15.73
Other financial assets	10(a)	118.36	65.54
Deferred tax assets (net)	11(a)	76.50	69.44
Advance income tax (net)		227.85	189.91
Other non-current assets	12(a)	348.31	422.00
		10,080.95	**8,424.98**
Current assets			
Inventories	13	93.61	80.40
Financial assets			
Investments	8(b)	436.24	211.21
Trade receivables	14	290.02	321.38
Cash and cash equivalents	15	250.82	189.29
Other balances with banks	15	64.76	51.65
Loans	9(b)	4.77	3.44
Other financial assets	10(b)	160.98	160.14
Other current assets	12(b)	132.37	132.84
		1,433.57	**1,150.35**
Assets classified as held for sale	3(vi)	3.74	8.43
		1,437.31	**1,158.78**
Total		**11,518.26**	**9,583.76**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	118.93	118.93
Other equity	18	4,237.88	4,229.07
Equity attributable to owners of the company		4,356.81	4,348.00
Non-controlling interests		764.90	799.86
Total Equity		**5,121.71**	**5,147.86**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19(a)	2,125.80	1,687.52
Lease liabilities	34	1,842.57	-
Other financial liabilities	21(a)	201.37	179.82
Provisions	22(a)	121.09	102.33
Deferred tax liabilities (net)	11(b)	186.85	376.77
Other non-current liabilities	23(a)	18.05	-
		4,495.73	**2,346.44**
Current liabilities			
Financial liabilities			
Borrowings	19(b)	166.25	35.68
Lease liabilities	34	56.14	-
Trade payables	20	389.32	325.25
Other financial liabilities	21(b)	819.89	1,246.56
Provisions	22(b)	154.46	147.64
Current income tax liabilities (net)		33.77	32.84
Other current liabilities	23(b)	280.99	301.49
		1,900.82	**2,089.46**
Total liabilities		**6,396.55**	**4,435.90**
Total		**11,518.26**	**9,583.76**
The accompanying notes form an integral part of the consolidated financial statements	1 - 46		

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, June 10, 2020

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs &
Company Secretary (Group)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended March 31, 2020

(₹ crores)

	Note	March 31, 2020	March 31, 2019
INCOME			
Revenue from operations	24	4,463.14	4,512.00
Other income	25	132.42	83.38
Total income		**4,595.56**	**4,595.38**
EXPENSES			
Food and beverages consumed		370.56	404.05
Employee benefit expense and payment to contractors	26	1,494.60	1,470.79
Finance costs	27	341.12	190.13
Depreciation and amortisation expenses	6(b)	404.24	327.85
Other operating and general expenses	28	1,630.45	1,807.43
Total expenses		**4,240.97**	**4,200.25**
Profit before exceptional items, tax and share of profit of equity accounted investees		354.59	395.13
Exceptional items	29	40.95	6.58
Profit before tax and share of profit of equity accounted investees		**395.54**	**401.71**
Tax expense			
Current tax		169.15	178.54
Deferred tax credit		(124.38)	(21.42)
Total tax expense		**44.77**	**157.12**
Profit after tax before share of profit of equity accounted investees		**350.77**	**244.59**
Share of Profit of Associates and Joint Venture (Net of Tax)		12.97	51.53
Profit for the year		**363.74**	**296.12**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		(21.52)	(10.16)
Change in fair value of equity instruments designated irrevocably as fair value through other comprehensive income		(118.25)	(104.20)
Share of other comprehensive income in associates and joint ventures (net of tax)		(3.66)	(3.08)
Add/(Less) : Income tax credit/(expense) on the above		6.47	2.21
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(136.96)**	**(115.23)**
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating the financial statement of foreign operations		**116.47**	**50.32**
Share of other comprehensive income in associates and joint ventures (net of tax)		12.93	7.75
Add/(Less) : Income tax credit/(expense) on the above		-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		**129.40**	**58.07**
Other comprehensive income for the year, net of tax		(7.56)	(57.16)
Total comprehensive income for the year		**356.18**	**238.96**
Profit/(Loss) for the year attributable to:			
Owners of the company		354.42	286.82
Non-controlling interests		9.32	9.30
		363.74	**296.12**
Total comprehensive Income for the year attributable to:			
Owners of the company		344.60	227.01
Non-controlling interests		11.58	11.95
		356.18	**238.96**
Earnings per share:	44		
Basic and Diluted - (₹)		2.98	2.41
Face value per equity share - (₹)		1.00	1.00
The accompanying notes form an integral part of the consolidated financial statements	1 - 46		

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, June 10, 2020

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs &
Company Secretary (Group)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

(₹ crores)

	A. Equity Share Capital	B. Other Equity											
			Reserves and surplus					Items of other comprehensive income					
	Equity Share Capital Subscribed	Capital Reserve	Capital Reserve on Consolidation	Securities Premium	General Reserve	Other reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statement of foreign operations	Total Other Equity	Equity attributable to owners of the company	Non Controlling Interests	Total Equity
Balance as at April 1, 2018	**118.93**	**43.91**	**114.42**	**2,702.08**	**561.98**	**312.67**	**(56.86)**	**318.86**	**65.11**	**4,062.17**	**4,181.10**	**777.39**	**4,958.49**
Profit for the year ended March 31, 2019	-	-	-	-	-	-	286.82	-	-	286.82	286.82	9.30	296.12
Other Comprehensive Income for the year ended March 31, 2019, net of taxes	-	-	-	-	-	-	(6.56)	(112.85)	59.60	(59.81)	(59.81)	2.65	(57.16)
Total Comprehensive Income for the year ended March 31, 2019	**-**	**-**	**-**	**-**	**-**	**-**	**280.26**	**(112.85)**	**59.60**	**227.01**	**227.01**	**11.95**	**238.96**
Adjustment on account of Joint venture (Refer Note 35)	-	-	-	-	-	-	(2.48)	-	-	(2.48)	(2.48)	-	(2.48)
Dividend	-	-	-	-	-	-	(47.57)	-	-	(47.57)	(47.57)	(14.24)	(61.81)
Tax on Dividend	-	-	-	-	-	-	(7.42)	-	-	(7.42)	(7.42)	(0.27)	(7.69)
Transfer from retained earnings to debenture redemption reserve	-	-	-	-	-	11.93	(11.93)	-	-	-	-	-	-
Allocation of Shares to minority on Rights basis										-	-	22.42	22.42
Issue expenses written off against Securities Premium	-	-	-	(0.03)	-	-	-	-	-	(0.03)	(0.03)	-	(0.03)
Change in ownership interests in subsidiaries	-	-	(2.61)	-	-	-	-	-	-	(2.61)	(2.61)	2.61	-
As at March 31, 2019	**118.93**	**43.91**	**111.81**	**2,702.05**	**561.98**	**324.60**	**154.00**	**206.01**	**124.71**	**4,229.07**	**4,348.00**	**799.86**	**5,147.86**
Adjustment on account of transition to the new lease standard, net of taxes (Refer Note 34)	-	-	-	-	-	-	(264.32)	-	(0.35)	(264.67)	(264.67)	(44.03)	(308.70)
Balance as at March 31, 2019	**118.93**	**43.91**	**111.81**	**2,702.05**	**561.98**	**324.60**	**(110.32)**	**206.01**	**124.36**	**3,964.40**	**4,083.33**	**755.83**	**4,839.16**
Profit for the year ended March 31, 2020	-	-	-	-	-	-	354.42	-	-	354.42	354.42	9.32	363.74
Other Comprehensive Income for the year ended March 31, 2020, net of taxes	-	-	-	-	-	-	(17.67)	(114.77)	122.62	(9.82)	(9.82)	2.26	(7.56)
Total Comprehensive Income for the year ended March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**336.75**	**(114.77)**	**122.62**	**344.60**	**344.60**	**11.58**	**356.18**
Dividend	-	-	-	-	-	-	(59.46)	-	-	(59.46)	(59.46)	(3.17)	(62.63)
Tax on Dividend	-	-	-	-	-	-	(11.70)	-	-	(11.70)	(11.70)	0.66	(11.04)
Transfer from Debenture Redemption Reserve to General Reserve	-	-	-	-	130.50	(130.50)	-	-	-	-	-	-	-
Realised loss on sale of investment transferred from Other Comprehensive Income	-	-	-	-	-	-	(3.01)	3.01	-	-	-	-	-
Change in ownership interests in Joint venture	-	-	(0.24)	-	-	-	-	-	-	(0.24)	(0.24)	-	(0.24)
Change in ownership interests in subsidiaries	-	-	-	-	0.08	0.20	-	-	-	0.28	0.28	-	0.28
Balance as at March 31, 2020	**118.93**	**43.91**	**111.57**	**2,702.05**	**692.56**	**194.30**	**152.26**	**94.25**	**246.98**	**4,237.88**	**4,356.81**	**764.90**	**5,121.71**

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, June 10, 2020

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Beejal Desai
Senior Vice President - Corporate Affairs &
Company Secretary (Group)

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended March 31, 2020

(₹ crores)

	March 31, 2020	March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	395.54	401.71
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation expenses on Property, plant and equipment	334.99	327.85
Amortisation expenses on Right-of-Use assets	69.25	-
Profit on sale of investments	(9.82)	(15.94)
(Profit)/Loss on sale of assets	(136.86)	(11.67)
Allowance for Doubtful Debts and advances	6.65	14.69
Dividend Income	(7.32)	(7.32)
Interest Income	(18.67)	(19.99)
Finance Cost	184.23	190.13
Interest on lease liability	156.89	-
Exchange Gain on long term borrowings/assets (net)	2.61	1.43
Assets written off	6.91	-
Provision no longer required written back	(0.17)	-
Provision for disputed claims	2.53	11.57
Provision for Employee Benefits	(2.09)	5.26
Gain on investments carried at fair value through profit and loss	(0.28)	(1.83)
(Gain)/Loss on fair valuation of derivative contracts	21.76	41.03
	610.61	**535.21**
Cash Operating Profit before working capital changes	1,006.15	936.92
Adjustments for increase / decrease in operating assets and liabilities:		
Financial and Other Assets	(29.05)	(81.01)
Inventories	(13.21)	5.32
Financial and Other Liabilities	65.75	47.46
	23.49	**(28.23)**
Cash Generated from Operating Activities	**1,029.64**	**908.69**
Income Taxes Paid	(206.17)	(197.26)
Net Cash Generated From Operating Activities (A)	**823.47**	**711.43**
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	(487.39)	(478.61)
Proceeds from sale of property, plant & equipment	175.39	18.22
Capital subsidy received from Government	40.69	-
Additional Investment in a joint venture and a subsidiary	(3.36)	(10.75)
Purchase of current investments	(1,934.32)	(1,513.58)
Proceeds from sale / redemption of current investments	1,712.12	1,650.67
Proceeds from sale of investments in a Joint venture	29.79	-
Interest Received	15.68	17.88
Dividend Received (includes dividend from joint ventures and associates)	13.92	22.15
Bank Balances not considered as Cash & Cash Equivalents	(17.53)	9.19
Short term Loans repaid by other company	3.89	3.18
Long-term deposits placed for hotel properties	(47.38)	(60.00)
Short-term deposits placed for hotel properties	-	(45.00)
Deposits Refunded by / (Placed with) Other Companies	(3.38)	(1.50)
Net Cash Generated /(Used) In Investing Activities (B)	**(501.88)**	**(388.15)**
Carried over	**321.59**	**323.28**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)
for the year ended March 31, 2020

(₹ crores)

	March 31, 2020	March 31, 2019
Brought over	**321.59**	**323.28**
CASH FLOW FROM FINANCING ACTIVITIES		
Share issue expenses / Debenture issue expenses	(0.14)	(0.38)
Interest Paid (including repayment of loan in the previous year)	(155.45)	(150.80)
Repayment of long term Loans and Debentures	(637.80)	(235.29)
Payment of lease Liability	(136.12)	-
Proceeds from long term Loans and Debentures	732.30	53.93
Short Term Loans Raised	283.18	45.68
Short Term Loans Repaid	(155.02)	(15.00)
Proceeds from rights issue by a subsidiary to the extent of minorities	-	22.42
Dividend Paid (Including tax on dividend)	(75.73)	(68.52)
Settlement of derivative contracts	(120.60)	4.70
Net Cash Generated/(Used) In Financing Activities (C)	**(265.38)**	**(343.26)**
Net Increase/(Decrease) In Cash and Cash Equivalents (A + B + C)	56.21	(19.98)
Cash and Cash Equivalents - Opening	189.29	207.84
Exchange difference on translation of foreign currency cash and cash equivalents	5.32	1.43
Cash and Cash Equivalents - Closing	**250.82**	**189.29**

Refer Note 19(vii) for movement in financing activity

The accompanying notes form an integral part of the consolidated financial statements (Refer Note 1 - 46)

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, June 10, 2020

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs &
Company Secretary (Group)

NOTE 1. CORPORATE INFORMATION

The Indian Hotels Company Limited ("IHCL" or the "Company"), and its subsidiaries (referred collectively as the "Group") is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts. These consolidated financial statements of the Group also include the Group's interest in associates and joint ventures.

The Company is domiciled and incorporated in India in 1902 and has its registered office at Mandlik House, Mandlik Road, Mumbai –400 001, India. It is promoted by Tata Sons Private Limited (Formerly Tata Sons Limited), which holds a significant stake in the Company.

The consolidated financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on June 10, 2020.

NOTE 2. BASIS OF PREPARATION, PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS, SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

The consolidated financial statements have been prepared on the following basis:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

(b) Basis of preparation

The Consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(c) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of that entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Group transactions, balances and unrealised gains on transactions between entities within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

(ii) Joint ventures, associates and equity method accounting

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangements have rights to the net assets and obligations for the liabilities, relating to the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance Sheet.

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its Associates and its Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amounts of equity accounted investments are tested for impairment.

The financial statements of subsidiaries, joint ventures and associates consolidated are drawn upto the same reporting date as that of the Company except one of the associate and joint venture which has the reporting date of December 31, 2019.

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate an equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

(iv) Goodwill

a. Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

b. Goodwill arising from the acquisition of associates and joint ventures is included in the carrying value of the investment in associates and joint ventures.

c. Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value. The impairment loss on goodwill is reported in the Consolidated Statement of Profit and Loss.

d. Goodwill on acquisition of the foreign subsidiaries is restated at the rate prevailing at the end of the year.

(d) Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment, Right-of-Use assets and Intangible assets that are subject to amortisation/depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Impairment of investments:** The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charges in the Consolidated Statement of Profit and Loss.

  Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and the tax charge in the Consolidated Statement of Profit and Loss.

- **Loyalty programme:** The Group estimates the fair value of points awarded under the Loyalty programme by applying statistical techniques. Inputs include making assumptions about expected breakages, the mix of products that will be available for redemption in the future and customer preferences, redemption at own hotels and other participating hotels.

  The group assessed whether the loyalty points provide a material right to the customer that needs to be accounted for as a separate performance obligation. The group determines that the loyalty points provide a material right that the customer would not exercise without entering into the contract.

- **Fair value measurement of derivative and other financial instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet Date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.
- **Litigation:** From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet Date.

- **Determination of control:** The group has exercised its judgement not to consolidate entities with majority holding where the group does not have any power or control over or exposure to entity and does not have any rights to variable returns from its involvement with the entity. Also, for all strategic investments in entities where there is a contractual agreement in the form of joint venture agreement were classified as joint venture.

- **Recognition of deferred tax liability on undistributed profits:** The extent to which the group can control the timing of reversal of deferred tax liability on undistributed profit of its subsidiaries requires judgement.

- **Leases:**

  Critical judgements in determining the lease term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

  Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(e) Estimation uncertainty due to COVID-19:

On March 11, 2020, the World Health Organisation declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020. Business operations in the various international markets where the Company operates have also been impacted to varying extent based on the spread of the pandemic and the restrictions on business activities placed by the respective foreign Governments.

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to all the businesses of the Group i.e. The Indian Hotels Company Limited (the "Company"/ "IHCL") and its subsidiaries, joint ventures & associates. Lockdown guidelines mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of our hotels across the Group.

Most of the hotels of the Group were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions, the Group has started re-opening a few hotels, after establishing thorough and well-rehearsed safety protocols. The Group expects all the hotels to become operational in a phased manner after the lockdown is lifted and the confidence of travellers is restored. The Group expects the demand for its services to pick up albeit at a slower pace once lockdown is lifted and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

The Group has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to raise finances from banks and institutions for working capital needs and long term fund requirements and the Group is in a comfortable liquidity position to meet its commitments. The Group has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies.

The Group has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right-of-use-assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Group. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Group as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

Significant accounting policies

(f) Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and shop rentals: Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognised in the period in which services are being rendered.

Other Allied services: In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Management and Operating fees: Management fees earned from hotels managed by the Group are usually under long-term contracts with the hotel owner. Under Management and Operating Agreements, the Company's performance obligation is to provide hotel management services and a license to use the Company's trademark and other intellectual property.

Management and incentive fee is earned as a percentage of revenue and profit and are recognised when earned in accordance with the terms of the contract based on the underlying revenue, when collectability is certain and when the performance criteria are met. Both are treated as variable consideration.

Membership Fees: Membership fee income majorly consists of membership fees received from the loyalty program and Chamber membership fees. Income is earned when the customer enrolls for membership programs. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Loyalty program: The Group operates loyalty programme, which provides a material right to customers that they would not exercise without entering in to a contract and the eligible customers earns points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues related to award points is deferred and a contract liability is created and on redemption/ expiry of such award points, revenue is recognised at pre-determined rates.

Contract balances

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when the Group's right to receive the amount is established.

(g) Employee Benefits

i. Short term Employee Benefits

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related service. The accruals for employee entitlements to benefits such as salaries, bonuses and annual leave represent the amounts which the Group has a present obligation to pay as a result of the employee's services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

ii. Post-Employment Benefits:

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

a) Provident and family pension fund

The eligible employees of domestic components of the Group are entitled to receive post-retirement benefits in respect of provident fund and family pension fund a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund managed by the trust set up by the Group, or to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred.

Employee benefits arising out of contributions towards Provident Fund and Family Pension Scheme to Regional Provident Fund Commissioner or the Central Provident Commissioner and Social Security etc. paid/payable during the year are recognised as expense in the Statement of Profit and Loss account in the period in which the employee renders services.

Eligible employees of some of the overseas components of the Group are members of defined contribution plans. These plans, in addition to employee contribution, require the Group to make contributions equivalent to a pre-define percentage of each eligible participant's plan compensation for each year. The Group may also make a profit sharing contribution of uniform percentage of eligible participant's plan compensation based on profit as defined. The Group recognised such contribution as an expense in the year in which the employee renders service.

b) Superannuation

The Group has a defined contribution plan for eligible employees of its domestic components, wherein it annually contributes a sum equivalent to a defined percentage of the eligible employee's annual basic salary to a fund administered by the trustees. The Group recognises such contributions as an expense in the year in which the corresponding services are received from the employees.

C) Others

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligation therein, based on independent external actuarial valuations carried out at the Balance Sheet date.

Certain international subsidiaries operate a defined contribution pension scheme and the pension charge represents the amounts paid/ payable by them to the fund in the period in which the employee renders services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

a) Gratuity

The Group accounts for the net present value of its obligations for gratuity benefits, based on independent actuarial valuations, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or asset as of the reporting date. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

In case of funded scheme, the Group makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds in respect of eligible employee in case of certain domestic components and the parent / company.

b) Post-Retirement Pension Scheme and Medical Benefits

The net present value of the Group's obligation towards post retirement pension scheme for retired whole time directors and post- employment medical benefits to qualifying employees is actuarially determined, based on the projected unit credit method. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

The Group also participates in an industry-wide defined benefit plan which provides pension linked to final salaries in respect of employees of certain overseas hotel properties. The plan is funded in a manner such that contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period. It is not practicable to determine the present values of the Group's obligations as the covered hotel properties have not received information from the plan's administrator. In the absence of sufficient information the plan has been accounted as if it was a defined contribution plan.

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

c) Provident Fund Trust

In respect of contribution to the trust set up by the Group, since the Group is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

Other Long-term Employee Benefits

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(h) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(q) below). Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalised and depreciated over their estimated useful life.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Indian Entities

Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The estimated useful lives of the assets are as follows:

Class of Assets	Estimated Useful Life
Building	30 to 80 years
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices – Computers, Laptops etc.	6 years
Operating supplies (issued on opening of a new hotel property)	2 to 3 years
Other miscellaneous hotel assets	4 years

In respect of buildings on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to leasehold buildings are depreciated on the basis of their estimated useful lives or the expected lease period, whichever is lower. Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

International Entities

Depreciation on assets is provided at Straight Line Method (SLM) based on the estimated useful life detailed below. In respect of improvements in the nature of structural changes and major refurbishment to buildings occupied on lease, depreciation is provided for over the period of the lease.

Class of Assets	Estimated Useful Life
Long term lease hold property	Over the term of lease
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives. Freehold land is not depreciated.

(i) Intangible Assets

Intangible assets include cost of acquired software and designs, cost incurred for development of the Company's website and certain contract acquisition costs including the lease rights acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising for other intangible assets is as under:

Class of Assets	Estimated Useful Life
Website Development Cost	5 years
Software and Licences	6 years
Service and Operating Rights	10 years
Leasehold property rights	Over the term of lease

An intangible assets is derecognised on disposal, or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(j) Impairment of Assets

Goodwill which has an indefinite useful life is not subject to amortisation and is tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(k) Foreign Currency Translation

Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupee (₹).

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Translation of financial statements of foreign operations

Assets and liabilities of foreign entities are translated into Indian Rupees on the basis of the closing exchange rates as at the end of the year. Income and expenditure and cash flow are generally translated using average exchange rates for the period unless those rates do not approximate the actual exchange rates at the dates of specific transactions, in which case the exchange rates as at the dates of transaction are used. All resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as a part of gain or loss on sale.

(l) Lease

Effective April 1, 2019 the group has applied Ind AS 116 which replaces Ind AS 17 Leases. Refer note 2(k) – Significant accounting policies – Assets taken on lease in the Annual report of the group for the year ended March 31, 2019, for policy for lease accounting as per Ind AS 17.

On inception of a contract, the Group (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease contracts may contain both lease and non-lease components. The Group allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Group is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment if whether it will exercise an extension or a termination option and any lease modification.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as follows in the Group's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and
- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities

(m) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value.Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(n) Government Grants

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Group will comply with the attached conditions.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the balance sheet by deducting the grant in calculating the carrying amount of the asset.

(o) Income Taxes

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates at the end of the reporting period in the countries where the company and its subsidiaries and its associates and joint ventures operate and generate taxable income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of the goodwill. The deferred tax is also not accounted if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profits/(taxable loss).

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax assets can be realised. Deferred tax assets positions are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences between the carrying amount and the tax bases of investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(p) Provisions

Provisions are recognised when the Group has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Group created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

(q) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(r) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

(s) Earnings per share

Basic earnings per share is computed by dividing the Profit or Loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(t) Exceptional items

The Group discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Group and provides consistency with the Group's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Group. Exceptional items can include, but are not restricted to, gains and losses on the disposal of properties/significant undertakings, impairment charges, exchange gain/ (loss) on long term borrowings/ assets and changes in fair value of derivative contracts.

(u) Financial Instruments

a. Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- **Cash and cash equivalents -** Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
- **Debt Instruments -** The Group classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset:

  i. Financial assets at amortised cost

  Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Group's income in the Statement of Profit and Loss using the effective interest rate method.

ii. Financial assets at Fair Value through Other Comprehensive Income ("FVOCI")

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

iii. Financial assets at Fair Value through Statement of Profit and Loss ("FVTPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

- **Equity Instruments -** The Group subsequently measures all equity investments (other than the investment in joint ventures and associates which are measured using equity method of accounting) at fair value. Where the Group has elected to present fair value gains and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Group's right to receive payment is established.

The Group has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments not held for trading.

When the equity investment is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

The Group assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Group recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

Derivatives contracts

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The fair value changes of derivatives which are not designated as a hedging instrument are accounted through Statement of Profit and Loss. During the years reported, no hedge relationship was designated.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(v) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the Statement of Profit and Loss.

(w) Business combination

The Group uses the "acquisition method" of accounting to account for its business combinations as per which the identifiable assets or liabilities (and contingent liabilities) assumed are recognised at their fair values (with limited exceptions). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interests of the acquire, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition date amounts of identifiable assets acquired and the liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as Capital Reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as Capital Reserve.

Transaction costs incurred (other than debt / equity instrument related) in connection with a business combination, such as legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If the Group obtains control over one or more entities that are not businesses, then the bringing together of those entities are not business combinations. The cost of acquisition is allocated among the individual identifiable assets and liabilities of such entities, based on their relative fair values at the date of acquisition. Such transactions do not give rise to goodwill and no non-controlling interest is recognised.

In case of business combinations involving entities under common control, the above policy done not apply. Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination

(x) Recent accounting pronouncements

New and amended standards adopted by the Group:

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

i) **Ind AS 116 – Leases;**

ii) Income tax consequences in case of dividends (Ind AS 12 – Income Taxes (amendments relating to income tax consequences of dividend));

iii) Accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities (Ind AS 12 – Income Taxes (amendments relating to uncertainty over income tax treatments));

iv) Accounting treatment for specific borrowings post capitalisation of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);

v) Accounting for prepayment features with negative compensation in case of debt instruments (Ind AS 109 – Prepayment Features with Negative Compensation);

vi) Accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans (Ind AS 19 – Plan Amendment, Curtailment or Settlement);

vii) Business combination accounting in case of obtaining control of a joint operation (Ind AS 103 – Business combination);

viii) Accounting in case of obtaining joint control of an operation wherein there was no joint control earlier (Ind AS 111 – Joint arrangement);

ix) Accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the investment in the associate or joint venture (long-term interests) (Ind AS 28 – Long-term interests in associates and joint ventures).

The Group has changed its accounting policies as a result of adopting Ind AS 116. The Group elected to adopt the new standard retrospectively with the cumulative effect of initially applying the standard recognised in retained earnings, on April 1, 2019. This is disclosed in note 34. The other amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New Standards or other amendments issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT (OWNED, UNLESS OTHERWISE STATED)

(₹ crores)

	Freehold land	Buildings	Plant and machinery	Furniture & fixtures	Office equipment	Vehicles	Total
		(Refer Footnote i and vi)		(Refer Footnote ii)	(Refer Footnote ii)		
Cost							
Gross carrying value							
At April 1, 2018	259.20	3,688.56	1,162.22	531.15	67.01	8.30	5,716.44
Translation adjustment (Refer Footnote iii)	5.81	36.35	(0.23)	3.56	0.51	-	46.00
Additions (Refer Footnote iv)	0.16	284.57	160.13	76.58	6.32	2.59	530.35
Disposals (Refer Footnote vi)	-	13.91	7.59	3.08	0.91	0.31	25.80
At March 31, 2019	**265.17**	**3,995.57**	**1,314.53**	**608.21**	**72.93**	**10.58**	**6,266.99**
Translation adjustment (Refer Footnote iii)	8.77	110.62	2.20	10.48	0.83	-	132.90
Additions (Refer Footnote iv)	-	133.71	111.49	58.63	14.85	3.68	322.36
Adjustments (Refer Footnote vii)	-	(24.29)	(15.58)	-	-	-	(39.87)
Disposals (Refer Footnote vi)	8.32	33.87	10.98	5.83	0.91	0.32	60.23
At March 31, 2020	**265.62**	**4,181.74**	**1,401.66**	**671.49**	**87.70**	**13.94**	**6,622.15**
Accumulated Depreciation							
At April 1, 2018	-	305.76	248.00	151.69	30.01	3.02	738.48
Translation adjustment (Refer Footnote iii)	-	3.29	(0.09)	1.86	0.27	-	5.33
Charge for the year	-	124.14	103.56	61.52	10.80	0.81	300.83
Disposals	-	2.87	5.11	1.85	0.74	0.26	10.83
At March 31, 2019	**-**	**430.32**	**346.36**	**213.22**	**40.34**	**3.57**	**1,033.81**
Translation adjustment (Refer Footnote iii)	-	15.22	0.95	7.49	0.62	-	24.28
Charge for the year	-	130.77	105.02	59.58	11.72	1.07	308.16
Disposals	-	5.22	4.21	4.34	0.70	0.28	14.75
At March 31, 2020	**-**	**571.09**	**448.12**	**275.95**	**51.98**	**4.36**	**1,351.50**
Net Block							
At March 31, 2019	**265.17**	**3,565.25**	**968.17**	**394.99**	**32.59**	**7.01**	**5,233.18**
At March 31, 2020	**265.62**	**3,610.65**	**953.54**	**395.54**	**35.72**	**9.58**	**5,270.65**

Footnotes:

(i) Cost includes improvements to buildings constructed on leasehold land - ₹ 2,999.78 crores; (Previous year - ₹ 2,861.78 crores)

(ii) Furniture, Fixtures and Office Equipment as at the year end include assets on finance lease: Cost - ₹ 4.90 crore (Previous year - ₹ 1.30 crore), Accumulated Depreciation - ₹ 1.27 crore (Previous year ₹ 0.74 crore), Depreciation for the year - ₹ 0.48 crore (Previous year - ₹ 0.23 crore) and carrying value as at the reporting date of ₹ 3.63 crore (Previous year ₹ 0.56 crore).

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

(iv) Addition includes ₹ 1.51 crore (Previous year - ₹ 0.07 crore) on account of interest cost on borrowings capitalised on certain qualifying assets (Refer Note 27).

(v) For details of pledged assets refer Note 19, footnote (ii).

(vi) Disposals include ₹ 3.74 crores (Previous year - ₹ 8.43 crores) of Assets, comprising of residential flats, reclassified as held for sale.

(vii) The Company had filed a claim for Government subsidy in 2016 with the Department of Industrial Policy and Promotion for a new greenfield hotel project in Guwahati, which had since commenced operations. Company's application was under various stages of review and verification finally with various government authorities. During the year, the Company's claim application was approved and on March 30, 2020, the Company received the amount of capital subsidy of ₹ 40.69 crores. Claims received directly attributable to specific assets amounting to ₹ 39.87 crores has been reduced/adjusted against the respective assets and accordingly depreciation in future years would be lower. Claims received in respect of assets which were fully depreciated in the books or exceeding the carrying value has been recognised as Other Income.

NOTE 4 : RIGHT-OF-USE ASSETS

(₹ crores)

	Leased Land	Buildings	Office Premises	Total
Cost				
Gross carrying value				
At April 1, 2019 (Refer Note 34)	194.38	1,511.83	35.60	1,741.96
Reassessment of leases	-	29.23	-	29.23
Additions	-	46.37	-	46.37
Disposals	0.15	170.63	-	170.78
At March 31, 2020	**194.53**	**1,416.80**	**35.60**	**1,646.78**
Accumulated Amortisation				
At April 1, 2019 (Refer Note 34)	-	-	-	-
Translation adjustment (Refer Footnote iii)	-	1.36	-	1.36
Charge for the year (Refer Footnote i)	3.34	61.96	7.00	72.30
Disposals	-	10.16	-	10.16
At March 31, 2020	**3.34**	**53.16**	**7.00**	**63.50**
Net Block				
At March 31, 2020	**191.04**	**1,363.64**	**28.60**	**1,583.28**

Footnotes:

(i) Amortisation includes ₹ 1.94 crores which is capitalised during the year.

(ii) The Company's leased assets mainly comprise land and hotel properties and offices. Leases contain a wide range of different terms and conditions. The term of property leases ranges from 1 to 198 years. Many of the Company's property leases contain extension or early termination options, which are used for operational flexibility.

One of the land lease agreement with the Government has expired and is in an advanced stage of renewal. In the absence of a definitive agreement and uncertainty about the timing of the cash flows, this lease is not included in the calculation of Right-of-Use Assets and corresponding Lease liabilities. The rental for this land continues to be provided as lease expense on a best estimate.

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

(iv) Variable lease payments are payable under certain of the Company's hotel leases and arise where the Company is committed to making additional lease payments that are contingent on the performance of the hotels. (Refer Note 34 (c))

NOTE 5 : GOODWILL

(₹ crores)

	March 31, 2020	March 31, 2019
Opening Balance	583.47	555.56
Add : Foreign Exchange fluctuation for the year	31.52	27.91
Less : Adjustment on account of additional stake in a subsidiary	(0.41)	-
Closing Balance	**614.58**	**583.47**

Footnotes:

The Group tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill, which arose on acquisition of the assets/entities, is allocated to a cash generating unit "CGU" representing the lowest level with the Group at which goodwill is monitored for internal management reporting purposes.

The recoverable value of the CGU is determined on the basis of 'fair value less cost to sell'. The Group determined fair values using the market approach, when available and appropriate, or the income approach, or a combination of both. The Group assesses the valuation methodology based upon the relevance and availability of the data at the time the valuation is performed. If multiple valuation methodologies are used, the results are weighted appropriately.

Valuations using the market approach are derived from metrics of publicly traded companies or historically completed transactions of comparable businesses. The selection of comparable businesses is based on the markets in which the reporting units operate giving consideration to risk profiles, size, geography, and diversity of products and services.

Goodwill mainly comprises of ₹ 430.78 crores (Previous year - ₹ 399.25 crores) allocated to the International business (United Kingdom) and ₹ 130.99 crores (Previous year - ₹ 130.99 crores) allocated to a component of domestic business. The estimated fair value of these CGUs is based on market value of property. The remaining amount of goodwill of ₹ 52.81 crores (Previous year - ₹ 53.23 crores) relates to different CGUs which is individually immaterial.

NOTE 6(a) : OTHER INTANGIBLE ASSETS

(₹ crores)

	Leasehold property rights (acquired) (Refer Footnote iii)	Website development cost	Software and licences (Refer Footnote i)	Service and operating rights	Total
Cost					
Gross carrying value					
At April 1, 2018	623.62	19.80	52.48	3.48	699.38
Translation adjustment (Refer Footnote ii)	0.65	-	-	0.22	0.87
Additions	8.95	1.70	2.55	-	13.20
Disposals	-	-	0.09	-	0.09
At March 31, 2019	**633.22**	**21.50**	**54.94**	**3.70**	**713.36**
Translation adjustment (Refer Footnote ii)	0.99	-	-	0.34	1.33
Additions	6.67	1.16	2.54	-	10.37
Disposals	0.04	-	0.01	-	0.05
At March 31, 2020	**640.84**	**22.66**	**57.47**	**4.04**	**725.01**
Accumulated Amortisation					
At April 1, 2018	43.87	9.02	23.86	3.48	80.23
Translation adjustment (Refer Footnote ii)	0.40	-	-	0.22	0.62
Charge for the year	13.87	4.03	9.12	-	27.02
Disposals	-	-	0.11	-	0.11
At March 31, 2019	**58.14**	**13.05**	**32.87**	**3.70**	**107.76**
Translation adjustment (Refer Footnote ii)	0.88	-	-	0.34	1.22
Charge for the year	13.75	4.30	7.67	-	25.72
Disposals	0.01	-	0.02	-	0.03
At March 31, 2020	**72.76**	**17.35**	**40.52**	**4.04**	**134.67**
Net Block					
At March 31, 2019	**575.08**	**8.45**	**22.07**	**-**	**605.60**
At March 31, 2020	**568.08**	**5.31**	**16.95**	**-**	**590.34**

Footnotes:

(i) Software includes Customer Reservation System and other licensed software.

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

(iii) Leasehold property rights mainly consists of lease acquisition rights for the hotel property including land. Refer Note 2(h) for accounting policy .

NOTE 6(b) : DEPRECIATION AND AMORTIZATION EXPENSES

(₹ crores)

	March 31, 2020	March 31, 2019
Depreciation on Property, Plant and Equipment	308.16	300.83
Depreciation of Right-of-use Assets *	70.36	-
Amortisation on Intangible Assets	25.72	27.02
Total	**404.24**	**327.85**

* Amortisation charge for the year excludes ₹ 1.94 crores which is capitalised during the year.

NOTE 7 : INVESTMENTS ACCOUNTED USING THE EQUITY METHOD

Break up of investments in joint ventures and associate (carrying value determined using the equity method of accounting) as below :-

		Face Value		March 31, 2020		March 31, 2019	
				Holdings as at	(₹ crores)	Holdings as at	(₹ crores)
(a)	**Equity investments in joint venture companies (Refer Note 35(c))**						
	Fully paid unquoted equity investments						
	Taj Kerala Hotels & Resorts Ltd.	₹	10	1,41,51,664	13.95	1,41,51,664	15.57
	Taj SATS Air Catering Ltd.	₹	10	88,74,000	69.95	88,74,000	61.83
	Taj Karnataka Hotels & Resorts Ltd. (Refer footnote (iii))	₹	10	13,98,740	-	13,98,740	-
	Taj Madras Flight Kitchen Private Ltd. (79,44,112 shares sold during the year) (Refer footnote (vi))	₹	10	-	-	79,44,112	25.23
	Taj Safaris Ltd. (29,94,417 shares acquired during the year)	₹	10	2,97,20,502	9.04	2,67,26,085	10.93
	Kaveri Retreat & Resorts Ltd.	₹	10	1,31,76,467	43.49	1,31,76,467	41.02
	Zarrenstar Hospitality Private Ltd (Refer Note 32(ii))	₹	1	1	-	-	-
	IHMS Hotels (SA) (Proprietary) Ltd. (Refer footnote (iii))	Zar	1	8,67,39,958	-	8,67,39,958	-
	TAL Hotels and Resorts Ltd.	US $	1	49,46,282	124.74	49,46,282	122.31
	Total Aggregate unquoted investments				**261.17**		**276.89**
	Fully paid quoted equity investments						
	Taj GVK Hotels & Resorts Ltd.	₹	10	1,60,00,400	123.21	1,60,00,400	117.33
	Total Aggregate quoted investments				**123.21**		**117.33**
	Total Investments carrying value				**384.38**		**394.22**
(b)	**Equity investments in associate companies (Refer Note 35(c))**						
	Fully paid unquoted equity investments						
	Taj Madurai Ltd.	₹	10	9,12,000	4.04	9,12,000	6.22
	Taida Trading & Industries Ltd. (Refer footnote (iv))	₹	100	65,992	-	65,992	-
	Lanka Island Resorts Ltd.	LKR	10	1,99,65,525	33.40	1,99,65,525	33.71
	Bjets Pte Ltd. (Refer footnote (iv))	US $	1	2,00,00,000	-	2,00,00,000	-
	Total Aggregate unquoted investments				**37.44**		**39.93**
	Fully paid quoted equity investments						
	Oriental Hotels Ltd. (Refer footnote (v))	₹	10	6,61,66,530	238.99	6,61,66,530	240.07
	Tal Lanka Hotels Plc	LKR	10	3,43,75,640	**11.54**	3,43,75,640	**13.45**
	Total Aggregate Quoted Investments				**250.53**		**253.52**
	Total Investments Carrying Value				**287.97**		**293.45**
	Total Investments in Joint Ventures and Associates				**672.35**		**687.67**

Footnotes:

(i)	Aggregate carrying value of Quoted Investments	373.74	370.85
	Market value of Quoted Investments	289.87	697.34
	Aggregate amount of impairment in value of investments	-	-
(ii)	Aggregate amount of Unquoted Investments	298.61	316.82

(iii) The carrying value of these investments is carried at nil value as the Group's interest using equity method in these entities are reduced to zero. The Group has also picked up additional losses under the equity method to the extent of the Group's other exposures in terms of loans given and Fees/dues Outstanding's. (Refer Note no 21(b)).

(iv) The carrying amount of these investments has been reported as nil, as the Group's share of losses exceeds the cost/carrying value. (Refer Note 35(b))

(v) Includes 5.40% (Previous year 5.40%), of the shares held in the form of Global Depository Receipts (GDR).

(vi) In order to consolidate the business and operations of Air Catering, the Parent Company has during the year sold its entire stake representing 50% of the paid up capital in Taj Madras Flight Kitchen Private Limited, to Taj SATS Air Catering Limited at fair value based on independent valuation resulting in a profit of ₹ 2.12 crores, which has been booked under exceptional item in Note 29.

NOTE 8 : INVESTMENTS

		Face Value		March 31, 2020		March 31, 2019	
				Holdings as at	(₹ crores)	Holdings as at	(₹ crores)
(a)	**Non current**						
	Equity investments in other companies (Non current)						
	Carried at fair value through Other Comprehensive Income:						
	Fully paid unquoted equity investments						
	Damania Airways Ltd.*	₹	10	500	-	500	-
	Hotels and Restaurant Co-op. Service Society Ltd. *	₹	50	20	-	20	-
	Kumarakruppa Frontier Hotels Private Ltd.	₹	10	96,432	7.48	96,432	7.18
	MPOWER Information Systems Private Ltd. *	₹	10	5,28,000	-	5,28,000	-
	Smile and Care Products Private Ltd. *	₹	10	49,800	-	49,800	-
	Tata Ceramics Ltd. (sold during the year)	₹	2	-	-	1,54,29,480	-
	Tata Industries Ltd. (Refer Footnote (v)	₹	100	42,74,590	55.73	42,74,590	55.73
	Tata International Ltd	₹	1000	8,000	18.11	8,000	24.96
	Taj Air Ltd.	₹	10	2,22,40,200	5.58	2,22,40,200	5.50
	Tata Services Ltd.	₹	1000	421	0.04	421	0.04
	Tata Sons Private Ltd. (Refer Footnote (v)	₹	1000	4,500	25.00	4,500	25.00
	TRIL Infopark Ltd. (Refer Footnote iii)	₹	10	7,11,00,000	71.10	7,11,00,000	71.10
	Bombay Mercantile Co-operative Bank Ltd.*	₹	30	333	-	333	-
	Hindustan Engineering & Industries Ltd. *	₹	10	7	-	7	-
	Saraswat Co-operative Bank Ltd. *	₹	10	2,000	-	2,000	-
					183.04		**189.51**

	Face Value		March 31, 2020		March 31, 2019	
			Holdings as at	(₹ crores)	Holdings as at	(₹ crores)
Fully paid quoted equity investments:						
India Tourism Development Corporation Ltd.	₹	10	67,50,275	87.75	67,50,275	189.04
Tulip Star Hotels Ltd.	₹	10	35,800	0.09	35,800	0.23
Asian Hotels (North) Ltd. *	₹	10	2	-	2	-
Asian Hotels (East) Ltd. *	₹	10	2	-	2	-
Asian Hotels (West) Ltd. *	₹	10	2	-	2	-
EIH Ltd. *	₹	2	37	-	37	-
Hotel Leela Venture Ltd. *	₹	2	25	-	25	-
Graviss Hospitality Ltd.	₹	2	4,500	0.01	4,500	0.01
HDFC Bank Ltd. (shares split during the year in the ratio of 2:1)	₹	1	5,000	0.43	2,500	0.58
Titan Company Ltd. (13,06,000 Shares sold during previous year)	₹	1	5,00,000	46.67	5,00,000	56.88
				134.95		**246.74**
Investment in Preference Shares (carried at amortised costs)						
Central India Spinning Weaving & Manufacturing Company Ltd. *	₹	500	50	-	50	-
(10% unquoted Cumulative Preference Shares)						
Investment in Others (carried at amortised costs)						
National Savings Certificate				0.01		0.01
Total Investments carrying value				**318.00**		**436.26**
* Value of these investments individually is less than ₹ 25,000						

Footnotes:

		March 31, 2020	March 31, 2019
(i)	Aggregate carrying amount of Quoted Investments	**134.95**	246.74
	Market value of Quoted Investments	**134.95**	246.74
(ii)	Aggregate carrying amount of Unquoted Investments and Others	**183.05**	189.52

(iii) Transfer of shares is restricted due to option granted for 10 years upto July, 2021 to Tata Realty and Infrastructure Ltd. for repurchase of the shares at par value. Tata Realty and Infrastructure Ltd. has deposited a sum of ₹ 71.10 crores (March 31, 2019 ₹ 71.10 crores) as Option Deposit, which shall be adjusted upon exercise of the option or refunded.

(iv) The fair value hierarchy and classification are disclosed in Note 35(b).

(v) For these investments, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

NOTE 8 : INVESTMENTS

(₹ crores)

	March 31, 2020	March 31, 2019
(b) Current		
Investments carried at fair value through profit and loss:		
Investments in mutual fund units (unquoted)	436.24	211.21
	436.24	**211.21**
Investments carried at fair value through Other Comprehensive Income:		
Equity investments in other entities (unquoted)		
BAHC 5 Pte Ltd. (Refer Note ii)	-	-
1 (Previous year - 1) equity shares of US $ 1 each (₹ 75 (Previous year ₹ 69))		
	-	**-**
Total Current investments	**436.24**	**211.21**

Footnotes:

		March 31, 2020	March 31, 2019
(i)	Aggregate amount of Unquoted Investments:	**436.24**	211.21
(ii)	This investment are temporarily held for disposal in near future (Refer Note 35(a)(ii)(b))		

NOTE 9 : LOANS

(₹ crores)

	March 31, 2020	March 31, 2019
(a) Non current (at amortised costs)		
(Unsecured)		
Loans to related parties (Refer Note 41)		
Considered good	16.65	15.73
Credit impaired	3.27	150.26
	19.92	**165.99**
Less : Allowance for credit impaired	3.27	150.26
	16.65	**15.73**
(b) Current (at amortised cost)		
(Unsecured, considered good unless stated otherwise)		
Loans		
Related parties (Refer Note 41)	3.42	2.87
Others	1.35	0.57
	4.77	**3.44**

NOTE 10 : OTHER FINANCIAL ASSETS

(₹ crores)

		March 31, 2020	March 31, 2019
(a)	**Non current**		
	Long-term security deposits placed for hotel properties at amortised costs		
	Long-term security deposits placed for hotel properties at amortised costs	75.02	34.37
		75.02	**34.37**
	Less : Allowance for doubtful deposits	2.00	2.00
		73.02	**32.37**
	Deposits with Public Bodies and Others at amortised costs		
	Related parties (Refer Note 41)	0.08	-
	Public Bodies and Others	32.63	25.19
		32.71	**25.19**
	Less : Allowance for doubtful deposits	0.02	0.10
		32.69	**25.09**
	Deposits with banks (Refer Note 16)	10.81	6.27
	Interest receivable	0.08	0.14
	Others	1.76	1.67
		118.36	**65.54**
(b)	**Current**		
	Deposit with public bodies and others		
	Public Bodies and Others	29.70	61.26
		29.70	**61.26**
	Other advances		
	Considered good	13.87	12.12
	Considered doubtful	2.32	2.75
		16.19	**14.87**
	Less : Allowance for doubtful advances	2.32	2.75
		13.87	**12.12**
	Interest receivable		
	Related Parties (Refer Note 41)	0.49	0.98
	Others	6.72	2.57
		7.21	**3.55**
	Other receivable		
	Related Parties (Refer Note 41)	83.12	68.70
	Others	27.08	14.51
		110.20	**83.21**
		160.98	**160.14**

NOTE 11 : DEFERRED TAX ASSETS (NET)

(₹ crores)

		March 31, 2020	March 31, 2019
(a)	**Deferred tax assets:**		
	Allowance for doubtful debts	0.44	0.05
	Provision for employee benefits	4.18	0.25
	Right-of-use assets	6.22	-
	Unused tax losses (Business)	70.67	67.39
	MAT credit entitlement	20.43	0.17
	Others	2.80	2.08
	Total (A)	**104.74**	**69.94**
	Deferred tax liabilities:		
	Property, Plant and equipment & Intangible Assets	27.71	0.50
	Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	0.38	-
	Others	0.15	-
	Total (B)	**28.24**	**0.50**
	Net Deferred tax assets (A-B) (Refer Footnote i)	**76.50**	**69.44**

Footnote:

(i) Deferred tax assets and deferred tax liabilities of entities within the group have been offset as they relate to the same governing taxation laws.

(ii) For details in deferred tax balances, Refer Note 38.

NOTE 11 : DEFERRED TAX LIABILITIES (NET)

(₹ crores)

		March 31, 2020	March 31, 2019
(b)	**Deferred tax liabilities:**		
	Property, Plant and equipment & Intangible Assets	307.31	484.32
	Unamortised borrowing costs	0.34	0.37
	Fair valuation changes of derivative contracts	-	2.27
	Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	-	1.57
	Others	0.07	-
	Total (A)	**307.72**	**488.53**
	Deferred tax assets:		
	Allowance for doubtful debts	4.78	5.80
	Provision for employee benefits	33.84	38.72
	Right-of-use assets (net of Lease Liabilities)	47.23	-
	Unused tax losses (Business)	-	6.13
	MAT credit entitlement	-	19.18
	Fair valuation changes of derivative contracts	5.93	-
	Reward Points	12.31	14.83
	Provision for Contingencies	3.34	11.67
	Others	13.44	15.43
	Total (B)	**120.87**	**111.76**
	Net Deferred tax liabilities (A-B) (Refer Footnote i)	**186.85**	**376.77**

Footnote:

(i) Deferred tax liabilities and deferred tax assets of entities within the group have been offset as they relate to the same governing taxation laws.

(ii) For details in deferred tax balances, Refer Note 38.

NOTE 12 : OTHER ASSETS

(₹ crores)

	March 31, 2020	March 31, 2019
(a) Non current		
Capital advances	35.66	12.55
Prepaid expenses	120.32	208.02
Deposits with government authorities	111.41	113.41
Incentive receivables	76.67	82.12
Others	4.25	5.90
	348.31	**422.00**
(b) Current		
Prepaid expenses	58.86	104.61
Indirect tax recoverable	43.53	9.15
Advances to suppliers	26.95	14.76
Loans and advances to employee	2.01	2.40
Incentive receivables	0.77	1.67
Others	0.25	0.25
	132.37	**132.84**

NOTE 13 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ crores)

	March 31, 2020	March 31, 2019
Food and Beverages	51.26	42.83
Stores and Operating Supplies	42.35	37.57
	93.61	**80.40**

NOTE 14 : TRADE RECEIVABLES

(₹ crores)

	March 31, 2020	March 31, 2019
(Unsecured) (Refer Note 41 for Related Party Disclosures)		
Considered good	290.02	321.38
Significant increase in credit risk	-	-
Credit impaired	26.63	29.81
	316.65	**351.19**
Less : Allowance for credit impaired	26.63	29.81
	290.02	**321.38**
Footnote:		
Allowance for credit impaired		
Opening balance	29.81	13.97
Add: Allowance during the year	5.90	15.84
	35.71	**29.81**
Less: Bad debts written off / reversed no longer required	(9.08)	-
Closing balance	**26.63**	**29.81**

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ crores)

	March 31, 2020	March 31, 2019
Cash on hand	3.89	4.51
Cheques, drafts on hands	0.59	6.68
Balances with banks in current account	129.72	95.39
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	116.62	82.71
	250.82	**189.29**

NOTE 16 : OTHER BALANCES WITH BANKS

(₹ crores)

	March 31, 2020	March 31, 2019
Call and Short-term deposit accounts	58.39	47.48
Deposits pledged with others	8.73	3.10
Margin money deposits	6.41	4.85
Earmarked balances	2.04	2.49
	75.57	**57.92**
Less : Term deposit with banks maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current 'Other financial asset' (Refer Note 10(a))	10.81	6.27
	64.76	**51.65**

NOTE 17 : EQUITY SHARE CAPITAL

(₹ crores)

	March 31, 2020	March 31, 2019
Authorised share capital		
200,00,00,000 Equity Shares of ₹ 1 each	200.00	200.00
	200.00	**200.00**
Issued share capital		
118,93,07,472 (Previous year - 118,93,07,472) Equity Shares of ₹ 1 each	118.93	118.93
	118.93	**118.93**
Subscribed and paid up		
118,92,58,445 (Previous Year - 118,92,58,445) Equity Shares of ₹ 1 each, Fully Paid (Refer Footnote (ii) & (iv)	118.93	118.93
	118.93	**118.93**

Footnote:

(i) The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year.

	March 31 , 2020		March 31, 2019	
	No. of shares	(₹ crores)	No. of shares	(₹ crores)
As at the beginning of the year	118,92,58,445	118.93	118,92,58,445	118.93
Add : Shares issued during the year	-	-	-	-
As at the end of the year	**118,92,58,445**	**118.93**	**118,92,58,445**	**118.93**

(iii) Shareholders holding more than 5% shares in the Company :

	March 31 , 2020		March 31, 2019	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity share of ₹ 1 each fully paid				
Tata Sons Private Limited	45,30,05,131	38.09	43,32,19,860	36.43
Reliance Capital Trustee Company Limited	8,41,68,733	7.08	9,26,91,722	7.79
HDFC Trustee Company Limited	7,97,96,753	6.71	6,73,02,453	5.66

(iv) 49,027 (March 31, 2019 - 49,027) 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.

(v) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date Nil (March 31, 2019 - Nil)

(vi) Equity Shares held by associates :

	March 31 , 2020		March 31, 2019	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹ 1 each fully paid				
Oriental Hotels Limited	7,52,398	0.06	7,52,398	0.06
Taida Trading and Industries Limited	1,87,818	0.02	1,87,818	0.02
Taj Madurai Limited	11,25,393	0.09	11,25,393	0.09

NOTE 18 : OTHER EQUITY

(₹ crores)

	March 31, 2020	March 31, 2019
a) Reserves and surplus		
Capital Reserve (Refer Footnote (a) below)		
Opening and Closing Balance	43.91	43.91
Capital Reserve on Consolidation (Refer Footnote (b) below)		
Opening Balance	111.81	114.42
Add/(Less) : Change in ownership in a Joint venture	(0.24)	(2.61)
Closing Balance	**111.57**	**111.81**
Securities Premium (Refer Footnote (c) below)		
Opening Balance	2,702.05	2,702.08
Less : Issue expenses written off	-	(0.03)
Closing Balance	**2,702.05**	**2,702.05**
Other Reserves		
Capital Redemption Reserve (Refer Footnote (d) below)		
Opening Balance	10.59	10.59
Add/(Less) : Change in ownership in a subsidiary	0.20	-
Closing Balance	**10.79**	**10.59**

(₹ crores)

	March 31, 2020	March 31, 2019
Debenture Redemption Reserve (Refer Footnote (e) below)		
Opening Balance	317.90	305.97
Add : Transfer from retained earnings	-	11.93
Less : Transfer to General Reserve	(130.50)	-
Closing Balance	**187.40**	**317.90**
Other Reserve (Refer Footnote (f) below)		
Opening and Closing Balance	(3.89)	(3.89)
	194.30	**324.60**
General Reserve (Refer Footnote (g) below)		
Opening Balance	561.98	561.98
Add : Transfer from Debenture Redemption Reserve	130.50	-
Add/(Less) : Change in ownership in a subsidiary	0.08	-
Closing Balance	**692.56**	**561.98**
Retained Earnings		
Opening Balance	154.00	(56.86)
Less: Adjustment on account of transition to the new lease standard, net of taxes (Refer Note 34)	(264.32)	-
Add / (Less) : Adjustment on account of a joint venture (Refer Note 35(c) (iii))	-	(2.48)
Add : Profit for the year	354.42	286.82
Less : Transfer to Debenture Redemption Reserve	-	(11.93)
Less : Final Dividend	(59.46)	(47.57)
Less : Tax on Dividend (net)	(11.70)	(7.42)
Add: Realised loss on sale of investment transferred from Other Comprehensive Income	(3.01)	-
Less: Remeasurements of post employment benefit obligation, (item of other comprehensive income recognised directly in retained earnings)	(22.92)	(9.95)
Add : Tax on remeasurements of post employment benefit obligation	5.25	3.39
Closing Balance	**152.26**	**154.00**
Total	**3,896.65**	**3,898.35**
b) Other Comprehensive Income (Refer Footnote (h) below)		
(Refer Statement of changes in equity for the reclassification adjustments to retained earnings)		
Equity Instruments fair valued through Other Comprehensive Income	94.25	206.01
Exchange differences on translating the financial statement of foreign operations	246.98	124.71
	341.23	**330.72**
	4,237.88	**4,229.07**

Footnotes :

Description of nature and purpose of each reserve :

a) **Capital Reserve:** Capital reserve mainly consists of reserves transferred on amalgamation of subsidiaries in earlier years.

b) **Capital Reserve on Consolidation :** During acquisition, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve on account of acquisition.

c) **Securities Premium:** Securities premium represents the premium charged to the shareholders at the time of issuance of equity shares. The securities premium can be utilised based on the relevant requirements of the Companies Act, 2013.

d) **Capital Redemption Reserve:** Capital Redemption Reserve was created on redemption of Preference shares in earlier years.

e) **Debenture Redemption Reserve:** The Company created Debenture Redemption Reserve out of the profits which is available for the purpose of redemption of debentures. On redemption of debentures, the same will be transferred to General Reserve.

f) **Other Reserve:** These expenses relates to share issue expenses incurred by one of its subsidiary company in accordance with IND AS 32 : Financial Instruments Presentation

g) **General Reserve:** General reserve was created from time to time by way of transfer of profits from retained earnings for appropriation purposes based on the provisions of the Companies Act prior to its amendment.

h) **Other Comprehensive Income:** This represents the cumulative gains and losses arising on the revaluation of investments in equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such investments are disposed off.

NOTE 19 : BORROWINGS

(₹ crores)

		March 31, 2020	March 31, 2019
(a)	**Non current**		
	Debentures		
	Non convertible debentures		
	Secured (Refer Footnote ii)	1,044.36	1,044.09
	Unsecured (Refer Footnote iii)	199.96	729.29
		1,244.32	**1,773.38**
	Term loans		
	From Banks		
	Secured (Refer Footnote iv)	1,187.84	516.36
	Unsecured	-	-
		1,187.84	**516.36**
	Others	3.66	0.56
	Total	**2,435.82**	**2,290.30**
	Less: Current maturities of Long term borrowings (Refer Note 21 (b))	310.02	602.78
	Total non current borrowings	**2,125.80**	**1,687.52**
(b)	**Current**		
	Loans repayable on demand		
	From Bank		
	Unsecured (Refer Footnote v)	12.40	6.38
		12.40	**6.38**
	Deposits		
	Other short-term loans		
	From Bank		
	Unsecured (Refer Footnote vi(a))	113.85	17.30
		113.85	**17.30**
	From Related parties (Refer Note 41)		
	Unsecured (Refer Footnote vi(b))	40.00	12.00
		40.00	**12.00**
	Total	**153.85**	**29.30**
	Total current borrowings	**166.25**	**35.68**

Footnotes:

(i) Details of borrowings as at:

	Effective Rate of Interest (%)	Maturity	March 31 , 2020 (₹ crores)		March 31, 2019 (₹ crores)	
			Face value	Amortised cost	Face value	Amortised cost
Debentures						
Non convertible debentures (NCDs)						
Secured						
7.85% Non convertible debentures	7.85	April 15, 2022	495.00	494.36	495.00	494.09
10.10% Non convertible debentures	10.10	November 18, 2021	300.00	300.00	300.00	300.00
9.95% Non convertible debentures	9.95	July 27, 2021	250.00	250.00	250.00	250.00
			1,045.00	**1,044.36**	**1,045.00**	**1,044.09**
Unsecured						
7.85% Non-Convertible Debentures	7.85	April 20, 2020	200.00	199.96	200.00	199.84
2% Non convertible debentures	9.86	December 9, 2019	-	-	250.00	529.45
			200.00	**199.96**	**450.00**	**729.29**
			1,245.00	**1,244.32**	**1,495.00**	**1,773.38**
Term loan from banks						
Secured			-	1,187.84	-	516.36
Unsecured			-	-	-	-
			-	**1,187.84**	**-**	**516.36**
Others				3.66		0.56
			1,245.00	**2,435.82**	**1,495.00**	**2,290.30**
Short term borrowings			-	166.25	-	35.68
Total Borrowings			**1,245.00**	**2,602.07**	**1,495.00**	**2,325.98**

(ii) Non convertible debentures - secured include:

a) 4,950, 7.85% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 495 crores, allotted on January 20, 2017 are repayable at par after the end of 5th year from the date of allotment i.e on April 15, 2022.

b) 3,000, 10.10% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 300 crores, allotted on November 18, 2011 are repayable at par on November 18, 2021 i.e at the end of 10th year from the date of allotment.

c) 2,500, 9.95% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 250 crores, allotted on July 27, 2011 are repayable at par on July 27, 2021 i.e at the end of 10th year from the date of allotment.

All the Secured Non convertible debentures are rated, listed and secured by a pari passu first charge created on all the property, plant and equipment of the Company, both present and future.

(iii) Non convertible debentures - unsecured include:

a) 2,000, 7.85% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 200 crores, allotted on April 20, 2017 are repayable on April 20, 2020, i.e at the end of the 3rd year from the date of allotment.

b) 2,500, 2% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 250 crores, allotted on December 9, 2009 have been fully redeemed on due date i.e., December 9, 2019 alongwith redemption premium of ₹ 12.43 lakhs per debenture. In the previous year, this was classified under current maturities of long term borrowings.

(iv) Term Loan from Banks (Secured) include:

a) Secured term loan from a bank amounting to ₹ 365 crores (₹ 180 crores on December 6, 2019 and ₹ 185 crores on March 23, 2020) is repayable over a period of 6 years from the date of first drawdown with the final maturity date of December 6, 2025. The Company is in the process of creating charge on certain immoveable properties against this loan.

b) Secured term loan from a bank amounting to ₹ 330 crores (₹ 180 crores on December 9, 2019 and ₹ 150 crores on March 23, 2020) is repayable over a period of 6 years from the date of first drawdown with the final maturity date of December 8, 2025. The Company is in the process of creating charge on certain immoveable properties against this loan.

c) Roots Corporation Limited (RCL), a subsidiary of the Company, had obtained a secured loan facility from Kotak Bank for ₹ 75 crores which carries variable interest rate of 6 month MCLR + 30bps (effective interest as at March 31, 2020 is 8.5%) (Previous year 9.15%) payable at monthly rests. Principal amount is repayable in quarterly installments upto March 2022. Outstanding loan as at March 31, 2020 ₹ 42 crores (Previous Year ₹ 49 crores) . The Company has created a charge by way of hypothecation and mortgage of its 2 hotel properties and Property, Plant and Equipment contained therein.

Further, another loan of ₹ 50 crores was taken from HDFC Bank Ltd. carrying variable interest rate of 1 year MCLR + 5bps (effective interest as at March 31, 2020 8.7% (Previous year 9.7%) payable at monthly rest . Principal amount payable in 2 equal quarterly installments of ₹ 1 crores and 16 quarterly installments of ₹ 3 crores each. The repayment schedule shall start from July 2020. Outstanding loan as at March 31, 2020 ₹ 50 crores (Previous Year ₹ 50 crores). The company created a charge by way of hypothecation and mortgage of one hotel property and assets contained therein and is in process of creating charge by way of hypothecation on of one its another hotel.

d) St James Court Hotels Limited, an overseas subsidiary of the company, had undertaken a new loan of £ 44.5 million in the year 2017 at a floating rate of 3 month Sterling LIBOR + 1.65%. Repayments of this loan are £ 1.5m per annum (payable quarterly) with the balance repayable in August 2021. During the previous year, a new revolving loan facility was taken for £ 15mn at a floating rate of 3 month Sterling LIBOR + 1.85%. As at the year end March 31, 2020 balance outstanding is £ 43.07 m (Previous year £ 46.45 m) out of which repayable with in a year is £ 5.50m (Previous year £ 7.5m). The bank loan is secured by a first mortgage charge on the assets of St James Court Hotels Limited.

e) During the previous year, United Overseas Holding Inc. (UOH), a wholly owned overseas subsidiary, has fully prepaid its outstanding term loan of $ 20.90 million.

Short Term Loans :

(v) Loans repayable on demand

Loans repayable on demand from bank, consists of overdraft facility.

(vi) Other short-term loans includes

a) United Overseas Inc, a Wholly owned subsidiary has availed $ 15 million of credit agreement from J.P. Morgan Bank which expired on Dec 23, 2019 and was further renewed for a period of 1 year. The facility is at LIBOR PLUS 1.95% margin. At March 31,2020, entire $15 million was drawn down and outstanding on credit facility. The weighted average interest rate of the outstanding loans was approximately 3.78% at March 31, 2020

b) Loan from related parties consists of an inter-corporate deposits obtained by one of the subsidiary which carries interest of 9.00% p.a. repayable on demand.

(vii) Disclosure of changes in liabilities arising from financing activities (read with cash flow statement)

This section sets out an analysis of net debt and the movement in net debt for each of the periods presented below:

(₹ crores)

		March 31, 2020	March 31, 2019
a)	**Net debt**		
	Cash and cash equivalents	250.82	189.29
	Current investments	436.24	211.21
	Total Liquid investment (a)	**687.06**	**400.50**
	Long term borrowings (including current maturities shown under Other Current financial liabilities)	2,435.82	2,290.30
	Short term borrowings	166.25	35.68
	Gross Debt (b)	**2,602.07**	**2,325.98**
	Net Debt ((b) - (a)	**1,915.01**	**1,925.48**
b)	**Other financial liabilities**		
	Liability on derivative contracts	179.68	279.42
	Interest accrued but not due / Unclaimed interest	56.49	54.76
	Total Other financial liabilities	**236.17**	**334.18**
	Grand Total	**2,151.18**	**2,259.66**

(₹ crores)

	Liquid Assets		Liabilities from Financing activities				Total
	Cash and cash equivalents	Current Investments	Gross Debt	Net Debt	Derivatives	Interest accrued but not due / Unclaimed interest	
	(a)	(b)	(c)	(d) = (c)-(a)-(b)	(e)	(f)	(g) = (d)+(e)+(f)
Net Debt as at March 31, 2018	207.84	330.53	2,427.43	1,889.06	236.15	54.79	2,180.00
Cash flows	(19.98)	(137.09)	(150.68)	6.39	5.86	-	12.25
Interest expense	-	-	43.54	43.54	(3.62)	150.21	190.13
Interest paid	-	-	-	-	-	(150.80)	(150.80)
Transferred to IEPF	-	-	-	-	-	(0.34)	(0.34)
Other non- cash movements:							
Added to Borrowings							
Fair value adjustments	-	16.65	-	(16.65)	41.03	-	24.38
Foreign Currency Translation Difference	1.43	1.12	5.69	3.14	-	0.90	4.04
Net Debt as at March 31, 2019	**189.29**	**211.21**	**2,325.98**	**1,925.48**	**279.42**	**54.76**	**2,259.66**
Cash flows	56.21	222.20	222.66	(55.75)	(121.99)	-	(177.74)
Interest expense	-	-	31.83	31.83	-	152.40	184.23
Interest paid	-	-	(0.72)	(0.72)	-	(154.73)	(155.45)
Transferred to IEPF	-	-	-	-	-	(0.46)	(0.46)
Other movements						4.28	4.28
Fair value adjustments	-	2.83	-	(2.83)	21.76	-	18.93
Foreign Currency Translation Difference	5.32	-	22.32	17.00	0.49	0.24	17.73
Net Debt as at March 31, 2020	**250.82**	**436.24**	**2,602.07**	**1,915.01**	**179.68**	**56.49**	**2,151.18**

NOTE 20 : TRADE PAYABLES (REFER NOTE 41 FOR RELATED PARTY DISCLOSURES)

(₹ crores)

	March 31, 2020	March 31, 2019
Vendor payables	190.90	169.04
Accrued expenses and others	198.42	156.21
	389.32	**325.25**

NOTE 21 : OTHER FINANCIAL LIABILITIES

(₹ crores)

		March 31, 2020	March 31, 2019
(a)	**Non current**		
	Liability on derivative contracts	179.68	149.85
	Deposits from others	15.34	14.54
	Creditors for capital expenditure	1.23	2.74
	Employee related liabilities	5.12	12.69
		201.37	**179.82**
(b)	**Current**		
	Current maturities of long-term borrowings (Refer Note 19 (a))		
	Debentures	199.96	529.45
	Term loan from banks	109.27	73.20
	Others	0.79	0.13
		310.02	**602.78**
	Liability on derivative contracts	-	129.57
	Contract Liability towards loyalty programmes (Refer Note 30(iii (b))	49.18	43.43
	Other payables		
	From related parties (Refer Note 41)	1.93	1.05
	From other parties	7.40	5.40
		9.33	**6.45**
	Additional liability on account of loss in joint ventures to the extent of exposure (Refer Note 7(a)(iii))	79.82	74.52
	Deposits from others		
	Option Deposit received against purchase of shares (Secured) (Refer Note 8(a)(iii))	71.10	71.10
	Unsecured	20.05	18.28
		91.15	**89.38**
	Interest accrued but not due on borrowings	56.46	54.24
	Creditors for capital expenditure	32.41	47.90
	Unclaimed dividends	1.58	1.85
	Unclaimed matured deposits and interest accrued thereon	0.03	0.52
	Unclaimed matured debentures and interest accrued thereon ₹ 25,153 (Previous Year - ₹ 25,153)	-	-
	Employee related liabilities	115.13	127.09
	Other liabilities	74.78	68.83
		819.89	**1,246.56**

Footnote :

The fair value hierarchy and classification are disclosed in Note 36.

NOTE 22 : PROVISIONS

(₹ crores)

	March 31, 2020	March 31, 2019
(a) Non current		
Provision for employee benefits (Refer Note 39)		
Compensated absences	62.29	57.68
Gratuity	30.90	20.65
Post-employment medical benefits	6.92	6.20
Post-retirement pension	20.98	17.81
	121.09	**102.33**
(b) Current		
Provision for employee benefits (Refer Note 39)		
Compensated absences	24.70	22.03
Gratuity	2.03	1.09
Post-employment medical benefits	0.43	0.41
Post-retirement pension	1.22	1.47
Other employee benefits	0.75	0.69
	29.13	**25.69**
Provision for others		
Provision for disputed dues (Refer Footnote i)	125.33	121.95
	125.33	**121.95**
	154.46	**147.64**

Footnotes :

(i) Provision for disputed dues include provisions for the following:

(₹ crores)

	Opening Balance	Additions	Utilisation	Closing Balance
Disputed claims for taxes, levies and duties	**119.37**	**20.74**	**17.36**	**122.75**
	107.80	*11.57*	-	*119.37*
Dispute on contractual matters	**0.41**	**-**	**-**	**0.41**
	0.41	-	-	*0.41*
Dispute in respect of employee benefits	**2.17**	**-**	**-**	**2.17**
	2.17	-	-	*2.17*
Total	**121.95**	**20.74**	**17.36**	**125.33**
	110.38	***11.57***	**-**	***121.95***

a) The above matters are under litigation / negotiation and the ultimate outcome and timing of the cash flows, if any cannot be currently determined.

b) Figures in italics are in respect of previous year.

NOTE 23 : OTHER CURRENT LIABILITIES

(₹ crores)

	March 31, 2020	March 31, 2019
(a) Non current		
Advances collected from customers	18.05	-
	18.05	**-**
(b) Current		
Income received in advance (Refer Footnote (i))	33.50	28.73
Deferred Revenue (Refer Footnote (i))	66.76	76.85
Advances collected from customers (Refer Footnote (i))	124.08	122.67
Statutory dues (Refer Footnote (ii))	56.65	73.24
	280.99	**301.49**

Footnote :

(i) Refer Note 30(iii) for detailed disclosure relating to Ind AS 115 - Revenue from contract with customers.

(ii) Statutory dues includes amount payable towards indirect taxes, tax deducted at source and employee related dues.

NOTE 24 : REVENUE FROM OPERATIONS (REFER NOTE 30(i), (ii))

(₹ crores)

	March 31, 2020	March 31, 2019
Rooms, restaurants and banquets income	3,866.06	3,957.36
Shop rentals	47.59	38.79
Membership fees	114.82	91.17
Management and operating fees	212.70	213.17
Other operating income	221.97	211.51
Total	**4,463.14**	**4,512.00**

NOTE 25 : OTHER INCOME

(₹ crores)

	March 31, 2020	March 31, 2019
Interest Income from financial assets at amortised cost		
Inter-corporate deposits	1.56	1.63
Deposits with banks	9.90	6.89
Others	4.73	9.06
	16.19	**17.58**
Interest on income tax refunds	2.48	2.41
	18.67	**19.99**
Dividend Income from Investments		
from Investments that are fair valued through Other Comprehensive Income	7.24	6.12
from Investments that are fair valued through Profit and Loss	0.08	1.20
Profit on disposal of Property, plant and equipment (Net)	82.36	12.38
Profit on sale of current investment	9.82	15.94
Gain on investments carried at fair value through profit and loss	0.40	1.83
Exchange gain (Net)	-	1.05
Others	13.85	24.87
Total	**132.42**	**83.38**

NOTE 26 : EMPLOYEE BENEFIT EXPENSES AND PAYMENT TO CONTRACTORS

(₹ crores)

	March 31, 2020	March 31, 2019
Salaries, wages, bonus etc.	1,171.41	1,159.24
Company's contribution to provident and other funds (Refer Note 22, 39)	64.97	47.04
Reimbursement of expenses on personnel deputed to the company	51.52	45.21
Payment to contractors	98.46	99.18
Staff welfare expenses	108.24	120.12
Total	**1,494.60**	**1,470.79**

NOTE 27 : FINANCE COSTS

(₹ crores)

	March 31, 2020	March 31, 2019
Interest expense		
Interest Expense at effective interest rate on borrowings which are measured at amortised cost	182.19	192.41
Add/(Less) : Settlements on interest rate swap contracts	0.40	(3.60)
	182.59	**188.81**
Interest on Lease liability	156.89	-
On income tax demand	2.77	0.04
Other borrowing costs	0.38	1.35
	342.63	**190.20**
Less : Interest capitalised (Refer Footnote)	1.51	0.07
Total	**341.12**	**190.13**

Footnote :

The Group has capitalised the interest cost on borrowings relating to qualifying assets including within capital work in progress

NOTE 28 : OPERATING AND GENERAL EXPENSES

(₹ crores)

	March 31, 2020	March 31, 2019
(a) Operating expenses consist of the following :		
Linen and room supplies	66.13	71.03
Catering supplies	28.04	30.67
Other supplies	6.38	6.67
Fuel, power and light	269.87	273.57
Repairs to buildings	56.77	56.19
Repairs to machinery	73.78	73.85
Repairs to others	30.04	35.73
Linen and uniform washing and laundry expenses	47.56	45.54
Security charges and Others	48.46	48.79
Guest transportation	44.96	43.70
Travel agents' commission	100.01	95.34
Discount to collecting agents	48.14	50.79
Other operating expenses	111.94	119.10
Total	**932.08**	**950.97**

(₹ crores)

		March 31, 2020	March 31, 2019
(b)	**General expense consist of the following :**		
	Rent (Refer Note 34)	22.31	61.43
	Licence fees (Refer Note 34)	145.90	275.84
	Rates and taxes	120.93	100.50
	Insurance	17.61	15.51
	Advertising and publicity	104.79	108.60
	Printing and stationery	12.40	13.93
	Passage and travelling	16.58	18.31
	Allowance for doubtful debts and Bad debts written off	5.90	15.83
	Expenditure on corporate social responsibility	8.27	7.05
	Professional fees	56.47	51.32
	Support services	67.40	69.80
	Exchange loss (Net)	1.08	-
	Payment made to statutory auditors (Refer Footnote)	7.72	7.85
	Directors' fees and commission	4.07	3.40
	Other expenses	106.94	107.09
	Total	**698.37**	**856.46**
		1,630.45	**1,807.43**

Footnote :

Payment made to statutory auditors:

(₹ crores)

	March 31, 2020	March 31, 2019
As auditors	6.42	6.57
For other services (including tax audit and company law matters)	0.92	0.90
Expenses and incidentals	0.38	0.38
	7.72	**7.85**

NOTE 29 : EXCEPTIONAL ITEMS

(₹ crores)

	March 31, 2020	March 31, 2019
Exceptional Items comprises of the following :		
Change in fair value of derivative contracts	(21.76)	(41.03)
Profit on sale of investment in a Joint Venture company	2.12	-
Profit on sale of hotel property in a subsidiaries	6.09	-
Profit on sale of land and building	54.50	-
Incentive fees received pursuant to amendment to a Management Service Agreement	-	48.24
Provision of financial exposure in an associate	-	(0.63)
Total	**40.95**	**6.58**

NOTE 30 : REVENUE FROM CONTRACTS WITH CUSTOMERS AND ASSETS/LIABILITIES

The Group's revenue primarily comprises of Revenue from Hotel operations, Management and Operating Fee and Membership fees income as tabulated below.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and Loss:

(₹ crores)

	March 31, 2020	March 31, 2019
Revenue from operations		
Revenue from contract with customers		
Room Revenue, Food & Beverages and Banquets	3,866.06	3,957.36
Shop rentals	47.59	38.79
Membership fee	114.82	91.17
Management & Operating fees	212.70	213.17
	4,241.17	**4,300.49**
Other operating revenue		
Export Incentive	30.20	26.90
Other revenue	191.77	184.61
	221.97	**211.51**
Total Revenue from operations	**4,463.14**	**4,512.00**

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

(₹ crores)

	March 31, 2020	March 31, 2019
Revenue based on geography		
Revenue from contract with customers		
India	3,206.09	3,224.84
Overseas	1,035.08	1,075.65
	4,241.17	**4,300.49**
Other Operating Revenue		
India	187.97	181.37
Overseas	34.00	30.14
	221.97	**211.51**
	4,463,14	**4,512.00**
Revenue based on product and services		
Revenue from contract with customers		
Room Revenue	2,133.14	2,147.63
Food & Beverages and Banquets	1,732.92	1,809.73
Shop rentals	47.59	38.79
Membership fee	114.82	91.17
Management & Operating fees	212.70	213.17
	4,241.17	**4,300.49**
Other Operating Revenue		
Export Incentives	30.20	26.90
Other revenue	191.77	184.61
	221.97	**211.51**
	4,463.14	**4,512.00**

iii) Contract balances

The contract liabilities primarily relate to the unredeemed customer loyalty points and the advance consideration received from customers for which revenue is recognised when the performance obligation is over/ services delivered.

a) Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services. It also includes membership fee received for Chambers Membership, Epicure membership and Spa and Health Club Memberships and disclosed as Income received in advance.

b) Loyalty programme liability represents the liability of the Company towards the points earned by the members.

(₹ crores)

	March 31, 2020	March 31, 2019
Contract liabilities		
Income received in advance	33.50	28.73
Advance collections from customer	142.13	122.67
Deferred Revenue	66.76	76.85
Contract Liability towards loyalty programmes	48.93	42.43
	291.32	**270.68**

Footnote :

Considering the nature of business of the Group, the above contract liabilities are generally materialised as revenue within the same operating cycle

NOTE 31 : CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR) AND CONTINGENT ASSETS

The Group is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses and is exposed to other contingencies arising from having issued guarantees to lenders of its subsidiaries and other entities. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate.

(a) On account of matters in disputes :

Amounts in respect of claims (excluding interest and penalties) asserted by various revenue authorities on the Company and the Group, in respect of taxes, etc., which are in dispute, and not provided for, are as under:

(₹ crores)

Particulars	March 31, 2020	March 31, 2019
Income Tax	238.24	170.21
Luxury tax	1.39	1.05
Entertainment tax	2.23	2.23
Sales tax / VAT	16.09	30.04
Property and Water tax	226.21	213.53
Service tax	10.23	24.17
Others	24.04	19.90

The Group is a defendant in various legal actions and a party to claims as above, plus interest thereon, which arose during the ordinary course of business. The Group's management believes based on the facts presently known, that the results of these actions will not have a material impact on the Company's financial statements. It is not practicable for the Group to estimate the timings of cash flows, if any, in respect of the above.

(b) On account of lease agreements:

In respect of a plot of land provided to the Company under a lease agreement, on which the Company has constructed a hotel, the lessor has made a claim of ₹ 478.98 crores to date, (13 times the previous annual rental) for increase in the rentals with effect from 2006-07. The Company believes these claims to be untenable. The Company has contested the claim based upon legal advice, by filing a suit in the Honourable High Court of Judicature at Bombay on grounds of the lessor's inconsistent stand on automatic renewal of lease, levy of lease rentals and method of computing such lease rent, within the terms of the then existing lessor's policy as also a Supreme Court judgment on related matters. Even taking recent enactments into consideration, in the opinion of the Company, the computation cannot stretch beyond ₹ 131.13 crores (excluding interest / penalty), and this too is being contested by the Company on merit.

Further, a "Notice of Motion" has been filed by the company before the Honourable High Court of Judicature at Bombay, inter alia, for a stay against any further proceedings by the lessor, pending a resolution of this dispute by the Honourable Bombay High Court, and the Company has obtained a stay order from the court.

(c) Other claims against the Group not acknowledge as debt :

(i) Legal and statutory matters ₹ 4.98 crores (March 31, 2019- ₹ 4.98 crores)

(ii) Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimates above, including where:

a) plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

b) the proceedings are in early stages;

c) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

d) there are significant factual issues to be resolved; and/or there are novel legal issues presented

The Group's Management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Group's financial position, though the outcomes could be material to the Group's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

(d) Claims filed by the Group:

The Company had invested in a Greenfield Project in Guwahati, Assam which is eligible as "Mega Project" under the Industrial and Investment Policy of Assam, 2014 and is entitled to apply for the revenue grant under the Assam Industrial Policy. The Company had made application for the grant/subsidy which is essentially in the form of exemptions from indirect taxes for a period of 10 years upto a maximum of 150% of the original capital outlay.

Application filed by the Company was kept on hold for processing by the Industries department of State Government of Assam. The claim is in the intermediate stage of verification and in the absence of reasonable certainty at this stage on the amount that may be ultimately approved, no income or deferred income has been recognised in the financial statements.

(e) In respect of one domestic subsidiary, for the proposed construction of a hotel on the plot of land, a Public Interest Litigation (PIL) has been filed against the Union of India and Others (including the Company/Group), interalia, challenging the various permissions / approvals. The Group is contesting the PIL on merits, and the matter is pending. The Group has not commenced construction pending regulatory and other approvals.

NOTE 32 : CAPITAL COMMITMENTS

i) Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for is ₹ 306.96 crores (March 31, 2019- ₹ 125.92 crores).

ii) On May 17, 2019, the Company signed a strategic partnership with Singapore's Sovereign Wealth Fund, GIC for an investment framework to the tune of about ₹ 4,000 crores or US$ 600 million over a period of three years from the date of signing. This capital platform will be used to acquire fully operational hotels mainly in the Luxury, Upper Upscale and Upscale segments in India. The acquisition of asset are intended to be housed in a separate Special Purpose Vehicle (SPV). To acquire assets, both GIC and IHCL will do partial equity infusion in the SPV in the ratio of 70:30 respectively and the balance funds will be borrowed by the SPV directly in its books. The hotels so acquired by the SPV will be managed by the Company. For the intended acquisition in this platform, a company viz., Zarrenstar Hospitality Pvt Ltd has been incorporated.

As at March 31, 2020 and upto the date of approval of the financial statements by the Board of Directors, the Company has not signed any definitive agreement to acquire any assets under this platform.

iii) During the year, the Board of Directors has approved the proposal to purchase the balance 14.28% stake in ELEL Hotels and Investments Ltd (ELEL), a subsidiary, from its existing shareholders for a consideration of ₹ 250 crores over a period of two years in a phased manner on achievement of certain milestones and not later than end of December 2021. Consequent to this acquisition, ELEL will become a wholly owned step down subsidiary of the Company.

As at March 31, 2020 and upto the date of the approval of the financial statements by the Board of Directors, the Company has not signed or executed any definitive agreement in this regard.

NOTE 33 : GUARANTEES AND UNDERTAKINGS GIVEN

(a) Guarantees given by the Group and outstanding as on March 31, 2020- ₹ 13.25crores (March 31, 2019- ₹ 12.78 crores). Also, refer to note 35 for Guarantees on behalf of certain joint ventures.

(b) The Group has given letters of support to an associate and a joint venture company during the year.

NOTE 34 : LEASES – IND AS 116

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the retrospectively with the cumulative effect of initially applying the Standard recognised at the date of initial application date approach and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset of ₹ 1,741.96 crores and a lease liability of ₹ 2,006.79 crores. The cumulative effect of applying the standard, amounting to ₹ 264.32 crores was debited to retained earnings (net of taxes and other adjustments). Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. Consequent to the application of this standard, lease cost for the year was lower by ₹ 179.27 crores, depreciation and interest is higher by ₹ 69.18 crores and ₹ 156.89 crores respectively and Profit before taxes is lower by ₹ 46.80 crores. (Refer Note 4 for details with respect to 'Right-of-Use assets')

The following is the summary of practical expedients elected on initial application:

– Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
– Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
– Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
– Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 disclosed under Note 36 of annual consolidated financial statements forming part of 2019 Annual Report and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

The weighted average incremental borrowing rate applied to by the Parent and its subsidiaries including international subsidiaries for determining the lease liabilities as at April 1, 2019 is in the range of 6% - 11%

The Group has taken land and immovable properties on lease which are generally long term in nature with varying terms, escalation clauses and renewal rights expiring within five to one hundred and ninety eight years. On renewal, the terms of the leases are renegotiated.

a) Total lease liabilities are analysed as follows:

(₹ crores)

	March 31, 2020
Denominated in the following currencies:	
Rupees	1,459.17
US dollars	290.71
Sterling	148.83
Total	**1,898.71**
Analysed as:	
Current *	56.14
Non-current	1,842.57
Total	**1,898.71**

* The Current Portion of the lease liability is excluding the interest component on the lease liability. Actual Lease Payments (including notional interest as per Ind AS 116) would be ₹ 188.91 crores. Refer note (b) below for the Maturity Analysis of the Lease Payments.

b) Exposure to future cash flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

Maturity analysis:

(₹ crores)

	March 31, 2020
Less than 1 year	188.91
Between 1 and 2 years	177.08
Between 2 and 5 years	526.47
More than 5 years	9,129.32
Total	**10,021.78**

In addition, in certain circumstances the Group is committed to making additional lease payments that are contingent on the performance viz. gross operating profits, revenues etc. of the hotels that are being leased for which no lease liability has been recognised as it is contingent in nature.

c) Overall lease rentals (including provisions and amount adjusted against advances) for the year ended March 31, 2020 are as below:

(₹ crores)

Particulars	March 31, 2020
Minimum Lease Payments/ Fixed Rentals	179.27
Contingent rents	145.90
Total	**325.17**

NOTE 35 : INTEREST IN OTHER ENTITIES

a) Subsidiaries

i) The parent's subsidiaries at March 31, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the group and the effective ownership of the group is enumerated in the table below. The country of incorporation or registration is also their principal place of business.

Particulars	Country of Incorporation	Effective Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
		(%)	(%)	(%)	(%)
Domestic					
Benares Hotels Ltd.	India	51.68	51.68	48.32	48.32
ELEL Hotels & Investments Ltd.	India	85.72	85.72	14.28	14.28
Inditravel Ltd.@	India	78.86	77.21	21.14	22.79
KTC Hotels Ltd.	India	100.00	100.00	-	-
Luthria & Lalchandani Hotels and Properties Private Ltd.	India	87.15	87.15	12.85	12.85
Northern India Hotels Ltd.	India	48.56	48.56	51.44	51.44
Piem Hotels Ltd.	India	51.57	51.57	48.43	48.43
Roots Corporation Ltd.	India	63.74	63.74	36.26	36.26
Sheena Investments Private Ltd.	India	100.00	100.00	-	-
Skydeck Properties & Developers Private Ltd.	India	100.00	100.00	-	-
Taj Enterprises Ltd.@	India	93.19	74.70	6.18	25.30
Taj Trade & Transport Ltd.@	India	73.03	72.74	26.97	27.26
United Hotels Ltd.	India	55.00	55.00	45.00	45.00

Particulars	Country of Incorporation	Effective Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
		(%)	(%)	(%)	(%)
International					
IHOCO BV	Netherlands	100.00	100.00	-	-
Piem International (HK) Ltd.	Hong Kong	51.57	51.57	48.43	48.43
St. James Court Hotel Ltd.	United Kingdom	72.25	72.25	27.75	27.75
Taj International Hotels (HK) Ltd.	Hong Kong	100.00	100.00	-	-
Taj International Hotels Ltd.	United Kingdom	100.00	100.00	-	-
United Overseas Holding Inc.	United States of America	100.00	100.00	-	-

@The Group has acquired additional stake in Taj enterprise Ltd. whereby the Group's holding has increased to 93.19% from 74.70%and consequently, there are changes in the effective holding in certain subsidiaries.

ii) Significant judgements and assumptions:

a. The management have concluded that the group controls Northern India Hotels Limited, even though it holds less than half of the effective interest of this subsidiary. This is because the group is the largest shareholder and the direct ownership in this company is 94.15% through Piem Hotels Limited, a subsidiary in which the group holds 51.57%.

b. The investment in BAHC 5, a company incorporated in Singapore in which the group holds 100% issued equity shares, is a temporary investment that is presently held for disposal. In the view of the management, the Group does not have any power or control over or exposure to this entity. It does not have any rights to variable returns from its involvement with this entity and thus the financial statements of this entity are not consolidated.

c. The Group holds 51% of the equity share capital of Taj SATS Air Catering Ltd. However, as per the contractual arrangement in the form of joint venture agreement, the group considers it has joint control over the net assets of this entity and has been reclassified as joint venture.

b) Non-controlling interests ('NCI')

i) The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group are set out below. The amounts disclosed for each subsidiary are before inter-company eliminations or other adjustment :-

(₹ crores)

Summarised Balance Sheet	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current Assets	76.06	52.18	53.83	59.47	8.44	5.38	34.69	43.42
Current Liabilities	121.47	106.35	99.08	53.52	56.65	49.73	90.57	131.54
Net Current Assets	**(45.41)**	**(54.17)**	**(45.25)**	**5.95**	**(48.21)**	**(44.35)**	**(55.88)**	**(88.12)**
Non-Current Assets	769.31	695.96	682.10	405.60	618.67	628.31	1,200.32	1,045.70
Non-Current Liabilities	101.66	8.43	442. 24	94.52	0.76	-	488.49	353.72
Net Non-Current Assets	**667.65**	**687.53**	**239.86**	**311.08**	**617.91**	**628.31**	**711.83**	**691.98**
Net Assets	**622.24**	**633.36**	**194.61**	**317.03**	**569.70**	**583.96**	**655.94**	**603.86**
Accumulated NCI	**301.35**	**306.74**	**70.56**	**114.96**	**81.35**	**83.39**	**182.02**	**167.57**

(₹ crores)

Summarised Statement of Profit and Loss	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue	389.32	416.44	212.65	206.33	0.27	0.61	351.54	330.95
Profit/(Loss) for the year	7.97	27.31	(22.77)	(14.98)	(14.26)	(14.18)	28.53	37.85
Other Comprehensive Income	(9.20)	8.89	0.13	(0.14)	-	-	23.54	(8.87)
Total Comprehensive Income	**(1.23)**	**36.20**	**(22.64)**	**(15.12)**	**(14.26)**	**(14.18)**	**52.07**	**28.98**
Total Comprehensive Income allocated to NCI	**(0.60)**	**17.53**	**(8.21)**	**(5.48)**	**(2.04)**	**(2.02)**	**14.45**	**8.04**
Dividend paid to NCI	**1.85**	**12.92**	-	-	-	-	-	-

(₹ crores)

Summarised Statement of Cash Flows	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Cash Flows from Operating Activities	40.93	45.32	83.08	20.93	(2.56)	(12.82)	85.28	69.66
Cash Flows from / (used in) Investing Activities	(48.58)	(41.50)	(46.62)	(29.24)	2.59	12.86	(29.54)	(97.76)
Cash Flows from / (used in) Financing Activities	5.66	(5.58)	(40.54)	11.29	(0.08)	-	(52.32)	24.06
Net Increase/(Decrease) in Cash & cash Equivalents	**(1.99)**	**(1.76)**	**(4.08)**	**2.98**	**(0.04)**	**0.04**	**3.43**	**(4.04)**

ii) Individually immaterial non-controlling interest:

(₹ crores)

	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial	129.61	127.21

(₹ crores)

	March 31, 2020	March 31, 2019
Aggregate amount of the group's share of profits/loss	7.83	6.42
Aggregate amount of the group's share of other comprehensive Income	0.13	0.86
Aggregate amount of the group's share of total comprehensive Income	7.97	7.28

c) Interests in associates and joint ventures

i) Details of the associates and joint ventures of the group as at March 31, 2020 and 2019 are set out below. The entities below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business. The Group follows equity method of accounting for the measuring its investments/interests in associates and joint ventures, the details of which are as below :-

	Country of Incorporation	Effective Holding "%"	Carrying amount March 31, 2020 (₹ crores)	Carrying amount March 31, 2019 (₹ crores)	Quoted fair value March 31, 2020 (₹ crores)	Quoted fair value March 31, 2019 (₹ crores)
Joint Ventures						
Taj SATS Air Catering Ltd.	India	51.00	69.95	61.83	*	*
Taj Madras Flight Kitchen Private Ltd.#	India	50.00	-	25.23	*	*
Taj Karnataka Hotels & Resorts Ltd. (Refer Note no 20(b))	India	44.27	-	-	*	*
Taj Kerala Hotels & Resorts Ltd.	India	28.30	13.95	15.57	*	*
Taj GVK Hotels & Resorts Ltd.	India	25.52	123.21	117.33	165.44	379.93
Taj Safaris Ltd. #	India	41.81	9.04	10.93	*	*
Kaveri Retreat & Resorts Ltd.	India	50.00	43.49	41.02	*	*
Zarrenstar Hospitality Private Ltd (Refer Note 32(ii))	India	-	-	-	*	*
TAL Hotels & Resorts Ltd.	Hong Kong	27.49	124.74	122.31	*	*
IHMS Hotels (SA)(Pty) Ltd. (Refer Note no 20(b))	South Africa	50.00	-	-	*	*
			384.38	**394.22**	**165.44**	**379.93**
Associates						
Oriental Hotels Ltd.	India	35.67	238.99	240.07	114.14	304.70
Taj Madurai Ltd.	India	26.00	4.04	6.22	*	*
Taida Trading and Industries Ltd.	India	34.76	-	-	*	*
BJets Pte Ltd	Singapore	45.69	-	-	*	*
Lanka Island Resorts Ltd	Sri Lanka	24.66	33.40	33.71	*	*
TAL Lanka Hotels PLC	Sri Lanka	24.62	11.54	13.45	10.29	12.71
			287.97	**293.45**	**124.43**	**317.41**
Total			**672.35**	**687.67**	289.87	**697.34**

*Unlisted entity – no quoted price available
Sold during the year. Refer Note –7

ii) Commitments and contingent liabilities in respect of associates and joint ventures

(₹ crores)

	March 31, 2020	March 31, 2019
Commitment to provide funding for joint ventures capital commitments, if called	145.41	131.44
Capital Commitment for joint ventures and associate	7.73	7.37
Guarantees given by joint ventures and associates	1.41	3.31
Share of contingent liabilities in joint ventures and associates	37.30	39.84

iii) Summarised financial information for associates and joint ventures

The summarised financial information for those joint ventures and associates that are material to the Group are set out below. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not of the Group's share of those amount. They have amended to reflect adjustments made when using equity method for the differences in accounting policies.

(₹ crores)

Summarised Balance Sheet	Taj GVK Hotels and Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31, 2019 *	December 31, 2018*	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current assets								
Cash and cash equivalents	**0.68**	0.21	**2.19**	5.26	**66.42**	69.92	**46.22**	28.02
Other assets	**49.25**	57.43	**162.10**	160.00	**39.65**	45.25	**58.35**	109.87
	49.93	**57.64**	**164.29**	**165.27**	**106.07**	**115.17**	**104.57**	**137.89**
Non-current assets	**798.95**	672.20	**243.00**	189.98	**756.59**	460.79	**915.63**	714.02
Total assets	**848.88**	**729.84**	**407.29**	**355.25**	**862.66**	**575.96**	**1020.20**	**851.91**
Current liabilities								
Financial liabilities (excluding trade payables)	**41.15**	41.42	**14.10**	10.96	**19.74**	25.72	**43.24**	264.23
Other liabilities	**160.08**	73.32	**65.76**	55.40	**62.38**	41.79	**235.72**	46.35
	201.23	**114.74**	**80.16**	**66.36**	**82.12**	**67.52**	**278.97**	**310.58**
Non-current Liabilities								
Financial liabilities (excluding trade payables)	**135.98**	172.23	**1.75**	-	**81.39**	71.22	**191.85**	1.93
Other liabilities	**110.03**	64.26	**40.12**	23.57	**291.28**	38.19	**18.60**	5.58
	246.01	**236.49**	**41.88**	**23.57**	**372.67**	**109.41**	**210.45**	**7.51**
Total liabilities	**447.24**	**351.23**	**122.03**	**89.93**	**454.79**	**176.92**	**489.42**	**318.09**
Net assets	**401.63**	**378.61**	**285.25**	**265.32**	**407.87**	**399.04**	**530.78**	**533.82**

Footnote :

* The latest available financial statement of this entity is only up to December 31, 2019 and accordingly has been used for the purpose of the preparation of the consolidated financial statement of the Company.

iv) Reconciliation of carrying amounts

(₹ crores)

	Taj GVK Hotels and Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31, 2019 *	December 31, 2018*	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Net Assets	**401.63**	378.61	**285.25**	265.32	**407.87**	399.04	**530.78**	533.81
Group's Share	**25.52%**	25.52%	**51.00%**	51.00%	**27.49%**	27.49%	**35.67%**	35.67%
Share of Net assets	**102.50**	96.63	**145.48**	135.31	**112.12**	109.70	**189.33**	190.41
Goodwill	**20.70**	20.70	**-**	-	**12.62**	12.62	**49.66**	49.66
Unrealised Gain	**-**	-	**(75.53)#**	(73.48)#	**-**	-	**-**	-
Carrying Amount	**123.20**	**117.33**	**69.95**	**61.83**	**124.74**	**122.31**	**238.99**	**240.07**

Unrealised gain represents profit on sale of air catering business by the Group to Taj SATS on a slump sale basis on October 1, 2001 and sale of air catering business of Taj Madras flight Kitchen.

v) Summary Statement of Profit and Loss

(₹ crores)

Summarised statement of profit and loss	Taj GVK Hotels and Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31, 2019 *	December 31, 2018*	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue	**330.75**	315.91	**395.24**	417.90	**273.50**	296.66	**298.83**	354.76
Depreciation	**16.57**	17.02	**14.48**	10.96	**40.48**	25.93	**27.70**	28.38
Interest Income	**0.28**	0.22	**1.47**	1.83	**0.18**	0.10	**5.00**	2.59
Interest Expense	**22.59**	22.66	**1.21**	0.06	**38.85**	6.24	**24.02**	27.18
Income Tax Expense	**18.29**	8.56	**2.84**	3.43	**(8.35)**	3.13	**0.20**	12.98
Profit for the year	**35.83**	23.40	**28.46**	14.03	**(8.26)**	8.28	**(8.26)**	91.59
Other Comprehensive Income for the year	**(0.08)**	0.19	**(2.13)**	0.59	**24.75**	18.21	**17.92**	0.69
Total Comprehensive Income for the year	**35.76**	23.59	**26.33**	14.62	**16.49**	26.49	**9.66**	92.28
Dividend Received	**0.96**	0.96	**-**	-	**1.95**	7.67	**3.19**	-

* Refer Footnote of Note 33 (c)(iii) above

vi) Individually immaterial joint ventures and associates

(₹ crores)

	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial	115.46	146.14

(₹ crores)

	March 31, 2020	March 31, 2019
Aggregate amount of the group's share of profit/loss	(5.47)	3.46
Aggregate amount of the group's share of other comprehensive Income	(2.67)	(0.96)
Aggregate amount of the group's share of total comprehensive Income	(8.14)	2.50

Footnote:

The financial statements of joint ventures and associates consolidated are drawn upto the same reporting date as of the company except in case of a joint venture and an associate company where the financial statements have been drawn upto December 31, 2019.

NOTE 36: FINANCIAL INSTRUMENTS MEASUREMENTS AND DISCLOSURES

a) Financial instruments by category:

(₹ crores)

	FVTPL		FVOCI		Amortised cost		Total carrying value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial assets:								
Measured at fair value								
Investments (Refer Footnote below):								
Equity shares	-	-	318.00	436.26	-	-	318.00	436.26
Mutual fund units	436.24	211.21	-	-	-	-	436.24	211.21
Total	**436.24**	**211.21**	**318.00**	**436.26**	**-**	**-**	**754.24**	**647.47**
Not measured at fair value								
Trade receivables	-	-	-	-	290.02	321.38	290.02	321.38
Cash and cash equivalents	-	-	-	-	250.82	189.29	250.82	189.29
Other balances with banks	-	-	-	-	75.56	57.92	75.56	57.92
Loans	-	-	-	-	21.42	19.17	21.42	19.17
Other financial assets	-	-	-	-	268.54	219.40	268.54	219.40
	-	**-**	**-**	**-**	**906.36**	**807.17**	**906.36**	**807.17**
Total	**436.24**	**211.21**	**318.00**	**436.26**	**906.36**	**807.17**	**1660.60**	**1454.64**
Financial liabilities:								
Measured at fair value								
Derivative instruments	179.68	279.42	-	-	-	-	179.68	279.42
Not measured at fair value								
Borrowings	-	-	-	-	2,602.07	2,325.98	2.602.07	2,325.98
Lease Liabilities					1,898.71	-	1,898.71	-
Trade payables	-	-	-	-	389.32	325.25	389.32	325.25
Other financial liabilities	-	-	-	-	531.56	544.18	531.56	544.18
Total	**179.68**	**279.42**	**-**	**-**	**5,421.66**	**3,195.41**	**5,601.34**	**3,474.83**

Footnotes:

a. The above excludes investments in joint ventures and associates amounting to ₹ 672.35 crores(March 31, 2019 - ₹ 687.67 crores) which are accounted as per equity method.

b. FVTPL = Fair Value Through Profit and Loss and FVOCI = Fair Value Through Other Comprehensive Income.

b) Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis, it also includes the financial instruments which are measured at amortised cost for which fair values are disclosed.

(₹ crores)

	Level 1		Level 2		Level 3		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial assets:								
Measured at fair value								
Investments:								
Equity shares	134.95	246.74	-	-	183.05	189.52	318.00	436.26
Mutual fund units	436.24	211.21	-	-	-	-	436.24	211.21
Total	**571.19**	**457.95**	**-**	**-**	**189.52**	**189.52**	**754.24**	**647.47**
Financial liabilities:								
Measured at fair value								
Derivative instruments	-	-	179.68	279.42	-	-	179.68	279.42
Not measured at fair value (Refer Footnotes below)								
Borrowings								
Non-convertible debentures	-	-	1,271.73	1,786.37	-	-	1,271.73	1,786.37
Total	**-**	**-**	**1,451.41**	**2,582.15**	**-**	**-**	**1,451.41**	**2,582.15**

Footnotes:

a. The Company has not disclosed the fair value of certain short term financial instruments such as trade receivables, trade payables, short term loans, deposits etc. as their carrying amounts are a reasonable approximation of fair value.

b. The carrying amounts of the borrowings excluding non-convertible debentures that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

c. The Investments measured at fair value and falling under fair value hierarchy level 3 are valued based on valuation reports provided by external valuers with the exception of two investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The investments other than those whose fair values approximate cost are individually immaterial.

c) Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

a. **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price / declared NAV. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

b. **Level 2:** Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

c. **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

d) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for the equity instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of non-convertible debentures is valued using FIMMDA guidelines
- the fair value for the cross currency swaps/principal swap is determined using forward exchange rates at the balance sheet date
- certain long term unlisted shares have been considered at their respective cost as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. All other unlisted shares are determined based on the income approach or the comparable market approach. These unquoted investments categorized under Level 3.
- the fair value of the remaining financial instruments is determined using the discounted cash flow analysis.

e) Inter level transfers:

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year.

f) Reconciliations of level 3 fair values

The following table shows reconciliation from the opening balances to closing balances for Level 3 fair values:

	(₹ crores) Equity instruments
Balance as at March 31, 2018	186.74
Net change in fair value (unrealised)	2.78
Balance as at March 31, 2019	**189.52**
Net change in fair value (unrealised)	(6.47)
Balance as at March 31, 2020	**183.05**

NOTE 37 : FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal audit team. The Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

a) Credit risk

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Group's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Group.

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ crores)

Particulars	March 31, 2020	March 31, 2019
Expiring within one year:		
Bank overdraft	94.34	85.00
Short term bank loans	102.56	86.48
Long term bank loans	355.00	-
Expiring beyond one year	-	-
Total	**551.90**	**171.48**

The bank overdraft facilities may be drawn at any time by the respective companies in the Group. The long-term loan facility was available up to April 30, 2020, subsequent to March 31, 2020 the parent Company availed ₹ 50 crores of loan and the balance facility has expired. Further, post the balance sheet date the parent Company has availed long-term debt of ₹ 450 crores. Certain subsidiaries of the group availed short-term loan facility aggregating to ₹ 82.38 crores from various banks and financial institutions. The Company is in the advance stages of discussions with banks and financial institutions for raising further Long Term loan for the operational and long term needs of the Company.

ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross, undiscounted and exclude future contractual interest payments.

(₹ crores)

	Carrying value as at March	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities:						
Borrowings (including redemption premium)	**2,602.07**	**479.88**	**1,006.96**	**942.00**	**178.42**	**2,607.26**
	2,325.98	*670.94*	*237.98*	*1,442.83*	*13.29*	*2,365.04*
Lease liability	**1,898.71**	**188.91**	**177.08**	**526.47**	**9,129.32**	**10,021.78**
	-	-	-	-	-	-
Trade and other payables	**389.32**	**389.32**	**-**	**-**	**-**	**389.32**
	325.25	*325.25*	-	-	-	*325.25*
Interest Accrued on borrowings	**56.46**	**154.65**	**119.65**	**116.27**	**11.86**	**402.43**
	54.05	*113.17*	*94.89*	*67.76*	-	*275.82*
Other Financial liabilities	**475.10**	**475.10**	**-**	**-**	**-**	**475.10**
	490.13	*490.13*	-	-	-	*490.13*
Total	**5,421.66**	**1,687.87**	**1,303.69**	**1,584.74**	**9,319.60**	**13,895.90**
	3,195.41	*1,586.49*	*332.87*	*1,510.59*	*13.29*	*3,456.24*
Derivative instruments	**179.68**	**2.45**	**177.23**	**-**	**-**	**179.68**
	279.42	*131.54*	-	*147.88*	-	*279.42*
Financial guarantee contract	**-**	**2.32**	**14.31**	**128.78**	**-**	**145.41**
	-	-	-	*131.44*	-	*148.74*
Total financial liabilities	**5,601.34**	**1,692.64**	**1,495.23**	**1,713.52**	**9,319.60**	**14,220.99**
	3,474.83	*1,748.33*	*332.87*	*1,789.91*	*13.29*	*3,884.40*

Figures in italics are of the previous year.

The Group management periodically monitors its Interest Service Cover Ratio to manage the liquidity risk towards the repayment of the interest liability. The interest cover ratio for the Group for the year ended March 31, 2020 and March 31, 2019 was 5.42 and 5.23 respectively.

The formula used for the calculation of Interest Service Cover ratio (which has been computed on a trailing twelve-month basis) is as below:

Interest Service Coverage Ratio = (Profit before tax + Interest (Net) + Provision for diminution in long term investment + Depreciation)/Interest (Net)

iii) Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and current investment.

(₹ crores)

Particulars	Note	March 31, 2020	March 31, 2019
Borrowings	19	2,602.07	2,325.98
Less: Cash and cash equivalents	15	250.82	189.29
Less: Current investments	8(b)	436.24	211.21
Net debt		**1,915.01**	**1,925.48**
Total Equity	17/18	5121.71	5147.86
Gearing ratio		0.37	0.37

c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives to manage its exposure to foreign currency risk and interest rate risk. All such transactions are carried out within the guidelines set by the risk management committee.

i) Foreign Currency risk

The predominant currency of the Group's revenue and operating cash flows is Indian Rupees (₹). The Company's reported debt has an exposure to borrowings held in US dollars. Movements in foreign exchange rates can affect the Company's reported profits and net assets.

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

Derivative Instruments outstanding:

Particulars	Currency	March 31, 2020		March 31, 2019	
		Currency million	Fair values ₹ crores	Currency million	Fair values ₹ crores
Cross currency Interest rate Swap (CCS)	US$	55.17	177.23	108.42	277.45
Interest Rate Swap (IRS)	GBP	20.00	2.45	20.00	1.97
Total			**179.68**		**279.42**

Sensitivity

In relation to the CCS, for the year ended March 31, 2020 and March 31, 2019, every 3% depreciation in the exchange rate between the Indian rupee and US dollar, shall increase the Group's profit/loss before tax by approximately 4.50% and 11.61% respectively and every 3% increase in the interest rate shall increase the Group's profit/loss before tax by approximately 4.49% and 5.72% respectively.

For the year ended March 31, 2020 and March 31, 2019, every 3% appreciation in the exchange rate between the Indian rupee and US dollar, shall reduce the Group's profit/loss before tax by approximately 2.42% and 0.58% respectively and every 3% decrease in the interest rate shall decrease the Group's profit/loss before tax by approximately 2.63% and 5.32% respectively.

The above relates to the Company and foreign currency risk in respect of other components is insignificant.

Un-Hedged Foreign currency exposure payable:

Currency	March 31, 2020	March 31, 2019
United States Dollar (Million)	0.62	0.62

Sensitivity

For the year ended March 31, 2020 and March 31, 2019, every 3% depreciation/appreciation in the exchange rate between the Indian rupee and US dollar, shall affect the Group's profit before tax by approximately 0.03% and 0.03 % respectively.

ii) Interest rate risk

The Group adopts a policy to hedge the interest rate movement in order to mitigate the risk with regards to floating rate linked loans based on the market outlook on interest rates. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The total borrowing at variable rate was ₹ 1,316.08 crores as at March 31, 2020(March 31, 2019- ₹ 534.22 crores). The carrying value of the long term debt approximates fair value since the current interest rate approximates the market rate.

iii) Other market price risks

The Group's exposure to equity securities' price risk arises from investments held by the Group and classified in the balance sheet as fair value through Other Comprehensive Income. If the equity prices of quoted investments are 3% higher/ lower, the equity for the year ended March 31, 2020 would increase/ decrease by ₹ 4.05 crores (for the year ended March 31, 2019: increase/decrease by ₹ 7.40 crores).

NOTE 38 : INCOME TAX DISCLOSURE

i) Income Tax recognised in the Statement Profit and Loss:

(₹ crores)

Particulars	March 31, 2020	March 31, 2019
Current Tax		
In respect of the current year	163.17	190.09
In respect of earlier years	5.98	(11.55)
	169.15	**178.54**
Deferred Tax		
In respect of the current year		
MAT credit	(1.17)	(3.17)
Other items	(21.02)	(35.03)
Adjustment to deferred tax attributable to changes in tax rates and laws	(97.37)	-
In Respect of earlier years	(4.82)	16.78
	(124.38)	**(21.42)**
Total tax expense recognised in the current year	**44.77**	**157.12**

Some of the eligible companies in the Group has elected to exercise the option permitted under section 115BAA of the Income tax act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2020 and re-measured its opening deferred tax liability at the reduced tax rate. The full impact of the re-measurement of the opening deferred tax liabilities amounting to ₹ 87.42 crores has been recognised in the statement of Profit and Loss account for the year ended March 31, 2020.

The Group has reviewed its income tax treatments in order to determine whether Appendix C of Ind AS 12 effective from April 1, 2019 could have an impact on the financial statements and concluded that it has no material impact on the Company's financial statements.

As a practice, where the interpretation of income tax law is not clear, management relies on the some or all of the following factors to determine the probability of its acceptance by the tax authority:

- Strength of technical and judicial argument and clarity of the legislation;
- Past experience related to similar tax treatments in its own case;
- Legal and professional advice or case law related to other entities.

After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the Company's financial Statements.

ii) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below:

(₹ crores)

Particulars	March 31, 2020	March 31, 2019
Profit/(Loss) before tax (a)	395.54	401.71
Income tax rate as applicable in India (b)	25.17%	34.94%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	99.55	140.37
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(1.89)	(3.21)
Income considered to be capital in nature under tax and tax provisions	(0.27)	-
Effect of expenses that are not deductible in determining taxable profit	11.53	12.22
Expense considered to be capital in nature under tax and tax provisions	5.14	4.93
Income subject to lower rate of income tax	(10.66)	(4.69)
Deferred tax asset not recognised in Statement of Profit and Loss	29.60	22.73
Effect on deferred tax balances due to the change in income tax rate	(97.37)	(1.13)
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(0.03)	(20.18)
Difference (net) in tax rates between the company and components/ Jurisdiction	2.94	(4.79)
Others items, individually not material	5.07	5.64
	43.61	**151.89**
Prior year taxes as shown above	1.16	5.23
Income tax expense recognised in the Statement of Profit and Loss	**44.77**	**157.12**

iii) Income tax recognised in Other Comprehensive Income:

(₹ crores)

Particulars	March 31, 2020	March 31, 2019
Current Tax		
Tax impact on profit on sale of investment in equity shares at fair value through Other Comprehensive Income	-	-
Deferred tax		
Arising on income and expenses recognised in Other Comprehensive Income:		
Net fair value gain on investments in equity shares at fair value through Other Comprehensive Income	(1.19)	1.15
Remeasurement of defined benefit obligation	(5.28)	(3.36)
Reversal of Deferred Tax Liability on account of a investment fair valued through Other Comprehensive Income	-	-
Reversal of Deferred Tax Assets on Unused Tax Losses	-	-
Total income tax recognised in Other Comprehensive Income	**(6.47)**	**(2.21)**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will not be reclassified to profit or loss	(6.47)	(2.21)
	(6.47)	**(2.21)**

iv) The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

(₹ crores)

Particulars	March 31, 2020	March 31, 2019
Deferred Tax assets (net)	76.50	69.44
Deferred Tax liabilities (net)	(186.85)	(376.77)
Net Deferred Tax Liability	**(110.35)**	**(307.33)**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2020 are as follows:

(₹ crores)

	Opening Balance	Recognised in the Statement of Profit and Loss (net)		Recognised in Other Comprehensive Income (net)	Adjustment on adoption of Ind AS 116	MAT credit utilised	Exchange difference (net)	Closing balance
		Impact of change in Income Tax Rate	Others					
Deferred tax (liabilities)/ assets:								
Property, Plant and equipment & Intangible Assets	**(484.72)**	**130.42**	**19.31**	**-**	**-**	**-**	**(0.03)**	**(335.02)**
	(479.07)	*-*	*(5.67)*	*-*	*-*	*-*	*0.02*	*(484.72)*
Right-of-Use assets Net of Lease Liability	**-**	**(16.94)**	**6.48**	**-**	**63.91**	**-**	**-**	**53.45**
	-	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Unamortised borrowing cost	**(0.37)**	**0.10**	**(0.07)**	**-**	**-**	**-**	**-**	**(0.34)**
	(0.45)	*-*	*0.08*	*-*	*-*	*-*	*-*	*(0.37)*
Provision for Employee Benefits	**38.87**	**(10.52)**	**4.39**	**5.28**	**-**	**-**	**-**	**38.02**
	31.95	*-*	*3.56*	*3.36*	*-*	*-*	*-*	*38.87*
Fair valuation changes of derivative contracts	**(2.26)**	**0.63**	**7.56**	**-**	**-**	**-**	**-**	**5.93**
	(20.89)	*-*	*18.63*	*-*	*-*	*-*	*-*	*(2.26)*
Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	**(1.57)**	**-**	**-**	**1.19**	**-**	**-**	**-**	**(0.38)**
	(0.42)	*-*	*-*	*(1.15)*	*-*	*-*	*-*	*(1.57)*
MAT Credit Entitlement	**19.34**	**-**	**(0.08)**	**-**	**-**	**1.17**	**-**	**20.43**
	49.96	*-*	*3.16*	*-*	*-*	*(33.78)*	*-*	*19.34*
Unused tax losses (Business) (net)	**73.52**	**6.92**	**(12.12)**	**-**	**-**	**-**	**2.35**	**70.67**
	62.56	*-*	*12.00*	*-*	*-*	*-*	*(1.04)*	*73.52*
Allowance for doubtful debts	**5.85**	**(1.56)**	**0.94**	**-**	**-**	**-**	**-**	**5.23**
	8.10	*-*	*(2.25)*	*-*	*-*	*-*	*-*	*5.85*
Reward Points	**14.83**	**(4.15)**	**1.63**	**-**	**-**	**-**	**-**	**12.31**
	13.27	*-*	*1.56*	*-*	*-*	*-*	*-*	*14.83*
Provision for Contingencies	**11.67**	**(3.26)**	**(5.08)**	**-**	**-**	**-**	**-**	**3.33**
	26.51	*-*	*(14.84)*	*-*	*-*	*-*	*-*	*11.67*
Others	**17.51**	**(4.27)**	**2.89**	**-**	**-**	**-**	**(0.11)**	**16.02**
	12.32	*-*	*5.19*	*-*	*-*	*-*	*-*	*17.51*
Total Deferred Tax Liability	**(307.33)**	**97.37**	**25.85**	**6.47**	**63.91**	**1.17**	**2.21**	**(110.35)**
	(296.16)	*-*	*21.42*	*2.21*	*-*	*(33.78)*	*(1.02)*	*(307.33)*

Figures in italics are of the previous year.

v) Deferred tax asset amounting to ₹ 719.64 crores and ₹ 900.50 crores as at March 31, 2020 and March 31, 2019 respectively in respect of unused tax losses have not been recognised by the Group. The tax loss carry-forwards of ₹ 3,392.24 crores and ₹ 2,913.51 crores as at March 31, 2020 and March 31, 2019, respectively, relates to certain subsidiaries on which deferred tax asset has not been recognised by the Group, because there is a lack of reasonable certainty that these subsidiaries may generate future taxable profits. Approximately, ₹ 740.73 crores and ₹ 482.91 crores as at March 31, 2020 and March 31, 2019 respectively of these tax losses has carry-forwards is not currently subject to expiration dates. The remaining tax loss carry-forwards of approximately ₹ 2,651.52 crores and ₹ 2,430.59 crores as at March 31, 2020 and March 31, 2019 respectively, expires in various years through fiscal 2038. Deferred tax assets on unused tax losses have been recognised by certain subsidiaries to the extent of profits arising from the reversal of existing taxable temporary differences.

vi) Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries amounting to ₹ 1,554.13 crores and ₹ 1,499.67 crores as at March 31, 2020 and March 31, 2019, respectively has not been recognised. Further, it is not practicable to estimate the amount of the unrecognised deferred tax liabilities for these undistributed earnings.

NOTE 39 : EMPLOYEE BENEFITS

(a) The Group has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds"(net of recoveries):

(₹ crores)

	March 31, 2020	March 31, 2019
Provident Fund	26.04	23.04
Superannuation Fund	3.92	4.30
Total	**29.96**	**27.34**

Multi-Employer Benefit Plans

One of the international subsidiaries, United Overseas Holding Inc., along with its LLP's namely "the New York LLC" is a party to the Industrywide Collective Bargaining Agreement between the New York Hotel Trades Council ("NYC Union") and the Hotel Association of New York City, Inc.. The collective bargaining agreement provides for union sponsored multi-employer defined benefit plans (the "Plans") to which the New York LLC makes contributions for the benefit of their employees covered by the collective bargaining agreements. The New York LLC has not received information from the Plans' administrators to determine their share of unfunded benefit obligations, if any. The New York LLC has not undertaken to terminate, withdraw or partially withdraw from the Plans. The risks of participating in the multi-employer plan are different from a single-employer plan in the following aspects:

(i) Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.

(ii) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

(iii) If an employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The New York LLC's participation in the Plans for 2019 and 2018 is outlined in the table below. The "EIN Number" column provides the Employer Identification Number (EIN). The most recent Pension Protection Act (PPA) zone status available is for the Plans' year-end at December 31, 2019 and 2018.

The zone status is based on information that the New York LLC received from the Plans and is certified by the actuaries of the Plans. Among other factors, pension plans in the red zone are generally less than 65% funded, pension plans in the yellow zone are less than 80% funded, and pension plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates pension plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is pending or has been implemented. The New York LLC's contributions to its respective Plans did not exceed more than 5% of the total contributions to the Plans by all participating employers. The following is a summary of the Plans to which the New York LLC make contributions for the benefit of their employees covered by the collective bargaining agreements.

			Pension Protection Act Zone Status			Contribution by the Company for the year ended	
Plans	**EIN Number**	**EIN Number**	**2020**	**2019**	**FIP/RP Status Pending/ Implemented**	**December 31, 2019 US $**	**December 31, 2018 US $**
New York LLC							
Pension Fund (i)	13-1764242	001	**Green**	Green	Yes	4,046,529	3,893,216
Health Benefits Fund (ii)	13-6126923	501	**NA**	NA	Yes	7,954,067	7,614,612
Prepaid Legal Services Fund (iii)	13-3418414	508	**NA**	NA	Yes	76,968	76,627
Total - New York LLC						**12,077,564**	**11,584,455**

(i) New York Hotel Trades Council and Hotel Association of New York City, Inc. Health Benefits Fund

(ii) New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Services Fund

(iii) New York Hotel Trades Council and Hotel Association of New York City, Inc. Pension Fund

Defined Contribution 401(k) Plans

United Overseas Holding Inc. and its LLC's, wholly owned subsidiaries in the United States of America, have defined contribution plans for the benefit of their eligible employees pursuant to Section 401(k) of the Internal Revenue Code. In addition to employee 401(k) contributions, the plans require employer contributions of 3% of each eligible participant's plan compensation for each year. The employer may also make a profit sharing contribution of a uniform percentage of eligible participants' plan compensation based on profits as defined. The employer contributions charged to the Company's and the Subsidiaries' operations for the years ended March 31, 2020 and 2019 are as follows:

(US $)

	March 31, 2020	March 31, 2019
San Francisco LLC	110,987	112,596
New York LLC	188,498	182,818
Company	31,950	8,031
Total Employer Contributions	**331,435**	**303,445**

(b) The Group operates post retirement defined benefit plans as follows :-

(i) Funded :

- Post Retirement Gratuity
- Pension to Employees – Post retirement minimum guaranteed pension scheme for certain categories of employees, which is funded by the Company and the employees.

(ii) Unfunded :

- Post Retirement Gratuity
- Pension to Executive Directors and Employees – Post retirement minimum guaranteed pension scheme for select existing and retired executive directors and certain categories of employees, which is unfunded.
- Post Employment Medical Benefits to qualifying employees

(c) Provident Fund:

The Company operates Provident Fund Scheme through a trust – 'The Indian Hotels Company Limited Employees Provident Fund' ('the Plan'), set up by the Company and for certain categories contributions are made to State Plan.

The Plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of the services by the employee. In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumptions provided below, there is no shortfall as at March 31, 2020 and March 31, 2019.

The details of fund and plan asset position are given below:

(₹ crores)

	March 31, 2020	March 31, 2019
Plan Assets as at period end	634.96	593.97
Present Value of Funded Obligation at period end	634.96	593.97
Amount recognised in the Balance Sheet	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	March 31, 2020	March 31, 2019
Guaranteed Rate of Return	8.50%	8.65%
Discounted Rate for remaining term to Maturity of Investment	6.55%	7.65%
Expected Rate of Return on Investment	8.61%	8.83%

The Company contributed ₹ 23.45 crores and ₹ 10.63 crores towards provident fund during the year ended March 31, 2020 and March 31, 2019 respectively and the same has been recognised in the statement of profit and loss.

(d) Pension Scheme for Employees:

The Group has formulated a funded pension scheme for certain employees. The actuarial liability arising on the above, after allowing for employees' contribution is determined as at the year end, on the basis of uniform accrual benefit, with demographic assumptions taken as Nil.

(e) The above defined benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

a. Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to government security yields prevailing as at the Balance Sheet date. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has a relatively balanced mix of investments in equity, government securities, bonds and other debt instruments. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate that a reasonable portion of the plan assets should be invested in equity securities to leverage the return generated by the Fund.

b. Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

c. Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

d. Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(f) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2020:-

(i) Amount to be recognised in Balance Sheet and movement in net liability

(₹ crores)

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Present Value of Funded Obligations	**231.97**	**-**	**-**	**-**	**8.26**
	206.05	-	-	-	*7.91*
Present Value of Unfunded Obligations	**2.32**	**7.35**	**3.62**	**18.58**	**-**
	1.88	*6.61*	*2.65*	*16.62*	-
Fair Value of Plan Assets	**(201.82)**	**-**	**-**	**-**	**(10.73)**
	(186.19)	-	-	-	*(10.15)*
Amount not recognised due to asset limit	**-**	**-**	**-**	**-**	**0.84**
	-	-	-	-	*0.77*
Net (Asset) / Liability	**32.47**	**7.35**	**3.62**	**18.58**	**(1.63)**
	21.75	***6.61***	***2.65***	***16.62***	***(1.47)***

(ii) Expenses recognised in the Statement of Profit & Loss

(₹ crores)

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Current Service Cost	**12.21**	**0.09**	**0.15**	**-**	**0.15**
	11.38	*0.08*	*0.16*	*0.16*	*0.13*
Past service Cost	-	-	-	-	-
	(0.60)	*0.96*	-	-	-
Interest Cost	**1.00**	**0.49**	**0.19**	**1.21**	**(0.12)**
	0.45	*0.41*	*0.19*	*1.14*	*(0.12)*
Total	**13.21**	**0.58**	**0.34**	**1.21**	**0.03**
	11.23	***1.45***	***0.35***	***1.30***	***0.01***

(iii) Expenses recognised in the Statement of Profit & Loss

(₹ crores)

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Remeasurements during the period due to:					
Changes in financial assumptions	**12.45**	**0.62**	**0.37**	**1.47**	**0.54**
	(0.02)	-	-	-	-
Changes in demographic assumptions	**0.04**	**-**	**-**	**-**	**-**
	(0.07)	*(0.21)*	*0.03*	*(0.68)*	-
Experience adjustments	**5.39**	**(0.07)**	**0.66**	**0.41**	**(0.40)**
	8.57	*0.04*	*0.17*	*1.45*	*0.39*
Actual return on plan assets less interest on plan assets	**0.23**	**-**	**-**	**-**	**(0.18)**
	0.56	-	-	-	*0.05*
Adjustment to recognise the effect of asset ceiling	**-**	**-**	**-**	**-**	**0.02**
	-	-	-	-	*(0.12)*
Expenses recognised	**18.08**	**0.55**	**1.03**	**1.88**	**(0.02)**
	9.04	***(0.17)***	***0.20***	***0.77***	***0.32***

(iv)Reconciliation of Defined Benefit Obligation

(₹ crores)

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Opening Defined Benefit Obligation	**207.93**	**6.61**	**2.65**	**16.62**	**7.91**
	196.05	*5.63*	*2.75*	*15.61*	*7.28*
Current Service Cost	**12.21**	**0.09**	**0.15**	**-**	**0.15**
	11.38	*0.08*	*0.16*	*0.16*	*0.13*
Past Service Cost	**-**	**-**	**-**	**-**	**-**
	(0.60)	*0.96*	-	-	-
Interest Cost	**14.31**	**0.49**	**0.19**	**1.21**	**0.56**
	13.50	*0.41*	*0.19*	*1.14*	*0.53*
Remeasurements due to actuarial loss/ (gain) arising from:					
Changes in financial assumptions	**12.45**	**0.62**	**0.37**	**1.47**	**0.54**
	(0.02)	-	-	-	-
Changes in demographic assumptions	**0.04**	**-**	**-**	**-**	**-**
	(0.07)	*(0.21)*	*0.03*	*(0.68)*	-
Experience adjustments	**5.39**	**(0.07)**	**0.66**	**0.41**	**(0.40)**
	8.57	*0.04*	*0.17*	*1.45*	*0.39*
Benefits Paid	**(19.97)**	**(0.39)**	**(0.40)**	**(1.13)**	**(0.50)**
	(21.22)	*(0.30)*	*(0.65)*	*(1.06)*	*(0.42)*
Liabilities assumed	**1.93**	**-**	**-**	**-**	**-**
	0.34	-	-	-	-
Closing Defined Benefit Obligation	**234.29**	**7.35**	**3.62**	**18.58**	**8.26**
	207.93	*6.61*	*2.65*	*16.62*	*7.91*

(v) Reconciliation of Fair Value of Plan Assets

(₹ crores)

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Opening Fair Value of Plan Assets	**186.19**	**-**	**-**	**-**	**10.15**
	181.31	-	-	-	*9.70*
Interest on Plan Assets	**13.31**	**-**	**-**	**-**	**0.74**
	13.05	-	-	-	*0.71*
Remeasurements due to:					
Actual return on plan assets less interest on plan assets	**(0.23)**	**-**	**-**	**-**	**0.18**
	(0.57)	-	-	-	*(0.05)*
Contribution by Employer	**20.87**	**0.39**	**0.40**	**1.13**	**0.16**
	13.61	*0.30*	*0.65*	*1.06*	*0.21*
Benefits Paid	**(19.97)**	**(0.39)**	**(0.40)**	**(1.13)**	**(0.50)**
	(21.22)	*(0.30)*	*(0.65)*	*(1.06)*	*(0.42)*
Assets acquired	**1.66**	**-**	**-**	**-**	**-**
	0.01	-	-	-	-
Closing Fair Value of Plan Assets	**201.82**	**-**	**-**	**-**	**10.73**
	186.19	**-**	**-**	**-**	***10.15***
Expected Employer's contribution/ outflow next year	**17.10**	**-**	**-**	**-**	**-**
	17.02	-	-	-	-

(vi) Actuarial Assumptions

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Discount rate (p.a.) in %	**6.65%**	**6.65%**	**6.65%**	**6.65%**	**6.65%**
	7.55%	*7.55%*	*7.55%*	*7.55%*	*7.55%*
Salary Escalation Rate (p.a.) in %	**4.00-5.00%**	**-**	**4.00%**	**-**	**-**
	4.00-8.00%	-	*4.00%*	-	-
Pension Escalation Rate (p.a.) in %	**-**	**-**	**-**	**4.00%**	**-**
	-	-	-	*4.00%*	-
Annual increase in healthcare costs (p.a.) in %	**-**	**6.00%**	**-**	**-**	**-**
	-	*6.00%*	-	-	-
Mortality Table *					
Mortality table in service(LIC)	**Table 1**	**Table 1**	**Table 1**	**NA**	**NA**
	Table 1	*Table 1*	*Table 1*	*NA*	*NA*
Mortality table in retirement(LIC)	**NA**	**Table 2**	**Table 2**	**Table 2**	**Table 2**
	NA	*Table 2*	*Table 2*	*Table 2*	*Table 2*

* Table 1 – Indian Assured Lives Mortality (2012-14) Ult table

Table 2 – UK Published S1PA Mortality rate

Disaggregation of Plan Assets (Managed by an Insurance Company)

a) Gratuity Funded

Particulars	March 31, 2020				March 31, 2019			
	Quoted (₹ crores)	Unquoted (₹ crores)	Total	%	Quoted (₹ crores)	Unquoted (₹ crores)	Total	%
Government Debt Instruments	**94.60**	**-**	**94.60**	**47%**	50.24	-	50.24	27%
Other Debt Instruments	**41.19**	**0.09**	**41.28**	**20%**	51.42	0.09	51.51	28%
Property	**-**	**-**	**-**	**-**	-	-	-	-
Other Equity Instruments	**30.53**	**-**	**30.53**	**15%**	37.78	-	37.78	20%
Insurer managed funds	**-**	**22.70**	**22.70**	**11%**	-	21.40	21.40	11%
Others	**0.62**	**12.10**	**12.72**	**6%**	0.63	24.63	25.26	14%
Total	**166.94**	**34.89**	**201.83**	**100%**	**140.07**	**46.12**	**186.19**	**100%**

b) Pension Staff Funded

Particulars	March 31, 2020				March 31, 2019			
	Quoted (₹ crores)	Unquoted (₹ crores)	Total	%	Quoted (₹ crores)	Unquoted (₹ crores)	Total	%
Government Debt Instruments	**4.82**	**-**	**4.82**	**45%**	4.78	-	4.78	47%
Other Debt Instruments	**4.72**	**-**	**4.72**	**44%**	5.06	-	5.06	50%
Other Equity Instruments	**0.21**	**-**	**0.21**	**2%**	0.24	-	0.24	2%
Others	**-**	**0.98**	**0. 98**	**9%**	-	0.07	0.07	1%
Total	**9.75**	**0.97**	**10.73**	**100%**	**10.08**	**0.07**	**10.15**	**100%**

(vii) Sensitivity Analysis (for each defined benefit plan)

Particulars	Gratuity				Pension Top up			
	March 31, 2020		March 31, 2019		March 31, 2020		March 31, 2019	
	Discount rate (%)	Salary Escalation rate (%)	Discount rate (%)	Salary Escalation rate (%)	Discount rate (%)	Salary Escalation rate (%)	Discount rate (%)	Salary Escalation rate (%)
Impact of increase in 50 bps on DBO	**(3.08)**	**3.32**	(3.07)	3.29	**(5.87)**	**-**	(5.53)	-
Impact of decrease in 50 bps on DBO	**3.27**	**(3.15)**	3.21	(3.17)	**6.41**	**-**	6.02	-
Impact of life expectancy 1 year decrease	**-**	**-**	-	-	**-**	**(1.93)**	-	(1.77)
Impact of life expectancy 1 year Increase	**-**	**-**	-	-	**-**	**1.85**	-	1.69

Particulars	Pension Staff Funded					
	March 31, 2020			March 31, 2019		
	Discount rate (%)	Salary Escalation rate (%)	Pension rate (%)	Discount rate (%)	Salary Escalation rate (%)	Pension rate (%)
Impact of increase in 50 bps on DBO	**(3.74)**	**-**	**-**	(3.64)	-	-
Impact of decrease in 50 bps on DBO	**4.01**	**-**	**-**	3.90	-	-

Particulars	Post- Employment Medical Benefits Unfunded					
	March 31, 2020			March 31, 2019		
	Discount rate (%)	Life Expectancy (%)	Health care Cost (%)	Discount rate (%)	Life Expectancy (%)	Health care Cost (%)
Impact of increase in 50 bps on DBO	**(4.85)**	**-**	**-**	(4.66)	-	-
Impact of decrease in 50 bps on DBO	**5.29**	**-**	**-**	5.08	-	-
Impact of life expectancy 1 year decrease	**-**	**(3.52)**	**-**	-	(3.23)	-
Impact of life expectancy 1 year Increase	**-**	**3.35**	**-**	-	3.05	-
Defined benefit obligation on healthcare costs rate minus 100 bps	**-**	**-**	**(4.61)**	-	-	(4.44)
Defined benefit obligation on healthcare costs rate plus 100 bps	**-**	**-**	**5.44**	-	-	5.24

Particulars	Pension Director Unfunded					
	March 31, 2020			March 31, 2019		
	Discount rate (%)	Life Expectancy (%)	Pension rate (%)	Discount rate (%)	Life Expectancy (%)	Pension rate (%)
Impact of increase in 50 bps on DBO	**(4.54)**	**-**	**-**	(4.42)	-	-
Impact of decrease in 50 bps on DBO	**4.93**	**-**	**-**	4.79	-	-
Impact of life expectancy 1 year decrease	**-**	**(4.02)**	**-**	-	(3.58)	-
Impact of life expectancy 1 year Increase	**-**	**3.88**	**-**	-	3.43	-
Defined benefit obligation on pension increase rate minus 100 bps	**-**	**-**	**(9.03)**	-	-	(8.85)
Defined benefit obligation on pension increase rate plus 100 bps	**-**	**-**	**10.45**	-	-	10.24

(viii) Movement in Asset Ceiling

(₹ crores)

	March 31, 2020	March 31, 2019
Opening Value of asset ceiling	**0.76**	0.82
Interest on Opening balance of asset ceiling	**0.06**	0.07
Remeasurement due to:		
change in Surplus/(deficit)	**0.02**	(0.12)
Closing value of asset ceiling	**0.84**	**0.77**

Footnote: Figures in italics under (i) to (vi) are of the previous year.

(ix) Expected future benefit payments:

(₹ crores)

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Within one year	**45.89**	**0.43**	**-**	**1.21**	**0.71**
	36.81	*0.41*	*0.33*	*1.14*	*0.65*
Between one and five years	**98.02**	**1.99**	**3.06**	**5.17**	**2.87**
	95.09	*1.89*	*1.66*	*4.88*	*2.75*
After five years	**248.48**	**15.18**	**1.83**	**34.70**	**12.11**
	243.48	*15.42*	*1.69*	*35.21*	*12.78*
Weighted average duration of the Defined Benefit Obligation (in years)	**6.39**	**10.13**	**12.33**	**9.46**	**7.36**
	6.32	*9.72*	*11.67*	*9.19*	*7.16*

Due to the restrictions in the type of investments that can be held by the gratuity and pension fund as per the prevalent regulations, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

NOTE 40 : OTHER REGULATORY MATTERS

The Company, on a review of its foreign operations had, in the past, made voluntary disclosures to the appropriate regulator, of what it considered to be possible irregularities, in relation to foreign exchange transactions relating to the period prior to 1998. Arising out of such disclosures, the Company received show cause notices and the Company had replied to the notices. Prior to 2018, the Company has received adjudication cum demand of ₹ 10.89 crores on certain matters which has been disputed by the Company. This has been disclosed as Contingent Liability. The Company has filed appeal against the adjudication cum demand, and the appeal is pending. During the previous year, the Company received adjudication cum demand aggregating ₹ 1.12 crore on three other matters being contested. The Company has filed appeals against these adjudication cum demand orders and the same are pending. For the balance Show Cause Notices, adjudication proceedings are in progress.

NOTE 41 : RELATED PARTY DISCLOSURES

(a) The names of related parties of the Group are as under:

(i) Company having substantial interest

Tata Sons Private Ltd. (including its subsidiaries and joint ventures)

(ii) Associates and Joint Ventures

The names of all the associates and joint ventures are given in Note 35 (c)

(iii) Key Management Personnel

Key managerial personnel comprise the whole-time directors of the Company, who have the authority and responsibility for planning, directing and controlling the activities of the Company and the Group.

Following are the Key Management Personnel:	Relation
Puneet Chhatwal	Managing Director & CEO
Mehernosh S. Kapadia *	Executive Director – Corporate Affairs

* for part of the previous year upto May 23, 2018

(iv) Post Employment benefit plans

The Indian Hotels Company Ltd. Employees Provident Fund

The Indian Hotels Company Ltd. Superannuation Scheme

The Indian Hotels Employees Gratuity Trust

Taj Residency Employees Provident fund Trust (Bangalore unit)

Piem Hotel Employees Gratuity Trust

Taj Residency Hotel Employees Gratuity Trust

(b) The details of related party transactions during the year ended March 31, 2020 and March 31, 2019 are as follows:

(₹ crores)

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Interest expense	**1.53** -	**-** -	**0.94** *1.23*	**-** -
Interest income	**-** -	**-** -	**2.03** *2.11*	**-** -
Dividend Paid	**22.61** *18.08*	**-** -	**0.10** *0.08*	**-** -
Dividend income	**4.60** *3.60*	**-** -	**6.40** *15.16*	**-** -
Operating/ License Fees expenses	**0.21** *0.27*	**-** -	**-** -	**-** -
Operating fees income	**12.73** *3.47*	**-** -	**55.20** *68.05*	**-** -
Purchase of goods and services	**72.02** *76.10*	**-** -	**2.60** *0.43*	**-** -
Sale of goods and services	**56.28** *63.87*	**-** -	**1.01** *1.37*	**-** -
Purchase of shares	**-** -	**-** -	**2.99** *6.15*	**-** -
Sale of shares	**-** -	**-** -	**29.79** -	**-** -
Deputed staff reimbursements	**-** *0.01*	**-** -	**9.52** *7.86*	**-** -
Deputed staff out	**0.23** *0.45*	**-** -	**30.80** *35.74*	**-** -
Other cost reimbursements	**0.60** *0.18*	**-** -	**0.78** *2.27*	**-** -
Loyalty expense (Net of redemption credit)	**0.07** *0.14*	**-** -	**5.15** *7.15*	**-** -
Contribution to funds	**-** -	**-** -	**-** -	**49.09** *25.52*
Inter Corporate Deposit ("ICD") Raised	**55.00** -	**-** -	**23.00** -	**-** -
ICD Placed	**-** -	**-** -	**3.55** *1.50*	**-** -
ICD Encashed	**15.00** -	**-** -	**38.00** *2.28*	**-** -
Remuneration paid / payable (Refer Footnote ii)	**-** -	**8.49** *8.58*	**-** -	**-** -
Trade receivables (Refer Note 14)	**10.00** *12.26*	**-** -	**34.52** *38.39*	**-** -
Trade payables(Refer Note 20)	**17.56** *11.48*	**-** -	**2.00** *0.28*	**-** -

(₹ crores)

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Other Receivables/ (Other Payable)	**0.74**	**-**	**80.73**	**-**
(Refer Note 10 and 21)	*0.29*	*-*	*67.45*	*-*
Interest Receivable	**-**	**-**	**0.49**	**-**
(Refer Note 10)	*-*	*-*	*0.98*	*-*
Interest Payable	**0.08**	**-**	**-**	**-**
(Refer Note 21)	*-*	*-*	*0.19*	*-*
Loan Receivable	**-**	**-**	**23.24**	**-**
(Refer Note 9)	*1.28*	*-*	*168.76*	*-*
Allowance for doubtful loan	**-**	**-**	**3.17**	**-**
(Refer Note 9)	*-*	*-*	*150.16*	*-*
Option Deposit	**71.10**	**-**	**-**	**-**
(Refer Note 21)	*71.10*	*-*	*-*	*-*
Deposits Payable	**40.05**	**-**	**-**	**-**
(Refer Note 19)	*0.26*	*-*	*12.00*	**-**
Deposits Receivable	**0.08**	**-**	**-**	**-**
(Refer Note 10)	*-*	*-*	*-*	*-*

* Including its subsidiaries and joint ventures

Including its subsidiaries

Footnotes:

(i) Figures in italics are of the previous periods.

(ii) Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation of the Company's liability to all its employees.

(iii) From time to time key management personel of the group including directors of entities which they have control or significant influence, may purchase services from the group those purchase are on the same terms and conditions as those entered into with other group employees or customers.

(c) Statement of Material Transactions

(₹ crores)

Company Name	March 31, 2020	March 31, 2019
Company having substantial interest and its subsidiaries and joint ventures		
Tata Sons Private Limited		
Dividend income	**4.50**	3.60
Dividend paid	**21.66**	17.33
Trade payables	**4.09**	3.85
Sale of goods and services	**6.65**	10.59
Other cost reimbursements	**0.57**	-
Deposits Receivable	**0.08**	-
Tata SIA Airlines Limited		
Sale of goods and services	**19.60**	7.25
Tata AIG General Insurance Company Limited		
Purchase of goods and services	**9.90**	9.11
Tata Realty and Infrastructure Limited		
Option Deposit	**71.10**	71.10
Tata Zambia Limited		
Operating / Licence fees expense	**0.21**	0.27

(₹ crores)

Company Name	March 31, 2020	March 31, 2019
Tata Consultancy Services Limited		
Purchase of goods and services	**56.86**	48.26
Sale of goods and services	**17.10**	31.10
Trade receivables	**3.57**	5.70
Trade payables	**9.57**	6.76
Tata Communications Ltd.		
Trade Payables	**2.39**	-
Taj Air Limited		
Interest expense	**1.53**	-
ICD Raised	**55.00**	-
ICD Encashed	**15.00**	-
Interest Payable	**0.08**	-
Deposit outstanding	**40.00**	-
Remuneration to Key Management Personnel		
Puneet Chhatwal	**8.49**	6.01
Associates		
Oriental Hotels Ltd.		
Operating fees income	**23.91**	33.66
Deputed staff reimbursement	**4.11**	3.31
Deputed staff out	**14.68**	16.54
Loyalty expense (Net of redemption credit)	**3.24**	4.20
Other cost reimbursements	**0.32**	1.28
Trade receivables	**8.37**	14.96
Trade Payable	**1.79**	
Dividend Income	**3.28**	-
Taida Trading & Industries Ltd.		
Interest income	**0.58**	0.50
Interest receivable	**0.45**	0.39
ICD Placed	**0.55**	1.50
Loan Receivable	**6.59**	6.04
Allowance for doubtful loan	**3.17**	3.17
Joint Ventures		
Taj GVK Hotels & Resorts Ltd.		
Operating fees income	**12.65**	12.61
Deputed staff reimbursement	**3.56**	3.11
Deputed staff out	**8.42**	9.39
Other cost reimbursements	**0.29**	0.62
Trade Receivables	**11.04**	11.88
Taj Karnataka Hotels & Resorts Ltd.		
Interest income	**0.48**	0.48
Loan Receivable	**5.35**	5.35
Taj SATS Air Catering Ltd.		
Interest expense	**0.94**	1.23
Sale of shares	**29.79**	-
ICD Raised	**23.00**	-
ICD Encashed	**35.00**	-
Other Receivable / (Payable)	**(0.89)**	0.08

(₹ crores)

Company Name	March 31, 2020	March 31, 2019
Taj Safaris Ltd.		
Purchase of Shares	**2.99**	6.15
ICD Encashed	**3.00**	2.28
ICD Placed	**3.00**	-
Kaveri Retreat & Resorts Limited		
Other receivables/(Other payables)	**(0.50)**	(0.23)
TAL Hotels & Resorts Ltd.		
Dividend income	**2.03**	7.89
Interest income	**0.96**	0.94
Operating fees income	**7.14**	8.89
Other receivables/(Other payables)	**(0.27)**	0.21
Loan Receivable	**11.30**	10.38
Loyalty expense (Net of redemption credit)	**1.38**	1.82
IHMS Hotels (SA)(Pty) Ltd.		
Trade Receivable	**5.87**	5.63
Other Receivable	**75.56**	66.29
Post-employment benefits plans		
Contribution to superannuation fund	**4.89**	5.03
Contribution to provident fund	**23.45**	10.63
Contribution to Gratuity Fund	**19.75**	9.50

NOTE 42 : SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Managing Director and Chief Executive Officer of the Company who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker. From the internal organisation of the Group's activities and consistent with the internal reporting provided to the chief operating decision-maker and after considering the nature of its services, the ultimate customer availing those services and the methods used by its to provide those services, "Hotel Services" has been identified to be the Group's sole operating segment. Hotel Services include "Revenue from Operations" including Management and Operating Fees where hotels are not owned or leased by the Group. The organisation is largely managed separately by property based on centrally driven policies and the results and cash flows of the period, financial position as of each reporting date aggregated for the assessment by the Managing Director and Chief Executive Officer. The Group's management reporting and controlling systems principally use accounting policies that are the same as those described in Note 2 in the summary of significant accounting policies under Ind AS. As the Group is engaged in a single operating segment, segment information that has been tabulated below is Group-wide:

(₹ crores)

	Revenue from Hotel Services by location of operations		Non-current assets (see footnote below)	
Country	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
India	**3,394.06**	3,406.22	**5,982.76**	4,714.79
U.S.A.	**665.63**	686.93	**1,118.33**	860.07
U.K.	**403.45**	418.85	**1,163.40**	922.02
Other Overseas locations	**-**	-	**0.02**	-
Total	**4,463.14**	**4,512.00**	**8,264.51**	**6,566.87**

Footnote: Non-current assets exclude financial assets, deferred tax assets and goodwill.

No single customer contributes more than 10% or more of the Group's total revenue for the years ended March 31, 2020 and March 31, 2019.

NOTE 43 : ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATES / JOINT VENTURES

(₹ crores)

Name of the entity of the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets"	₹ crores	As % of consolidated net assets"	₹ crores	As % of consolidated net assets	₹ crores	As % of consolidated net assets	₹ crores
Parent								
The Indian Hotels Company Ltd.	84.95%	4,350.74	113.26%	401.41	(1,262.42)%	(123.97)	80.51%	277.44
Subsidiaries								
Indian								
Piem Hotels Ltd.	12.00%	614.64	2.25%	7.97	(93.69)%	(9.20)	(0.36)%	(1.23)
Benares Hotels Ltd.	1.53%	78.31	2.99%	10.61	(1.22)%	(0.12)	3.04%	10.49
United Hotels Ltd.	0.47%	24.27	0.94%	3.32	(1.12)%	(0.11)	0.93%	3.21
Roots Corporation Ltd.	3.80%	194.61	(6.42)%	(22.77)	1.32%	0.13	(6.57)%	(22.64)
Inditravel Ltd.	0.11%	5.71	0.00%	0.95	(0.51)%	(0.05)	0.26%	0.90
Taj Trade & Transport Company Ltd.	0.22%	11.03	(0.25)%	(0.90)	0.10%	0.01	(0.26)%	(0.89)
KTC Hotels Ltd.	0.05%	2.68	0.09%	0.31	-	-	0.09%	0.31
Northern India Hotels Ltd.	0.60%	30.89	0.60%	2.11	-	-	0.61%	2.11
Taj Enterprises Ltd.	0.14%	7.26	0.87%	3.09	-	-	0.90%	3.09
Skydeck Properties and Developers Private Ltd.	8.78%	449.46	0.01%	0.05	-	-	0.00%	0.05
Sheena Investments Private Ltd.	0.06%	2.82	0.03%	0.09	-	-	0.03%	0.09
ELEL Hotels and Investments Ltd.	11.12%	569.70	(4.02)%	(14.26)	-	-	(4.14)%	(14.26)
Luthria and Lalchandani Hotel and Properties Private Ltd.	-	(0.04)	-	-	-	-	-	-
Foreign								
United Overseas Holdings Inc.	11.23%	575.10	(29.87)%	(105.88)	-	-	(30.73)%	(105.88)
St. James Court Hotel Ltd.	12.81%	655.94	8.05%	28.53	-	-	8.28%	28.53
Taj International Hotels Ltd.	0.17%	8.95	(0.43)%	(1.52)	-	-	(0.44)%	(1.52)
Taj International Hotels (H.K.) Ltd.	2.60%	133.39	(0.61)%	(2.16)	-	-	(0.63)%	(2.16)
Piem International (HK) Ltd.	3.03%	155.40	2.95%	10.46	-	-	3.04%	10.46
IHOCO BV.	37.11%	1,900.55	1.89%	6.71	-	-	1.95%	6.71
Non-controlling interests in all subsidiaries		764.90		(9.32)		(2.26)		(11.58)

(₹ crores)

Name of the entity of the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets”	₹ crores	As % of consolidated net assets”	₹ crores	As % of consolidated net assets	₹ crores	As % of consolidated net assets	₹ crores
Associates (Investment as per the equity method)								
Indian								
Oriental Hotels Ltd.	4.67%	238.99	(0.83)%	(2.95)	65.07%	6.39	1.00%	3.44
Taj Madurai Ltd	0.08%	4.04	0.08%	0.30	(23.63)%	(2.32)	(0.59)%	(2.02)
Taida Trading & Industries Ltd (Refer Footnote below)	-	-	-	-	-	-	-	-
Foreign								
Lanka Island Resorts Ltd.	0.65%	33.40	(0.05)%	(0.17)	(1.43)%	(0.14)	(0.09)%	(0.31)
TAL Lanka Hotels Plc	0.23%	11.54	(0.51)%	(1.80)	(1.12)%	(0.11)	(0.55)%	(1.91)
Bjets Pte Ltd. (Refer Footnote below)	-	-	-	-	-	-	-	-
Joint Ventures (Investment as per the equity method)								
Indian								
Taj GVK Hotels and Resorts Ltd.	2.41%	123.21	2.58%	9.15	(0.20)%	(0.02)	2.65%	9.13
Taj Kerala Hotels and Resorts Ltd.	0.27%	13.95	(0.44)%	(1.56)	(0.61)%	(0.06)	(0.47)%	(1.62)
Taj SATS Air Catering Ltd.	1.37%	69.95	4.09%	14.50	(11.10)%	(1.09)	3.89%	13.41
Taj Karnataka Hotels and Resorts Ltd.	(0.03)%	(1.55)	0.00%	0.01	-	-	0.00%	0.01
Taj Safaris Ltd.	0.18%	9.04	0.05%	0.19	-0.00%	(0.03)	0.05%	0.16
Kaveri Retreat & Resorts Ltd	0.85%	43.49	0.70%	2.48	-0.00%	(0.01)	0.72%	2.47
Taj Madras Flight Kitchen Pvt. Ltd.	0.00%	-	0.11%	0.39	0.00%	-	0.11%	0.39
Foreign								
IHMS Hotels (SA)(Pty) Ltd.	(1.53)%	(78.27)	(2.81)%	(9.97)	-	-	(2.89)%	(9.97)
TAL Hotels & Resorts Ltd.	2.44%	124.74	(0.64)%	(2.27)	68.94%	6.77	1.31%	4.50
Consolidation Adjustments / Eliminations	(117.29)%	(6,007.13)	7.71%	27.32	1,185.03%	116.37	41.70%	143.69
Total	**100.00%**	**5,121.71**	**100.00%**	**354.42**	**100.00%**	**(9.82)**	**100.00%**	**344.60**

Footnotes:

The carrying value of these investments in Associates has been reported as Nil, as the Group’s share of losses exceeds the cost of investments.

NOTE 44 : EARNINGS PER SHARE (EPS)

Earnings Per Share is calculated in accordance with Ind AS 33 – 'Earnings Per Share'.

	March 31, 2020	March 31, 2019
Profit/(Loss) after tax (owner's share) – (₹ crores)	**354.42**	286.82
Opening balance	**118,92,58,445**	118,92,58,445
Weighted average number of Equity Shares #	**118,92,58,445**	**118,92,58,445**
Earnings Per Share - Basic and Diluted - (₹)	**2.98**	2.41
Face Value per Equity Share (₹)	**1**	1

NOTE 45 : GOING CONCERN

Negative working capital:

As at the year end, the group's current liabilities have exceeded its current assets by ₹ 463.51 crores primarily on account of current maturities of long term borrowings aggregating ₹ 310.02 crores falling due within 12 months following the balance sheet date. The Group has secured additional financing for the next 12 months to prevent disruption of the operating cash flows and enable the Group meet its debts and obligations as they fall due. Accordingly, the financial statements of the Group are prepared on a going concern basis.

Impact of COVID – 19

The Group and its associates and joint ventures faces significant uncertainties due to COVID-19 which have impacted the operations of these entities adversely starting from the month of March 2020 onwards. Management of the individual entities has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and has prepared a range of scenarios to estimate financing requirements.

Subsequent to the reporting date, the group has drawn down lines of credit aggregating ₹ 582.38 crores. During April, the Company repaid Debentures aggregating ₹ 200 crores and is current on all its Debt obligations. In addition, the management of respective entities in the group are in advanced discussion to secure additional financing to fulfil its long-term/ working capital requirements. Also refer note 2 (e) Estimation uncertainty due to COVID-19.

Based on aforesaid assessment, management believes that as per estimates made conservatively, the group will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2020.

NOTE 46 : DIVIDENDS

Dividends paid during the year ended March 31, 2020 out of Retained Earning was ₹ 0.50 per equity share for the year ended March 31, 2019.

The dividends declared by the Company are based on the profits available for distribution as reported in the standalone financial statements of the Company. Accordingly, the retained earnings reported in these financial statements may not be fully distributable. As of March 31, 2020, retained earnings not transferred to reserves available for distribution was ₹ 808.52 crores.

On June 10, 2020, the Board of Directors of the Company have proposed a final dividend of ₹ 0.50 per share in respect of the year ended March 31, 2020, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 59.46 crores.

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, June 10, 2020

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Nasser Munjee
Director
DIN: 00010180

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Corporate Affairs &
Company Secretary (Group)

INDEPENDENT AUDITOR'S REPORT

To the Members of The Indian Hotels Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of The Indian Hotels Company Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2019, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act 2013, ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i. Goodwill – evaluation of adequacy of provision for impairment of goodwill

As a result of past acquisitions, the Group carries capitalized goodwill with value of ₹ 583.47 crores.

Management performs an impairment assessment on an annual basis as required by Ind AS 36 Impairment of Assets.

For the Cash generating units (CGUs) which contain goodwill, the determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use, requires judgement on the part of management in both identifying and then valuing the relevant CGUs. Recoverable amounts of these CGU's are based on management's view of variables such as future average revenue per available room, room occupancy, room rates, rate per cover etc. and operating expenditure and the most appropriate discount rate.

Refer to Note 2 "Basis of preparation" and Note 4 – "Goodwill" of the consolidated financial statements.

How our audit addressed the key audit matter

We performed an evaluation of managements' assessment of the Group's CGU. Further, our evaluation included discussion with management, review of the internal reporting structure, the decision making process and how resources are allocated among business units of the Group. We subsequently evaluated the impairment assessment made by management to also ensure they were in accordance with Ind AS.

Our procedures included challenging management on the suitability of the impairment model and reasonableness of the assumptions through performing the following:

- Benchmarking the key market related assumptions in management's valuation models with industry and assumptions made in prior years including revenue and margin trends, capital expenditure, market share and against external data where available, utilizing our internal valuation specialists;
- Recalculation of the discount rate by our internal valuation specialists using external information and comparison to management's assumptions;
- Testing the mathematical accuracy of the cash flow model and agreeing relevant data to the Board approved strategic long term plan;
- Assessing the reliability of management's forecast through a review of actual performance against previous forecasts;
- Assessing and validating the appropriateness of the disclosures made in the financial statements.

ii. **Contingent liabilities and related provisions**

The Company has significant legal, regulatory and tax litigations against it. There is a high level of judgement required in estimating the level of provisioning required and appropriateness of disclosure of contingent liabilities.

Refer to Note 2 – "Basis of preparation", Note 21 – "Provisions", Note 30 – "Contingent liabilities and legal proceedings" and Note 39 – "Other regulatory matters" of the consolidated financial statements.

How our audit addressed the key audit matter

For legal, regulatory and tax matters our procedures included examining external legal opinions obtained by management; meeting with regional and local management and examining relevant Group correspondence; discussing litigations with the Company's legal counsel and tax head; assessing management's conclusions through understanding precedents set in similar cases; and circularization, where appropriate, of confirmations to third party legal representatives regarding certain material cases.

We also involved our internal tax specialists to gain an understanding and to determine the level of exposure for direct and indirect tax litigations of the Company.

In light of the above, we examined the level of provisions recorded and assessed the adequacy of disclosures in consolidated financial statements.

OTHER INFORMATION

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this information, we are required to report the fact. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profits and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Refer Note - 44.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of each Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are responsible for expressing our opinion on whether the Company, its subsidiaries, its associates and joint ventures incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of these consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Company and its subsidiaries) as well as its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements of seventeen subsidiaries, whose financial statements reflect total assets of ₹ 4,444.92 crores as at 31 March 2019, total revenues of ₹ 1,671.04 crores and net cash outflows amounting to ₹ 8.37 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 43 crores for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of thirteen associates and joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, joint ventures and associates, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, its associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other matters' paragraph:

i. the consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 30, Note 33(c) (ii) and Note 39 to the consolidated financial statements.

ii. the Group, its associates and joint ventures has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts – Refer Note 20 to the consolidated financial statements;

iii. there has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2019;

iv. the disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.
101248W/ W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai
30 April 2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE INDIAN HOTELS COMPANY LIMITED FOR THE PERIOD ENDED 31 MARCH 2019

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of The Indian Hotels Company Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint ventures as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and its joint ventures have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Holding Company, its subsidiary companies, its associate companies and its joint ventures incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal controls stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act 2013 (hereinafter referred to as "the Act")

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial control with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the financial internal controls with reference to Consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENT

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statement includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to its thirteen subsidiary companies, its three associates and its six joint ventures which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.
101248W/ W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai
30 April 2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

	Note	March 31, 2019	March 31, 2018
			₹ crores
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	5,233.18	4,977.96
Capital work-in-progress		115.93	195.31
Goodwill	4	583.47	565.52
Other intangible assets	5	605.60	619.15
Intangible assets under development		0.25	1.67
Investments accounted using the equity method	6	687.67	640.42
Financial assets			
Investments	7(a)	436.26	540.47
Loans	8(a)	15.73	15.13
Other financial assets	9(a)	65.54	69.94
Deferred tax assets (net)	10(a)	69.44	60.14
Advance income tax (net)		189.91	130.89
Other non-current assets	11(a)	422.00	338.41
		8,424.98	**8,155.01**
Current assets			
Inventories	12	80.40	85.72
Financial assets			
Investments	7(b)	211.21	330.53
Trade receivables	13	321.38	328.56
Cash and cash equivalents	14	189.29	207.84
Other balances with banks	15	51.65	62.48
Loans	8(b)	3.44	9.14
Other financial assets	9(b)	160.14	114.98
Other current assets	11(b)	132.84	80.28
		1,150.35	**1,219.53**
Assets classified as held for sale		8.43	-
		1,158.78	**1,219.53**
Total		**9,583.76**	**9,374.54**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	118.93	118.93
Other equity	17	4,229.07	4,062.17
Equity attributable to owners of the company		**4,348.00**	**4,181.10**
Non-controlling interests		799.86	777.39
Total equity		**5,147.86**	**4,958.49**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18(a)	1,687.52	2,329.21
Other financial liabilities	20(a)	179.82	253.55
Provisions	21(a)	102.33	83.55
Deferred tax liabilities (net)	10(b)	376.77	356.30
		2,346.44	**3,022.61**
Current liabilities			
Financial liabilities			
Borrowings	18(b)	35.68	5.00
Trade payables	19	325.25	339.95
Other financial liabilities	20(b)	1,246.56	616.62
Provisions	21(b)	147.64	138.40
Current income tax liabilities (net)		32.84	24.56
Other current liabilities	22	301.49	268.91
		2,089.46	**1,393.44**
Total liabilities		**4,435.90**	**4,416.05**
Total		**9,583.76**	**9,374.54**
The accompanying notes form an integral part of the consolidated financial statements	1 - 45		

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai, April 30, 2019

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Deepak Parekh
Director
DIN: 00009078

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Legal &
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

	Note	March 31, 2019	March 31, 2018
			₹ crores
INCOME			
Revenue from operations	23	4,512.00	4,103.55
Other income	24	83.38	61.73
Total income		**4,595.38**	**4,165.28**
EXPENSES			
Food and beverages consumed		404.05	376.44
Employee benefit expense and payment to contractors	25	1,470.79	1,346.62
Finance costs	26	190.13	269.04
Depreciation and amortisation expenses	3 and 5	327.85	301.20
Other operating and general expenses	27	1,807.43	1,710.14
Total expenses		**4,200.25**	**4,003.44**
Profit before exceptional items, tax and share of profit of equity accounted investees		395.13	161.84
Exceptional items	28	6.58	22.45
Profit before tax and share of profit of equity accounted investees		**401.71**	**184.29**
Tax expense			
Current tax		178.54	138.37
Deferred tax credit		(21.42)	(17.31)
Total tax expense		**157.12**	**121.06**
Profit after tax before share of profit of equity accounted investees		**244.59**	**63.23**
Share of Profit of associates and joint venture (net of tax)		51.53	40.29
Profit for the year		**296.12**	**103.52**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		(10.16)	(11.86)
Change in fair value of equity instruments designated irrevocably as fair value through other comprehensive income		(104.20)	78.98
Share of other comprehensive income in associates and joint ventures (net of tax)		(3.08)	7.23
Add/(Less) : Income tax credit/(expense) on the above		2.21	7.44
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(115.23)**	**81.79**
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating the financial statement of foreign operations		50.32	75.38
Share of other comprehensive income in associates and joint ventures (net of tax)		7.75	(1.17)
Add/(Less) : Income tax credit/(expense) on the above		-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		**58.07**	**74.21**
Other comprehensive income for the year, net of tax		(57.16)	156.00
Total comprehensive income for the year		**238.96**	**259.52**
Profit/(Loss) for the year attributable to:			
Owners of the company		286.82	100.87
Non-controlling interests		9.30	2.65
		296.12	**103.52**
Total comprehensive Income for the year attributable to:			
Owners of the company		227.01	218.12
Non-controlling interests		11.95	41.40
		238.96	**259.52**
Earnings per share :	43		
Basic and Diluted - (₹)		2.41	0.91
Face value per equity share - (₹)		1.00	1.00
The accompanying notes form an integral part of the consolidated financial statements	1 - 45		

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai, April 30, 2019

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Deepak Parekh
Director
DIN: 00009078

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Legal &
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

₹ crores

	A. Equity Share Capital	B. Other Equity											
		Reserves and surplus						Items of other comprehensive income					
	Equity Share Capital Subscribed	Capital Reserve	Capital Reserve on Consolidation	Securities Premium	General Reserve	Other reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statement of foreign operations	Total Other Equity	Equity attributable to owners of the company	Non Controlling Interests	Total Equity
Balance as at April 1, 2017	**98.93**	**43.91**	**114.42**	**1,230.65**	**561.98**	**358.98**	**(193.63)**	**295.96**	**6.49**	**2,418.76**	**2,517.69**	**737.82**	**3,255.51**
Profit for the year ended March 31, 2018	-	-	-	-	-	-	100.87	-	-	100.87	100.87	2.65	103.52
Other Comprehensive Income for the year ended March 31, 2018, net of taxes	-	-	-	-	-	-	(7.11)	65.74	58.62	117.25	117.25	38.75	156.00
Total Comprehensive Income for the year ended March 31, 2018	**-**	**-**	**-**	**-**	**-**	**-**	**93.76**	**65.74**	**58.62**	**218.12**	**218.12**	**41.40**	**259.52**
Dividend	-	-	-	-	-	-	(34.62)	-	-	(34.62)	(34.62)	(1.41)	(36.03)
Tax on Dividend	-	-	-	-	-	-	(7.63)	-	-	(7.63)	(7.63)	(0.29)	(7.92)
Transfer to retained earnings	-	-	-	-	-	(42.42)	85.26	(42.84)	-	-	-	-	-
Allocation of Shares on Rights basis	20.00	-	-	-	-	-	-	-	-	-	20.00	-	20.00
Premium on allocation of shares on Rights basis	-	-	-	1,479.88	-	-	-	-	-	1,479.88	1,479.88	-	1,479.88
Equity issue expenses	-	-	-	(8.45)	-	(3.89)	-	-	-	(12.34)	(12.34)	-	(12.34)
Change in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(0.13)	(0.13)
Balance as at March 31, 2018	**118.93**	**43.91**	**114.42**	**2,702.08**	**561.98**	**312.67**	**(56.86)**	**318.86**	**65.11**	**4,062.17**	**4,181.10**	**777.39**	**4,958.49**
Profit for the year ended March 31, 2019	-	-	-	-	-	-	286.82	-	-	286.82	286.82	9.30	296.12
Other Comprehensive Income for the year ended March 31, 2019, net of taxes	-	-	-	-	-	-	(6.56)	(112.85)	59.60	(59.81)	(59.81)	2.65	(57.16)
Total Comprehensive Income for the year ended March 31, 2019	**-**	**-**	**-**	**-**	**-**	**-**	**280.26**	**(112.85)**	**59.60**	**227.01**	**227.01**	**11.95**	**238.96**
Adjustment on account of a joint venture (Refer Note 33(c)(iii))	-	-	-	-	-	-	(2.48)	-	-	(2.48)	(2.48)	-	(2.48)
Dividend	-	-	-	-	-	-	(47.57)	-	-	(47.57)	(47.57)	(14.24)	(61.81)
Tax on Dividend	-	-	-	-	-	-	(7.42)	-	-	(7.42)	(7.42)	(0.27)	(7.69)
Transfer from retained earnings to debenture redemption reserve	-	-	-	-	-	11.93	(11.93)	-	-	-	-	-	-
Allocation of Shares to minority on Rights basis	-	-	-	-	-	-	-	-	-	-	-	22.42	22.42
Issue expenses written off against Securities Premium	-	-	-	(0.03)	-	-	-	-	-	(0.03)	(0.03)	-	(0.03)
Change in ownership interests in subsidiaries	-	-	(2.61)	-	-	-	-	-	-	(2.61)	(2.61)	2.61	-
Balance as at March 31, 2019	**118.93**	**43.91**	**111.81**	**2,702.05**	**561.98**	**324.60**	**154.00**	**206.01**	**124.71**	**4,229.07**	**4,348.00**	**799.86**	**5,147.86**

The accompanying notes form an integral part of the consolidated financial statements (Refer Note 1 - 45)

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai, April 30, 2019

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Deepak Parekh
Director
DIN: 00009078

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Legal &
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2019

		₹ crores
	March 31, 2019	**March 31, 2018**
Cash Flow From Operating Activities		
Profit Before Tax	**401.71**	**184.29**
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation	327.85	301.20
Profit on sale of investments	(15.94)	(6.36)
(Profit)/Loss on sale of assets and assets written off	(11.67)	1.96
Expenditure on discontinued projects written off	-	2.57
Allowance for Doubtful Debts and advances (Including Advances written off)	14.69	16.82
Dividend Income	(7.32)	(8.20)
Interest Income	(19.99)	(29.42)
Finance Cost	190.13	269.04
Exchange Gain on long term borrowings/assets (net)	1.43	(1.00)
Provision for disputed claims	11.57	19.99
Provision for Employee Benefits	5.26	12.47
Gain on investments carried at fair value through profit and loss	(1.83)	(0.06)
(Gain)/Loss on fair valuation of derivative contracts	41.03	(25.51)
	535.21	553.50
Cash Operating Profit before working capital changes	**936.92**	**737.79**
Adjustments for increase / decrease in operating assets and liabilities:		
Financial and Other Assets	(81.01)	(124.08)
Inventories	5.32	(4.29)
Financial and Other Liabilities	47.46	25.12
	(28.23)	(103.25)
Cash Generated from Operating Activities	**908.69**	**634.54**
Income Taxes Paid	(197.26)	(142.49)
Net Cash Generated From Operating Activities (A)	**711.43**	**492.05**
Cash Flow From Investing Activities		
Payments for purchase of property, plant & equipment	(478.61)	(509.69)
Proceeds from sale of property, plant & equipment	18.22	4.75
Additional Investment in a joint venture and subsidiary	(10.75)	(1.35)
Purchase of current investments	(1,513.58)	(1,404.73)
Proceeds from sale / redemption of current investments	1,650.67	1,171.48
Proceeds from sale of investments measured at fair value through other comprehensive income	-	83. 63
Interest Received	17.88	25.87
Dividend Received (includes dividend from joint ventures and associates)	22.15	16.04
Bank Balances not considered as Cash & Cash Equivalents	9.19	42.95
Short term loan realised	3.18	59.87
Long-term deposits placed for hotel properties	(60.00)	-
Short-term deposits placed for hotel properties	(45.00)	-
Deposits Refunded by / (Placed with) Other Companies	(1.50)	(17.55)
Net Cash Generated /(Used) In Investing Activities (B)	**(388.15)**	**(528.73)**
Carried over	**323.28**	**(36.68)**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED MARCH 31, 2019

	March 31, 2019	₹ crores March 31, 2018
Brought over	**323.28**	**(36.68)**
Cash Flow From Financing Activities		
Share issue expenses / Debenture issue expenses	(0.38)	(12.38)
Interest Paid (including repayment of loan in the previous year)	(150.80)	(408.93)
Repayment of long term Loans and Debentures	(235.29)	(1,285.51)
Proceeds from long term Loans and Debentures	53.93	350.00
Short Term Loans Raised	45.68	677.34
Short Term Loans Repaid	(15.00)	(691.65)
Proceeds from rights issue by a subsidiary to the extent of minorities	22.42	-
Proceeds from issue of Equity shares on rights basis	-	1,499.88
Settlement of derivative contracts	4.70	11.66
Dividend Paid (Including tax on dividend)	(68.52)	(44.69)
Net Cash Generated/(Used) In Financing Activities (C)	**(343.26)**	**95.72**
Net Increase/(Decrease) In Cash and Cash Equivalents (A + B + C)	(19.98)	59.04
Cash and Cash Equivalents - Opening	207.84	141.31
Exchange difference on translation of foreign currency cash and cash equivalents	1.43	7.49
Cash and Cash Equivalents - Closing	**189.29**	**207.84**

Refer Note 18 (ix) for movement in financing activity

The accompanying notes form an integral part of the consolidated financial statements (Refer Note 1 - 45)

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai, April 30, 2019

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Deepak Parekh
Director
DIN: 00009078

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Legal &
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

NOTE 1. CORPORATE INFORMATION

The Indian Hotels Company Limited ("IHCL" or the "Company"), and its subsidiaries (referred collectively as the "Group") is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts. These consolidated financial statements of the Group also include the Group's interest in associates and joint ventures.

The Company is domiciled and incorporated in India in 1902 and has its registered office at Mandlik House, Mandlik Road, Mumbai – 400 001, India. It is promoted by Tata Sons Private Limited (Formerly Tata Sons Limited), which holds a significant stake in the Company.

The consolidated financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorised for issue on April 30, 2019.

NOTE 2. BASIS OF PREPARATION, PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS, SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

The consolidated financial statements have been prepared on the following basis:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(c) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of that entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Group transactions, balances and unrealised gains on transactions between entities within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

(ii) Joint ventures, associates and equity method accounting

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangements have rights to the net assets and obligations for the liabilities, relating to the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance Sheet.

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of Other Comprehensive Income of the investee in Other

Comprehensive Income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its Associates and its Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments are tested for impairment.

The financial statements of subsidiaries, joint ventures and associates consolidated are drawn upto the same reporting date as that of the Company except one of the associate and joint venture which has the reporting date of December 31, 2018.

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate an equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

(iv) Goodwill

a. Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

b. Goodwill arising from the acquisition of associates and joint ventures is included in the carrying value of the investment in associates and joint ventures.

c. Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value. The impairment loss on goodwill is reported in the Consolidated Statement of Profit and Loss.

d. Goodwill on acquisition of the foreign subsidiaries is restated at the rate prevailing at the end of the year.

(d) Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

- **Impairment testing:** Property, plant and equipment and Intangible assets that are subject to amortisation/ depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Impairment of investments:** The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charges in the Consolidated Statement of Profit and Loss.

  Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and the tax charge in the Consolidated Statement of Profit and Loss.

- **Loyalty programme:** The Group estimates the fair value of points awarded under the Loyalty programme by applying statistical techniques. Inputs include making assumptions about expected breakages, the mix of products that will be available for redemption in the future and customer preferences, redemption at own hotels and other participating hotels.

  The group assessed whether the loyalty points provide a material right to the customer that needs to be accounted for as a separate performance obligation. The group determines that the loyalty points provide a material right that the customer would not exercise without entering into the contract.

- **Fair value measurement of derivative and other financial instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet Date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

- **Litigation:** From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet Date.

- **Determination of control:** The group has exercised its judgement not to consolidate entities with majority holding where the group does not have any power or control over or exposure to entity and does not have any rights to variable returns from its involvement with the entity. Also, for all strategic investments in entities where there is a contractual agreement in the form of joint venture agreement were classified as joint venture.
- **Recognition of deferred tax liability on undistributed profits:** The extent to which the group can control the timing of reversal of deferred tax liability on undistributed profit of its subsidiaries requires judgement.

SIGNIFICANT ACCOUNTING POLICIES

(e) Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Effective April 1, 2018 the Group has applied Ind AS 115 which replaces Ind AS 18 revenue recognition. Refer note 2(d) – Significant accounting policies – Revenue recognition in the Annual report of the group for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18.

Income from operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and shop rentals: Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

Other Allied services: In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.

Management and Operating fees: Management fees earned from hotels managed by the Group are usually under long-term contracts with the hotel owner. Under Management and Operating Agreements, the Group's performance obligation is to provide hotel management services and a license to use the Company's trademark and other intellectual property.

Management and incentive fee is earned as a percentage of revenue and profit and are recognised when earned in accordance with the terms of the contract based on the underlying revenue, when collectability is certain and when the performance criteria are met. Both are treated as variable consideration.

Membership Fees: Membership fee income majorly consists of membership fees received from the loyalty program and Chamber membership fees. Income is earned when the customer enrols for membership programs. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Loyalty programme: The Group operates loyalty programme, which provides a material right to customers that they would not exercise without entering in to a contract and the eligible customers earns points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues related to award points is deferred and a contract liability is created and on redemption/ expiry of such award points, revenue is recognised at pre-determined rates.

Contract balances (effective from April 1, 2018)

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when the Group's right to receive the amount is established.

(f) Employee Benefits

i. Short term Employee Benefits

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related service. The accruals for employee entitlements to benefits such as salaries, bonuses and annual leave represent the amounts which the Group has a present obligation to pay as a result of the employee's services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

ii. Post-Employment Benefits:

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

a) Provident and family pension fund

The eligible employees of domestic components of the Group are entitled to receive post-retirement benefits in respect of provident fund and family pension fund a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund managed by the trust set up by the Group, or to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred.

Employee benefits arising out of contributions towards Provident Fund and Family Pension Scheme to Regional Provident Fund Commissioner or the Central Provident Commissioner and Social Security etc. paid/payable during the year are recognised as expense in the Statement of Profit and Loss account in the period in which the employee renders services.

Eligible employees of some of the overseas components of the Group are members of defined contribution plans. These plans, in addition to employee contribution, require the Group to make contributions equivalent to a pre-define percentage of each eligible participant's plan compensation for each year. The Group may also make a profit sharing contribution of uniform percentage of eligible participant's plan compensation based on profit as defined. The Group recognised such contribution as an expense in the year in which the employee renders service.

b) Superannuation

The Group has a defined contribution plan for eligible employees of its domestic components, wherein it annually contributes a sum equivalent to a defined percentage of the eligible employee's annual basic salary to a fund administered by the trustees. The Group recognises such contributions as an expense in the year in which the corresponding services are received from the employees.

c) Others

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligation therein, based on independent external actuarial valuations carried out at the Balance Sheet date.

Certain international subsidiaries operate a defined contribution pension scheme and the pension charge represents the amounts paid/ payable by them to the fund in the period in which the employee renders services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

a) **Gratuity**

The Group accounts for the net present value of its obligations for gratuity benefits, based on independent actuarial valuations, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or asset as of the reporting date. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

In case of funded scheme, the Group makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds in respect of eligible employee in case of certain domestic components and the parent / company.

b) **Post-Retirement Pension Scheme and Medical Benefits**

The net present value of the Group's obligation towards post retirement pension scheme for retired whole time directors and post-employment medical benefits to qualifying employees is actuarially determined, based on the projected unit credit method. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

The Group also participates in an industry-wide defined benefit plan which provides pension linked to final salaries in respect of employees of certain overseas hotel properties. The plan is funded in a manner such that contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period. It is not practicable to determine the present values of the Group's obligations as the covered hotel properties have not received information from the plan's administrator. In the absence of sufficient information the plan has been accounted as if it was a defined contribution plan.

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognised immediately in Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

c) **Provident Fund Trust**

In respect of contribution to the trust set up by the Group, since the Group is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

Other Long-term Employee Benefits

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(g) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (Refer Note 2(p) below). Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalised and depreciated over their estimated useful life.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Indian Entities

Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The estimated useful lives of the assets are as follows:

Class of Assets	Estimated Useful Life
Building	30 to 80 years
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices - Computers, Laptops etc.	6 years
Operating supplies (issued on opening of a new hotel property)	2 to 3 years
Other miscellaneous hotel assets	4 years

In respect of buildings on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to leasehold buildings are depreciated on the basis of their estimated useful lives or the expected lease period, whichever is lower. Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

International Entities

Depreciation on assets is provided at Straight Line Method (SLM) based on the estimated useful life detailed below. In respect of improvements in the nature of structural changes and major refurbishment to buildings occupied on lease, depreciation is provided for over the period of the lease.

Class of Asset	Estimated Useful Life
Long term lease hold property	Over the term of lease
Plant and Equipment	5 to 20 years
Electrical Installation and Equipment	20 years

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives. Freehold land is not depreciated.

(h) Intangible Assets

Intangible assets include cost of acquired software and designs, cost incurred for development of the Company's website and certain contract acquisition costs including the lease rights acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising for other intangible assets is as under:

Class of Assets	Estimated Useful Life
Website Development Cost	5 years
Software and Licences	6 years
Service and Operating Rights	10 years
Leasehold property rights	Over the term of lease

An intangible assets is derecognised on disposal, or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(i) Impairment of Assets

Goodwill which has an indefinite useful life is not subject to amortisation and is tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(j) Foreign Currency Translation

Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupee (₹).

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Translation of financial statements of foreign operations

Assets and liabilities of foreign entities are translated into Indian Rupees on the basis of the closing exchange rates as at the end of the year. Income and expenditure and cash flow are generally translated using average exchange rates for the period unless those rates do not approximate the actual exchange rates at the dates of specific transactions, in which case the exchange rates as at the dates of transaction are used. All resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as a part of gain or loss on sale.

(k) Assets taken on lease

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating lease. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Finance Lease

Leases in which substantially all the risks and rewards of ownership are transferred to the Group as lessee are classified as finance lease. Finance lease are capitalised at the inception of the lease at the fair value of the leased assets or, if lower, the present value of the minimum lease paymen ts. The corresponding rental obligations, net of finance charges, are included in the borrowings or other financial liabilities as appropriate.

Lease payments are apportioned between the reduction of the lease liability and finance charges in the Statement of Profit and Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

(l) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(m) Government Grants

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Group will comply with the attached conditions.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

(n) Income Taxes

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates at the end of the reporting period in the countries where the company and its subsidiaries and its associates and joint ventures operate and generate taxable income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of the goodwill. The deferred tax is also not accounted if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profits/(taxable loss).

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax assets can be realised. Deferred tax assets positions are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences between the carrying amount and the tax bases of investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (“MAT”) credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(o) Provisions

Provisions are recognised when the Group has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Group created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

(p) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(q) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

(r) Earnings per share

Basic earnings per share is computed by dividing the Profit or Loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(s) Exceptional items

The Group discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Group and provides consistency with the Group's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Group. Exceptional items can include, but are not restricted to, gains and losses on the disposal of properties/significant undertakings, impairment charges, exchange gain/ (loss) on long term borrowings/ assets and changes in fair value of derivative contracts.

(t) Financial Instruments

a. Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- **Cash and cash equivalents -** Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- **Debt Instruments -** The Group classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset:

i. **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Group's income in the Statement of Profit and Loss using the effective interest rate method.

ii. **Financial assets at Fair Value through Other Comprehensive Income ("FVOCI")**

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

iii. **Financial assets at Fair Value through Statement of Profit and Loss ("FVTPL")**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

- **Equity Instruments -** The Group subsequently measures all equity investments (other than the investment in joint ventures and associates which are measured using equity method of accounting) at fair value. Where the Group has elected to present fair value gains and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Group's right to receive payment is established.

  The Group has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments not held for trading.

  When the equity investment is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition
A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets
The Group assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Group recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

b. **Financial liabilities**
Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement
After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

Derivatives contracts
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The fair value changes of derivatives which are not designated as a hedging instrument are accounted through Statement of Profit and Loss. During the years reported, no hedge relationship was designated.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(u) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the Statement of Profit and Loss.

(v) Business combination

The Group uses the "acquisition method" of accounting to account for its business combinations as per which the identifiable assets or liabilities (and contingent liabilities) assumed are recognised at their fair values (with limited exceptions). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interests of the acquire, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition date amounts of identifiable assets acquired and the liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as Capital Reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as Capital Reserve.

Transaction costs incurred (other than debt / equity instrument related) in connection with a business combination, such as legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If the Group obtains control over one or more entities that are not businesses, then the bringing together of those entities are not business combinations. The cost of acquisition is allocated among the individual identifiable assets and liabilities of such entities, based on their relative fair values at the date of acquisition. Such transactions do not give rise to goodwill and no non-controlling interest is recognised.

In case of business combinations involving entities under common control, the above policy done not apply. Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination

(w) Recent accounting pronouncements

Standards issued but not yet effective:

Ind AS 116 - Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 - Leases replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group's operating leases mainly relate to real estate assets such as Land, Land & Building and fully fitted hotel properties which are on long term lease ranging from 15 to 198 years.

The group proposes to adopt the above standard retrospectively, with the cumulative effect of being recognised on the date of initial application i.e. 1 April 2019 to the opening balance of retained earnings.

Based on the information currently available, the Group estimates that it will recognise a right-of-use asset of approximately ₹ 1,573 crores and a corresponding lease liability of approximately ₹ 1,923 crores by adjusting retained earnings, net of taxes. There will be consequent reclassification in the cash flow categories in the statement of cash flows.

Other Amendments on the existing standard but not effective

A number of other accounting standards have been modified on miscellaneous issues with effect from 1st April 2019. Such changes include clarification/guidance on:

a) Business combination accounting in case of obtaining control of a joint operation (Ind AS 103 – Business combination);

b) Accounting in case of obtaining joint control of an operation wherein there was no joint control earlier (Ind AS 111 – Joint arrangement);

c) Income tax consequences in case of dividends (Ind AS 12 – Income Taxes (amendments relating to income tax consequences of dividend));

d) Accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities (Ind AS 12 – Income Taxes (amendments relating to uncertainty over income tax treatments));

e) Accounting treatment for specific borrowings post capitalization of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);

f) Accounting for prepayment features with negative compensation in case of debt instruments (Ind AS 109 – Prepayment Features with Negative Compensation);

g) Accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans (Ind AS 19 – Plan Amendment, Curtailment or Settlement);

h) Accounting for long-term interests in associates and joint ventures to wh ich the equity method is not applied but that in substance form part of the investment in the associate or joint venture (long-term interests) (Ind AS 28 – Long-term interests in associates and joint ventures).

The above amendments will come into force from April 1, 2019. The company does not expect the effect of this on the financial statements to be material based on preliminary evaluation.

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT (OWNED, UNLESS OTHERWISE STATED)

₹ crores

	Freehold land	Buildings (Refer Footnote i and vi)	Plant and machinery	Furniture & fixtures (Refer Footnote ii)	Office equipment (Refer Footnote ii)	Vehicles	Total
COST							
Gross carrying value							
At April 1, 2017	258.81	3,376.16	997.19	402.50	55.11	8.29	**5,098.06**
Translation adjustment (Refer Footnote iii)	0.39	96.83	4.19	7.97	0.03	-	**109.41**
Additions (Refer Footnote iv)	-	233.59	171.13	124.01	11.99	0.83	**541.55**
Disposals	-	18.02	10.29	3.33	0.12	0.82	**32.58**
At March 31, 2018	**259.20**	**3,688.56**	**1,162.22**	**531.15**	**67.01**	**8.30**	**5,716.44**
Translation adjustment (Refer Footnote iii)	5.81	36.35	(0.23)	3.56	0.51	-	**46.00**
Additions (Refer Footnote iv)	0.16	284.57	160.13	76.58	6.32	2.59	**530.35**
Disposals	-	13.91	7.59	3.08	0.91	0.31	**25.80**
At March 31, 2019	**265.17**	**3,995.57**	**1,314.53**	**608.21**	**72.93**	**10.58**	**6,266.99**
Accumulated Depreciation							
At April 1, 2017	-	204.12	157.48	95.92	19.51	2.55	**479.58**
Translation adjustment (Refer Footnote iii)	-	5.90	0.95	2.89	0.03	-	**9.77**
Charge for the year	-	110.67	97.41	54.74	10.51	0.60	**273.93**
Disposals	-	14.93	7.84	1.86	0.04	0.13	**24.80**
At March 31, 2018	**-**	**305.76**	**248.00**	**151.69**	**30.01**	**3.02**	**738.48**
Translation adjustment (Refer Footnote iii)	-	3.29	(0.09)	1.86	0.27	-	**5.33**
Charge for the year	-	124.14	103.56	61.52	10.80	0.81	**300.83**
Disposals	-	2.87	5.11	1.85	0.74	0.26	**10.83**
At March 31, 2019	**-**	**430.32**	**346.36**	**213.22**	**40.34**	**3.57**	**1,033.81**
NET BLOCK							
At March 31, 2018	**259.20**	**3,382.80**	**914.22**	**379.46**	**37.00**	**5.28**	**4,977.96**
At March 31, 2019	**265.17**	**3,565.25**	**968.17**	**394.99**	**32.59**	**7.01**	**5,233.18**

Footnotes :

(i) Cost includes improvements to buildings constructed on leasehold land - ₹ 2,656.34 crores; (Previous year - ₹ 2,389.18 crores)

(ii) Furniture, Fixtures and Office Equipment as at the year end include assets on finance lease: Cost - ₹ 1.30 crore (Previous year - ₹ 0.68 crore), Accumulated Depreciation - ₹ 0.74 crore (Previous year ₹ 0.53 crore), Depreciation for the year - ₹ 0.23 crore (Previous year - ₹ 0.13 crore) and carrying value as at the reporting date of ₹ 0.56 crore (Previous year ₹ 0.15 crore).

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

(iv) Addition includes ₹ 0.07 crore (Previous year - ₹ 0.70 crore) on account of interest cost on borrowings capitalised on certain qualifying assets (Refer Note 26).

(v) For details of pledged assets Refer Note 18, Footnote (ii).

(vi) Disposals include ₹ 8.43 crores (Previous year - ₹ Nil) of Assets, comprising of residential flats, reclassified as held for sale.

₹ crores

	March 31, 2019	March 31, 2018
Note 4 : Goodwill		
Opening Balance	565.52	555.56
Add : Foreign Exchange fluctuation for the year	17.93	9.96
Add : Addition stake acquired in a subsidiary	0.02	-
Closing Balance	**583.47**	**565.52**

Footnote :

The Group tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill, which arose on acquisition of the assets/entities, is allocated to a cash generating unit "CGU" representing the lowest level with the Group at which goodwill is monitored for internal management reporting purposes.

The recoverable value of the CGU is determined on the basis of 'fair value less cost to sell'. The Group determined fair values using the market approach, when available and appropriate, or the income approach, or a combination of both. The Group assesses the valuation methodology based upon the relevance and availability of the data at the time the valuation is performed. If multiple valuation methodologies are used, the results are weighted appropriately.

Valuations using the market approach are derived from metrics of publicly traded companies or historically completed transactions of comparable businesses. The selection of comparable businesses is based on the markets in which the reporting units operate giving consideration to risk profiles, size, geography, and diversity of products and services.

Goodwill mainly comprises of ₹ 399.25 crores (March 31, 2018 - ₹ 381.32 crores) allocated to the International business (United Kingdom) and ₹ 130.99 crores (March 31, 2018 - ₹ 130.99 crores) allocated to a component of domestic business. The estimated fair value of these CGUs is based on market value of property. The remaining amount of goodwill of ₹ 53.23 crores (March 31, 2018 - ₹ 53.21 crores) relates to different CGUs which is individually immaterial.

NOTE 5 : OTHER INTANGIBLE ASSETS

₹ crores

	Leasehold property rights (Refer Footnote iii)	Website development cost	Software and licences (Refer Footnote i)	Service and operating rights	Total
COST					
Gross carrying value					
At April 1, 2017	623.52	18.57	48.71	3.47	**694.27**
Translation adjustment (Refer Footnote ii)	0.04	-	-	0.01	**0.05**
Additions	0.06	1.23	3.78	-	**5.07**
Disposals	-	-	0.01	-	**0.01**
At March 31, 2018	**623.62**	**19.80**	**52.48**	**3.48**	**699.38**
Translation adjustment (Refer Footnote ii)	0.65	-	-	0.22	**0.87**
Additions	8.95	1.70	2.55	-	**13.20**
Disposals	-	-	0.09	-	**0.09**
At March 31, 2019	**633.22**	**21.50**	**54.94**	**3.70**	**713.36**
Accumulated Amortisation					
At April 1, 2017	30.13	4.05	15.27	3.47	**52.92**
Translation adjustment (Refer Footnote ii)	0.03	-	0.01	0.01	**0.05**
Charge for the year	13.71	4.97	8.59	-	**27.27**
Disposals	-	-	0.01	-	**0.01**
At March 31, 2018	**43.87**	**9.02**	**23.86**	**3.48**	**80.23**
Translation adjustment (Refer Footnote ii)	0.40	-	-	0.22	**0.62**
Charge for the year	13.87	4.03	9.12	-	**27.02**
Disposals	-	-	0.11	-	**0.11**
At March 31, 2019	**58.14**	**13.05**	**32.87**	**3.70**	**107.76**
Net Block					
At March 31, 2018	**579.75**	**10.78**	**28.62**	**-**	**619.15**
At March 31, 2019	**575.08**	**8.45**	**22.07**	**-**	**605.60**

Footnotes :

(i) Software includes Customer Reservation System and other licensed software.

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

(iii) Leasehold property rights mainly consists of lease acquisition rights for the hotel property including land. Refer Note 2(h) for accounting policy .

NOTE 6 : INVESTMENTS ACCOUNTED USING EQUITY METHOD

	Face Value		March 31, 2019		March 31, 2018	
			Holdings As at	₹ crores	Holdings As at	₹ crores
Break up of investments in joint ventures and associate (carrying value determined using the equity method of accounting) as below :-						
(a) Equity investments in joint venture companies (Refer Note 33(c))						
Fully paid unquoted equity investments						
Taj Kerala Hotels & Resorts Ltd.	₹	10	1,41,51,664	15.57	1,41,51,664	16.68
Taj SATS Air Catering Ltd.	₹	10	88,74,000	61.83	88,74,000	59.94
Taj Karnataka Hotels & Resorts Ltd. (Refer footnote (iii))	₹	10	13,98,740	-	13,98,740	-
Taj Madras Flight Kitchen Pvt Ltd.	₹	10	79,44,112	25.23	79,44,112	23.87
Taj Safaris Ltd. (1,07,41,864 shares (Previous year 34,87,554) acquired during the year)	₹	10	2,67,26,085	10.93	1,59,84,221	0.70
Kaveri Retreat & Resorts Ltd.	₹	10	1,31,76,467	41.02	1,31,76,467	39.85
IHMS Hotels (SA) (Proprietary) Ltd. (Refer footnote (iii))	Zar	1	8,67,39,958	-	8,67,39,958	-
TAL Hotels and Resorts Ltd.	US $	1	49,46,282	122.31	49,46,282	122.67
Total Aggregate unquoted investments				**276.89**		**263.71**
Fully paid quoted equity investments						
Taj GVK Hotels & Resorts Ltd.	₹	10	1,60,00,400	117.33	1,60,00,400	114.91
Total Aggregate quoted investments				**117.33**		**114.91**
Total Investments carrying value				**394.22**		**378.62**
(b) Equity investments in associate companies (Refer Note 33(c))						
Fully paid unquoted equity investments						
Taj Madurai Ltd.	₹	10	9,12,000	6.22	9,12,000	5.29
Taida Trading & Industries Ltd. (Refer footnote (iv))	₹	100	65,992	-	65,992	-
Lanka Island Resorts Ltd.	LKR	10	1,99,65,525	33.71	1,99,65,525	33.24
Bjets Pte Ltd. (Refer footnote (iv))	US $	1	2,00,00,000	-	2,00,00,000	-
Total Aggregate unquoted investments				**39.93**		**38.53**
Fully paid quoted equity investments						
Oriental Hotels Ltd. (Refer footnote (v))	₹	10	6,61,66,530	240.07	6,61,66,530	207.16
TAL Lanka Hotels Plc	LKR	10	3,43,75,640	13.45	3,43,75,640	16.11
Total Aggregate quoted investments				**253.52**		**223.27**
Total Investments carrying value				**293.45**		**261.80**
Total Investments in joint ventures and associates				**687.67**		**640.42**
Footnotes :						
(i) Aggregate carrying value of Quoted Investments				370.85		338.18
Market value of Quoted Investments				697.34		563.09
Aggregate amount of impairment in value of investments				-		-
(ii) Aggregate amount of Unquoted Investments				316.82		302.24

(iii) The carrying value of these investments is carried at nil value as the Group's interest using equity method in these entities are reduced to zero. The Group has provided for additional losses and has recognised liability to the extent of the Group's exposure. (Refer Note 20(b))

(iv) The carrying amount of these investments has been reported as nil, as the Group's share of losses exceeds the cost/carrying value.

(v) Includes 5.40% (Previous year 5.40%), of the shares held in the form of Global Depository Receipts (GDR).

NOTE 7 : INVESTMENTS

		Face Value	March 31, 2019 Holdings As at	March 31, 2019 ₹ crores	March 31, 2018 Holdings As at	March 31, 2018 ₹ crores
(a)	**Non current**					
	Equity investments in other companies (Non current)					
	Carried at fair value through Other Comprehensive Income:					
	Fully paid unquoted equity investments					
	Damania Airways Ltd.*	₹ 10	500	-	500	-
	Hotels and Restaurant Co-op. Service Society Ltd. *	₹ 50	20	-	20	-
	Kumarakruppa Frontier Hotels Private Ltd.	₹ 10	96,432	7.18	96,432	6.41
	MPOWER Information Systems Private Ltd. *	₹ 10	5,28,000	-	5,28,000	-
	Smile and Care Products Private Ltd. *	₹ 10	49,800	-	49,800	-
	Tata Ceramics Ltd.	₹ 2	1,54,29,480	-	1,54,29,480	-
	Tata Industries Ltd. (Refer Footnote (v))	₹ 100	42,74,590	55.73	42,74,590	55.73
	Tata International Ltd	₹ 1000	8,000	24.96	8,000	22.97
	Taj Air Ltd.	₹ 10	2,22,40,200	5.50	2,22,40,200	5.49
	Tata Services Ltd.	₹ 1000	421	0.04	421	0.04
	Tata Sons Private Ltd. (Refer Footnote (v))	₹ 1000	4,500	25.00	4,500	25.00
	TRIL Infopark Ltd. (Refer Footnote iii)	₹ 10	7,11,00,000	71.10	7,11,00,000	71.10
	Bombay Mercantile Co-operative Bank Ltd. *	₹ 30	333	-	333	-
	Hindustan Engineering & Industries Ltd. *	₹ 10	7	-	7	-
	Saraswat Co-operative Bank Ltd. *	₹ 10	2,000	-	2,000	-
				189.51		**186.74**
	Fully paid quoted equity investments:					
	India Tourism Development Corporation Ltd.	₹ 10	67,50,275	189.04	67,50,275	305.99
	Tulip Star Hotels Ltd.	₹ 10	35,800	0.23	35,800	0.19
	Asian Hotels (North) Ltd. *	₹ 10	2	-	2	-
	Asian Hotels (East) Ltd. *	₹ 10	2	-	2	-
	Asian Hotels (West) Ltd. *	₹ 10	2	-	2	-
	EIH Ltd. *	₹ 2	37	-	37	-
	Hotel Leela Venture Ltd. *	₹ 2	25	-	25	-
	Graviss Hospitality Ltd.	₹ 2	4,500	0.01	4,500	0.01
	HDFC Bank Ltd.	₹ 2	2,500	0.58	2,500	0.47
	Titan Company Ltd. (13,06,000 Shares sold during previous year)	₹ 1	5,00,000	56.88	5,00,000	47.06
				246.74		**353.72**
	Investment in Preference Shares (carried at amortised costs)					
	Central India Spinning Weaving & Manufacturing Company Ltd.* (10% unquoted Cumulative Preference Shares)	₹ 500	50	-	50	-
	Investment in Others (carried at amortised costs)					
	National Savings Certificate			0.01		0.01
	Total Investments carrying value			**436.26**		**540.47**

* Value of these investments individually is less than ₹ 25,000

Footnotes :

		March 31, 2019	March 31, 2018
(i)	Aggregate amount of Quoted Investments	246.74	353.72
	Market value of Quoted Investments	246.74	353.72
(ii)	Aggregate amount of Unquoted Investments and Others	189.52	186.75

(iii) Transfer of shares is restricted due to option granted for 10 years upto July, 2021 to Tata Realty and Infrastructure Ltd. for repurchase of the shares at par value. Tata Realty and Infrastructure Ltd. has deposited a sum of ₹ 71.10 crores (March 31, 2018 ₹ 71.10 crores) as Option Deposit, which shall be adjusted upon exercise of the option or refunded.

(iv) The fair value hierarchy and classification are disclosed in Note 34(b).

(v) For these investments, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

NOTE 7 : INVESTMENTS

₹ crores

		March 31, 2019	March 31, 2018
(b)	**Current**		
	Investments carried at fair value through profit and loss:		
	Investments in mutual fund units (unquoted)	211.21	330.53
		211.21	**330.53**
	Investments carried at fair value through Other Comprehensive Income:		
	Equity investments in other entities (unquoted)		
	BAHC 5 Pte Ltd. (Refer Note ii)	-	-
	1 (Previous year - 1) equity shares of US $ 1 each (₹ 69 (Previous year ₹ 65))		
		-	-
	Total Current investments	**211.21**	**330.53**
	Footnote :		
	(i) Aggregate amount of Unquoted Investments:	211.21	330.53
	(ii) This investment are temporarily held for disposal in near future (Refer Note 33(a)(ii)(b))		

NOTE 8 : LOANS

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Non current (at amortised costs) (Unsecured)**		
	Loans to related parties (Refer Note 40)		
	Considered good	15.73	15.13
	Credit impaired	150.26	141.04
		165.99	**156.17**
	Less : Allowance for credit impaired	150.26	141.04
		15.73	**15.13**
(b)	**Current (at amortised cost) (Unsecured, considered good unless stated otherwise)**		
	Loans		
	Related parties (Refer Note 40)	2.87	8.55
	Others	0.57	0.59
		3.44	**9.14**

NOTE 9 : OTHER FINANCIAL ASSETS

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Non current**		
	Long-term security deposits placed for hotel properties at amortised costs		
	Long-term security deposits placed for hotel properties at amortised costs	34.37	39.65
		34.37	**39.65**
	Less : Allowance for doubtful deposits	2.00	2.00
		32.37	**37.65**
	Deposits with Public Bodies and Others at amortised costs		
	Related parties (Refer Note 40)	-	0.09
	Public Bodies and Others	25.19	26.36
		25.19	**26.45**
	Less : Allowance for doubtful deposits	0.10	0.10
		25.09	**26.35**
	Deposits with banks (Refer Note 15)	6.27	3.99
	Interest receivable	0.14	-
	Others	1.67	1.95
		65.54	**69.94**

NOTE 9 : OTHER FINANCIAL ASSETS

₹ crores

	March 31, 2019	March 31, 2018
(b) Current		
Deposit with public bodies and others		
Public Bodies and Others	61.26	15.29
	61.26	**15.29**
Other advances		
Considered good	12.12	9.23
Considered doubtful	2.75	5.07
	14.87	**14.30**
Less : Allowance for doubtful advances	2.75	5.07
	12.12	**9.23**
Interest receivable		
Related Parties (Refer Note 40)	0.98	1.38
Others	2.57	3.17
	3.55	**4.55**
Other receivable		
Related Parties (Refer Note 40)	68.70	70.44
Others	14.51	15. 47
	83.21	**85.91**
	160.14	**114.98**

NOTE 10 : DEFERRED TAX ASSETS (NET)

₹ crores

	March 31, 2019	March 31, 2018
(a) Deferred tax assets:		
Allowance for doubtful debts	0.05	0.44
Provision for employee benefits	0.25	3.36
Unused tax losses (Business)	67.39	62.56
MAT credit entitlement	0.17	16.39
Others	2.08	3.71
Total (A)	**69.94**	**86.46**
Deferred tax liabilities:		
Property, Plant and equipment & Intangible Assets	0.50	25.90
Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	-	0.42
Total (B)	**0.50**	**26.32**
Net Deferred tax assets (A-B) (Refer Footnote i)	**69.44**	**60.14**

Footnotes :

(i) Deferred tax assets and deferred tax liabilities of entities within the group have been offset as they relate to the same governing taxation laws.

(ii) For the movement in deferred tax balances, Refer Note 37.

NOTE 10 : DEFERRED TAX ASSETS (NET)

₹ crores

		March 31, 2019	March 31, 2018
(b)	**Deferred tax liabilities:**		
	Property, Plant and equipment & Intangible Assets	484.22	453.17
	Unamortised borrowing costs	0.37	0.45
	Fair valuation changes of derivative contracts	2.26	20.89
	Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	1.57	-
	Total (A)	**488.42**	**474.51**
	Deferred tax assets:		
	Allowance for doubtful debts	5.80	7.66
	Provision for employee benefits	38.62	28.59
	Unused tax losses (Business)	6.13	-
	MAT credit entitlement	19.17	33.57
	Reward Points	14.83	13.27
	Provision for Contingencies	11.67	26.51
	Others	15.43	8.61
	Total (B)	**111.65**	**118.21**
	Net Deferred tax liabilities (A-B) (Refer Footnote i)	**376.77**	**356.30**

Footnotes :

(i) Deferred tax liabilities and deferred tax assets of entities within the group have been offset as they relate to the same governing taxation laws.

(ii) For the movement in deferred tax balances, Refer Note 37.

NOTE 11 : OTHER ASSETS

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Non current**		
	Capital advances	12.55	18.38
	Prepaid expenses	208.02	117.66
	Deposits with government authorities	113.41	98.48
	Incentive receivables	82.12	96.38
	Others	5.90	7.51
		422.00	**338.41**
(b)	**Current**		
	Prepaid expenses	104.61	55.08
	Indirect tax recoverable	9.15	4.54
	Advances to suppliers	14.76	15.61
	Loans and advances to employee	2.40	3.31
	Incentive receivables	1.67	1.49
	Others	0.25	0.25
		132.84	**80.28**

NOTE 12 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

₹ crores

	March 31, 2019	March 31, 2018
Food and Beverages	42.83	41.61
Stores and Operating Supplies	37.57	44.11
	80.40	**85.72**

NOTE 13 : TRADE RECEIVABLES

	March 31, 2019	March 31, 2018
		₹ crores
(Unsecured) (Refer Note 40 for Related Party Disclosures)		
Considered good	321.38	328.56
Balances having significant increase in credit risk	-	-
Credit impaired	29.81	25.66
	351.19	**354.22**
Less : Allowance for credit impaired	29.81	25.66
	321.38	**328.56**

Footnote:

	March 31, 2019	March 31, 2018
Allowance for credit impaired		
Opening balance	25.66	13.97
Add: Allowance during the year	15.83	15.49
	41.49	**29.46**
Less: Bad debts written off / reversed no longer required	(11.68)	(3.80)
Closing balance	**29.81**	**25.66**

NOTE 14 : CASH AND CASH EQUIVALENTS

	March 31, 2019	March 31, 2018
		₹ crores
Cash on hand	4.51	4.22
Cheques, drafts on hands	6.68	17.19
Balances with banks in current account	95.39	120.06
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	82.71	66.37
	189.29	**207.84**

NOTE 15 : OTHER BALANCES WITH BANKS

	March 31, 2019	March 31, 2018
		₹ crores
Call and Short-term deposit accounts	47.48	44.58
Deposits pledged with others	3.10	0.65
Margin money deposits	4.85	7.86
Earmarked balances	2.49	13.38
	57.92	**66.47**
Less : Term deposit with banks maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current 'Other financial asset' (Refer Note 9(a))	6.27	3.99
	51.65	**62.48**

NOTE 16 : EQUITY SHARE CAPITAL

	March 31, 2019	March 31, 2018
		₹ crores
Authorised share capital		
200,00,00,000 Equity Shares of ₹ 1 each	200.00	200.00
	200.00	**200.00**
Issued share capital		
118,93,07,472 (Previous year - 118,93,07,472) Equity Shares of ₹ 1 each	118.93	118.93
	118.93	**118.93**
Subscribed and paid up		
118,92,58,445 (Previous Year - 118,92,58,445) Equity Shares of ₹ 1 each, Fully Paid (Refer Footnote (ii) & (iv)	118.93	118.93
	118.93	**118. 93**

NOTE 16 : EQUITY SHARE CAPITAL (CONTD.)

Footnotes :

(i) The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2019		March 31, 2018	
	No. of shares	₹ crores	No. of shares	₹ crores
As at the beginning of the year	118,92,58,445	118.93	98,92,74,015	98.93
Add : Shares issued on Rights basis	-	-	199,984,430	20.00
As at the end of the year	**118,92,58,445**	**118.93**	**118,92,58,445**	**118.93**

(iii) Shareholders holding more than 5% shares in the Company :

	March 31, 2019		March 31, 2018	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity share of ₹ 1 each fully paid				
Tata Sons Private Limited	43,32,19,860	36.43	43,32,19,860	36.43
Reliance Capital Trustee Company Limited	9,26,91,722	7.79	6,92,59,654	5.82
HDFC Trustee Company Limited	6,73,02,453	5.66	*	*
Life Insurance Corporation of India	*	*	8,07,43,678	6.79

* less than 5%

(iv) 49,027 (March 31, 2018 - 49,027) 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.

(v) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date Nil (March 31, 2018 - Nil)

(vi) Equity Shares held by associates :

	March 31, 2019		March 31, 2018	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹ 1 each fully paid				
Oriental Hotels Limited	7,52,398	0.06	7,52,398	0.06
Taida Trading and Industries Limited	1,87,818	0.02	1,87,818	0.02
Taj Madurai Limited	11,25,393	0.09	11,25,393	0.09

NOTE 17 : OTHER EQUITY

₹ crores

		March 31, 2019	March 31, 2018
a)	**Reserves and surplus**		
	Capital Reserve		
	Opening and Closing Balance	43.91	43.91
	Capital Reserve on Consolidation		
	Opening Balance	114.42	114.42
	Less : Change in ownership in a subsidiary	(2.61)	-
	Closing Balance	**111.81**	**114.42**
	Securities Premium		
	Opening Balance	2,702.08	1,230.65
	Add : Premium on allocation of shares on Rights basis	-	1,479.88
	Less : Issue expenses written off	(0.03)	(8.45)
	Closing Balance	**2,702.05**	**2,702.08**
	Other Reserves		
	Capital Redemption Reserve		
	Opening and Closing Balance	10.59	10.59
	Reserve Fund (In terms of Section 45-IC of the Reserve Bank of India Act, 1934)		
	Opening Balance	-	42.42
	Less : Transfer to retained earnings	-	(42.42)
	Closing Balance	**-**	**-**
	Debenture Redemption Reserve		
	Opening Balance	305.97	305.97
	Add : Transfer from retained earnings	11.93	-
	Closing Balance	**317.90**	**305.97**
	Other Reserve (Refer Footnote below)		
	Opening Balance	(3.89)	-
	Add : Issue expenses in a subsidiary company	-	(3.89)
	Closing Balance	**(3.89)**	**(3.89)**
		324.60	**312.67**
	General Reserve		
	Opening and Closing Balance	561.98	561.98
	Retained Earnings		
	Opening Balance	(56.86)	(193.63)
	Less : Adjustment on account of a joint venture (Refer Note 33(c)(iii))	(2.48)	-
	Add : Profit for the year	286.82	100.87
	Less : Transfer to Debenture Redemption Reserve	(11.93)	-
	Add : Transfer from Reserve Fund	-	42.42
	Less : Final Dividend	(47.57)	(34.62)
	Less : Tax on Dividend	(7.42)	(7.63)
	Add: Realised gain on equity shares carried at fair value through other comprehensive income	-	42.84
	Less: Remeasurements of post employment benefit obligation, (item of other comprehensive income recognised directly in retained earnings)	(9.95)	(10.87)
	Add : Tax on remeasurements of post employment benefit obligation	3.39	3.76
	Closing Balance	**154.00**	**(56.86)**
	Total	**3,898.35**	**3,678.20**
b)	**Other Comprehensive Income**		
	(Refer Statement of changes in equity for the reclassification adjustments to retained earnings)		
	Equity Instruments fair valued through Other Comprehensive Income	206.01	318.86
	Foreign Currency Translation Reserve		
	Opening Balance	65.11	6.49
	Add : Foreign Exchange fluctuation for the year (net)	59.60	58.62
	Exchange differences on translating the financial statement of foreign operations	**124.71**	**65.11**
		330.72	**383.97**
		4,229.07	**4,062.17**

Footnote :

These expenses relates to share issue expenses incurred by one of its subsidiary company and has been directly recognised as "Other Reserve" under "Other Equity" in accordance with Ind AS 32 : Financial Instruments Presentation.

NOTE 18 : BORROWINGS

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Non current**		
	Debentures		
	Non convertible debentures		
	Secured (Refer Footnote ii)	1,044.09	1,043.86
	Unsecured (Refer Footnote iii)	729.29	685.97
		1,773.38	**1,729.83**
	Term loans		
	From Banks		
	Secured (Refer Footnote iv)	516.36	642.44
	Unsecured (Refer Footnote v)	-	50.00
		516.36	**692.44**
	Others	**0.56**	**0.16**
	Total	**2,290.30**	**2,422.43**
	Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	602.78	93.22
	Total non current borrowings	**1,687.52**	**2,329.21**
(b)	**Current**		
	Loans repayable on demand		
	From Bank		
	Unsecured (Refer Footnote vi)	6.38	-
		6.38	**-**
	Other short-term loans		
	From Bank		
	Unsecured (Refer Footnote vii(b))	17.30	-
		17.30	**-**
	From Related parties (Refer Note 40)		
	Unsecured (Refer Footnote vii(a))	12.00	5.00
		12.00	**5.00**
	Total	29.30	5.00
	Total current borrowings	**35.68**	**5.00**

NOTE 18 : BORROWINGS (CONTD.)

Footnotes :

(i) Details of borrowings as at:

₹ crores

	Effective Rate of Interest (%)	Maturity	March 31, 2019 Face value	March 31, 2019 Amortised cost	March 31, 2018 Face value	March 31, 2018 Amortised cost
Debentures						
Non convertible debentures (NCDs)						
Secured						
7.85% Non convertible debentures	7.85	April 15, 2022	495.00	494.09	495.00	493.86
10.10% Non convertible debentures	10.10	November 18,2021	300.00	300.00	300.00	300.00
9.95% Non convertible debentures	9.95	July 27, 2021	250.00	250.00	250.00	250.00
			1,045.00	**1,044.09**	**1,045.00**	**1,043.86**
Unsecured						
7.85% Non-Convertible Debentures	7.85	April 20, 2020	200.00	199.84	200.00	199.77
2% Non convertible debentures	9.86	December 9, 2019	250.00	529.45	250.00	486.20
			450.00	**729.29**	**450.00**	**685.97**
			1,495.00	**1,773.38**	**1,495.00**	**1,729.83**
Term loan from banks						
Secured			-	516.36	-	642.44
Unsecured			-	-	-	50.00
			-	**516.36**	**-**	**692.44**
Term loans from other parties						
Secured			-	-	-	-
			-	**-**	**-**	**-**
Others				0.56		0.16
			1,495.00	**2,290.30**	**1,495.00**	**2,422.43**
Short term borrowings			-	35.68	-	5.00
Total Borrowings			**1,495.00**	**2,325.98**	**1,495.00**	**2,427.43**

(ii) Non convertible debentures - secured include:

a) 4,950, 7.85% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 495 crores, allotted on January 20, 2017 are repayable at par after the end of 5th year from the date of allotment i.e on April 15, 2022.

b) 3,000, 10.10% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 300 crores, allotted on November 18, 2011 are repayable at par on November 18, 2021 i.e at the end of 10th year from the date of allotment.

c) 2,500, 9.95% Secured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 250 crores, allotted on July 27, 2011 are repayable at par on July 27, 2021 i.e at the end of 10th year from the date of allotment.

All the Secured Non convertible debentures are rated, listed and secured by a pari passu first charge created on all the property, plant and equipment of the Company, both present and future.

NOTE 18 : BORROWINGS (CONTD.)

(iii) Non convertible debentures - unsecured include:

a) 2,000, 7.85% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 200 crores, allotted on April 20, 2017 are repayable on April 20, 2020, i.e at the end of the 3rd year from the date of allotment.

b) 2,500, 2% Unsecured Non-Convertible Debentures of ₹ 10 lakhs each aggregating ₹ 250 crores, allotted on December 9, 2009 are repayable on December 9, 2019 i.e at the end of the 10th year from the date of allotment, along with redemption premium of ₹ 12.43 lakhs per debenture. This has been classified under current maturities of long term borrowings.

(iv) Term Loan from Banks (Secured) include:

a) Roots Corporation Limited (RCL), a subsidiary of the Company, had obtained a secured loan facility from Kotak Bank for ₹ 75 crores which carries variable interest rate of 6 month MCLR + 30bps (effective interest as at March 31, 2019, 9.15%) (Previous year 8.6%) payable at monthly rests. Principal amount is repayable in quarterly installments upto March 2022. Outstanding loan as at March 31, 2019 ₹ 49 crores (Previous Year ₹ 69 crores) . The Company has created a charge in April 2016 by way of hypothecation and mortgage of 4 hotel properties and Property, Plant and Equipment contained therein.

Further, another loan of ₹ 50 crores was taken from HDFC Bank Ltd. carrying variable interest rate of 1 year MCLR + 5bps (effective interest as at March 31, 2019, 9.7% (Previous year 8.2%) payable at monthly rest . Principal amount payable in 2 equal quarterly installments of ₹ 1 crores and 16 quarterly installments of ₹ 3 crores each. The repayment schedule shall start from July 2020. Outstanding loan as at March 31, 2019 ₹ 50 crores (Previous Year ₹ 50 crores). The company is in a process to create a charge by way of hypothecation and mortgage of one hotel property and assets contained therein.

Secured Loan of ₹ 7.20 crores outstanding at the beginning of the year was prepaid during the year.

b) St James Court Hotels Limited, an overseas subsidiary of the company, had undertaken a new loan of £ 44.5 million in the year 2017 at a floating rate of 3 month Sterling LIBOR + 1.65%. Repayments of this loan are £ 1.5 million per annum (payable quarterly) with the balance repayable in August 2021. During the year a new revolving loan facility was taken for £ 15 million at a floating rate of 3 month Sterling LIBOR + 1.85%. As at the year end March 31, 2019 balance outstanding is £ 39.08 million (Previous year £ 40.47 million) out of which repayble with in a year is £ 7.50 million (Previous year £ 1.5 million).

c) During the year United Overseas Holding Inc. (UOH), a wholly owned overseas subsidiary, has fully prepaid its oustanding term loan of $ 20.90 million.

(v) Term loan from banks (Unsecured) include:

Unsecured term loan from a bank of ₹ 50 crores outstanding at the beginning of the year was repaid in April, 2018.

Short Term Loans :

(vi) Loans repayable on demand

Loans repayable on demand from bank, consists of overdraft facility.

(vii) Other short-term loans and advances

a) Loan from related parties consists of an inter-corporate deposits obtained by one of the subsidiary which carries interest of 10.50% p.a. repayable on demand.

b) United Overseas Inc, a Wholly owned subsidiary has availed $ 15 million of credit agreement from J.P. Morgan Bank which expires on Dec 23, 2019 and carries variable rate of interest. At March 31,2019 , $2,500,000 was drawn down and outstanding on credit facility. The weighted average interest rate of the outstanding loans was approximately 2.74% at March 31, 2019.

NOTE 18 : BORROWINGS (CONTD.)

(viii) Disclosure of changes in liabilities arising from financing activities (read with cash flow statement)

This section sets out an analysis of net debt and the movement in net debt for each of the periods presented below:

₹ crores

		March 31, 2019	March 31, 2018
a)	**Net debt**		
	Cash and cash equivalents	189.29	207.84
	Current investments	211.21	330.53
	Total Liquid investment (a)	**400.50**	**538.37**
	Long term borrowings (including current maturities shown under Other Current financial liabilities)	2,290.30	2,422.43
	Short term borrowings	35.68	5.00
	Gross Debt (b)	**2,325.98**	**2,427.43**
	Net Debt ((b) - (a))	**1,925.48**	**1,889.06**
b)	**Other financial liabilities**		
	Liability on derivative contracts	279.42	236.15
	Interest accrued but not due / Unclaimed interest	54.76	54.79
	Total Other financial liabilities	**334.18**	**290.94**
	Grand Total	**2,259.66**	**2,180.00**

₹ crores

	Liquid Assets		Liabilities from Financing activities				Total
	Cash and cash equivalents	Current Investments	Gross Debt	Net Debt	Derivatives	Interest accrued but not due / Unclaimed interest	
	(a)	(b)	(c)	(d) = (c)-(a)-(b)	(e)	(f)	(g) = (d)+(e)+(f)
Net Debt as at March 31, 2017	141.31	90.80	3,382.98	**3,150.87**	258.38	133.79	**3,543.04**
Cash flows	59.04	232.02	(949.82)	**(1,240.88)**	11.80	(0.01)	**(1,229.09)**
Interest expense	-	-	2.90	**2.90**	(10.23)	276.37	**269.04**
Interest paid	-	-	(53.41)	**(53.41)**	-	(355.52)	**(408.93)**
Transferred to IEPF	-	-	-	**-**	-	(0.07)	**(0.07)**
Other non- cash movements:							
Added to Borrowings							
Fair value adjustments	-	7.71	-	**(7.71)**	(25.51)	-	**(33.22)**
Foreign Currency Translation Difference	7.49	-	44.78	**37.29**	1.71	0.23	**39.23**
Net Debt as at March 31, 2018	**207.84**	**330.53**	**2,427.43**	**1,889.06**	**236.15**	**54.79**	**2,180.00**
Cash flows	(19.98)	(137.09)	(150.68)	**6.39**	5.86	-	**12.25**
Interest expense	-	-	43.54	**43.54**	(3.62)	150.21	**190.13**
Interest paid	-	-	-	**-**	-	(150.80)	**(150.80)**
Transferred to IEPF	-	-	-	**-**	-	(0.34)	**(0.34)**
Other non- cash movements:							
Added to Borrowings							
Fair value adjustments	-	16.65	-	**(16.65)**	41.03	-	**24.38**
Foreign Currency Translation Difference	1.43	1.12	5.69	**3.14**	-	0.90	**4.04**
Net Debt as at March 31, 2019	**189.29**	**211.21**	**2,325.98**	**1,925.48**	**279.42**	**54.76**	**2,259.66**

NOTE 19 : TRADE PAYABLES (REFER NOTE 40 FOR RELATED PARTY DISCLOSURES)

₹ crores

	March 31, 2019	March 31, 2018
Vendor payables	169.04	198.27
Accrued expenses and others	156.21	141.68
	325.25	**339.95**

NOTE 20 : OTHER FINANCIAL LIABILITIES

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Non current**		
	Liability on derivative contracts	149.85	230.56
	Deposits from others	14.54	12.83
	Creditors for capital expenditure	2.74	1.49
	Employee related liabilities	12.69	8.67
		179.82	**253.55**
(b)	**Current**		
	Current maturities of long-term borrowings (Refer Note 18 (i))		
	Debentures	529.45	-
	Term loan from banks	73.20	93.07
	Others	0.13	0.15
		602.78	**93.22**
	Liability on derivative contracts	129.57	5.59
	Contract liability towards loyalty programmes (Refer Note 29(iii (b)))	43.43	41.94
	Other payables		
	From related parties (Refer Note 40)	1.05	14.52
	From other parties	5.40	6.73
		6.45	**21.25**
	Additional liability on account of loss in joint ventures to the extent of exposure (Refer Note 6(a)(iii))	74.52	75.61
	Deposits from others		
	Option Deposit received against purchase of shares (Secured) (Refer Note 7(a)(iii))	71.10	71.10
	Unsecured	18.28	21.30
		89.38	**92.40**
	Interest accrued but not due on borrowings	54.24	53.93
	Creditors for capital expenditure	47.90	73.38
	Unclaimed dividends	1.85	2.08
	Unclaimed matured deposits and interest accrued thereon	0.52	0.86
	Unclaimed matured debentures and interest accrued thereon ₹ 25,153 (Previous Year - ₹ 25,153)	-	-
	Employee related liabilities	127.09	98.17
	Other liabilities	68.83	58.19
		1,246.56	**616.62**

Footnote :

The fair value hierarchy and classification are disclosed in Note 34.

NOTE 21 : PROVISIONS

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Non current**		
	Provision for employee benefits (Refer Note 38)		
	Compensated absences	57.68	50.54
	Gratuity	20.65	11.01
	Post-employment medical benefits	6.20	5.28
	Post-retirement pension	17.80	16.72
		102.33	**83.55**
(b)	**Current**		
	Provision for employee benefits (Refer Note 38)		
	Compensated absences	22.03	20.89
	Gratuity	1.09	3.73
	Post-employment medical benefits	0.41	0.36
	Post-retirement pension	1.47	1.61
	Other employee benefits	0.69	1.43
		25.69	**28.02**
	Provision for others		
	Provision for disputed dues (Refer Footnote (i))	121.95	110.38
		121.95	**110.38**
		147.64	**138.40**

Footnotes :

(i) Provision for disputed dues include provisions for the following:

₹ crores

	Opening Balance	Additions	Utilisation	Closing Balance
Disputed claims for taxes, levies and duties	107.80	11.57	-	**119.37**
	84.35	*24.64*	*1.19*	***107.80***
Dispute on contractual matters	0.41	-	-	**0.41**
	0.43	-	*0.02*	***0.41***
Dispute in respect of employee benefits	2.17	-	-	**2.17**
	2.17	-	-	***2.17***
Total	**110.38**	**11.57**	**-**	**121.95**
	86.95	***24.64***	***1.21***	***110.38***

a) The above matters are under litigation / negotiation and the ultimate outcome and timing of the cash flows, if any cannot be currently determined.

b) Figures in italics are in respect of previous year.

NOTE 22 : OTHER CURRENT LIABILITIES

₹ crores

	March 31, 2019	March 31, 2018
Income received in advance	28.73	25.08
Deferred Revenue	76.85	86.85
Advances collected from customers	122.67	106.95
Statutory dues	73.24	50.03
	301.49	**268.91**

Footnote :

Refer Note 29(iii) for detailed disclosure relating to Ind AS 115 - Revenue from contract with customers.

NOTE 23 : REVENUE FROM OPERATIONS (REFER NOTE 29(I), (II))

₹ crores

	March 31, 2019	March 31, 2018
Rooms, restaurants and banquets income	3,957.36	3,581.71
Shop rentals	38.79	40.92
Membership fees	91.17	85.80
Management and operating fees	213.17	204.25
Other operating income	211.51	190.87
Total	**4,512.00**	**4,103.55**

NOTE 24 : OTHER INCOME

₹ crores

	March 31, 2019	March 31, 2018
Interest Income from financial assets at amortised cost		
Inter-corporate deposits	1.63	0.13
Deposits with banks	6.89	16.86
Others	9.06	9.22
	17.58	**26.21**
Interest on income tax refunds	2.41	3.21
	19.99	**29.42**
Dividend Income from Investments		
from Investments that are fair valued through Other Comprehensive Income	6.12	5.87
from Investments that are fair valued through Profit and Loss	1.20	2.33
Profit on disposal of Property, plant and equipment (Net)	12.38	0.01
Profit on sale of current investment	15.94	6.36
Gain on investments carried at fair value through profit and loss	1.83	0.06
Exchange gain (Net)	1.05	1.22
Others	24.87	16.46
Total	**83.38**	**61.73**

NOTE 25 : EMPLOYEE BENEFIT EXPENSES AND PAYMENT TO CONTRACTORS

₹ crores

	March 31, 2019	March 31, 2018
Salaries, wages, bonus etc.	1,159.24	1,058.63
Company's contribution to provident and other funds (Refer Note 21, 38)	47.04	40.60
Reimbursement of expenses on personnel deputed to the company	45.21	39.04
Payment to contractors	99.18	91.52
Staff welfare expenses	120.12	116.83
Total	**1,470.79**	**1,346.62**

NOTE 26 : FINANCE COSTS

₹ crores

	March 31, 2019	March 31, 2018
Interest expense		
Interest Expense at effective interest rate on borrowings which are measured at amortised cost	192.41	270.14
Less : Settlements on interest rate swap contracts	(3.60)	(9.53)
	188.81	**260.61**
On income tax demand	0.04	7.86
Other borrowing costs	1.35	1.27
	190.20	**269.74**
Less : Interest capitalised (Refer Footnote)	**0.07**	**0.70**
Total	**190.13**	**269.04**

Footnote :

The Group has capitalised the interest cost on borrowings relating to qualifying assets including within capital work in progress.

NOTE 27 : OPERATING AND GENERAL EXPENSES

₹ crores

		March 31, 2019	March 31, 2018
(a)	**Operating expenses consist of the following :**		
	Linen and room supplies	71.03	73.51
	Catering supplies	30.67	28.26
	Other supplies	6.67	7.06
	Fuel, power and light	273.57	259.11
	Repairs to buildings	56.19	58.24
	Repairs to machinery	73.85	67.84
	Repairs to others	35.73	30.50
	Linen and uniform washing and laundry expenses	45.54	41.57
	Security charges and Others	48.79	38.50
	Guest transportation	43.70	39.01
	Travel agents' commission	95.34	84.47
	Discount to collecting agents	50.79	46.73
	Other operating expenses	119.10	87.80
	Total	**950.97**	**862.60**
(b)	**General expense consist of the following :**		
	Rent	61.43	64.82
	Licence fees (Refer Note 36)	275.84	254.37
	Rates and taxes	100.50	95.12
	Insurance	15.51	14.67
	Advertising and publicity	108.60	121.32
	Printing and stationery	13.93	14.12
	Passage and travelling	18.31	18.20
	Allowance for doubtful debts and Bad debts written off	15.83	15.49
	Expenditure on corporate social responsibility	7.05	6.47
	Professional fees	51.32	46.57
	Support services	69.80	67.58
	Loss on Sale of Property, plant and equipment (Net)	-	0.77
	Payment made to statutory auditors (Refer Footnote)	7.85	8.12
	Directors' fees and commission	3.40	4.77
	Other expenses	107.09	115.15
	Total	**856.46**	**847.54**
		1,807.43	**1,710.14**

Footnote :

Payment made to statutory auditors:

₹ crores

	March 31, 2019	March 31, 2018
As auditors	6.58	6.45
For other services (including tax audit and company law matters)	0.90	1.52
Expenses and incidentals	0.37	0.15
	7.85	**8.12**

Excludes Nil (Previous year ₹ 1.36 crores) adjusted against Securities Premium Account

NOTE 28 : EXCEPTIONAL ITEMS

₹ crores

	March 31, 2019	March 31, 2018
Exceptional Items comprises of the following :		
Exchange Gain / (Loss) on long term borrowings/assets (net)	-	0.07
Change in fair value of derivative contracts	(41.03)	25.51
Incentive fees received pursuant to amendment to a Management Service Agreement	48.24	-
Provison of financial exposure in an associate	(0.63)	(0.56)
Expenditure on projects written off for commercial reasons	-	(2.57)
Total	**6.58**	**22.45**

NOTE 29. REVENUE FROM CONTRACTS WITH CUSTOMERS AND ASSETS/LIABILITIES

With effect from 1 April 2018, the Company has adopted Ind AS 115 ‘Revenue from Contracts with Customers’ that replaces Ind AS 18. It introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company has opted for the cumulative effect method (modified retrospective application) permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended March 31, 2019 only (i.e. the initial application period). This method requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at April 1, 2018 (‘transition date’) in equity and the comparative information continues to be reported under Ind AS 18. The impact of the adoption of the standard on the financial statements is not material.

Also the Company has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months. (Also refer Credit Risk)

Prior to adoption of Ind AS 115, the Company’s revenue was primarily comprised of Revenue from Hotel operations, Management and Operating Fee and Membership fees income. The recognition of these revenue streams is largely unchanged by Ind AS 115.

i) Details of revenue from contracts with customers recognized by the Company, net of indirect taxes in its statement of Profit and Loss:

₹ crores

	March 31, 2019
Revenue from operations	
a. Revenue from contract with customers	
Room Revenue, Food & Beverages and Banquets	3,957.36
Shop rentals	38.79
Membership fee	91.17
Management & Operating fees	213.17
	4,300.49
b. Other operating revenue	
Export Incentive	26.90
Other revenue	184.61
	211.51
Total Revenue from operations	**4,512.00**

NOTE 29. REVENUE FROM CONTRACTS WITH CUSTOMERS AND ASSETS/LIABILITIES (CONTD.)

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

	₹ crores March 31, 2019
Revenue based on geography	
a. Revenue from contract with customers	
India	3,224.84
Overseas	1,075.65
	4,300.49
b. Other Operating Revenue	
India	181.37
Overseas	30.14
	211.51
Total Revenue based on geography	**4,512.00**
Revenue based on product and services	
a. Revenue from contract with customers	
Room Revenue	2,147.63
Food & Beverages and Banquets	1,809.73
Shop rentals	38.79
Membership fee	91.17
Management & Operating fees	213.17
	4,300.49
b. Other Operating Revenue	
Export Incentives	26.90
Other revenue	184.61
	211.51
Total Revenue based on product and services	**4,512.00**

iii) Contract balances

The contract liabilities primarily relate to the unredeemed customer loyalty points and the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered.

a) Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services. It also includes membership fee received for Chambers Membership, Epicure membership and Spa and Health Club Memberships.

b) Contract Liability towards Loyalty programme represents the liability of the Company towards the points earned by the members.

		₹ crores
	March 31, 2019	**April 1, 2018**
Contract liabilities		
Income received in advance	28.73	25.08
Advance collections from customer	122.67	106.95
Deferred Revenue	76.85	86.85
Contract Liability towards Loyalty programmes	43.43	41.94
	271.68	**260.82**

Footnote:

Considering the nature of business of the Group, the advance from customer and income received in advance are generally materialised as revenue within the same operating cycle.

NOTE 30. CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR) AND CONTINGENT ASSETS

The Group is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses and is exposed to other contingencies arising from having issued guarantees to lenders of its subsidiaries and other entities. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate.

(a) On account of matters in disputes :

Amounts in respect of claims (excluding interest and penalties) asserted by various revenue authorities on the Company and the Group, in respect of taxes, etc., which are in dispute, and not provided for, are as under:

₹ crores

	March 31, 2019	March 31, 2018
Income Tax	170.21	177.56
Luxury tax	1.05	15.49
Entertainment tax	2.23	2.23
Sales tax / VAT	30.04	30.56
Property and Water tax	213.53	179.01
Service tax	24.17	19.09
Others	19.90	16.25

The Group is a defendant in various legal actions and a party to claims as above, plus interest thereon, which arose during the ordinary course of business. The Group's management believes based on the facts presently known, that the results of these actions will not have a material impact on the Company's financial statements. It is not practicable for the Group to estimate the timings of cash flows, if any, in respect of the above.

(b) On account of lease agreements:

In respect of a plot of land provided to the Company under a lease agreement, on which the Company has constructed a hotel, the lessor has made a claim of ₹ 432.57 crores to date, (13 times the previous annual rental) for increase in the rentals with effect from 2006-07. The Company believes these claims to be untenable. The Company has contested the claim based upon legal advice, by filing a suit in the Honourable High Court of Judicature at Bombay on grounds of the lessor's inconsistent stand on automatic renewal of lease, levy of lease rentals and method of computing such lease rent, within the terms of the then existing lessor's policy as also a Supreme Court judgment on related matters. Even taking recent enactments into consideration, in the opinion of the Company, the computation cannot stretch beyond ₹ 115.85 crores (excluding interest / penalty), and this too is being contested by the Company on merit.

Further, a "Notice of Motion" has been filed by the company before the Honourable High Court of Judicature at Bombay, inter alia, for a stay against any further proceedings by the lessor, pending a resolution of this dispute by the Honourable Bombay High Court, and the Company has obtained a stay order from the court.

(c) Other claims against the Group not acknowledge as debt :

(i) Legal and statutory matters ₹ 4.98 crores (March 31, 2018 - ₹ 4.98 crores)

(ii) Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimates above, including where:

a) plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

b) the proceedings are in early stages;

c) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

d) there are significant factual issues to be resolved; and/or there are novel legal issues presented

The Group's Management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Group's financial position, though the outcomes could be material to the Group's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

(d) Claims filed by the Group:

The Company has filed a claim for Government subsidy with the Department of Industrial Policy and Promotion for a new greenfield hotel project which has commenced operations. The claim is in the intermediate stage of verification and in the absence of virtual certainty at this stage on the amount that may be ultimately approved, no deferred income has been recognised.

NOTE 31. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for is ₹ 125.92 crores (March 31, 2018 - ₹ 177.38 crores).

NOTE 32. GUARANTEES AND UNDERTAKINGS GIVEN

(a) Guarantees given by the Group and outstanding as on March 31, 2019 - ₹ 12.78 crores (March 31, 2018 - ₹ 12.94 crores).

(b) The Group has given letters of support to few associates and joint venture companies during the year.

NOTE 33. INTEREST IN OTHER ENTITIES

a) Subsidiaries

i) The parent's subsidiaries at March 31, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the group and the effective ownership of the group is enumerated in the table below. The country of incorporation or registration is also their principal place of business.

	Country of Incorporation	Effective Ownership interest held by the Group		Ownership interest held by non-controlling interests	
		March 31, 2019 (%)	March 31, 2018 (%)	March 31, 2019 (%)	March 31, 2018 (%)
Domestic					
Benares Hotels Ltd.	India	51.68	51.68	48.32	48.32
ELEL Hotels & Investments Ltd.	India	85.72	85.72	14.28	14.28
Inditravel Ltd.	India	77.21	77.19	22.79	22.81
KTC Hotels Ltd.	India	100.00	100.00	-	-
Luthria & Lalchandani Hotels and Properties Private Ltd.	India	87.15	87.15	12.85	12.85
Northern India Hotels Ltd.@	India	48.56	48.56	51.44	51.44
Piem Hotels Ltd.	India	51.57	51.57	48.43	48.43
Roots Corporation Ltd.	India	63.74	63.25	36.26	36.75
Sheena Investments Private Ltd.	India	100.00	100.00	-	-
Skydeck Properties & Developers Private Ltd.	India	100.00	100.00	-	-
Taj Enterprises Ltd.	India	74.70	74.70	25.30	25.30
Taj Trade & Transport Ltd.	India	72.74	72.73	27.26	27.27
United Hotels Ltd.	India	55.00	55.00	45.00	45.00
International					
IHOCO BV	Netherlands	100.00	100.00	-	-
Piem International (HK) Ltd.	Hong Kong	51.57	51.57	48.43	48.43
St. James Court Hotel Ltd.	United Kingdom	72.25	72.25	27.75	27.75
Taj International Hotels (HK) Ltd.	Hong Kong	100.00	100.00	-	-
Taj International Hotels Ltd.	United Kingdom	100.00	100.00	-	-
United Overseas Holding Inc.	United States of America	100.00	100.00	-	-

@ In accordance with the directives issued by SEBI via its circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 02, 2016 the Group provided an exit option to the public shareholders of Northern India Hotels Limited (NIHL), an indirect subsidiary. Under the offer 50 and 4,466 shares were tendered by various public shareholders and acquired by the Group as of March 31, 2019 and March 31, 2018 respectively. As a result of which the Group's holding in NIHL has increased from 93.14% to 94.15%. Consequently, there are minor changes in the effective holding in certain subsidiaries.

NOTE 33. INTEREST IN OTHER ENTITIES (CONTD.)

ii) Significant judgements and assumptions:

a. The management have concluded that the group controls Northern India Hotels Limited, even though it holds less than half of the effective interest of this subsidiary. This is because the group is the largest shareholder and the direct ownership in this company is 94.15% through Piem Hotels Limited, a subsidiary in which the group holds 51.57%.

b. The investment in BAHC 5, a company incorporated in Singapore in which the group holds 100% issued equity shares, is a temporary investment that is presently held for disposal. In the view of the management, the Group does not have any power or control over or exposure to this entity. It does not have any rights to variable returns from its involvement with this entity and thus the financial statements of this entity are not consolidated.

c. The Group holds 51% of the equity share capital of Taj SATS Air Catering Ltd. However, as per the contractual arrangement in the form of joint venture agreement, the group considers it has joint control over the net assets of this entity and has been reclassified as joint venture.

b) Non-controlling interests ('NCI')

i) The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group are set out below. The amounts disclosed for each subsidiary are before inter-company eliminations or other adjustment :-

₹ crores

Summarised Balance Sheet	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Current Assets	52.18	56.70	59.47	40.56	5.38	17.61	43.42	45.78
Current Liabilities	106.35	87.04	53.52	78.91	49.73	41.30	131.54	80.99
Net Current Assets	**(54.17)**	**(30.34)**	**5.95**	**(38.35)**	**(44.35)**	**(23.69)**	**(88.12)**	**(35.21)**
Non-Current Assets	695.96	660.33	405.60	407.54	628.31	621.83	1,045.70	979.20
Non-Current Liabilities	8.43	6.16	94.52	109.57	-	-	353.72	369.08
Net Non-Current Assets	**687.53**	**654.17**	**311.08**	**297.97**	**628.31**	**621.83**	**691.98**	**610.12**
Net Assets	**633.36**	**623.83**	**317.03**	**259.62**	**583.96**	**598.14**	**603.86**	**574.91**
Accumulated NCI	**306.74**	**302.12**	**114.96**	**95.41**	**83.39**	**85.41**	**167.57**	**159.53**

₹ crores

Summarised Statement of Profit and Loss	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue	416.44	358.43	206.33	186.68	0.61	0.88	330.95	279.29
Profit/(Loss) for the year	27.31	(4.32)	(14.98)	(19.06)	(14.18)	(13.95)	37.85	30.47
Other Comprehensive Income	8.89	44.16	(0.14)	-	-	-	(8.87)	60.41
Total Comprehensive Income	**36.20**	**39.84**	**(15.12)**	**(19.06)**	**(14.18)**	**(13.95)**	**28.98**	**90.88**
Total Comprehensive Income allocated to NCI	17.53	19.29	(5.48)	(7.00)	(2.02)	(1.99)	8.04	25.22
Dividend paid to NCI	**12.92**	**7.38**	-	-	-	-	-	-

NOTE 33. INTEREST IN OTHER ENTITIES (CONTD.)

₹ crores

Summarised Statement of Cash Flows	PIEM Hotels Limited		Roots Corp Limited		ELEL Hotels and Investments Limited		St. James Court Hotel Limited	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Cash Flows from Operating Activities / (Used in)	45.32	25.41	20.93	1.05	(12.82)	(2.69)	74.15	51.81
Cash Flows from Investing Activities / (Used in)	(41.50)	(11.38)	(29.24)	(19.31)	12.86	2.66	(102.25)	(49.43)
Cash Flows from Financing Activities / (Used in)	(5.58)	(16.08)	11.29	18.99	-	-	24.06	(31.70)
Net Increase/(Decrease) in Cash & cash Equivalents	**(1.76)**	**(2.05)**	**2.98**	**0.73**	**0.04**	**(0.03)**	**(4.04)**	**(29.32)**

ii) Individually immaterial non-controlling interest:

₹ crores

	March 31, 2019	March 31, 2018
Aggregate carrying amount of individually immaterial	127.21	134.92
Aggregate amount of the group's share of profits/loss	6.42	5.28
Aggregate amount of the group's share of other comprehensive Income	0.86	0.61
Aggregate amount of the group's share of total comprehensive Income	7.28	5.89

c) Interests in associates and joint ventures

i) Details of the associates and joint ventures of the group as at March 31, 2019 and 2018 are set out below. The entities below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business. The Group follows equity method of accounting for the measuring its investments/interests in associates and joint ventures, the details of which are as below:

₹ crores

	Country of Incorporation	Effective Holding "%" #	Carrying amount		Quoted fair value	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Joint Ventures						
Taj SATS Air Catering Ltd.	India	51.00	61.83	59.94	*	*
Taj Madras Flight Kitchen Private Ltd.	India	50.00	25.23	23.87	*	*
Taj Karnataka Hotels & Resorts Ltd. (Refer Note 20(b))	India	44.27	-	-	*	*
Taj Kerala Hotels & Resorts Ltd.	India	28.30	15.57	16.68	*	*
Taj GVK Hotels & Resorts Ltd.	India	25.52	117.33	114.91	379.93	262.33
Taj Safaris Ltd. #	India	40.67	10.93	0.70	*	*
Kaveri Retreat & Resorts Ltd.	India	50.00	41.02	39.85	*	*
TAL Hotels & Resorts Ltd.	Hong Kong	27.49	122.31	122.67	*	*
IHMS Hotels (SA)(Pty) Ltd. (Refer Note 20(b))	South Africa	50.00	-	-	*	*
			394.22	**378.62**	**379.93**	**262.33**
Associates						
Oriental Hotels Ltd.	India	35.67	240.07	207.16	304.70	276.58
Taj Madurai Ltd.	India	26.00	6.22	5.29	*	*
Taida Trading and Industries Ltd.	India	34.76	-	-	*	*
BJets Pte Ltd	Singapore	45.69	-	-	*	*
Lanka Island Resorts Ltd	Sri Lanka	24.66	33.71	33.24	*	*
TAL Lanka Hotels PLC	Sri Lanka	24.62	13.45	16.11	12.71	24.18
			293.45	**261.80**	**317.41**	**300.76**
Total			**687.67**	**640.42**	**697.34**	**563.09**

* Unlisted entity – no quoted price available

There was no change in the effective ownership of the Group's Holding % during the year except in case of Taj Safaris Ltd. where the group has acquired addition 10,741,864 shares during the year and the effective ownership has increased from 38.15% to 40.67%

NOTE 33. INTEREST IN OTHER ENTITIES (CONTD.)

ii) Commitments and contingent liabilities in respect of associates and joint ventures

₹ crores

	March 31, 2019	March 31, 2018
Commitment to provide funding for joint ventures capital commitments, if called	131.44	116.77
Capital Commitment for joint ventures and associate	7.37	11.91
Guarantees given by joint ventures and associates	3.31	3.54
Share of contingent liabilities in joint ventures and associates	39.84	42.51

iii) Summarised financial information for associates and joint ventures

The summarised financial information for those joint ventures and associates that are material to the Group are set out below. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not of the Group's share of those amount. They have amended to reflect adjustments made when using equity method for the differences in accounting policies.

₹ crores

Summarised Balance Sheet	Taj GVK Hotels & Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31 2018 *	March 31 2018	March 31 2019	March 31 2018	March 31 2019	March 31 2018	March 31 2019	March 31 2018
Current assets								
Cash and cash equivalents	0.21	14.61	5.26	8.42	69.92	66.72	28.02	5.53
Other assets	57.43	44.36	160.00	173.59	45.25	48.55	109.87	71.58
	57.64	**58.97**	**165.27**	**182.01**	**115.17**	**115.27**	**137.89**	**77.11**
Non-current assets	672.20	677.50	189.98	183.26	460.79	456.49	714.02	750.12
Total assets	**729.84**	**736.47**	**355.25**	**365.27**	**575.96**	**571.76**	**851.91**	**827.23**
Current liabilities								
Financial liabilities (excluding trade payables)	41.42	35.84	10.96	9.87	25.72	22.14	264.23	40.66
Other liabilities	73.32	70.16	55.40	65.90	41.79	33.06	46.35	43.74
	114.74	**106.00**	**66.36**	**75.77**	**67.52**	**55.20**	**310.58**	**84.40**
Non-current Liabilities								
Financial liabilities (excluding trade payables)	172.23	198.36	-	-	71.22	75.97	1.93	296.36
Other liabilities	64.26	62.95	23.57	27.92	38.19	40.25	5.58	4.91
	236.49	**261.31**	**23.57**	**27.92**	**190.41**	**116.22**	**7.51**	**301.27**
Total liabilities	**351.23**	**366.31**	**89.93**	**103.69**	**257.93**	**171.42**	**318.09**	**385.67**
NET ASSETS	**378.61**	**369.16**	**265.32**	**261.58**	**318.03**	**400.34**	**533.82**	**441.56**

Footnote :

* The latest available financial statement of this entity is only up to December 31, 2018 and accordingly has been used for the purpose of the preparation of the consolidated financial statement of the Company. For the purpose of comparability of the income statement, the results for the period of 12 months (January 1, 2018 to December 31, 2018) has been considered and impact of result of 3 months (January 1, 2018 to March 31, 2018) has been adjusted in the equity.

NOTE 33. INTEREST IN OTHER ENTITIES (CONTD.)

iv) Reconciliation of carrying amounts

₹ crores

	Taj GVK Hotels & Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Limited	
	December 31 2018	March 31 2018	**March 31 2019**	March 31 2018	**March 31 2019**	March 31 2018	**March 31 2019**	March 31 2018
Net Assets	378.61	369.16	265.32	261.58	399.04	400.34	533.81	441.56
Group's Share	25.52%	25.52%	51.00%	51.00%	27.49%	27.49%	35.67%	35.67%
Share of Net assets	96.63	94.21	135.31	133.42	109.70	110.05	190.41	157.50
Goodwill	20.70	20.70	-	-	12.62	12.62	49.66	49.66
Unrealized Gain	-	-	(73.48)#	(73.48)#	-	-	-	-
Carrying Amount	**117.33**	**114.91**	**61.83**	**59.94**	**122.31**	**122.67**	**240.07**	**207.16**

Unrealised gain represents profit on sale of air catering business by the Group to Taj SATS on a slump sale basis on October 1, 2001.

v) Summary Statement of Profit and Loss

₹ crores

Summarised statement of profit and loss	Taj GVK Hotels & Resorts Limited		Taj SATS Air Catering Limited		TAL Hotels and Resorts Ltd		Oriental Hotels Ltd	
	December 31 2018*	**March 31 2018**	**March 31 2019**	**March 31 2018**	**March 31 2019**	**March 31 2018**	**March 31 2019**	**March 31 2018**
Revenue	315.91	290.88	417.90	387.32	296.66	294.91	354.76	362.27
Depreciation	17.02	17.27	10.96	10.77	25.93	33.39	28.38	27.66
Interest Income	0.22	0.18	1.83	4.01	0.10	0.09	2.59	1.64
Interest Expense	22.66	24.97	0.06	0.02	6.24	6.24	27.18	30.89
Income Tax Expense	8.56	11.01	3.43	12.79	3.13	2.78	12.98	2.53
Profit for the year	23.40	20.39	14.03	21.70	8.28	22.19	91.59	6.12
Other Comprehensive Income for the year	0.19	0.19	0.59	0.67	17.43	17.71	0.69	23.21
Total Comprehensive Income for the year	**23.59**	**20.58**	**14.62**	**22.37**	**25.71**	**39.90**	**92.28**	**29.33**
Dividend Received	0.96	0.64	-	-	7.67	7.28	-	-

* Refer Footnote of Note 33 (c)(iii) above

vi) Individually immaterial joint ventures and associates

₹ crores

	March 31, 2019	**March 31, 2018**
Aggregate carrying amount of individually immaterial	146.14	135.74
Aggregate amount of the group's share of profit/loss	3.46	15.72
Aggregate amount of the group's share of other comprehensive Income	(0.96)	(7.48)
Aggregate amount of the group's share of total comprehensive Income	2.50	8.24

Footnote:
The financial statements of joint ventures and associates consolidated are drawn upto the same reporting date as of the company except in case of a joint venture and an associate company where the financial statements have been drawn upto December 31, 2018.

NOTE 34. FINANCIAL INSTRUMENTS MEASUREMENTS AND DISCLOSURES

a) Financial instruments by category:

₹ crores

	FVTPL		FVOCI		Amortised cost		Total carrying value	
	March 31 2019	March 31 2018	March 31 2019	March 31 2018	March 31 2019	March 31 2018	March 31 2019	March 31 2018
Financial assets:								
Measured at fair value								
Investments (Refer Footnote below):								
Equity shares	-	-	436.26	540.47	-	-	**436.26**	**540.47**
Mutual fund units	211.21	330.53	-	-	-	-	**211.21**	**330.53**
Total	**211.21**	**330.53**	**436.26**	**540.47**	**-**	**-**	**647.47**	**871.00**
Not measured at fair value								
Trade receivables	-	-	-	-	321.38	328.56	**321.38**	**328.56**
Cash and cash equivalents	-	-	-	-	189.29	207.84	**189.29**	**207.84**
Other balances with banks	-	-	-	-	51.65	62.48	**51.65**	**62.48**
Loans	-	-	-	-	19.17	24.27	**19.17**	**24.27**
Other financial assets	-	-	-	-	225.68	184.92	**225.68**	**184.92**
	-	**-**	**-**	**-**	**807.17**	**808.07**	**807.17**	**808.07**
Total	**211.21**	**330.53**	**436.26**	**540.47**	**807.17**	**808.07**	**1,454.64**	**1,679.07**
Financial liabilities:								
Measured at fair value								
Derivative instruments	279.42	236.15	-	-	-	-	**279.42**	**236.15**
Not measured at fair value								
Borrowings	-	-	-	-	2,325.98	2,427.43	**2,325.98**	**2,427.43**
Trade payables	-	-	-	-	325.25	339.95	**325.25**	**339.95**
Other financial liabilities	-	-	-	-	544.18	540.80	**544.18**	**540.80**
Total	**279.42**	**236.15**	**-**	**-**	**3,195.41**	**3,308.19**	**3,474.83**	**3,544.33**

Footnotes:

a. The above excludes investments in joint ventures and associates amounting to ₹ 687.67 crores (March 31, 2018 - ₹ 640.42 crores) which are accounted as per equity method.

b. FVTPL = Fair Value Through Profit and Loss and FVOCI = Fair Value Through Other Comprehensive Income.

NOTE 34. FINANCIAL INSTRUMENTS MEASUREMENTS AND DISCLOSURES (CONTD.)

b) Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis, it also includes the financial instruments which are measured at amortised cost for which fair values are disclosed.

₹ crores

	Level 1		Level 2		Level 3		Total	
	March 31 2019	March 31 2018	March 31 2019	March 31 2018	March 31 2019	March 31 2018	March 31 2019	March 31 2018
Financial assets:								
Measured at fair value								
Investments:								
Equity shares	246.74	353.73	-	-	189.52	186.74	436.26	540.47
Mutual fund units	211.21	330.53	-	-	-	-	211.21	330.53
Total	**457.95**	**684.26**	**-**	**-**	**189.52**	**186.74**	**647.47**	**871.00**
Financial liabilities:								
Measured at fair value								
Derivative instruments	-	-	279.42	236.15	-	-	279.42	236.15
Not measured at fair value (Refer Footnotes below)								
Borrowings								
Non-convertible debentures	-	-	1,786.37	1,763.28	-	-	1,786.37	1,763.28
Term loan from banks	-	-	516.36	692.44	-	-	516.36	692.44
Term loan from others	-	-	-	-	-	-	-	-
Total	**-**	**-**	**2,582.15**	**2,691.87**	**-**	**-**	**2,582.15**	**2,691.87**

Footnotes:

a. The Company has not disclosed the fair value of certain short term financial instruments such as trade receivables, trade payables, short term loans, deposits etc. as their carrying amounts are a reasonable approximation of fair value.

b. The carrying amounts of the borrowings excluding non-convertible debentures that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

c. The Investments measured at fair value and falling under fair value hierarchy level 3 are valued based on valuation reports provided by external valuers with the exception of two investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The investments other than those whose fair values approximate cost are individually immaterial.

c) Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

a. **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price / declared NAV. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

b. **Level 2:** Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

c. **Level 3:** If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

NOTE 34. FINANCIAL INSTRUMENTS MEASUREMENTS AND DISCLOSURES (CONTD.)

d) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for the equity instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of non-convertible debentures is valued using FIMMDA guidelines
- the fair value for the cross currency swaps/principal swap is determined using forward exchange rates at the balance sheet date
- certain long term unlisted shares have been considered at their respective cost as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. All other unlisted shares are determined based on the income approach or the comparable market approach. These unquoted investments categorized under Level 3.
- the fair value of the remaining financial instruments is determined using the discounted cash flow analysis.

e) Inter level transfers:

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year.

f) Reconciliations of level 3 fair values

The following table shows reconciliation from the opening balances to closing balances for Level 3 fair values:

₹ crores

	Equity instruments
Balance as at March 31, 2017	**180.40**
Net change in fair value (unrealised)	6.34
Balance as at March 31, 2018	**186.74**
Net change in fair value (unrealised)	2.78
Balance as at March 31, 2019	**189.52**

NOTE 35. FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal audit team. The Internal audit team undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

a) Credit risk

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Group's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Group.

NOTE 35. FINANCIAL RISK MANAGEMENT (CONTD.)

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities, Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ crores

Particulars	March 31, 2019	March 31, 2018
Expiring within one year:		
Bank overdraft	85.00	80.00
Bank Loans	86.48	97.68
Expiring beyond one year	-	-
Total	**171.48**	**177.68**

The bank overdraft facilities may be drawn at any time by the respective companies in the Group. Further, the Group has a balance undrawn short term loan facility from a financial institution which is available up to 1 year from the balance sheet date.

ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross, undiscounted and exclude future contractual interest payments.

₹ crores

	Carrying value as at March	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities:						
Borrowings	2,325.98	670.94	237.98	1,442.83	13.29	**2,365.04**
(including redemption premium)	*2,427.43*	*484.50*	*571.67*	*1,247.87*	*15.96*	***2,320.00***
Trade and other payables	325.25	325.25	-	-	-	**325.25**
	339.95	*339.95*	-	-	-	***339.95***
Interest Accrued on borrowings	54.05	113.17	94.89	67.76	-	**275.82**
	53.93	*118.70*	*113.17*	*162.65*	-	***394.52***
Other Financial liabilities	490.13	490.13	-	-	-	**490.13**
	486.87	*486.86*	-	-	-	***486.86***
Total	**3,195.41**	**1,586.49**	**332.87**	**1,510.59**	**13.29**	**3,456.24**
	3,308.18	***1,441.53***	***684.84***	***1,410.52***	***15.96***	***3,541.33***
Derivative instruments	279.42	131.54	-	147.88	-	**279.42**
	236.15	*5.59*	*104.81*	*125.75*	-	***236.15***
Financial guarantee contract	-	17.30	-	131.44	-	**148.74**
	-	*20.95*	*30.26*	*201.67*	-	***252.88***
Total financial liabilities	**3,474.83**	**1,748.33**	**332.87**	**1,789.91**	**13.29**	**3,884.40**
	3,544.33	***1,456.55***	***819.91***	***1,737.94***	***15.96***	***4,030.36***

Figures in italics are of the previous year.

NOTE 35. FINANCIAL RISK MANAGEMENT (CONTD.)

The Group management periodically monitors its Interest Service Cover Ratio to manage the liquidity risk towards the repayment of the interest liability. The interest cover ratio for the Group for the year ending March 31, 2019 and March 31, 2018 was 5.30 and 3.00 respectively.

The formula used for the calculation of Interest Service Cover ratio (which has been computed on a trailing twelve-month basis) is as below:

Interest Service Coverage Ratio = (Profit before tax + Interest (Net) + Provision for diminution in long term investment + Depreciation)/Interest (Net)

iii) Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and current investment.

₹ crores

	Note	March 31, 2019	March 31, 2018
Borrowings	18	2,325.98	2,427.43
Less: Cash and cash equivalents	14	189.29	207.84
Less: Current investments	7(b)	211.21	330.53
Net debt		**1,925.48**	**1,889.06**
Total Equity	16/17	5147.86	4,958.49
Gearing ratio %		0.37	0.38

c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives to manage its exposure to foreign currency risk and interest rate risk. All such transactions are carried out within the guidelines set by the risk management committee.

i) Foreign Currency risk

The predominant currency of the Group's revenue and operating cash flows is Indian Rupees (₹). The Company's reported debt has an exposure to borrowings held in US dollars. Movements in foreign exchange rates can affect the Company's reported profits and net assets.

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

Derivative Instruments outstanding:

Nature of Derivative	Currency	March 31, 2019		March 31, 2018	
		Currency million	Fair values ₹ crores	Currency million	Fair values ₹ crores
Cross currency swap	US$	108.42	277.45	108.42	230.56
Interest Rate Swap	GBP	20.00	1.97	30.00	5.59
Total			**279.42**		**236.15**

NOTE 35. FINANCIAL RISK MANAGEMENT (CONTD.)

Sensitivity

For the year ended March 31, 2019 and March 31, 2018, every 3% depreciation in the exchange rate between the Indian rupee and US dollar, shall increase the Group's profit/loss before tax by approximately 11.61% and 15.88% respectively and every 3% increase in the interest rate shall increase the Group's profit/loss before tax by approximately 5.72% and 9.92% respectively.

For the year ended March 31, 2019 and March 31, 2018, every 3% appreciation in the exchange rate between the Indian rupee and US dollar, shall reduce the Group's profit/loss before tax by approximately 0.58% and 1% respectively and every 3% decrease in the interest rate shall increase/(decrease) the Group's profit/loss before tax by approximately 5.32% and 9.10% respectively.

The above relates to the Company and foreign currency risk in respect of other components is insignificant.

Un-Hedged Foreign currency exposure payable:

Currency	March 31, 2019	March 31, 2018
United States Dollar (Million)	0.62	0.62

Sensitivity

For the year ended March 31, 2019 and March 31, 2018, every 3% depreciation/appreciation in the exchange rate between the Indian rupee and US dollar, shall affect the Group's profit before tax by approximately 0.03% and 0.04 % respectively.

ii) Interest rate risk

The Group adopts a policy to hedge the interest rate movement in order to mitigate the risk with regards to floating rate linked loans based on the market outlook on interest rates. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The total borrowing at variable rate was ₹ 534.22 crores as at March 31, 2019 (March 31, 2018 - ₹ 571.38 crores). The carrying value of the long term debt approximates fair value since the current interest rate approximates the market rate.

iii) Other market price risks

The Group's exposure to equity securities' price risk arises from investments held by the Group and classified in the balance sheet as fair value through Other Comprehensive Income. If the equity prices of quoted investments are 3% higher/ lower, the equity for the year ended March 31, 2019 would increase/ decrease by ₹ 7.40 crores (for the year ended March 31, 2018: increase/ decrease by ₹ 10.61 crores).

NOTE 36. OPERATING LEASES

The Group has taken certain vehicles, land and immovable properties on operating lease. The lease of hotel properties are generally long term in nature with varying terms, escalation clauses and renewal rights expiring within five to one hundred and ninety eight years. On renewal, the terms of the leases are renegotiated. The total expenses recognised in the Statement of Profit and Loss on lease rent paid is included under Rent and Licence Fees forming part of Other Expenses (Refer Note 27 (b)).

The minimum future lease rentals payable in respect of non-cancellable leases entered into by the Company to the extent of minimum guarantee amount are as follows:-

₹ crores

	March 31, 2019	March 31, 2018
Not later than one year	156.05	129.52
Later than one year but not later than five years	649.51	467.69
Later than five years	5,107.62	3,600.12

In addition, in certain circumstances the Group is committed to pay additional lease rentals that are contingent on the performance viz. gross operating profits, revenues etc. of the hotels that are being leased.

Expenses recognised in the Statement of Profit and Loss:

₹ crores

	March 31, 2019	March 31, 2018
Minimum Lease Payments/ Fixed Rentals	152.73	141.71
Contingent rents *	139.37	133.16
	292.10	**274.87**

* contingent on the performance viz. gross operating profits, revenues etc. of the hotels that are being leased.

NOTE 37. INCOME TAX DISCLOSURE

i) Income Tax recognised in the Statement Profit and Loss:

₹ crores

	March 31, 2019	March 31, 2018
Current Tax		
In respect of the current year	190.09	138.46
In respect of earlier years	(11.55)	(0.09)
	178.54	**138.37**
Deferred Tax		
In respect of the current year		
MAT credit	(3.17)	(16.03)
Other items	(35.03)	(1.28)
In Respect of earlier years	16.78	-
	(21.42)	**(17.31)**
Total tax expense recognised in the current year	**157.12**	**121.06**

ii) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below:

₹ crores

	March 31, 2019	March 31, 2018
Profit/(Loss) before tax (a)	401.71	184.29
Income tax rate as applicable in India (b)	34.94%	34.61%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	**140.37**	**63.78**
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(3.21)	(1.44)
Income considered to be capital in nature under tax and tax provisions	-	(0.08)
Effect of expenses that are not deductible in determining taxable profit	12.22	26.31
Expense considered to be capital in nature under tax and tax provisions	4.93	4.64
Income subject to lower rate of income tax	(4.69)	-
Deferred tax asset not recognised in Statement of Profit and Loss	17.50	40.02
Effect on deferred tax balances due to the change in income tax rate	(1.13)	1.85
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(20.18)	(22.11)
Difference (net) in tax rates between the company and components/ Jurisdiction	0.44	10.94
Others items, individually not material	5.64	(2.76)
	151.89	**121.15**
Prior year taxes as shown above	5.23	(0.09)
Income tax expense recognised in the Statement of Profit and Loss	**157.12**	**121.06**

NOTE 37. INCOME TAX DISCLOSURE (CONTD.)

iii) Income tax recognised in Other Comprehensive Income:

₹ crores

	March 31, 2019	March 31, 2018
Current Tax		
Tax impact on profit on sale of investment in equity shares at fair value through Other Comprehensive Income	-	-
Deferred tax		
Arising on income and expenses recognised in Other Comprehensive Income:		
Net fair value gain on investments in equity shares at fair value through Other Comprehensive Income	1.15	(3.28)
Remeasurement of defined benefit obligation	(3.36)	(4.16)
Reversal of Deferred Tax Liability on account of a investment fair valued through Other Comprehensive Income	-	-
Reversal of Deferred Tax Assets on Unused Tax Losses	-	-
	(2.21)	**(7.44)**
Total income tax recognised in Other Comprehensive Income	**(2.21)**	**(7.44)**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will not be reclassified to profit or loss	(2.21)	(7.44)
	(2.21)	**(7.44)**

iv) The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

₹ crores

	March 31, 2019	March 31, 2018
Deferred Tax assets (net)	69.44	60.14
Deferred Tax liabilities (net)	(376.77)	(356.30)
Net Deferred Tax Liability	**(307.33)**	**(296.16)**

NOTE 37. INCOME TAX DISCLOSURE (CONTD.)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

₹ crores

	Opening Balance	Recognised in the Statement of Profit and Loss (net)	Recognised in Other Comprehensive Income (net)	MAT credit utilised	Exchange difference (net)	Closing balance
Deferred tax (liabilities)/ assets:						
Property, Plant and equipment & Intangible Assets	(479.07) *(458.18)*	(5.67) *(20.77)*	- *-*	- *-*	0.02 *(0.12)*	**(484.72)** ***(479.07)***
Unamortised borrowing cost	(0.45) *(0.33)*	0.08 *(0.12)*	- *-*	- *-*	- *-*	**(0.37)** ***(0.45)***
Provision for Employee Benefits	31.95 *27.90*	3.56 *(0.11)*	3.36 *4.16*	- *-*	- *-*	**38.87** ***31.95***
Fair valuation changes of derivative contracts	(20.89) *(15.94)*	18.63 *(4.95)*	- *-*	- *-*	- *-*	**(2.26)** ***(20.89)***
Unrealised gain on equity shares carried at fair value through Other Comprehensive Income	(0.42) *(3.70)*	- *-*	(1.15) *3.28*	- *-*	- *-*	**(1.57)** ***(0.42)***
MAT Credit Entitlement	49.96 *78.03*	3.16 *16.02*	- *-*	(33.78) *(44.09)*	- *-*	**19.34** ***49.96***
Unused tax losses (Business) (net)	62.56 *34.18*	12.00 *23.04*	- *-*	- *-*	(1.04) *5.34*	**73.52** ***62.56***
Allowance for doubtful debts	8.10 *4.45*	(2.25) *3.65*	- *-*	- *-*	- *-*	**5.85** ***8.10***
Reward Points	13.27 *17.90*	1.56 *(4.63)*	- *-*	- *-*	- *-*	**14.83** ***13.27***
Provision for Contingencies	26.51 *21.12*	(14.84) *5.39*	- *-*	- *-*	- *-*	**11.67** ***26.51***
Others	12.32 *12.53*	5.19 *(0.21)*	- *-*	- *-*	- *-*	**17.51** ***12.32***
Total Deferred Tax Liability	**(296.16)** ***(282.04)***	**21.42** ***17.31***	**2.21** ***7.44***	**(33.78)** ***(44.09)***	**(1.02)** ***5.22***	**(307.33)** ***(296.16)***

Figures in italics are of the previous year.

v) Deferred tax asset amounting to ₹ 900.50 crores and ₹ 852.70 crores as at March 31, 2019 and March 31, 2018 respectively in respect of unused tax losses have not been recognized by the Group. The group has not created deferred tax assets of ₹ 10.11 crores on certain carry forward capital losses of ₹ 41.87 crores due to lack of reasonable certainty that the group will have future taxable capital gains in the near future to absorb/set off these losses. The tax loss carry-forwards of ₹ 2,913.51 crores and ₹ 2,776.92 crores as at March 31, 2019 and March 31, 2018, respectively, relates to certain subsidiaries on which deferred tax asset has not been recognized by the Group, because there is a lack of reasonable certainty that these subsidiaries may generate future taxable profits. Approximately, ₹ 446.89 crores and ₹ 490.75 crores as at March 31, 2019 and March 31, 2018 respectively of these tax losses has carry-forwards is not currently subject to expiration dates. The remaining tax loss carry-forwards of approximately ₹ 2,466.62 crores and ₹ 2,286.17 crores as at March 31, 2019 and March 31, 2018 respectively, expires in various years through fiscal 2037. The potential tax benefit for the capital losses will expire by fiscal 2023. Deferred tax assets on unused tax losses have been recognized by certain subsidiaries to the extent of profits arising from the reversal of existing taxable temporary differences.

NOTE 37. INCOME TAX DISCLOSURE (CONTD.)

vi) Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries amounting to ₹ 1,499.67 crores and ₹ 1,471.19 crores as at March 31, 2019 and March 31, 2018, respectively has not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax liabilities for these undistributed earnings.

NOTE 38. EMPLOYEE BENEFITS

(a) The Group has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds" (net of recoveries):

₹ crores

	March 31, 2019	March 31, 2018
Provident Fund	23.04	20.57
Superannuation Fund	4.30	5.02
Total	**27.34**	**25.59**

In light of the recent Supreme Court judgement dated February 28, 2019 regarding the definition of wages for calculation of Provident fund contribution, the Company as advised, on a prudent basis, has provided for the liability prospectively from date of judgement

Multi-Employer Benefit Plans

One of the international subsidiaries, United Overseas Holding Inc., along with its LLP's namely "the New York LLC" is a party to the Industrywide Collective Bargaining Agreement between the New York Hotel Trades Council ("NYC Union") and the Hotel Association of New York City, Inc. . The collective bargaining agreement provides for union sponsored multi-employer defined benefit plans (the "Plans") to which the New York LLC makes contributions for the benefit of their employees covered by the collective bargaining agreements. The New York LLC has not received information from the Plans' administrators to determine their share of unfunded benefit obligations, if any. The New York LLC has not undertaken to terminate, withdraw or partially withdraw from the Plans. The risks of participating in the multi-employer plan are different from a single-employer plan in the following aspects:

(i) Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.

(ii) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

(iii) If an employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The New York LLC's participation in the Plans for 2018 and 2017 is outlined in the table below. The "EIN Number" column provides the Employer Identification Number (EIN). The most recent Pension Protection Act (PPA) zone status available is for the Plans' year-end at December 31, 2018 and 2017.

The zone status is based on information that the New York LLC received from the Plans and is certified by the actuaries of the Plans. Among other factors, pension plans in the red zone are generally less than 65% funded, pension plans in the yellow zone are less than 80% funded, and pension plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates pension plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is pending or has been implemented. The New York LLC's contributions to its respective Plans did not exceed more than 5% of the total contributions to the Plans by all participating employers. The following is a summary of the Plans to which the New York LLC make contributions for the benefit of their employees covered by the collective bargaining agreements.

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

Plans	EIN Number	Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/ Implemented	Contribution by the Company for the year ended	
			2019	2018		December 31, 2018 US $	December 31, 2017 US $
New York LLC							
Pension Fund (i)	13-1764242	001	Green	Green	Yes	2,763,241	2,202,377
Health Benefits Fund (ii)	13-6126923	501	NA	NA	Yes	7,111,838	8,115,173
Prepaid Legal Services Fund (iii)	13-3418414	508	NA	NA	Yes	69,546	73,752
Total - New York LLC						**9,944,625**	**10,391,302**

(i) New York Hotel Trades Council and Hotel Association of New York City, Inc. Health Benefits Fund

(ii) New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Services Fund

(iii) New York Hotel Trades Council and Hotel Association of New York City, Inc. Pension Fund

Defined Contribution 401(k) Plans

United Overseas Holding Inc. and its LLC's, wholly owned subsidiaries in the United States of America, have defined contribution plans for the benefit of their eligible employees pursuant to Section 401(k) of the Internal Revenue Code. In addition to employee 401(k) contributions, the plans require employer contributions of 3% of each eligible participant's plan compensation for each year. The employer may also make a profit sharing contribution of a uniform percentage of eligible participants' plan compensation based on profits as defined. The employer contributions charged to the Company's and the Subsidiaries' operations for the years ended March 31, 2019 and 2018 are as follows:

		US $
	March 31, 2019	March 31, 2018
San Francisco LLC	112,596	114,651
New York LLC	182,818	176,791
Company	8,031	7,067
Total Employer Contributions	**303,445**	**298,509**

(b) The Group operates post retirement defined benefit plans as follows :-

(i) Funded :

- Post Retirement Gratuity
- Pension to Employees – Post retirement minimum guaranteed pension scheme for certain categories of employees, which is funded by the Company and the employees.

(ii) Unfunded :

- Post Retirement Gratuity
- Pension to Executive Directors and Employees – Post retirement minimum guaranteed pension scheme for select existing and retired executive directors and certain categories of employees, which is unfunded.
- Post Employment Medical Benefits to qualifying employees

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

(c) Provident Fund:

The Company operates Provident Fund Scheme through a trust – 'Indian Hotels Company Limited Employees Provident Fund Trust' ('the Plan'), set up by the Company and for certain categories contributions are made to State Plan.

The Plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of the services by the employee. In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumptions provided below, there is no shortfall as at March 31, 2019 and March 31, 2018.

The details of fund and plan asset position are given below:

₹ crores

	March 31, 2019	March 31, 2018
Plan Assets as at period end	593.97	529.33
Present Value of Funded Obligation at period end	593.97	529.33
Amount recognised in the Balance Sheet	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	March 31, 2019	March 31, 2018
Guaranteed Rate of Return	8.65%	8.55%
Discounted Rate for remaining term to Maturity of Investment	7.65%	7.75%
Expected Rate of Return on Investment	8.83%	9.16%

The Company contributed ₹ 10.63 crores and ₹ 9.98 crores towards provident fund during the year ended March 31, 2019 and March 31, 2018 respectively and the same has been recognised in the statement of profit and loss.

In light of the recent Supreme Court judgement dated February 28, 2019 regarding the definition of wages for calculation of Provident fund contribution, the Company as advised, on a prudent basis, has provided for the liability prospectively from date of judgement.

(d) Pension Scheme for Employees:

The Group has formulated a funded pension scheme for certain employees. The actuarial liability arising on the above, after allowing for employees' contribution is determined as at the year end, on the basis of uniform accrual benefit, with demographic assumptions taken as Nil.

(e) The above defined benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

a. Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to government security yields prevailing as at the Balance Sheet date. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has a relatively balanced mix of investments in equity, government securities, bonds and other debt instruments. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate that a reasonable portion of the plan assets should be invested in equity securities to leverage the return generated by the Fund.

b. Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

c. **Longevity risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

d. **Salary risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(f) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2019 :-

(i) Amount to be recognised in Balance Sheet and movement in net liability

₹ crores

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Present Value of Funded Obligations	206.05	-	-	-	7.91
	194.91	-	-	-	*7.28*
Present Value of Unfunded Obligations	1.88	6.61	2.65	16.62	-
	1.14	*5.63*	*2.75*	*15.61*	-
Fair Value of Plan Assets	(186.19)	-	-	-	(10.15)
	(181.31)	-	-	-	*(9.70)*
Amount not recognised due to asset limit	-	-	-	-	0.77
	-	-	-	-	*0.82*
Net (Asset) / Liability	**21.74**	**6.61**	**2.65**	**16.62**	**(1.47)**
	14.74	***5.63***	***2.75***	***15.61***	***(1.59)***

(ii) Expenses recognised in the Statement of Profit & Loss

₹ crores

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Current Service Cost	11.38	0.08	0.16	0.16	0.13
	10.84	*0.08*	*0.28*	*0.15*	*0.14*
Past service Cost	(0.60)	0.96	-	-	-
	(4.12)	-	*(1.47)*	-	-
Interest Cost	0.45	0.41	0.19	1.14	(0.12)
	(0.76)	*0.39*	*0.27*	*1.10*	*(0.09)*
Total	**11.23**	**1.45**	**0.35**	**1.30**	**0.01**
	5.96	***0.47***	***(0.92)***	***1.25***	***0.05***

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

(iii) Expenses recognised in Other Comprehensive Income (OCI)

₹ crores

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Remeasurements during the period due to:					
Changes in financial assumptions	(0.02) *(2.76)*	- *(0.14)*	- *(0.08)*	- *(0.38)*	- *(0.15)*
Changes in demographic assumptions	(0.07) *5.26*	(0.21) *-*	0.03 *(0.03)*	(0.68) *-*	- *-*
Experience adjustments	8.57 *8.36*	0.04 *0.06*	0.17 *0.86*	1.45 *(0.01)*	0.39 *0.03*
Actual return on plan assets less interest on plan assets	0.56 *1.06*	- *-*	- *-*	- *-*	0.05 *(0.39)*
Adjustment to recognise the effect of asset ceiling	- *-*	- *-*	- *-*	- *-*	(0.12) *0.17*
Expenses recognised	**9.04** ***11.92***	**(0.17)** ***(0.08)***	**0.20** ***0.75***	**0.77** ***(0.39)***	**0.32** ***(0.34)***

(iv) Reconciliation of Defined Benefit Obligation

₹ crores

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Opening Defined Benefit Obligation	196.05 *186.45*	5.63 *5.55*	2.75 *4.25*	15.61 *15.33*	7.28 *7.15*
Current Service Cost	11.38 *10.84*	0.08 *0.08*	0.16 *0.28*	0.16 *0.15*	0.13 *0.14*
Past Service Cost	(0.60) *(4.12)*	0.96 *-*	- *(1.47)*	- *-*	- *-*
Interest Cost	13.50 *12.48*	0.41 *0.39*	0.19 *0.27*	1.14 *1.10*	0.53 *0.51*
Remeasurements due to actuarial loss/ (gain) arising from:					
Changes in financial assumptions	(0.02) *(2.76)*	- *(0.14)*	- *(0.08)*	- *(0.38)*	- *(0.15)*
Changes in demographic assumptions	(0.07) *5.26*	(0.21) *-*	0.03 *(0.03)*	(0.68) *-*	- *-*
Experience adjustments	8.57 *8.36*	0.04 *0.06*	0.17 *0.86*	1.45 *(0.01)*	0.39 *0.03*
Benefits Paid	(21.22) *(21.51)*	(0.30) *(0.31)*	(0.65) *(1.33)*	(1.06) *(0.58)*	(0.42) *(0.39)*
Liabilities assumed	0.34 *1.05*	- *-*	- *-*	- *-*	- *-*
Closing Defined Benefit Obligation	**207.93** ***196.05***	**6.61** ***5.63***	**2.65** ***2.75***	**16.62** ***15.61***	**7.91** ***7.28***

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

(v) Reconciliation of Fair Value of Plan Assets

₹ crores

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Opening Fair Value of Plan Assets	181.31	-	-	-	9.70
	188.61	*-*	*-*	*-*	*8.95*
Interest on Plan Assets	13.05	-	-	-	0.71
	13.24	*-*	*-*	*-*	*0.64*
Remeasurements due to:					
Actual return on plan assets less interest on plan assets	(0.57)	-	-	-	(0.05)
	(1.06)	*-*	*-*	*-*	*0.39*
Contribution by Employer	13.61	0.30	0.65	1.06	0.21
	0.97	*0.31*	*1.33*	*0.58*	*0.12*
Benefits Paid	(21.22)	(0.30)	(0.65)	(1.06)	(0.42)
	(21.51)	*(0.31)*	*(1.33)*	*(0.58)*	*(0.39)*
Assets acquired	0.01	-	-	-	-
	1.05	*-*	*-*	*-*	*-*
Closing Fair Value of Plan Assets	**186.19**	**-**	**-**	**-**	**10.15**
	181.31	***-***	***-***	***-***	***9.70***
Expected Employer's contribution/ outflow next year	**17.02**	**-**	**-**	**-**	**-**
	16.65	*-*	*-*	*-*	*-*

(vi) Actuarial Assumptions

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff Funded
Discount rate (p.a.) in %	7.55%	7.55%	7.55%	7.55%	7.55%
	7.55-8.00%	*7.55%*	*7.55%*	*7.55%*	*7.55%*
Salary Escalation Rate (p.a.) in %	4.00-8.00%	-	4.00%	-	-
	4.00-9.00%	*-*	*4.00%*	*10.00%*	*-*
Pension Escalation Rate (p.a.) in %	-	-	-	4.00%	-
	-	*-*	*-*	*4.00%*	*-*
Annual increase in healthcare costs (p.a.) in %	-	6.00%	-	-	-
	-	*6.00%*	*-*	*-*	*-*
Mortality Table *					
Mortality table in service(LIC)	Table 1	Table 1	Table 1	NA	NA
	Table 2	*Table 2*	*Table 2*	*NA*	*NA*
Mortality table in retirement(LIC)	NA	Table 3	Table 3	Table 3	Table 3
	NA	*Table 4*	*Table 4*	*Table 4*	*Table 4*

* Table 1 – Indian Assured Lives Mortality (2012-14) Ult table
Table 2 – Indian Assured Lives Mortality (2006-08) Ult table
Table 3 – UK Published S1PA Mortality rate
Table 4 – UK Published PA (90) annuity rated down by 4 years

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

(vii) Disaggregation of Plan Assets (Managed by an Insurance Company)

a) Gratuity Funded

	March 31, 2019				March 31, 2018			
	Quoted ₹ crores	Unquoted ₹ crores	Total ₹ crores	%	Quoted ₹ crores	Unquoted ₹ crores	Total ₹ crores	%
Government Debt Instruments	50.24	-	50.24	27%	51.91	-	51.91	29%
Other Debt Instruments	51.42	0.09	51.51	28%	-	0.09	0.09	0%
Property	-	-	-	-	56.82	-	56.82	31%
Other Equity Instruments	37.78	-	37.78	20%	32.65	-	32.65	18%
Insurer managed funds	-	21.40	21.40	11%	-	17.82	17.82	10%
Others	0.63	24.63	25.26	14%	0.63	21.39	22.02	12%
Total	**140.07**	**46.12**	**186.19**	**100%**	**142.01**	**39.30**	**181.31**	**100%**

b) Pension Staff Funded

	March 31, 2019				March 31, 2018			
	Quoted ₹ crores	Unquoted ₹ crores	Total ₹ crores	%	Quoted ₹ crores	Unquoted ₹ crores	Total ₹ crores	%
Government Debt Instruments	4.78	-	4.78	47%	4.10	-	4.10	43%
Other Debt Instruments	5.06	-	5.06	50%	5.26	-	5.26	54%
Other Equity Instruments	0.24	-	0.24	2%	0.24	-	0.24	2%
Others	-	0.07	0.07	1%	-	0.10	0.10	1%
Total	**10.08**	**0.07**	**10.15**	**100%**	**9.60**	**0.10**	**9.70**	**100%**

(viii) Sensitivity Analysis (for each defined benefit plan)

	Gratuity				Pension Top up			
	March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
	Discount rate (%)	Salary Escalation rate (%)	Discount rate (%)	Salary Escalation rate (%)	Discount rate (%)	Life Expectancy (%)	Discount rate (%)	Life Expectancy (%)
Impact of increase in 50 bps on DBO	(3.07)	3.29	(3.99)	3.24	(5.53)	-	(5.51)	-
Impact of decrease in 50 bps on DBO	3.21	(3.17)	3.17	(3.08)	6.02	-	6.00	-
Impact of life expectancy 1 year decrease	-	-	-	-	-	(1.77)	-	(1.83)
Impact of life expectancy 1 year Increase	-	-	-	-	-	1.69	-	1.82

	Pension Staff Funded					
	March 31, 2019			March 31, 2018		
	Discount rate (%)	Life Expectancy (%)	Pension rate (%)	Discount rate (%)	Life Expectancy (%)	Pension rate (%)
Impact of increase in 50 bps on DBO	(3.64)	-	-	(3.93)	-	-
Impact of decrease in 50 bps on DBO	3.90	-	-	4.20	-	-

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

	Post- Employment Medical Benefits Unfunded					
	March 31, 2019			March 31, 2018		
	Discount rate (%)	Life Expectancy (%)	Pension rate (%)	Discount rate (%)	Life Expectancy (%)	Pension rate (%)
Impact of increase in 50 bps on DBO	(4.66)	-	-	(4.79)	-	-
Impact of decrease in 50 bps on DBO	5.08	-	-	5.23	-	-
Impact of life expectancy 1 year decrease	-	(3.23)	-	-	(3.26)	-
Impact of life expectancy 1 year Increase	-	3.05	-	-	3.07	-
Defined benefit obligation on healthcare costs rate minus 100 bps	-	-	(4.44)	-	-	(5.76)
Defined benefit obligation on healthcare costs rate plus 100 bps	-	-	5.24	-	-	6.86

	Pension Director Funded					
	March 31, 2019			March 31, 2018		
	Discount rate (%)	Life Expectancy (%)	Pension rate (%)	Discount rate (%)	Life Expectancy (%)	Pension rate (%)
Impact of increase in 50 bps on DBO	(4.42)	-	-	(4.59)	-	-
Impact of decrease in 50 bps on DBO	4.79	-	-	4.99	-	-
Impact of life expectancy 1 year decrease	-	(3.58)	-	-	(3.04)	-
Impact of life expectancy 1 year Increase	-	3.43	-	-	2.92	-
Defined benefit obligation on pension increase rate minus 100 bps	-	-	(8.85)	-	-	(9.18)
Defined benefit obligation on pension increase rate plus 100 bps	-	-	10.24	-	-	10.71

(ix) Movement in Asset Ceiling

₹ crores

	March 31, 2019	March 31, 2018
Opening Value of asset ceiling	0.82	0.61
Interest on Opening balance of asset ceiling	0.07	0.04
Remeasurement due to:		
change in Surplus/(deficit)	(0.12)	0.17
Closing value of asset ceiling	**0.77**	**0.82**

Footnote: Figures in italics under (i) to (vi) are of the previous year.

(x) Expected future benefit payments:

₹ crores

	Gratuity	Post Employment Medical Benefits Unfunded	Pension Top-up Unfunded	Pension Director Unfunded	Pension Staff funded
Within one year	36.81 *34.60*	0.41 *0.36*	0.33 *0.59*	1.14 *1.05*	0.65 *0.51*
Between one and five years	95.09 *90.10*	1.89 *1.59*	1.66 *1.26*	4.88 *4.49*	2.75 *2.23*
After five years	243.48 *225.14*	15.42 *13.75*	1.69 *2.06*	35.21 *35.34*	12.78 *12.76*
Weighted average duration of the Defined Benefit Obligation (in years)	6.32 *6.15*	9.72 *10.01*	11.67 *3.84*	9.19 *9.57*	7.16 *7.69*

NOTE 38. EMPLOYEE BENEFITS (CONTD.)

Due to the restrictions in the type of investments that can be held by the gratuity and pension fund as per the prevalent regulations, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

NOTE 39. OTHER REGULATORY MATTERS

The Company, on a review of its foreign operations had, in the past, made voluntary disclosures to the appropriate regulator, of what it considered to be possible irregularities, in relation to foreign exchange transactions relating to the period prior to 1998. Arising out of such disclosures, the Company received show cause notices and the Company had replied to the notices. During the earlier year, the Company has received adjudication cum demand of ₹ 10.89 crores on certain matters which has been disputed by the Company. This has been disclosed as Contingent Liability. The Company has filed appeal against the adjudication cum demand, and the appeal is pending. During the year, the Company received adjudication cum demand aggregating ₹ 1.12 crore on three other matters being contested. The Company is in the process of filing appeals against these adjudication cum demand orders. For the balance Show Cause Notices, adjudication proceedings are in progress.

NOTE 40. RELATED PARTY DISCLOSURES

(a) The names of related parties of the Group are as under:

(i) Company having substantial interest

Tata Sons Private Ltd. (including its subsidiaries and joint ventures)

(ii) Associates and Joint Ventures

The names of all the associates and joint ventures are given in Note 33 (c)

(iii) Key Management Personnel

Key managerial personnel comprise the whole-time directors of the Company, who have the authority and responsibility for planning, directing and controlling the activities of the Company and the Group.

Following are the Key Management Personnel:	Relation
Puneet Chhatwal	Managing Director & CEO
Mehernosh S. Kapadia*	Executive Director - Corporate Affairs

* for part of the year upto May 23, 2018.

(iv) Post Employment benefit plans

The Indian Hotels Company Ltd. Employees Provident Fund

The Indian Hotels Company Ltd. Superannuation Scheme

The Indian Hotels Employees Gratuity Trust

Taj Residency Employees Provident fund Trust (Bangalore unit)

Piem Hotel Employees Gratuity Trust

Taj Residency Hotel Employees Gratuity Trust

NOTE 40. RELATED PARTY DISCLOSURES (CONTD.)

(b) The details of related party transactions during the year ended March 31, 2019 and March 31, 2018 are as follows:

₹ crores

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Interest expense	- *-*	- *-*	1.23 *0.67*	- *-*
Interest income	- *0.97*	- *-*	2.11 *2.45*	- *-*
Dividend Paid	18.08 *10.25*	- *-*	0.08 *0.07*	- *-*
Dividend income	3.60 *3.60*	- *-*	15.16 *10.01*	- *-*
Operating/ License Fees expenses	0.27 *0.27*	- *-*	- *-*	- *-*
Operating fees income	3.47 *3.55*	- *-*	68.05 *68.69*	- *-*
Purchase of goods and services	76.10 *59.04*	- *-*	0.43 *0.42*	- *-*
Sale of goods and services	63.87 *44.36*	- *-*	1.37 *0.74*	- *-*
Subscription in rights issue	- *-*	- *-*	6.15 *0.70*	- *-*
Deputed staff reimbursements	0.01 *0.02*	- *-*	7.86 *6.97*	- *-*
Deputed staff out	0.45 *0.42*	- *-*	35.74 *34.80*	- *-*
Other cost reimbursements	0.18 *0.32*	- *-*	2.27 *2.01*	- *-*
Loyalty expense (Net of redemption credit)	0.14 *0.19*	- *-*	7.15 *9.77*	- *-*
Contribution to funds	- *-*	- *-*	- *-*	25.52 *15.29*
Inter Corporate Deposit (“ICD”) Raised	- *-*	- *-*	- *10.00*	- *-*
ICD Placed	- *20.00*	- *-*	1.50 *0.30*	- *-*
ICD Encashed	- *55.24*	- *-*	2.28 *10.00*	- *-*
Remuneration paid / payable (Refer Footnote ii)	- *-*	8.58 *20.98*	- *-*	- *-*

NOTE 40. RELATED PARTY DISCLOSURES (CONTD.)

The details of amounts due to or from related parties as at March 31, 2019 and March 31, 2018 are as follows:

₹ crores

	Company having significant influence*	Key Management Personnel	Associates and Joint Ventures#	Post Retirement benefit plans
Trade receivables (Refer Note 13)	12.26	-	38.39	-
	11.88	-	*69.41*	-
Trade payables(Refer Note 19)	11.48	-	0.28	-
	14.14	-	*1.24*	-
Other Receivables/ (Other Payable) (Refer Note 9 and 20)	0.29	-	67.45	-
	0.30	-	*55.76*	-
Interest Receivable (Refer Note 9)	-	-	0.98	-
	-	-	*1.38*	-
Interest Payable (Refer Note 20)	-	-	0.19	-
	-	-	-	-
Loan Receivable (Refer Note 8)	1.28	-	168.76	-
	1.23	-	*159.71*	-
Allowance for doubtful loan (Refer Note 8)	-	-	150.16	-
	-	-	*140.94*	-
Option Deposit (Refer Note 20)	71.10	-	-	-
	71.10	-	-	-
Deposits Payable (Refer Note 18)	0.26	-	12.00	-
	0.28	-	*5.00*	-
Deposits Receivable (Refer Note 9)	-	-	-	-
	0.09	-	*4.90*	-

* Including its subsidiaries and joint ventures
# Including its subsidiaries

Footnotes:

(i) Figures in italics are of the previous periods.

(ii) Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation of the Company's liability to all its employees.

(iii) From time to time key management personel of the group including directors of entites which they have control or significant influence, may purchase services from the group those purchase are on the same terms and conditions as those entered into with other group employees or customers.

NOTE 40. RELATED PARTY DISCLOSURES (CONTD.)

(c) Statement of Material Transactions

₹ crores

Company Name	March 31, 2019	March 31, 2018
Company having substantial interest and its subsidiaries and joint ventures		
Tata Sons Private Limited		
Dividend income	3.60	3.60
Dividend paid	17.33	9.70
Trade payables	3.85	3.52
Sale of goods and services	10.59	9.79
Tata SIA Airlines Limited		
Sale of goods and services	7.25	9.03
Tata AIG General Insurance Company Limited		
Purchase of goods and services	9.11	8.70
Tata Realty and Infrastructure Limited		
Option Deposit	71.10	71.10
Tata Zambia Limited		
Operating / License fees expense	0.27	0.27
Tata Consultancy Services Limited		
Purchase of goods and services	48.26	38.73
Sale of goods and services	31.10	17.80
Trade receivables	5.70	6.73
Trade payables	6.76	6.95
Remuneration to Key Management Personnel		
Puneet Chhatwal	6.01	1.72
Mehernosh S. Kapadia	2.57	2.73
Associates		
Oriental Hotels Ltd.		
Operating fees income	33.66	28.74
Deputed staff reimbursement	3.31	3.29
Deputed staff out	16.54	16.88
Loyalty expense (Net of redemption credit)	4.20	4.90
Other cost reimbursements	1.28	0.92
Trade receivables	14.96	9.12
Taida Trading & Industries Ltd.		
Interest income	0.50	0.53
Interest receivable	0.39	0.35
Deposit given	1.50	0.90

NOTE 40. RELATED PARTY DISCLOSURES (CONTD.)

₹ crores

Company Name	March 31, 2019	March 31, 2018
Bjets Pte Limited, Singapore		
Loan receivable	146.99	137.77
Allowance for doubtful loan	146.99	137.77
Joint Ventures		
Taj GVK Hotels & Resorts Ltd.		
Operating fees income	12.61	16.14
Deputed staff reimbursement	3.11	2.51
Deputed staff out	9.39	9.27
Other cost reimbursements	0.62	0.83
Trade Receivables	11.88	43.73
Taj Karnataka Hotels & Resorts Ltd.		
Interest income	0.48	0.48
Interest Receivable	0.59	0.59
Taj Kerala Hotels & Resorts Ltd.		
Deputed staff reimbursement	0.90	0.74
Taj SATS Air Catering Ltd.		
Interest expense	1.23	0.67
Dividend income	4.61	-
Deposits taken	12.00	5.00
Interest Payable	0.19	-
IHMS Hotels (SA) (Proprietary) Ltd.		
Trade Receivables	5.63	6.00
Other Receivables	66.29	63.40
Taj Safaris Ltd.		
Purchase of Shares	6.15	0.70
ICP Encashed	2.28	4.00
TAL Hotels & Resorts Ltd.		
Dividend income	7.89	7.28
Interest income	0.94	0.87
Operating fees income	8.89	9.59
Post-employment benefits plans		
Contribution to superannuation fund	5.03	4.99
Contribution to provident fund	10.63	9.94
Contribution to Gratuity Fund	9.50	-

NOTE 41. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Managing Director and Chief Executive Officer of the Company who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker. From the internal organisation of the Group's activities and consistent with the internal reporting provided to the chief operating decision-maker and after considering the nature of its services, the ultimate customer availing those services and the methods used by its to provide those services, "Hotel Services" has been identified to be the Group's sole operating segment. Hotel Services include "Revenue from Operations" including Management and Operating Fees where hotels are not owned or leased by the Group. The organisation is largely managed separately by property based on centrally driven policies and the results and cash flows of the period, financial position as of each reporting date aggregated for the assessment by the Managing Director and Chief Executive Officer. The Group's management reporting and controlling systems principally use accounting policies that are the same as those described in Note 2 in the summary of significant accounting policies under Ind AS. As the Group is engaged in a single operating segment, segment information that has been tabulated below is Group-wide:

₹ crores

Country	Revenue from Hotel Services by location of operations		Non-current assets (see footnote below)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
India	3,406.22	3,160.06	4,714.79	4,482.38
U.S.A.	686.93	585.30	860.07	843.22
U.K.	418.85	358.19	922.02	937.79
Other Overseas locations	-	-	-	-
Total	**4,512.00**	**4,103.55**	**6,566.87**	**6,263.39**

Footnote: Non-current assets exclude financial assets, deferred tax assets and goodwill.

No single customer contributes more than 10% or more of the Group's total revenue for the years ended March 31, 2019 and March 31, 2018.

NOTE 42 : ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATES / JOINT VENTURES

Name of the entity of the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores
PARENT								
The Indian Hotels Company Ltd.	82.47%	4,245.36	91.94%	263.70	(201.62)%	(120.59)	63.04%	143.11
SUBSIDIARIES								
Indian								
Piem Hotels Ltd.	12.16%	625.77	9.52%	27.31	14.86%	8.89	15.95%	36.20
Benares Hotels Ltd.	1.39%	71.70	3.04%	8.72	0.03%	0.02	3.85%	8.74
United Hotels Ltd.	0.52%	26.87	1.18%	3.38	(0.13)%	(0.08)	1.45%	3.30
Roots Corporation Ltd.	6.16%	317.03	(5.22)%	(14.98)	(0.23)%	(0.14)	(6.66)%	(15.12)
Inditravel Ltd.	0.09%	4.82	(0.32)%	(0.92)	(0.03)%	(0.02)	(0.41)%	(0.94)
Taj Trade & Transport Company Ltd.	0.23%	11.92	(0.17)%	(0.50)	(0.38)%	(0.23)	(0.32)%	(0.73)
KTC Hotels Ltd.	0.05%	2.36	0.05%	0.14	-	-	0.06%	0.14
Northern India Hotels Ltd.	0.56%	28.78	0.69%	1.99	-	-	0.88%	1.99
Taj Enterprises Ltd.	0.08%	4.17	0.03%	0.09	-	-	0.04%	0.09
Skydeck Properties and Developers Private Ltd.	8.73%	449.41	(0.01)%	(0.04)	-	-	(0.02)%	(0.04)
Sheena Investments Private Ltd.	0.05%	2.73	0.03%	0.10	-	-	0.04%	0.10
ELEL Hotels and Investments Ltd.	11.34%	583.96	(4.94)%	(14.18)	-	-	(6.25)%	(14.18)
Luthria and Lalchandani Hotel and Properties Private Ltd.	-	(0.03)	-	-	-	-	-	-
Foreign								
United Overseas Holdings Inc.	13.81%	710.79	(17.10)%	(49.06)	-	-	(21.61)%	(49.06)
St. James Court Hotel Ltd.	11.73%	603.87	13.20%	37.85	-	-	16.67%	37.85
Taj International Hotels Ltd.	0.27%	13.74	(0.67)%	(1.93)	-	-	(0.85)%	(1.93)
Taj International Hotels (H.K.) Ltd.	2.42%	124.65	(0.60)%	(1.71)	-	-	(0.75)%	(1.71)
Piem International (HK) Ltd.	3.02%	155.31	4.66%	13.38	-	-	5.89%	13.38
IHOCO BV.	36.71%	1,890.00	(14.24)%	(40.85)	-	-	(17.99)%	(40.85)
Non-controlling interests in all subsidiaries		799.86		(9.30)		(2.65)		(11.95)

NOTE 42 : ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATES / JOINT VENTURES (CONTD.)

Name of the entity of the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores	As % of consolidated profit or loss	₹ crores
ASSOCIATES (Investment as per the equity method)								
Indian								
Oriental Hotels Ltd.	4.66%	240.07	11.39%	32.67	0.42%	0.25	14.50%	32.92
Taj Madurai Ltd	0.12%	6.22	0.12%	0.34	1.24%	0.74	0.48%	1.08
Taida Trading & Industries Ltd (Refer Footnote below)	-	-	-	-	-	-	-	-
Foreign								
Lanka Island Resorts Ltd.	0.65%	33.71	0.90%	2.57	(1.34)%	(0.80)	0.78%	1.77
TAL Lanka Hotels Plc	0.26%	13.45	(0.66)%	(1.89)	(1.30)%	(0.78)	(1.18)%	(2.67)
Bjets Pte Ltd. (Refer Footnote below)	-	-	-	-	-	-	-	-
JOINT VENTURES (Investment as per the equity method)								
Indian								
Taj GVK Hotels and Resorts Ltd.	2.28%	117.33	2.08%	5.97	0.08%	0.05	2.65%	6.02
Taj Kerala Hotels and Resorts Ltd.	0.30%	15.57	(0.24)%	(0.68)	(0.17)%	(0.10)	(0.34)%	(0.78)
Taj SATS Air Catering Ltd.	1.20%	61.83	2.49%	7.15	0.50%	0.30	3.28%	7.45
Taj Karnataka Hotels and Resorts Ltd.	(0.03)%	(1.56)	0.38%	1.09	-	-	0.48%	1.09
Taj Safaris Ltd.	0.21%	10.93	(0.18)%	(0.51)	-	-	(0.22)%	(0.51)
Kaveri Retreat & Resorts Ltd	0.80%	41.02	0.40%	1.16	-	-	0.51%	1.16
Taj Madras Flight Kitchen Pvt. Ltd.	0.49%	25.23	0.48%	1.38	(0.02)%	(0.01)	0.60%	1.37
Foreign								
IHMS Hotels (SA)(Pty) Ltd.	(1.42)%	(72.96)	-	-	-	-	-	-
TAL Hotels & Resorts Ltd.	2.38%	122.31	0.79%	2.28	8.39%	5.02	3.22%	7.30
Consolidation Adjustments / Eliminations	(119.24)%	(6,138.36)	4.22%	12.10	84.13%	50.32	27.50%	62.42
TOTAL	**100.00%**	**5,147.86**	**100.00%**	**286.82**	**100.00%**	**(59.81)**	**100.00%**	**227.01**

Footnotes:

The carrying value of these investments in Associates has been reported as Nil, as the Group's share of losses exceeds the cost of investments.

NOTE 43. EARNINGS PER SHARE (EPS)

Earnings Per Share is calculated in accordance with Ind AS 33 – 'Earnings Per Share'.

	March 31, 2019	March 31, 2018
Profit/(Loss) after tax (owner's share) – (₹ crores)	286.82	100.87
Opening balance	1,18,92,58,445	98,92,74,015
Effect of fresh issue of shares for cash	-	11,37,04,608
Weighted average number of Equity Shares #	**1,18,92,58,445**	**1,10,29,78,623**
Earnings Per Share - Basic and Diluted - (₹)	2.41	0.91
Face Value per Equity Share (₹)	1	1

Earnings per share for the previous year ended March 31, 2018 has been retrospectively adjusted for the bonus element in respect of the rights issue.

NOTE 44. NEGATIVE WORKING CAPITAL

As at the year end, the group's current liabilities have exceeded its current assets by ₹ 930.68 crores primarily on account of current maturities of long term borrowings aggregating ₹ 602.78 crores and liability on derivative contract of ₹ 129.57 crores falling due within 12 months following the balance sheet date. Management is confident of its ability to generate cash inflows from operations and also raise long term funds to meet its obligations on due date.

NOTE 45. DIVIDENDS

Dividends paid during the year ended March 31, 2019 out of Retained Earnings was ₹ 0.40 per equity share for the year ended March 31, 2018.

The dividends declared by the Company are based on the profits available for distribution as reported in the standalone financial statements of the Company. Accordingly, the retained earnings reported in these financial statements may not be fully distributable. As of March 31, 2018, retained earnings not transferred to reserves available for distribution was ₹ 603.77 crores.

On April 30, 2019, the Board of Directors of the Company have proposed a final dividend of ₹ 0.50 per share in respect of the year ended March 31, 2019, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 71.69 crores, inclusive of dividend distribution tax of ₹ 12.22 crores.

As per our report of even date as attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Vijay Bhatt
Partner
Membership No. 036647

Mumbai, April 30, 2019

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

Puneet Chhatwal
Managing Director & CEO
DIN: 07624616

Deepak Parekh
Director
DIN: 00009078

Giridhar Sanjeevi
Executive Vice President &
Chief Financial Officer

Beejal Desai
Senior Vice President - Legal &
Company Secretary

PROPOSED ALLOTTEES

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotments shall be made at the sole discretion of our Company in consultation with the BRLMs to Eligible QIBs. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them are set forth below.

S. No.	Name of the proposed Allottee[(1)]	Percentage of the post-Issue Equity Share capital that may be held (%)[(1)(2)]
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]
6.	[●]	[●]
7.	[●]	[●]
8.	[●]	[●]
9.	[●]	[●]
10.	[●]	[●]

(1) *Shareholding pattern as per depository records.*
(2) *Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.*

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

____

Puneet Chhatwal
Managing Director and Chief Executive Officer

Date: March 22, 2022
Place: New Delhi

DECLARATION

We, the Directors of our Company certify that:

(i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Signed by:

____

Puneet Chhatwal
Managing Director and Chief Executive Officer

I am authorised by the QIP Committee 2021-22, a committee of our Board of Directors, through resolution dated February 1, 2022to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the Attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required Attachments have been completely, correctly and legibly attached to this form.

Signed by:

____

Puneet Chhatwal
Managing Director and Chief Executive Officer

Date: March 22, 2022
Place: New Delhi

Attachments*: Annexure I (Board Resolutions dated October 21, 2021 and February 1, 2022) and Annexure II (Special Resolution dated January 29, 2022)*

THE INDIAN HOTELS COMPANY LIMITED

Registered Office
Mandlik House, Mandlik Road
Mumbai 400 001, Maharashtra, India
Tel: +91 22 6639 5515

Corporate Office
9th Floor, Express Towers, Barrister Rajni Patel Marg
Nariman Point, Mumbai 400 021
Maharashtra, India
Tel: +91 22 6137 1710

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

Corporate Identity Number: L74999MH1902PLC000183

BOOK RUNNING LEAD MANAGERS

ICICI Securities Limited

ICICI Venture House Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025 Maharashtra, India

Credit Suisse Securities (India) Private Limited
9th Floor, Ceejay House Plot F, Shivsagar Estate
Dr. Annie Besant Road Worli
Mumbai 400 018, Maharashtra, India

STATUTORY AUDITORS TO OUR COMPANY

B S R & Co. LLP, Chartered Accountants
14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai 400 063
India

DOMESTIC LEGAL ADVISORS TO OUR COMPANY

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013

DOMESTIC LEGAL ADVISOR TO THE BRLMs

Shardul Amarchand Mangaldas & Co.
24th Floor, Express Towers
Nariman Point
Mumbai, 400 021
Maharashtra, India

INTERNATIONAL LEGAL ADVISOR TO THE BRLMs

Sidley Austin LLP
Level 31, Six Battery Road
Singapore 049909

APPLICATION FORM

<table>
<tr><td>THE INDIAN HOTELS COMPANY LIMITED</td><td>APPLICATION FORM</td></tr>
<tr><td>(Incorporated in the Republic of India as a company with limited liability under the Indian Companies Act, 1882)
Registered Office: Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra, India; CIN: L74999MH1902PLC000183; Website: www.ihcltata.com;
Tel: +91 22 6639 5515; Email: investorrelations@tajhotels.com</td><td>Name of the Bidder
Form. No.
Date:</td></tr>
</table>

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 1 EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE, AGGREGATING TO ₹ [●] CRORE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT"), READ WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY THE INDIAN HOTELS COMPANY LIMITED (THE "COMPANY" OR THE "ISSUER", AND SUCH ISSUE, THE "ISSUE").

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) restricted from participating in the Issue under the SEBI Regulations and other applicable laws, including foreign exchange related laws; are eligible to submit this Application Form ("Eligible QIBs"). In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. Further, foreign venture capital investors, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws of the United States and, unless so registered, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A")) ("U.S. QIBs") purchasing the Equity Shares pursuant to Section 4(a)(2) of the U.S. Securities Act (for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the preliminary placement document (as defined below) as "QIBs") and (b) outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales made. There will be no public offering of the Equity Shares in the United States. You should note and observe the solicitation and distribution restrictions contained in the sections "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" on pages 172 and 180, respectively, in the accompanying preliminary placement document dated March 22, 2022 (the "PPD").

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH SCHEDULE II OF THE FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING, THE FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
The Indian Hotels Company Limited
Mandlik House, Mandlik Road
Mumbai 400 001
Dear Sirs,

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (such FPIs, "**Eligible FPIs**"), have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the price and number of Equity Shares Bid for under each such scheme. We undertake that we will submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the applicant is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

STATUS (Insert '✓' for applicable category)			
FI	Scheduled Commercial Banks and Financial Institutions	**IC**	Insurance Companies
MF	Mutual Funds	**VCF**	Venture Capital Funds
NIF	National Investment Fund	**FPI**	Foreign Portfolio Investor*
IF	Insurance Funds	**AIF**	Alternative Investment Fund**
SI- NBFC	Systemically Important Non-Banking Financial Companies	**OTH**	Others ______________ (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

*** Sponsor and Manager should be Indian owned and controlled.*

We note that the Board is entitled, in consultation with the BRLMs in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.. We hereby accept the Equity Shares that may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the CAN, when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to or on Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections *"Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions"* and *"Transfer Restrictions and Purchaser Representations"* sections of the PPD are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "*Risk Factors"* therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the BRLMs and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. By submitting this Application Form and checking the applicable box above, we hereby represent that we are either (i) qualified institutional buyers (as defined in Rule 144A) purchasing the Equity Shares pursuant to Section 4(a)(2) under the Securities Act, or (ii) located outside the United States and purchasing the Equity Shares in an offshore transaction in reliance on Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

By submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
MOBILE NO.			
PHONE NO.		**FAX NO.**	
EMAIL ID			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO. ____________		
FOR MF	SEBI MF REGISTRATION NO		
FOR AIFs***	SEBI AIF REGISTRATION NO.		
FOR VCFs***	SEBI VCF REGISTRATION NO.		
FOR SI-NBFC	RBI REGISTRATION DETAILS		

FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS. ____________________

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLMs.*

*** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLMs have relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS									
Depository Name	National Securities Depository Limited								Central Depository Services (India) Limited
Depository Participant Name									
DP – ID	I	N							
Beneficiary Account Number									(16-digit beneficiary A/c. No. to be mentioned above)

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue will be considered.

PAYMENT DETAILS
REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER
By 3.30 p.m. (IST), [●],[●]

BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	IHCL QIP ISSUE-ESCROW ACCOUNT	**Account Type**	Escrow Account
Name of Bank	ICICI BANK LIMITED	**Address of the Branch of the Bank**	Capital Market Division, 122/1 Mistry Bhavan, Backbay Reclamation, Churchgate, Mumbai - 400 020
Account No.	000405133017	**IFSC**	ICIC0000004
Tel No.	+91 22 66818924	**E-mail**	sagar.welekar@icicibank.com

The Bid Amount should be transferred pursuant to the Application Form only by way of electronic fund transfers, towards the Escrow Account**.** Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period i.e. prior to or on the Issue Closing Date. All payments must be made in favor of "**IHCL QIP-ISSUE ESCROW ACCOUNT**". The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID FOR		**PRICE PER EQUITY SHARE (RUPEES)**	
(In Figures)	(In Words)	(In Figures)	(In Words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON			
Name:			
Address:			
Tel. No:		Fax No:	
Email:			

OTHER DETAILS	
PAN*	
Date of Application	

ENCLOSURES TO BE SUBMITTED*
☐ Copy of the PAN Card or PAN allotment letter**
☐ FIRC

OTHER DETAILS			ENCLOSURES TO BE SUBMITTED*
Signature of Authorized Signatory (may be signed either physically or digitally)			☐ Copy of the SEBI registration certificate as a Mutual Fund ☐ Copy of the SEBI registration certificate as an Eligible FPI ☐ Copy of the SEBI registration certificate as an AIF ☐ Copy of the SEBI registration certificate as a VCF ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank ☐ Copy of notification as a public financial institution ☐ Copy of the IRDAI registration certificate ☐ Certified true copy of power of attorney ☐ Others, please specify________________

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*

***Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961,as the application is liable to be rejected on this ground.*

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.

Note 2: The Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Company in consultation with the BRLMs.

Note 3: The duly filed Application Form along with all enclosures shall be submitted to the Book Running Lead Managers either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents

ANNEXURE I

BOARD RESOLUTIONS DATED OCTOBER 21, 2021 AND FEBRUARY 1, 2022

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RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON OCTOBER 21, 2021

Raising funds through Qualified Institutional Placement

"RESOLVED THAT subject to the approval of members by way of a special resolution and pursuant to the provisions of Sections 23, 42, 62(1)(c), 71 and 179 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Companies Act**"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), the Foreign Exchange Management Act, 1999 and the rules and regulation framed thereunder, as amended (the "**FEMA**"), including the Foreign Exchange Management (Non-debt Instruments) Regulations, 2019, as amended, the current Consolidated FDI Policy (effective from October 15, 2020), as amended, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and in accordance with any other applicable laws, rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the "**GoI**"), the Reserve Bank of India (the "**RBI**"), and the Securities and Exchange Board of India (the "**SEBI**"), the stock exchanges on which the Company's shares are listed (the "**Stock Exchanges**"), Ministry of Corporate Affairs ("**MCA**"), the Registrar of Companies, Maharashtra at Mumbai and/or any other competent authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI LODR Regulations**"), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements entered into by the Company with the Stock Exchanges (the "**Listing Agreements**") and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, MCA, RBI, GoI or any concerned statutory, regulatory, governmental or any other authority, as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any committee thereof which the Board may have duly constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution), the consent, authority and approval of the Board be and is hereby accorded to raise further capital and to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted under applicable law), such number of equity shares of the Company of face value ₹ 1 each with or without special rights as to voting, dividend or otherwise ("**Equity Shares**"), in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/ or domestic offering(s) in one or more foreign markets and/or domestic market, by way of a qualified institutions placement ("**QIP**"), through issue of placement document/ or other permissible/requisite offer document to Qualified Institutional Buyers ("**QIBs**") as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI ICDR Regulations, whether they be holders of Equity Shares of the Company or not (the "**Investors**") as may be permitted under applicable laws and regulations, of an aggregate amount not exceeding ₹ 2000 crores (Rupees Two Thousand Crores only) or equivalent thereof, inclusive of such premium as may be fixed on such Equity Shares by offering the Equity Shares at such time or times, at such price or prices, at a discount or premium to market price or prices, as permitted under applicable laws and in such manner and on such terms and conditions including security, rate of interest etc. and any other matters incidental thereto as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Equity Shares shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and / or to be appointed by the Board, in Indian Rupees as may be determined by the Board, , as the Board at its absolute discretion may deem fit and appropriate (the "**Issue**")."

"**RESOLVED FURTHER THAT** in accordance with Chapter VI of the SEBI ICDR Regulations,

(a) the Equity Shares shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations;

(b) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such other discount as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations."

"**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolutions:

(a) the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(b) the Equity Shares to be so created, offered, issued and allotted in terms of this resolution shall rank pari passu with the existing Equity Shares of the Company in all respects."

"**RESOLVED FURTHER THAT** if any issue of Equity Shares is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the allotment of such Equity Shares, as may be decided by the Board shall be completed within a period of 365 days from the date of member's approval, or such other time as may be allowed under the SEBI ICDR Regulations from time to time."

"**RESOLVED FURTHER THAT** any issue of Equity Shares made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the "**QIP Floor Price**"), with the authority to the Board to offer a discount of not more than five percent or such percentage as permitted under applicable law on the QIP Floor Price."

"**RESOLVED FURTHER THAT** in the event Equity Shares are proposed to be allotted to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (or relevant committee thereof) decides to open the proposed issue of such Equity Shares or any other date in accordance with applicable law."

"**RESOLVED FURTHER THAT** the issue to the holders of the Equity Shares shall be, inter alia, subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Equity Shares at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of equity shares and the price as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of equity shares (including by way of stock split) or re-classification of the Equity Shares into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Equity Shares on one or more Stock Exchanges in India."

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"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any statutory, regulatory or governmental body, authority or institution, including any conditions as may be prescribed in granting such approval or permissions by such statutory, regulatory or governmental authority or institution, the aforesaid Equity Shares may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in capital markets including but not limited to the terms and conditions for issue of additional Equity Shares and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Equity Shares that are not subscribed."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed for, involved in or concerned with the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalization and approval of the draft offer document(s) and final offer document(s), determining the form and manner of the Issue, finalization of the timing of the Issue, identification of the investors to whom the Equity Shares are to be allotted, determining the issue price, face value, execution of various transaction documents, signing of declarations, utilization of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects."

"RESOLVED FURTHER THAT for the purpose of giving effect to the Issue, the Board of Directors either by itself or through a special committee of the Board named the "QIP Committee – 2021-22" consisting of the following namely:

1. Mr. Venkataramanan Anantharaman- *Independent, Non- Executive Director*
2. Mr. Nasser Munjee- *Independent, Non- Executive Director*
3. Mr. Puneet Chhatwal- *Managing Director & Chief Executive Officer*
4. Mr. Giridhar Sanjeevi- *Executive Vice President & Chief Financial Officer*

be and are hereby authorised to obtain approvals, statutory, contractual or otherwise, in relation to the Issue and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Equity Shares."

RESOLVED FURTHER THAT the said Committee shall carry on its work either by passing a resolution at a meeting or by circular as permitted under applicable law;

RESOLVED FURTHER THAT at least two members of the Committee shall form the quorum for a meeting of the Committee and a Circular shall be deemed to be signed by the Committee if it is signed by at least two of the members of the Committee;

Certified to be true,

BEEJAL DESAI

Digitally signed by BEEJAL DESAI
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Date: 2021.10.29 10:26:44 +05'30'

BEEJAL DESAI
Senior Vice President Corporate Affairs & Company Secretary (Group)

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Resolution passed at the meeting of the Board of Directors of the Company held on February 1, 2022

<u>Re-constitution of QIP Committee</u>

"**RESOLVED THAT** in furtherance of the resolution passed by the Board of Directors on October 21, 2021, approval of the Board of Directors be and is hereby accorded to reconstitute "QIP Committee – 2021-22" to carry out such functions are set out in its terms of reference, consisting of the following members of the Company:

1. Mr. Nasser Munjee- *Independent, Non- Executive Director*
2. Mr. Venkataramanan Anantharaman- *Independent, Non- Executive Director*
3. Mr. Puneet Chhatwal- *Managing Director & Chief Executive Officer*

RESOLVED FURTHER THAT in partial modification of the resolution passed by the board of directors on October 21, 2021, the QIP Committee 2021-22 is hereby authorized on behalf of the Board, in relation to the Issue, to undertake the following acts:

(a) to determine the form, terms and timing (i.e. opening and / or closing dates) of the Issue, including number of the Securities to be allotted in each tranche, floor price, final allotment price in accordance with the SEBI Regulations and/or any other applicable laws, including any discount of up to 5% of the floor price or such other discount as may be permitted under applicable law, premium amount in issue, listings on one or more stock exchanges, the date for the opening and closure of the subscription period for the Securities (including the extension of such subscription period, as may be necessary or expedient), and to make and accept any modifications in the proposals as may be required by the authorities involved in such Issue and also agree to any conditions imposed by such authorities at the time of granting their approval, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the Issue.

(b) to allot the Securities, in one or more series and / or one or more tranches, issued in accordance with the terms of offering.

(c) to undertake all such actions and compliances as may be necessary in accordance with the SEBI Regulations and the SEBI Listing Regulations or any other applicable laws.

(d) to approve and adopt the financial statements to be issued in the preliminary placement document and placement document to be filed in relation to the Issue including any special purpose financials statements or unaudited condensed standalone and/or consolidated interim financial statements, if any, or any other financial statements as may be required in respect of the Issue.

(e) to determine and vary utilization of the Issue proceeds in accordance with the applicable laws.

(f) to engage/ appoint consultants, lead managers, underwriters, registrars, bankers, legal advisors and any other advisors, professionals and intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and to negotiate, enter into and execute all contracts, agreements/arrangements/MoUs/fee letters/documents with such agencies as may be required or desirable in connection with the Issue.

(g) to take the decision pertaining to road shows (deal and non-deal road shows) and investor meet(s).

(h) to finalise the basis of allotment of the Securities on the basis of the subscriptions received (including in the event of over-subscription).

(i) to seek, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any or all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the creation, issue, offer and allotment of the Securities.

(j) to open one or more bank accounts in the name of the Company or otherwise, including escrow account, with such banks in India, as may be necessary or expedient in connection with the issue and allotment of the Securities.

(k) to apply to Stock Exchanges for obtaining of in-principle approval and filing of requisite documents with the Registrar of Companies.

(l) to seek the listing of the Securities on the Stock Exchanges, submitting the listing application to such Stock Exchanges and taking all actions that may be necessary in connection with obtaining listing and trading approvals.

(m) to finalize all the terms and conditions and the structure of the Securities, to do all such acts, deeds, matters and things as the QIP Committee 2021-22 may, in its absolute discretion deem necessary or desirable in connection with the Securities, and to settle any question, difficulty or doubts that may arise with regard to the offer, issue and allotment of the Securities, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions and/ or sanctions which may be necessary or desirable, as it may deem fit or as the QIP Committee 2021-22 may *suo moto* decide in its absolute discretion in the best interests of the Company.

RESOLVED FURTHER THAT the powers of the QIP Committee 2021-22 set forth herein above are inclusive and not exclusive, and shall not be deemed to be restricted to, or be constrained by, the provisions of any other part of this resolution so long as the same is in connection with the Securities.

RESOLVED FURTHER THAT Mr. Puneet Chhatwal, Managing Director & CEO, Mr. Giridhar Sanjeevi, Executive Vice President & Chief Financial Officer, Mr. Beejal Desai, Senior Vice President - Corporate Affairs and Company Secretary (Group), Mr. Nabakumar Shome, Vice President Finance and Mr. Venkatesa Prasad Iyer, Vice President- Treasury, be and are hereby are severally authorized to negotiate, modify, sign, execute, register, deliver including sign any declarations required in connection with the private placement offer letter, application form, confirmation of allocation, or placement document for issue of the Securities, escrow agreement, placement agreement and other necessary agreement, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) ("**Transaction Documents**") (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents ("**Ancillary Documents**") as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched under or in connection with the documents to which the Company is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds, matters or things as they may deem necessary or incidental in connection with the Issue from time to time and matters connected therewith.**"**

Certified to be true,

BEEJAL DESAI (F3320)
Senior Vice President
Corporate Affairs & Company Secretary (Group)

ANNEXURE II

SPECIAL RESOLUTION DATED JANUARY 29, 2022

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SPECIAL RESOLUTION PASSED BY THE MEMBERS OF THE COMPANY VIDE POSTAL BALLOT ON JANUARY 29, 2022

<u>Issue of Equity Shares to Qualified Institutional Buyers through Qualified Institutions Placement</u>

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c), 71 and 179 and other applicable provisions, if any, of the Companies Act, 2013 (the "Companies Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), the Foreign Exchange Management Act, 1999 and the rules and regulation framed thereunder, as amended (the "FEMA"), including the Foreign Exchange Management (Non-debt Instruments) Regulations, 2019, as amended, the current Consolidated FDI Policy (effective from October 15, 2020), as amended, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and in accordance with any other applicable laws, rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the "GoI"), the Reserve Bank of India (the "RBI"), and the Securities and Exchange Board of India (the "SEBI"), the stock exchanges on which the Company's shares are listed (the "Stock Exchanges"), Ministry of Corporate Affairs ("MCA"), the Registrar of Companies, Maharashtra at Mumbai and/or any other competent authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI LODR Regulations"), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements entered into by the Company with the Stock Exchanges (the "Listing Agreements") and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, MCA, RBI, GoI or any concerned statutory, regulatory, governmental or any other authority, as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee thereof which the Board may have duly constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution), the consent, authority and approval of the members of the Company be and is hereby accorded to the Board to raise further capital and to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted under applicable law), such number of equity shares of the Company of face value Rs. 1 each ("Equity Shares"), in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, by way of one or more private offerings, qualified institutions placement ("QIP") through issue of placement document/or other permissible/requisite offer document to Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI ICDR Regulations, whether they be holders of Equity Shares of the Company or not (the "Investors") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, of an aggregate amount not exceeding Rs. 2000,00,00,000 (Rupees Two Thousand Crore only) or equivalent thereof, inclusive of such premium as may be fixed on such Equity Shares by offering the Equity Shares at such time or times, at such price or prices, at a discount or premium to market price or prices, as permitted under applicable laws and in such manner and on such terms and conditions and any other matters incidental thereto as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Equity Shares shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and / or to be appointed by the Board, in Indian Rupees as the Board at its absolute discretion may deem fit and appropriate (the "Issue")."

"RESOLVED FURTHER THAT in accordance with Chapter VI of the SEBI ICDR Regulations,

(a) the Equity Shares shall not be eligible to be sold by the allottee for a period of 1 year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations;

(b) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such other discount as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

(a) the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(b) the Equity Shares to be so created, offered, issued and allotted shall rank pari passu with the existing Equity Shares of the Company in all respects;

"RESOLVED FURTHER THAT if any issue of Equity Shares is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the allotment of such Equity Shares, or any combination of Equity Shares as may be decided by the Board shall be completed within a period of 365 days from the date of this resolution, or such other time as may be allowed under the SEBI ICDR Regulations from time to time."

"RESOLVED FURTHER THAT any issue of Equity Shares made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the "QIP Floor Price"), with the authority to the Board to offer a discount of not more than such percentage as permitted under applicable law on the QIP Floor Price."

"RESOLVED FURTHER THAT in the event Equity Shares are proposed to be allotted to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (or relevant committee thereof) decides to open the proposed issue of such Equity Shares or any other date in accordance with applicable law."

"RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares, as described above, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Equity Shares on one or more Stock Exchanges in India."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any statutory, regulatory or governmental body, authority or institution, including any conditions as may be prescribed in granting such approval or permissions by such statutory, regulatory or governmental authority or institution, the aforesaid Equity Shares may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in capital markets including but not limited to the terms and conditions for issue of additional Equity Shares and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Equity Shares that are not subscribed."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed for, involved in or concerned with the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalization and approval of the draft offer document(s) and final offer document(s), determining the form and manner of the Issue, finalization of the timing of the Issue, identification of the investors to whom the Equity Shares are to be allotted, determining the issue price, face value, if any, rate of interest, execution of various transaction documents, signing of declarations, utilization of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to constitute or form a committee or delegate all or any of its powers to any Director(s) or Committee of Directors/ Chief Financial Officer or other persons authorized by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Equity Shares ."

Certified true copy,

BEEJAL DESAI
Sr. Vice President Corporate Affairs & Company Secretary (Group)