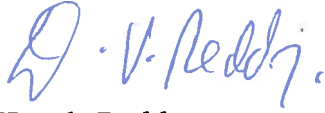








FORM A

Format of covering letter of the annual audit report to be filed with the stock exchange(s)
[Clause 31(a) of the Listing Agreement]

1.	Name of the Company	ORIENTAL HOTELS LIMITED
2.	Annual financial statements for the year ended	31 st March 2015
3.	Type of Audit observation	<p>Emphasis of Matter</p> <p>Attention is drawn to Note no.38 of the notes to the financial statements regarding payment of remuneration to the Managing Director in respect of earlier years in excess of the limits prescribed under the Act amounting to ₹124.38 lakhs. The waiver of recovery of such amount has been approved by the members and the approval of the Central Government is awaited. Our opinion is not modified in respect of these matters.</p> <p>Note No.38</p> <p>Central Government approval is awaited for the excess remuneration paid/payable to Managing Director for the period 1st April 2012 to 31st March 2014 amounting to ₹124.38 lakhs.</p>
4.	Frequency of Observation	This matter was included in the auditor's report under the paragraph Emphasis of Matter since the year ended March 2013.
5.	To be signed by	 <p>Mr. D. Varada Reddy Managing Director</p>
	• CEO & Managing Director	
		 <p>Mr. Mohan Jayaraman Chief Financial Officer</p>
	• CFO	



<ul style="list-style-type: none"> • Audit Committee Chairman 	 Dr. G. Sundaram Audit Committee Chairman
<ul style="list-style-type: none"> • Auditors of the Company 	<p>Refer our Audit Report dated May 15, 2015 on the standalone financial statements of the Company</p> <p>For BRAHMAYYA & Co Chartered Accountants (Firm Registration No 000511S)</p>  R. NAGENDRA PRASAD Partner (Membership No.203377) Date: July 6, 2015  <p>For SNB ASSOCIATES Chartered Accountants (Firm Registration No 015682N)</p>  R. Sridhar Partner (Membership No.028317) Date: July 6, 2015 

ORIENTAL HOTELS LIMITED
45th ANNUAL REPORT 2014-15



Taj Coromandel, Chennai

ORIENTAL HOTELS LIMITED

BOARD OF DIRECTORS (As on May 15, 2015)

Rakesh Kumar Sarna

Chairman

D Varada Reddy

Managing Director

S B P V Ramamohana Rao

Director

Dr. G Sundaram

Director

Anil P Goel

Director

D R Kaarthikeyan

Director

Diwan Arun Nanda

Director

D Vijayagopal Reddy

Director

S Y Syed Meeran

Director

Pramod Ranjan

Director

Ramesh D Hariani

Director

ORIENTAL HOTELS LIMITED

SHAREHOLDERS' INFORMATION

Annual General Meeting	July 30, 2015 at 2.00 p.m.
Venue	Sathguru Sri Gnanananda Hall, Narada Gana Sabha, 314, T.T.K Road, Chennai 600018
GM Legal & Company Secretary	K.C. Raman
General Manager - Finance & CFO	Mohan Jayaraman
Legal Advisor	T Raghavan New No.41, (Old No.40), Kasturi Ranga Road, Alwarpet, Chennai - 600018
Auditors	Messrs. Brahmayya & Co., Chartered Accountants No.48, Masilamani Road, Balaji Nagar, Royapettah, Chennai - 600014 Messrs. SNB Associates, Chartered Accountants No.12, III Floor, Gemini Parsn Complex, 121, Anna Salai, Chennai - 600006
Bankers	Standard Chartered Bank Axis Bank Ltd HDFC Bank Ltd
CIN	L55101TN1970PLC005897
Book Closure Date	July 24, 2015 to July 30, 2015 (both days inclusive)
e-Voting Window Date	July 27, 2015, 9.00 a.m. to July 29, 2015 5.00 p.m.
Registered Office	Taj Coromandel, 37, Mahatma Gandhi Road, Chennai - 600034 Telephone : 044-66002827 Fax : 044-66002089/98
Company Secretary's Office	Paramount Plaza 47, Mahatma Gandhi Road, Chennai - 600034 Telephone : 044-66172828 Fax : 044-28254447 / 28278138 ohlshares.mad@tajhotels.com www.orientalhotels.co.in
E-mail	
Website	
Listing	
● Equity Shares	BSE Ltd. 1st Floor, New Trading Ring, Rountana Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Telephone : 022-22721233 / 34 Fax : 022-22721919 The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, 'G' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400051 Telephone : 022-26598100 / 8114 Fax : 022-26598237 / 38
● Shares underlying Global Depository Receipts	Luxembourg Stock Exchange Societe De la Bourse de Luxembourg SA BP 165 L 2011, Luxembourg Fax : 00352473228/3298
ISIN Number	INE750A01020
Stock Code	NSE — ORIENTHOT EQ BSE — 500314
Share Transfer Agent	M/s.Integrated Enterprises (India) Limited, II Floor, Kences Towers, 1, Ramakrishna Street, T.Nagar, Chennai-600017

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**Forty Fifth Annual General Meeting on Thursday July 30, 2015 at 2.00 p.m.
at Sathguru Sri Gnanananda Hall, Narada Gana Sabha,
314, T.T.K Road, Chennai 600018**

ORIENTAL HOTELS LIMITED

FINANCIAL HIGHLIGHTS

(₹ lakhs)					
HIGHLIGHTS	2014-15	2013-14	2012-13	2011-12	2010-11
Gross Revenue	30,671.52	30,234.02	29,662.62	27,020.53	23,904.11
Profit Before Tax	(602.82)	(1,044.13)	1,390.01	1,880.96	3,205.99
Taxation	(303.45)	(324.57)	(39.80)	617.76	977.42
Profit After Tax	(299.37)	(719.56)	1,429.81	1,263.20	2,228.57
Dividend, dividend tax, Surcharge and cess	859.83	1,149.24	1,149.24	934.08	1,660.58
Retained Earnings	1,388.30	925.63	2,897.36	2,284.27	2,110.71
Total Assets	66,807.72	67,295.80	67,038.50	67,579.19	58,339.82
Net Worth	23,413.74	27,900.75	29,769.55	29,488.98	29,204.99
Borrowings	31,096.83	30,755.82	28,340.00	29,036.85	21,667.90
Net Worth per Share	13.11	15.62	16.67	16.51	16.35
Earnings per Equity Share	(0.17)	(0.40)	0.80	0.71	1.25
Dividend on Equity Share	40%	55%	55%	45%	80%
Debt : Equity Ratio	1:14:1	1.07:1	0.88:1	0.98 : 1	0.74 : 1
Note : Net worth per share is based on equity share of ₹1/- each					

ORIENTAL HOTELS LIMITED

CIN: L55101TN1970PLC005897

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

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

Website: www.orientalhotels.co.in

NOTICE TO MEMBERS

NOTICE is hereby given that the 45th Annual General Meeting of the Members of Oriental Hotels Limited will be held on Thursday, July 30, 2015 at 2.00 PM Sathguru Sri Gnanananda Hall, Narada Gana Sabha, 314, T.T.K Road, Chennai 600018 to transact the following business:

- 1) To receive, consider and adopt the Audited Financial Statement for the financial year ended March 31, 2015 together with the Report of the Board of Directors and Auditors thereon:

“Resolved that the Audited Financial Statement for the financial year ended March 31, 2015, along with the Schedules and Notes forming part thereof together with the Report of the Board of Directors and the Auditors’ thereon be and are hereby approved”.

- 2) To receive, consider and adopt the Audited Consolidated Financial Statement for the financial year ended March 31, 2015 together with the report of the Auditors thereon:

“Resolved that the Audited Consolidated Financial Statement for the financial year ended March 31, 2015 along with the Schedules and Notes forming part thereof together with the Report of the Auditors’ thereon be and are hereby approved”.

- 3) To declare dividend, if any

“Resolved that a final dividend of ₹0.40 per equity share of ₹1/- fully paid up (40%) be and is hereby declared and approved on 17,85,99,180 Equity Shares amounting to ₹714 lakhs for the financial year 2014-15 and be paid to those Members whose names appear on the Register of Members and the beneficial owners of shares held in electronic form as at close of business hours on July 23, 2015 as per details furnished by the Depositories for this purpose”.

- 4) To appoint a Director in the place of Mr. Ramesh D. Hariani (DIN.00131240) who retires by rotation and is eligible for re-appointment.

“Resolved that Mr. Ramesh D. Hariani (DIN.00131240), Director of the Company, who retires by rotation in accordance with Article 113 of the Articles of Association of the Company and being eligible, be and is hereby re-appointed as a Director of the Company”.

- 5) To appoint a Director in the place of Mr. Pramod Ranjan (DIN.00887569) who retires by rotation and is eligible for re-appointment.

“Resolved that Mr. Pramod Ranjan (DIN.00887569), Director of the Company, who retires by rotation in accordance with Article 113 of the Articles of Association of the Company and being eligible, be and is hereby re-appointed as a Director of the Company”.

- 6) To appoint Auditors and fix their remuneration.

“Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, Messrs Brahmayya & Co, Chartered Accountants (Firm Registration No:000511S) and Messrs SNB Associates, Chartered Accountants, (Firm Registration No:015682N) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the forty seventh (47th) AGM to be held in 2017 (subject to ratification of their appointment at the AGM to be held in 2016) at such remuneration excluding service tax, out-of-pocket, travelling and other expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

- 7) Appointment of Mr. Anil P Goel (DIN.00050690) as a director

“Resolved that Mr. Anil P Goel (DIN.00050690) who was appointed as a Director of the Company by the Board of Directors with effect from August 6, 2013 in the casual vacancy caused by the retirement of Mr. R.K.Krishna Kumar, pursuant to Section 161 of the Companies Act, 2013 read with articles 107(b) of Articles of Association of the Company who holds office up to the date of the Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company subject to retirement by rotation”.

- 8) Appointment of Mr. Rakesh Kumar Sarna (DIN.01875340) as a director

“Resolved that Mr. Rakesh Kumar Sarna (DIN.01875340) who was appointed as an additional director of the Company by the Board of Directors with effect from October 23, 2014 pursuant to Section 161 of the Companies Act, 2013, and read with articles 109 of Articles of Association of the Company who holds office up to the date of the forthcoming Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing, under section 160 of the Companies Act, 2013, proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company subject to retirement by rotation”.

NOTES:

- 1) The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 (**Act**) in respect of the special business under Item Nos.7 to 8 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreement entered into with the Stock Exchanges; of persons seeking appointment/re-appointment as directors under Item Nos.4, 5, 7, & 8 is also annexed.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 3) The instrument appointing a proxy should however be deposited at the Registered Office of the Company or at the office of the Company Secretary not less than 48 hours before the commencement of the meeting. Proxies be submitted on behalf of limited companies, societies must be supported by appropriate resolution / authority as applicable.
- 4) Members/Proxies should bring their Attendance Slip sent herewith duly filled in for attending the Meeting. ONLY MEMBERS/PROXIES WILL BE ADMITTED INTO THE AUDITORIUM FOR THE MEETING.
- 5) MEMBERS SEEKING ANY INFORMATION WITH RESPECT TO FINANCIALS OR ANY OTHER INFORMATION ARE REQUESTED TO WRITE TO THE COMPANY AT THE EARLIEST SO AS TO ENABLE THE COMPANY TO PROVIDE APPROPRIATE REPLY.
- 6) Members please note that the Board of Directors of the Company recommended payment of dividend at ₹0.40 per equity share (40%) at its meeting held on May 15, 2015.
- 7) The Register of Members and the Transfer Books will remain closed from July 24, 2015 to July 30, 2015 (both days inclusive) for payment of dividend.
- 8) The dividend on Equity Shares as recommended by the Directors for the year ended March 31, 2015, if approved at the Annual General Meeting, will be paid on or before August 29, 2015 as under: (a) to all beneficial owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of closure of the business hours on July 23, 2015 and (b) to all the members in respect of shares held in physical form after giving effect to valid transfer in respect of transfer request lodged/deposited with the Company on or before of closure of business hours on July 23, 2015.

- 9) The Company is extending National Electronic Clearing Service (NECS) facility to the shareholders, which will enable the shareholders of the Company to receive dividend amount directly credited into their bank account.
- 10) SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has instructed all Companies for usage of electronic payment modes for making cash payments to the investors. Companies whose securities are listed on Stock Exchanges are directed to use, either directly or through their RTI & STA, any Reserve Bank of India approved electronic mode of payment such as ECS [ECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT etc. Thus, Members are requested to kindly provide their requisite bank account particulars by quoting their reference folio number(s), in case shares are held in physical form. If shares are held in dematerialised form, Members may kindly provide the requisite bank account details to their Depository Participant, to ensure that dividend payments are correctly credited to the respective account.
- 11) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form may submit the PAN copy to their depository participants, in the case of physical form the PAN copy be submitted to the Company/ RTA.
- 12) Pursuant to Section 205A of the Companies Act, 1956 all dividends remaining unclaimed for more than seven years from the date they first became due for payment are now required to be transferred to the "Investor Education and Protection Fund" (IEPF) established by the Central Government.
- 13) Unclaimed dividend pertaining to the financial year 2007 – 2008, declared on July 31, 2008 can be claimed by the members on or before August 24, 2015.
- 14) Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company by submitting Form No.SH-14.
- 15) As per the Listing Agreement, the Company has transferred all the share certificates remaining undelivered, unclaimed by the shareholders to "Unclaimed Suspense Account" and also has dematerialized the shares held in the said Unclaimed Suspense Account.
- 16) Members holding shares in physical form are requested to intimate the Company regarding any change in their addresses/bank mandates to enable the Company to address future communications to their correct addresses. Members holding shares in electronic / dematerialised form are requested to inform the Depository Participant (DP) with whom they hold their demat account about changes in their address / bank details for necessary update.
- 17) As a measure of economy, **NO** copies of the Annual Report will be distributed at the venue of the Annual General Meeting. Members are requested to kindly bring their copies of the Annual Report for the Meeting.
- 18) Members may also note that the Notice of the 45th Annual General Meeting and the Annual Report for 2014-15 is also available on the Company's website www.orientalhotels.co.in.
- 19) The Companies Act, 2013 referred to as the "ACT" in this notice.
- 20) DIN refers to Director Identification Number.
- 21) Pursuant to Section 108 of the Act, members may exercise their right to vote by electronic means for the resolutions to be passed at the meeting. A note on the e-voting process is provided hereunder:
- 22) Voting through Electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Clause 35B of the Listing Agreement, the Company is pleased to inform you a facility to exercise your voting right for the businesses to be transacted at the 45th Annual General Meeting by electronic means (e-Voting) through e-voting Services provided by National Securities Depository Limited (NSDL) and through ballots.

The instructions for e-voting are as under:

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

Open e-mail and open PDF file viz. "OHL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

- B. In case a Member receives physical copy of the Notice (for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy)

Initial password is provided at the bottom of the Attendance Slip for the AGM.

EVEN (E Voting Event Number) USER ID PASSWORD/PIN

e-Voting Procedures:

- a) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- b) Click on Shareholder – Login
- c) Type user ID and password as initial password noted in step (i) above. Click Login.
- d) Password change menu appears, Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- e) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- f) Select "EVEN" of "ORIENTAL HOTELS LIMITED".
- g) Now you are ready for e-Voting as Cast Vote page opens.
- h) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- i) Upon confirmation, the message "vote cast successfully" will be displayed.
- j) Once you have voted on the resolutions, you will not be allowed to modify your vote.
- k) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: secretarial.ksmassociates@gmail.com with a copy marked to evoting@nsdl.co.in
- l) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the "downloads" section of www.evoting.nsdl.com
 - i. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - iii. The e-voting window commences on July 27, 2015 (9:00 am) and ends on July 29, 2015 (5:00 pm). The e-voting module shall be disabled by NSDL for voting thereafter. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on of July 24, 2015 (Cut-off date), may cast their vote electronically.
 - iv. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date July 24, 2015.

NOTICE TO MEMBERS

- v. Mr. Krishna Sharan Mishra, Practicing Company Secretary (Membership No.F6447/CPNo.7039) has been appointed as the Scrutinizer to scrutinize the e-voting as well as voting through ballots in a fair and transparent manner.
- vi. The Scrutinizer by the end of conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and prepare a report of votes cast.
- vii. Members who do not have access to e-voting facility, may send the duly completed Ballot Form (enclosed with the Annual Report) in the attached self-addressed business reply envelope, to reach the Scrutinizer, Mr. Krishna Sharan Mishra, Practicing Company Secretary (Membership No.F6447/CPNo.7039) at the Registered Office of the Company not later than July 29, 2015, 5:00 p.m.

A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member cast votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid. Please note the unsigned Ballot Form will be rejected. Scrutinizer's decision on the validity of the Ballot Form shall be final.

- viii. Once the vote on the resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ix. Members who have not cast their vote through e-voting or ballots through post and who is attending the AGM have an option to exercise his/her voting through a ballot form at the AGM venue.
- x. Scrutinizer will open the ballot box kept at the venue in the presence of two witnesses and thus votes cast will be validated and the scrutinizer's decision on the validity will be final.
- xi. Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the voting at the AGM venue will submit a consolidated voting results considering all mode of voting (i.e. e-voting/ ballots through post/ballots at AGM Venue) based on the votes cast in favour or against, if any, forthwith to the Chairman/Managing Director of the Company.
- xii. The consolidated voting results along with the Scrutinizer's report shall be published on the Company's website www.orientalhotels.co.in and on the website of NSDL www.evoting.nsdl.com within three days of passing the resolutions at the Forty-Fifth AGM of the Company scheduled to be held on July 30, 2015 and will be communicated to the Stock Exchanges where the Company's shares are listed.

- 23) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

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

Place: Chennai
Date: May 15, 2015

K.C.Raman
Company Secretary

Explanatory Statement pursuant to Section 102 of the Companies Act 2013 forming part of the Notice of the 45th Annual General Meeting of the Company.

The following Explanatory Statement sets out all material facts relating to the Special Business under Item Nos.7, & 8 mentioned in the accompanying Notice dated May 15, 2015.

Item No.7

- (1) The Board at its meeting held on August 6, 2013 appointed Mr. Anil P Goel as a Director in the casual vacancy caused by the retirement of Mr. R.K.Krishna Kumar. Pursuant to Section 161 of the Companies Act 2013, read with applicable articles of Articles of Association of the Company, Mr. Anil P Goel holds office as Director of the Company up to the date of this Annual General meeting and being eligible for appointment and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act 2013, along with the requisite deposit from a Member proposing his candidature for the office of Director of the Company at the forthcoming Annual General Meeting.
- (2) Mr. Anil P Goel, aged about 58 years, is a Chartered Accountant by profession. He currently is on the Board of the following Companies:
 - (1) The Indian Hotels Company Ltd
 - (2) TIFCO Holdings Ltd
 - (3) Taj Kerala Hotels & Resorts Ltd
 - (4) Taj GVK Hotels & Resorts Ltd
 - (5) PIEM Hotels Ltd
 - (6) Roots Corporation Ltd
 - (7) Taj SATS Air Catering Ltd
 - (8) Kaveri Retreat & Resorts Ltd
 - (9) TAL Lanka Hotels PLC (formerly Taj Lanka Hotels Ltd)
 - (10) Lanka Island Resorts Ltd (formerly Taj Lanka Resorts Ltd)
 - (11) OHL International (HK) Ltd
 - (12) PIEM International (HK) Ltd
 - (13) Taj International (HK) Ltd
 - (14) TAL Hotels And Resorts Ltd (formerly Taj Asia Ltd)
 - (15) St. James Court Hotel Ltd
 - (16) Taj International Hotels Ltd
 - (17) Samsara Properties Ltd
 - (18) IHMS (SA) (Proprietary) Ltd
- (3) Mr. Anil P Goel is concerned and interested in the resolution relating to his appointment. Board commended the resolution as set out in the Notice for the approval of members.

Item No.8

- (1) Mr. Rakesh Kumar Sarna was appointed as an Additional Director w.e.f October 23, 2014, based on the recommendations of Nomination and Remuneration Committee. Pursuant to Section 161 of the Companies Act 2013, read with applicable articles of the Articles of Association of the Company, Mr. Rakesh Kumar Sarna holds office as Director of the Company up to the date of this Annual General meeting and being eligible for appointment and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act 2013, along with the requisite deposit from a Member proposing his candidature for the office of Director of the Company at the forthcoming Annual General Meeting.
- (2) Mr Rakesh Kumar Sarna is a Hotelier who has two decades of versatile experience in the hospitality industry. He holds Diploma in Hospitality Administration, from Algonquin College, Canada. He is currently Managing Director of The Indian Hotels Company Ltd and is on the Board of the following Companies :
- (1) PIEM Hotels Ltd
 - (2) Taj GVK Hotels & Resorts Ltd
 - (3) Roots Corporation Ltd
 - (4) Taj SATS Air Catering Ltd
 - (5) Benaras Hotels Ltd
 - (6) Tal Hotels and Resorts Ltd
- (3) Mr. Rakesh Kumar Sarna is concerned and interested in the resolution relating to his appointment. Board commended the resolution as set out in the Notice for the approval of members.

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

Place: Chennai
Date: May 15, 2015

K.C.Raman
Company Secretary

ORIENTAL HOTELS LIMITED

NOTICE TO MEMBERS

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

Details of Directors seeking reappointment under item nos. 4 & 5 of the notice at the 45th Annual General Meeting of the Company:

Name	Mr. Ramesh D Hariani	Mr. Pramod Ranjan
Date of Birth	October 11, 1949	April 02, 1967
Occupation	Industrialist	Industrialist
Qualification	B.Sc. (Mech.) from City University, London PG Diploma in Business Management from Bradford University, Yorkshire, London	B.Com.,(Hons), Masters degree in Business Administration from Melbourne, Australia
Date of appointment	May 14, 2010	January 21, 2008
Shares held in the Company	11,30,710	1,41,96,140
Directorship in other Companies	(1) GREW Industries Pvt Ltd (2) G R Shipping Pvt Ltd (3) G R Engineering Pvt Ltd (4) G R Infrastructure Pvt Ltd (5) Quadrant Realtors Pvt Ltd (6) All Square Realtors India Pvt Ltd (7) Taj Madurai Ltd	(1) Kaveri Retreats and Resorts Ltd (2) Coromandel Sea foods Pvt Ltd (3) Thanor Pottery Pvt Ltd (4) Coromandel Beach Properties Pvt Ltd (5) Cocoon Resorts Pvt Ltd (6) Kodai Heights Properties Pvt Ltd (7) Dodla International Ltd (8) Whitesands Freight Pvt Ltd
Chairman/Member of the Committees* of other Companies on which he is a Director	Nil	Nil

Details of Directors seeking reappointment under item nos. 7 & 8 of the notice at the 45th Annual General Meeting of the Company:

Name	Mr. Anil P Goel	Mr. Rakesh Kumar Sarna
Date of Birth	May 20, 1957	March 29, 1957
Occupation	Professional	Management(Hotelier)
Qualification	Chartered Accountant	Diploma in Hospitality Administration, from Algonquin College, Canada
Date of appointment	August 06, 2013	October 23, 2014
Shares held in the Company	Nil	Nil
Directorship in other Companies	(1) The Indian Hotels Company Ltd (2) TIFCO Holdings Ltd (3) Taj Kerala Hotels & Resorts Ltd (4) Taj GVK Hotels & Resorts Ltd (5) PIEM Hotels Ltd (6) Roots Corporation Ltd (7) Taj SATS Air Catering Ltd (8) Kaveri Retreat & Resorts Ltd (9) TAL Lanka Hotels PLC (formerly Taj Lanka Hotels Ltd) (10) Lanka Island Resorts Ltd (formerly Taj Lanka Resorts Ltd) (11) OHL International (HK) Ltd (12) PIEM International (HK) Ltd (13) Taj International (HK) Ltd (14) TAL Hotels And Resorts Ltd (formerly Taj Asia Ltd) (15) St. James Court Hotel Ltd (16) Taj International Hotels Ltd (17) Samsara Properties Ltd (18) IHMS (SA) (Proprietary) Ltd	(1) PIEM Hotels Ltd (2) Taj GVK Hotels & Resorts Ltd (3) Roots Corporation Ltd (4) Taj Sats Air Catering Ltd (5) Benaras Hotels Ltd (6) Tal Hotels and Resorts Ltd
Chairman/Member of the *Committees of other Companies on which he is a Director	Audit Committee - Member Taj SATS Air Catering Ltd Roots Corporation Ltd Taj GVK Hotels & Resorts Ltd PIEM Hotels Ltd Kaveri Retreat and Resorts Ltd	Audit Committee – Member Taj GVK Hotels & Resorts Ltd Nomination & Remuneration Committee – Member Taj GVK Hotels & Resorts Ltd PIEM Hotels Ltd CSR Committee – Member PIEM Hotels Ltd

The attendance records of the Directors seeking re-appointment are furnished in the Corporate Governance report which forms part of the Annual Report 2014-15.

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

Place: Chennai
Date: May 15, 2015

K.C.Raman
Company Secretary

DIRECTORS' REPORT**To the Members:**

The Directors are pleased to present the 45th Annual Report of the Company together with its Audited Statement of Profit & Loss for the year ended March 31, 2015 and the Balance Sheet as on that date

1. Financial Results

Particulars	Year Ended March 31, 2015 ₹ in Lakhs	Year Ended March 31, 2014 ₹ in Lakhs
Profit before Depreciation, finance cost & Tax	4,950	4,692
Finance Cost	3,005	2,942
Depreciation and amortization expenses	2,548	2,794
Profit/(Loss) before Tax and Exceptional Items	(603)	(1,044)
Exceptional Items	-	-
Profit/(Loss) Before Tax	(603)	(1044)
Less:		
Provisions for tax		
- Current	114	66
- Minimum Alternate Tax credit entitlement	-	-
- Deferred Tax	(376)	(390)
- Tax related to previous years	(42)	-
Profit/(Loss) After Tax	(299)	(720)
Balance brought forward from previous year	3,145	5,848
Distributable profit	3,145	5,848
Dividend	714	982
Tax on dividend	146	167
Amount transferred:		
- General Reserve	-	-
- Debenture Redemption Reserve	1,853	834
Balance carried forward	2,053	3,145
Earnings per share (₹)	(0.17)	(0.40)

The country witnessed an increase in supply of 4.4% between April to March 2015, demand for same period increased by 7.8% over the previous year. South India witnessed a supply growth of 4% and demand by 12%. The overall Country's Average room rate during the period stood at ₹5585/- representing a decline of 1% over previous year. Average Room Rate across the Company's hotels has increased by ₹253/- (4.48%) from ₹5647/- to ₹5900/- as compared to previous year. The Company occupancy (%) percentage of the hotel units was at 63% for the year under review as against 65% of the previous year.

Operating Results

The Company achieved a turnover of ₹30,672 lakhs for the period ended March 31, 2015; increased by ₹437 lakhs (1.44%) as compared to previous year.

Room Income stood at ₹14,327 lakhs had results an increase of ₹253 lakhs (1.80%) of the previous year. The F&B Income decreased by ₹280 lakhs (2.06%) of the previous year.

State of Company's affairs

Total expenditure for the period ended as at March 31, 2015 amounted to ₹25,722 lakhs, increased by ₹180 lakhs (0.70%) as compared to previous year.

The Profit (EBITDA) before depreciation, finance cost & tax for the year ended March 31, 2015 amounted to ₹4,949 lakhs, increased by ₹257 lakhs (5.48%) of the previous year.

The Loss before exceptional item(s) for the year ended March 31, 2015 amounted to ₹603 lakhs as against a loss of ₹1044 lakhs of the previous year.

The taxation expense (including deferred tax) for the year ended March 31, 2015 amounted to (₹303) lakhs. The Loss after Tax for the year ended March 31, 2015 stood at ₹299 lakhs as against a loss of ₹719 lakhs of the previous year. No transfer was made to General Reserve and created a NCD redemption reserve to the tune of ₹1853 lakhs during the financial year along with the write back of ₹1853 lakhs created earlier for NCD's which were redeemed during the year on maturity.

Dividend

Your Directors recommended a dividend of ₹0.40 (40%) per equity share of ₹1/- each for the financial year ended March 31, 2015. The total amount of dividend outgo for the financial year 2014-15 will be ₹860 lakhs comprising of ₹714 lakhs as dividend and ₹146 lakhs as tax on dividend as against ₹1149.24 lakhs comprising of ₹982.30 lakhs as dividend and ₹166.94 lakhs as tax for the previous year. The dividend if approved, in the forthcoming Annual General Meeting will be paid within 30 days thereof to the Members whose name appears in the Registrar of Members as on July 24, 2015 and the proposed date of payment will be notified to the Stock Exchanges for publication.

Capital Expenditure

During the year under review, the Company incurred ₹1913 lakhs towards capital expenditure. Jiva Spa at Taj Coromandel, Chennai was commissioned during the year.

Borrowings

The Company's borrowings as at March 31, 2015 on a standalone basis stood at ₹31,097 lakhs as against ₹30,756 lakhs as at March 31, 2014 and on a consolidated basis borrowings stood at ₹34,820 lakhs as on March 31, 2015 as against ₹24,734 lakhs as compared to the previous year.

Non Convertible Debentures (NCD)

The Company had redeemed NCDs aggregating to ₹1,000 lakhs and paid the principal and the interest thereof during the financial year 2014-15.

The Company also issued during the year 'Series-A Senior Secured Redeemable Non Convertible Debentures' having of face value ₹10 lakhs aggregating to ₹1000 lakhs with coupon rate of 10.25% per annum and 'Series-B Senior Secured Redeemable Non Convertible Debentures' having of face value ₹10 lakhs aggregating to ₹1000 lakhs with coupon rate of 2% at an yield to maturity rate of 10.25% per annum together aggregating to ₹2000 lakhs for a period of five years. The said debentures are listed in the Wholesale Debt Market (WDM) segment at National Stock Exchange of India Ltd.

Fixed Deposits

The Company has not accepted any public deposit or renewed of the same during the period under review. Acceptance of fixed deposits was discontinued effective February 17, 2003 and also discontinued renewal of Fixed Deposits with effect from July 2009. The Liability on account of unclaimed Fixed Deposits amounts to ₹0.45 lakhs as on March 31, 2015 as against ₹3.55 lakhs as on March 31, 2014.

Business Overview

Tourism in India has gained acceptance as a potent engine for inclusive socio-economic growth, since it has potential to stimulate other economic factors through its forward and backward linkages and ability to create more employment due to its multiplier effect on the economy.

The year 2014 witnessed a growth of 10.6% of Foreign Tourist Arrivals and the Foreign Exchange Earnings from tourism during the year 2014 grew by 11.5%. The Government of India launched Tourist Visa on Arrival enabled with Electronic Travel Authorisation Scheme in the month of November 2014, resulted an increase in foreign tourist arrivals.

There are many other factors of recessionary economic environment coupled with unprecedented increase in supply has eroded the room rates and inflationary push of operating cost thereby adversely impacted the profitability of the Company. The Company has initiated variety of steps in the recent past to address the challenges of market dynamics. Such measures are combination of cut back on fresh capital commitments, cost rationalization, continued investments behind customer engagement and brand building which will, in our view bear fruit in the years to come.

Financial information of Subsidiary, Associate & Joint venture

The Consolidated Financial Statements of the Company and its subsidiary, is prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

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

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

Up-gradation and expansion

The Company at its unit 'Taj Coromandel' commissioned Jiva SPA facility at a capital cost of ₹1,158 lakhs during the year.

Board of Directors

The Board of Directors has met four (4) times during the year on a quarterly basis to review and consider the quarterly audited financials of the Company and the meeting dates are provided in the Corporate Governance report.

Mr. Rakesh Kumar Sarna, was appointed as a director by the Board w.e.f. October 23, 2014. Mr. Raymond Bickson, Director and Mr. Venu Srinivasan, Director resigned from the Board, w.e.f. August 11, 2014 and September 1, 2014 respectively.

Mr. Pramod Ranjan and Mr. Ramesh D. Hariani, Directors retire by rotation and are being eligible for re-appointment. Mr. Anil P Goel, who was appointed as a Director in the casual vacancy under the applicable provisions of the Act and Articles of Association, holds office up to the date of the AGM and is eligible for appointment. The Company was in receipt of a notice proposing his candidature. Mr. D.Varada Reddy, Managing Director announced his wish to step down as Managing Director on completion of his tenure on November 10, 2015.

The Key Managerial Personnel of the Company presently are Mr. D.Varada Reddy, Managing Director, Mr. Mohan Jayaraman, Chief Financial Officer and Mr. K.C.Raman, Company Secretary.

Director's Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory & secretarial auditors the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014 – 15.

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. they have selected such accounting policies and applied them consistently made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2015 and of the profit or loss of the Company for that period;
- iii. they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they had prepared the annual accounts on a going concern basis;
- v. they have laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Controls and Systems

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

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

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

Details of Significant and Material Orders

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and future operation of the Company.

Independent Directors Declaration as per Section 149 of the Act

The declarations received from the Independent Directors pursuant to Section 149 of the Act, were taken on record by the Board.

Qualification, Reservation or adverse remark or disclaimer on Auditor's Report and Secretarial Audit Report

The auditors of the Company have reported a subject as a matter of emphasis in their stand alone auditor's report (Point No.8) dated May 15, 2015 to the members of the Company. The Company has filed requisite applications to the Ministry of Corporate Affairs, after obtaining the members approval for payment of excess remuneration to the Managing Director by passing a special resolution and the approval from Central Government is awaited.

The secretarial audit report dated May 15, 2015 pursuant to the Act and the listing agreement gives certain remarks and these are addressed as indicated hereafter: (a) The Company is in the process of appointing an independent director (woman) to comply with listing agreement (b) a Risk Management Committee has since been constituted on May 15, 2015 (c) the opposite transactions having a net effect of 0.05% of the total share capital of the Company were entered into inadvertently, no such future transactions shall be carried out and there will be strict adherence to the code henceforth.

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

The Company during the year has made an additional investment ₹2.40 lakhs towards acquiring 24,000 equity shares in Green Infra Wind Generation Ltd. The Company also renewed the Inter Corporate Deposit amounting to ₹560 lakhs placed with Taj Karnataka Hotels and Resorts Ltd. The Company made an investment of ₹63.34 lakhs (115163 CCDs @ ₹55/-) representing compulsorily convertible debentures in The Indian Hotels Company Limited, which are convertible in to equity shares of ₹1/- within eighteen months from the date of allotment.

Particular of Related Party Contracts and other arrangements under Section 188 of the Act.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement. Suitable disclosures as required under AS-18 have been made in Note. 39 of the notes to the Standalone Financial Statements.

The Company has adopted a Related Party Transactions Policy. The Policy as approved by the Board, is uploaded on the Company's website at the web link: http://www.orientalhotels.co.in/uploading/OHL_RPT_Policy_Final.pdf

Implementation of Risk Policy

Pursuant to Clause 49 of the listing agreement, the Company has framed a Risk Management Policy and a Risk Committee is being constituted. The policy framework enables the Company to identify and evaluate risks and opportunities. This framework seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage. The risk framework defines the risk management approach across the Company at various levels including documentation and reporting.

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

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

Corporate Social Responsibility

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

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

The Company voluntarily, through its unit namely Vivanta by Taj – Fisherman's Cove, Kovalam had spent ₹22.79 lakhs during the financial year 2014 – 15 towards payment of school fees, distributing rice to the fisherman's family during the non-fishing period as declared by the Government. The 'Taj Clinic' provides free medical consultation and medicines to the residents of nearby hamlets.

Nomination & Remuneration Committee

The information pertaining to Nomination and Remuneration Committee is furnished in the Corporate Governance Report, which forms part of this report.

Remuneration Policy

The remuneration policy of the Company is governed by the operating agreement(s). The operating policy adopted by the Company covers the terms of appointment such as qualifications, positive attributes and independence of a director, remuneration for the directors, key managerial personnel and other employees as per the applicable provisions of the Act, and the listing agreement. Further, functions of the Human Resource Department of the Company are governed by the "Taj HR Policy Manual Process & Guidelines". The details of the remuneration paid to the Managing Director of the Company which was approved by the members as minimum remuneration pursuant to the applicable provisions of the Act, is also furnished.

Evaluation of Board of Directors

The Board of Directors of the Company presently comprises ten (10) Non-Executive Directors and one (executive) Managing Director. The Directors appointed on the Board are from diverse fields relevant to the Company's business, having long-standing experience and expertise in their respective fields. They have considerable experience in managing large corporate and have been in public life for decades.

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

Subsidiary Company

The Company is having an overseas subsidiary as on March 31, 2015 and there has been no material change in the nature of business of subsidiary. As required under the listing agreement, the consolidated financial statement of the Company is attached, which was prepared in accordance with relevant accounting standards as prescribed under Section 133 of the Act. The consolidated financials disclose the assets, liabilities, income, expenses and other details. The Minutes of the Subsidiary Company along with the financial statements were placed and reviewed by the Board of Directors.

Listing

The Equity Shares of your Company are listed at BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai and the Global Depositary Receipts (GDRs) are listed at Luxembourg Stock Exchange. NCD's issued by the Company during the year are listed at National Stock Exchange of India Limited in the Wholesale Debt Market (WDM). The Listing fees to these Stock Exchanges and custodian fees to NSDL and CDSL have been paid by the Company for the financial year 2015-16. Madras Stock Exchange have approved the delisting and the shares of the Company w.e.f December 9, 2014.

Auditors

Messrs Brahmayya & Co, Chartered Accountants and SNB Associates, Chartered Accountants, who are the Joint Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Act and the rules there-under, it is proposed to appoint Messrs Brahmayya & Co, Chartered Accountants (Firm Registration No:000511S) and SNB Associates, Chartered Accountants, (Firm Registration No:015682N) who are the Joint Statutory Auditors of the Company from the conclusion of the 45th Annual General Meeting up to the conclusion of the forty seventh (47th) Annual General Meeting to be held in 2017 (subject to ratification of their appointment at the AGM to be held in 2016).

Staff

The Directors expressed their appreciation for the contribution made by the employees in the progress of the Company.

Corporate Governance Report, Management Discussion & Analysis Report

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the report on Management Discussion & Analysis, Corporate Governance as well as the Auditor's certificate on the compliance of Corporate Governance thereon are attached and form part of the Annual Report.

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

The information required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 is furnished in the **Annexure 2** to this report:

Particulars of Employees & Remuneration

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

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

Extract of Annual Return

The Extract of the Annual Report under Section 92 of the Act, is being furnished as an **Annexure 4** to this report.

Acknowledgement

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

Place: Chennai

Date: May 15, 2015

For and behalf of the Board of Directors

Rakesh Kumar Sarna (DIN:01875340)

Chairman

PS: "Act" refers to the Companies Act, 2013

Annexure – 1

AOC-1 pursuant to Section 129(3) of the Act; statement containing the salient features of the financial statement of subsidiary/associate/joint venture.

PART “A” : Subsidiary

₹ in lakhs

Name of Subsidiary Company Reporting Currency:	OHL International (HK) Ltd	
	USD	INR Equivalent
Share Capital	150.00	9,343.50
Reserves & Surplus	-2.37	(147.42)
Total Assets	147.69	9,199.54
Total Liabilities	147.69	9,199.54
Investments	139.44	8,685.84
Total Income	2.02	125.67
Profit Before Taxation	1.80	112.34
Provision for Taxation	-	-
Profit After Taxation	1.80	112.34
Interim Dividend	3.50	218.02
% of Shareholding	100%	

Note:- 1.Exchange conversion rate used for USD is ₹62.29

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

Part B: Associate & Joint Venture

Entity Name	Taj Madurai Ltd	TAL Hotels & Resorts Ltd
Associate/Joint Venture	Associate	Joint Venture
Latest audited Balance Sheet Date	31-Mar-15	31-Mar-15
Shares Held by the Company at the Year end		
No	9,12,000	38,03,718
Investment Held ₹ in lakhs	118.60	2,005.76
Holding %	26%	21.736%
Significant Influence	Voting Power	Voting Power
Reasons for Not Consolidation	Not Applicable	Not Applicable
Net Worth ₹ in lakhs	778.23	34,007.21
Profit/(Loss) for the Year		
Considered in Consolidation ₹ in lakhs	24.92	557.76
Not Considered in Consolidation ₹ in lakhs	70.94	2,008.24

The Company earned a dividend income from its subsidiary during the financial year amounting to ₹214.29 lakhs.

Mr. Rakesh Kumar Sarna
Chairman
DIN:01875340

Dr. G.Sundaram
Director
DIN:00051093

Place: Chennai
Date: May 15, 2015

Mr. Mohan Jayaraman
Chief Financial Officer

Mr.K.C.Raman
Company Secretary

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

The Company has used green energy to its potential through a group captivity scheme and saved considerable cost on power. Apart from the above, the hotel unit(s) reduced the consumption of power (electricity) through alternative energy resources and has also reduced the consumption of fossil fuel by using electricity generators infrequently. The Company for on effective utilization of alternative energy resource has invested ₹12.90 lakhs as on March 31, 2015 under group captivity scheme in the equity share capital of Green Infra Wind Energy group, Tamil Nadu. Solar lighting and heating panels are being installed by a few hotel units to reduce the consumption of power. Hot water is being generated through heat recovery process from AC plants and Automatic Power factor control panels through Screw chillier and De-super heater are being used to reduce power consumption. The units are using CFL & LED lightings instead of conventional lightings, which also reduced the consumption of energy.

- Water & Waste:

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

- Foreign exchange earnings and outgo:

The information relating to foreign exchange earnings and outgo is furnished in Note No. 30 & 32 of the notes to the stand alone financial statements.

Annexure – 3

Details pursuant to Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

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

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

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any in the financial year: The ratio of remuneration of Managing Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Managing Director during the financial year 2014-15 is given below:

Managing Director	Ratio to Median	Percentage Increase in Remuneration
Mr. D. Varada Reddy	33.665:1	8%

The percentage increase in remuneration of the Chief Financial Officer is Nil and of the Company Secretary is 6% as compared to previous year.

3. The percentage increase in the median remuneration of employees in the financial year: 11.52%.
4. The number of permanent employees on the rolls of Company: 1063.

5. The explanation on the relationship between average increase in remuneration and Company performance: Remuneration of non unionised employees has a close linkage with the performance of the Company. The remaining employees are governed by the respective wage settlement arrangements between the company and the respective hotels which are renewed on periodic basis. The performance incentive, which is a variable component in the remuneration for all the management staff, is determined by the employee's performance and has a correlation with the Company's performance.
6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: The total revenue increased by ₹572 lakhs (1.92%) in 2013-14 as compared to previous year. The loss before tax for the year 2013-14 amounted to ₹1044 lakhs as compared to previous year loss of ₹46 lakhs before exceptional items. The increase of in remuneration for the KMP was after considering inflation and industry standards.
7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies: The market capitalization of the Company as at 31st March, 2015 is ₹37,773 lakhs, as against ₹31,835 lakhs as at 31st March, 2014, an increase of 19% during the year under review. The price earnings ratio is not applicable in view of the losses reported provided during the current and previous financial years. The initial public offer for the equity shares of the Company was in the year 1974. The market quote at NSE for the equity shares of the Company as on 31st March, 2015 was ₹19/- (high) & ₹17.50 (low) per equity share having face value of ₹1/- each.
8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 8%, as compared to the increase of 8% to the Managing Director. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also considering the inflation.
9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: The gross sales of the Company (standalone) for the year 2013-14 were ₹30,234 lakhs, which was a 1.92% rise over the previous year. The loss before tax for the year 2013-14 amounted to ₹1044 lakhs as compared to previous year loss of ₹46 lakhs before exceptional items. Considering the Company's operational requirements and the individual performances during 2013-14, the remuneration of the Key Managerial Personnel during the year increased by 6% for the Company Secretary and 8% for the Managing Director. No increment was considered to the erstwhile Chief Financial Officer, who resigned during the year.
10. The key parameters for any variable components of remuneration availed by the Directors: The Company during the year 2013-14 has reported loss on account of which no commission was paid to non executive directors. The Company also pays a portion of remuneration by way performance incentive, as variable component to the Managing Director. This is determined by the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, subject to the overall statutory ceilings limits.
11. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: The highest paid Director is the Managing Director. No employee has received remuneration in excess of the Managing Director during the year.
12. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

ORIENTAL HOTELS LIMITED

DIRECTORS' REPORT

Annexure - 4

EXTRACT OF ANNUAL RETURN – MGT -9 As on the financial year ended on 31/03/2015

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

1. Registration And Other Details:

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

2. **Principal Business Activities of The Company** (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

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

3. **Particulars of holding, subsidiary & Associate Companies**

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

*Incorporated outside India.

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

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]			No. of Shares held at the end of the year [As on 31-March-2015]			% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total
A. Promoters							
1. Indian							
a) Individual/ HUF	4637955	0	4637955	2.60	4108965	0	4108965
b) Central Govt	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0
d) Bodies Corp.	61561430	0	61561430	34.47	59961430	0	59961430
e) Banks / FI	0	0	0	0	0	0	0
f) Any other – Directors & Relatives	24909813	0	24909813	13.95	28398506	0	28398506
Sub Total (A) (1)	91109198	0	91109198	51.01	92468901	0	92468901
1. 2. Foreign							
a) NRIs –Individuals							
b) Other –Individuals	6330180	0	6330180	3.54	6264947	0	6264947
c) Bodies Corp.	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0
e) Any Other - Directors & Relatives	4882840	0	4882840	2.73	8878590	0	8878590
Sub-total (A) (2):-	11213020	0	11213020	6.27	15143537	0	15143537
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	102322218	0	102322218	57.29	107612438	0	107612438
B. Public Shareholding							
1. Institutions							
a) Mutual Funds	15047061	0	15047061	8.43	16605272	0	16605272
b) Banks / FI	888400	0	888400	0.50	888400	0	888400
c) Central Govt	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0
f) Insurance Companies	3167410	0	3167410	1.77	2912506	0	2912506
g) FIs	10000	0	10000	0.01	10000	0	10000
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0
Sub-total (B)(1)	19112871	0	19112871	10.70	20416178	0	20416178
							0.73

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% Change during the year
2. Non-Institutions								
i) Indian	3700840	105870	3806710	2.13	4408814	105870	4514684	2.53
ii) Overseas	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0
b) Individuals								
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	18268236	3619998	21888234	12.26	18535769	3381787	21917556	12.27
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5125038	1621010	6746048	3.78	5180820	1505350	6686170	3.74
c) Others (specify)								
Non Resident Indians	2376743	16690	2393433	1.34	2385264	16690	2401954	1.34
Overseas Corporate Bodies	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0
Clearing Members	103054	0	103054	0.06	10849	0	10849	0.01
Trusts	5420	0	5420	0.00	5420	0	5420	0.00
Directors & Relatives	874780	0	874780	0.49	859692	0	859692	0.48
HUF	870464	18	870482	0.49	971021	18	971039	0.54
Foreign Bodies – DR	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	31324575	5363586	36688161	20.54	32357649	5009715	37367364	20.92
Total Public Shareholding (B) = (B)(1) + (B)(2)	50437446	5363586	55801032	31.24	52773827	5009715	57783542	32.35
C. Shares held by Custodian for GDRs	20475930	0	20475930	11.46	13203200	0	13203200	7.39
Grand Total (A + B + C)	173235594	5363586	178599180	100.00	173589465	5009715	178599180	100.00

ORIENTAL HOTELS LIMITED

DIRECTORS' REPORT

5. Shareholding of promoters:

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			Cumulative shareholding during the year			% C
		No. of Shares	% A	% B	No. of Shares	% A	% B	
1	TATA INVESTMENT CORPORATION LTD	1076000	0.60	0	1076000	0.60	0	0.00
2	THE INDIAN HOTELS COMPANY LIMITED	33764550	18.91	0	33764550	18.91	0	0.00
3	TIFCO HOLDINGS LIMITED	17208360	9.64	0	17208360	9.64	0	0.00
4	TATA CHEMICALS LTD	4123000	2.31	0	2523000	1.41	0	-0.90
5	PIEM HOTELS LIMITED	3657170	2.05	0	3657170	2.05	0	0.00
6	TAJ TRADE & TRANSPORT CO LTD	1664090	0.93	0	1664090	0.93	0	0.00
7	TAJ MADURAI LIMITED	68260	0.04	0	68260	0.04	0	0.00
8	D.AMIT REDDY . .	27521	0.02	0	27521	0.02	0	0.00
9	D SUNDAR NISCHAL	99000	0.06	0	99000	0.06	0	0.00
10	D.NAVEEN K . REDDY	650000	0.36	0	650000	0.36	0	0.00
11	DODLA KAMESWARI REDDY	5200	0.00	0	5200	0.00	0	0.00
12	PRAMOD RANJAN	732450	0.41	0	732450	0.41	0	0.00
13	D PRASANNA REDDY	25000	0.01	0	25000	0.01	0	0.00
14	DODLA VEERU RAGHAVA REDDY	792890	0.44	0	792890	0.44	0	0.00
15	SHOBA REDDY D	880	0.00	0	0	0.00	0	0.00
16	PRASAD REDDY D V S	155500	0.09	0	155500	0.09	0	0.00
17	SUDHAKAR REDDY	155700	0.09	0	5700	0.00	0	-0.08
18	DODLA SUDHAKARA REDDY.	0	0.00	0	231500	0.13	0	0.13
19	P VIDYA REDDY	154010	0.09	0	154010	0.09	0	0.00
20	C HEMALATHA REDDY	506430	0.28	0	506430	0.28	0	0.00
21	KARTHIK REDDY D	300	0.00	0	300	0.00	0	0.00
22	PADMAPRIYA REDDY D	20162	0.01	0	20162	0.01	0	0.00
23	D K PAVAN	40850	0.02	0	40850	0.02	0	0.00
24	D V SHARAN	40850	0.02	0	40850	0.02	0	0.00
25	PRAMOD RANJAN	2195210	1.23	0	6190960	3.47	0	2.24
26	PRAMOD RANJAN	0	0.00	0	7272730	4.07	0	4.07
27	M KALA REDDY	406030	0.23	0	406030	0.23	0	0.00
28	GIRIJA GOLLAMUDI REDDY	2687630	1.50	0	2687630	1.50	0	0.00
29	G ARUNA REDDY	1462530	0.82	0	0	0.00	0	-0.82
30	G V K RANJAN	12000	0.01	0	12000	0.01	0	0.00
31	G ARUNA REDDY	1233220	0.69	0	0	0.00	0	-0.69
32	M NITYA REDDY	467300	0.26	0	467300	0.26	0	0.00
33	PRAVIN RANJAN	366220	0.21	0	366220	0.21	0	0.00
34	D. LALITHAMMA	320090	0.18	0.14	320090	0.18	0.14	0.00
35	D. LALITHAMMA	1094990	0.61	0.56	300000	0.17	0	-0.45
36	D. VARADA REDDY	4581460	2.57	0	4581460	2.57	0	0.00
37	D. ARUNA REDDY	1234080	0.69	0	1234080	0.69	0	0.00
38	DODLA ARUNA REDDY	49630	0.03	0	49630	0.03	0	0.00
39	P. SHOBA REDDY	2081450	1.17	0	1081450	0.61	0	-0.56
40	D. VIJAYAGOPAL REDDY	1502070	0.84	0.29	2297060	1.29	0.29	0.45

DIRECTORS' REPORT

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			Cumulative shareholding during the year			% C
		No. of Shares	% A	% B	No. of Shares	% A	% B	
41	M.V. SURESH REDDY	130000	0.07	0	130000	0.07	0	0.00
42	ROHIT REDDY D	2212500	1.24	0	2212500	1.24	0	0.00
43	AMITH REDDY D	2112900	1.18	0	2112900	1.18	0	0.00
44	D DEEPTHA	94030	0.05	0	4030	0.00	0	-0.05
45	D USHA REDDY	227835	0.13	0	227835	0.13	0	0.00
46	RAMALINGA REDDY S	80358	0.04	0	80358	0.04	0	0.00
47	SURENDRANATH REDDY D	140130	0.08	0	0	0.00	0	-0.08
48	SURENDRANATH REDDY D	140130	0.08	0	0	0.00	0	-0.08
49	JAKKA SUREKHA REDDY	1065850	0.60	0	1041398	0.58	0	-0.01
50	DODLA LALITA REDDY	663900	0.37	0	0	0.00	0	-0.37
51	NAVEEN REDDY D	0	0	0	663900	0.37	0	0.37
52	DWARAKANATH REDDY P	87390	0.05	0	87390	0.05	0	0.00
53	DODLA ABISHEK	22770	0.01	0	22770	0.01	0	0.00
54	DODLA SHILPA	247520	0.14	0	247520	0.14	0	0.00
55	DODLA SUDHA REDDY	4310	0.00	0	4310	0.00	0	0.00
56	DODLA SUDHA REDDY	152320	0.09	0.08	152320	0.09	0.08	0.00
57	DODLA PREMALEELA REDDY	2019980	1.13	0	2019980	1.13	0	0.00
58	DODLA SHOBA REDDY .	150270	0.08	0	0	0.00	0	-0.08
59	D.SURENDRANATH REDDY	1680	0.00	0	0	0.00	0	0.00
60	REDDY G V	1258450	0.70	0	1258450	0.70	0	0.00
61	J CHAITANYA REDDY	16820	0.01	0	16820	0.01	0	0.00
62	KIRAN REDDY JAKKA	54830	0.03	0	54830	0.03	0	0.00
63	KODANDARAMA REDDY JAKKA	5000	0.00	0	5000	0.00	0	0.00
64	KODANDARAMA REDDY P	87400	0.05	0	0	0.00	0	-0.05
65	RAHUL REDDY D	38420	0.02	0	38420	0.02	0	0.00
66	VARADA REDDY D	2398062	1.34	0	2334227	1.31	0	-0.04
67	DODLA PRAKASH REDDY	1309320	0.73	0	1309320	0.73	0	0.00
68	NEETHA REDDY M	336000	0.19	0	270767	0.15	0	-0.04
69	LEENAJA REDDY C	311250	0.17	0	311250	0.17	0	0.00
70	DODLA POORNIMA REDDY	900000	0.50	0	900000	0.50	0	0.00
71	DAULATRAM PRIBHDAS HARIANI	60000	0.03	0	60000	0.03	0	0.00
72	RAMESH DAULATRAM HARINAI	1130710	0.63	0	1130710	0.63	0	0.00
73	PARMESHWARI DAULATRAM HARIANI	200000	0.11	0	200000	0.11	0	0.00

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

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

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

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

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company	No. of shares	% to total shares of the Company
1	D. VARADA REDDY Opening Balance as on 1/04/2014	6979522	3.91	04/04/2014	Purchase	6288	0.004	6985810	3.91
				11/04/2014	Purchase	15570	0.009	7001380	3.92
				06/06/2014	Sale	-197206	-0.110	6804174	3.81
				15/08/2014	Purchase	94774	0.053	6898948	3.86
				22/08/2014	Purchase	19500	0.011	6918448	3.87
2	TATA CHEMICALS LTD Opening Balance as on 1/04/2014			27/03/2015	Sale	-2761	-0.002	6915687	3.87
								6915687	3.87
		4123000	2.31	11/07/2014	Sale	-1600000	-0.896	2523000	1.41
								2523000	1.41
3	PRAMOD RANJAN Opening Balance as on 1/04/2014								
		2927660	1.64	25/04/2014	Inter-se Transfer	100000	0.056	3027660	1.70
				03/07/2014	Purchase	200000	0.112	3227660	1.81
				25/07/2014	GDR Conversion	7272730	4.072	10500390	5.88
				05/09/2014	Inter-se Transfer	2233220	1.250	12733610	7.13
4	P. SHOBA REDDY Opening Balance as on 1/04/2014			12/09/2014	Inter-se Transfer	1462530	0.819	14196140	7.95
								14196140	7.95
		2081450	1.17	27/06/2014	Inter-se Transfer	-1000000	-0.560	1081450	0.61
								1081450	0.61
5	D. VIJAYAGOPAL REDDY Opening Balance as on 1/04/2014								
		1502070	0.84	27/03/2015	Inter-se Transfer	794990	0.445	2297060	1.29
								2297060	1.29
6	LALITHAMMA D Opening Balance as on 1/04/2014								
		1415080	0.79	27/03/2015	Inter-se Transfer	-794990	-0.445	620090	0.35
								620090	0.35

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company	No. of shares	% to total shares of the Company
7	D.NAVEEN K. REDDY Opening Balance as on 1/04/2014	650000	0.36	20/02/2015	Recd. By way of Transmission	663900	0.372	1313900	0.74
	Closing Balance as on 31/03/2015							1313900	0.74
8	NEETHA REDDY. Opening Balance as on 1/04/2014	336000	0.188	27/02/2015	Sale	-65233	-0.037	270767	0.15
	Closing Balance as on 31/03/2015							270767	0.15
9	SUDHAKAR REDDY Opening Balance as on 1/04/2014	155700	0.087	12/09/2014	Purchase	90000	0.050	245700	0.14
	Closing Balance as on 31/03/2015			06/03/2015	Sale	-8500	-0.005	237200	0.13
10	D DEEPTHA Opening Balance as on 1/04/2014	94030	0.05	12/09/2014	Sale	-90000	-0.050	4030	0.00
	Closing Balance as on 31/03/2015							4030	0.00
11	JAKKA SUREKHA REDDY Opening Balance as on 1/04/2014	1065850	0.60	12/12/2014	Sale	-24452	-0.014	1041398	0.58
	Closing Balance as on 31/03/2015							1041398	0.58
12	SURENDRANATH REDDY Opening Balance as on 1/04/2014	281940	0.16	08/08/2014	Sale	-147333	-0.082		
	Closing Balance as on 31/03/2015			15/08/2014	Sale	-132927	-0.074		
13	DODLA SHOBA REDDY Opening Balance as on 1/04/2014	151150	0.09	22/08/2014	Sale	-1680	-0.001		
	Closing Balance as on 31/03/2015							0	0

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

SL- NO.	Promoter shareholders	Shareholding at the be- ginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding dur- ing the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company		
1	RELANCE CAPITAL TRUSTEE CO LTD-RELANCE LONGTERM EQUITY FUND								
	Opening Balance as on 01/04/2014	15047061	8.43	23/05/2014	Sale	-11100	-0.01	15035961	8.42
	Closing Balance as on 31/03/2015			11/07/2014	Sale	-1700000	-0.95	13335961	7.47
2	THE ORIENTAL INSURANCE COMPANY LIMITED								
	Opening Balance as on 01/04/2014	3167410	1.77						
				18/07/2014	Sale	-15000	-0.01	3152410	1.77
				25/07/2014	Sale	-13730	-0.01	3138680	1.76
				01/08/2014	Sale	-201	0.00	3138479	1.76
				08/08/2014	Sale	-25000	-0.01	3113479	1.74
				15/08/2014	Sale	-2000	0.00	3111479	1.74
				22/08/2014	Sale	-30000	-0.02	3081479	1.73
				29/08/2014	Sale	-40000	-0.02	3041479	1.70
				05/09/2014	Sale	-10000	-0.01	3031479	1.70
				12/09/2014	Sale	-5925	0.00	3025554	1.69
				19/09/2014	Sale	-3930	0.00	3021624	1.69
				30/09/2014	Sale	-11710	-0.01	3009914	1.69
				10/10/2014	Sale	-7424	0.00	3002490	1.68
				17/10/2014	Sale	-14572	-0.01	2987918	1.67
				24/10/2014	Sale	-15000	-0.01	2972918	1.67
				31/10/2014	Sale	-16000	-0.01	2956918	1.66
				28/11/2014	Sale	-4820	0.00	2952098	1.65
				05/12/2014	Sale	-17505	-0.01	2934593	1.64
				12/12/2014	Sale	-20426	-0.01	2914167	1.63
19/12/2014				Sale	-1661	0.00	2912506	1.63	
	Closing Balance as on 31/03/2015							2912506	1.63

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company	No. of shares	% to total shares of the Company
3	V. GOPALAKRISHNAN								
	Opening Balance as on 01/04/2014	597281	0.33						
				02/05/2014	Purchase	1000	0.00	598281	0.34
				23/05/2014	Purchase	1000	0.00	599281	0.34
				11/07/2014	Purchase	5000	0.00	604281	0.34
				25/07/2014	Purchase	3691	0.00	607972	0.34
				29/08/2014	Purchase	2089	0.00	610061	0.34
				19/09/2014	Purchase	1000	0.00	611061	0.34
				30/09/2014	Purchase	1000	0.00	612061	0.34
				10/10/2014	Purchase	3400	0.00	615461	0.35
				07/11/2014	Purchase	1341	0.00	616802	0.35
				28/11/2014	Purchase	1005	0.00	617807	0.35
				19/12/2014	Purchase	5000	0.00	622807	0.35
				31/12/2014	Purchase	16312	0.01	639119	0.36
				30/01/2015	Purchase	4324	0.00	643443	0.36
				06/02/2015	Purchase	6220	0.00	649663	0.36
				13/02/2015	Purchase	1500	0.00	651163	0.37
				20/02/2015	Purchase	3000	0.00	654163	0.37
				06/03/2015	Purchase	2000	0.00	656163	0.37
				13/03/2015	Purchase	1978	0.00	658141	0.37
				20/03/2015	Purchase	24808	0.01	682949	0.38
				27/03/2015	Purchase	5944	0.00	688893	0.39
	Closing Balance as on 31/03/2015							688893	0.39

SL. NO.	Promoter shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of shares	% to total shares of the Company			No. of shares	% to total shares of the Company	No. of shares	% to total shares of the Company
4	G. SHANTHA	549123	0.31						
				Opening Balance as on 01/04/2014					
					Purchase	1000	0.00	550123	0.31
					Purchase	4001	0.00	554124	0.31
					Purchase	2009	0.00	556133	0.31
					Purchase	10249	0.01	566382	0.32
					Purchase	1899	0.00	568281	0.32
					Purchase	1	0.00	568282	0.32
					Purchase	33699	0.02	601981	0.34
					Purchase	3578	0.00	605559	0.34
					Purchase	11132	0.01	616691	0.35
					Purchase	2000	0.00	618691	0.35
					Purchase	14565	0.01	633256	0.36
					Purchase	2000	0.00	635256	0.36
					Purchase	4324	0.00	643443	0.36
					Purchase	6220	0.00	649663	0.36
	Closing Balance as on 31/03/2015							635256	0.36

8. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. SBPV Ramamohnana Rao	6750	0.00	6750	0.00
2	Mr. Pramod Ranjan	2927660	1.64	14196140	7.95
3	Mr. D.Vijayagopal Reddy	1502070	0.84	2297060	1.29
4	Mr. S Y Syed Meeran	10500	0.01	10500	0.01
5	Mr. Ramesh D Hariani	1130710	0.63	1130710	0.63
6	Mr. D.Varada Reddy (MD)	6979522	3.91	6915687	3.87
7	Mr. Mohan Jayaraman (CFO)	-	-	-	-
8	Mr. K.C.Raman (CS)	-	-	-	-

9. Indebtedness

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as on April 1, 2014	30,447	1,000	-	31,447
i) Principal Amount	29,755	1,000	-	30,755
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	690	2	-	692
Change in Indebtedness during the financial year				
* Addition	20,155	3,407	-	23,561
* Reduction	23,422	-	-	23,422
Net Change	(3,267)	3,407	-	139
Indebtedness as on March 31, 2015	27,179	4,407	-	31,586
i) Principal Amount	26,797	4,300	-	31,097
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	383	106	-	489

10. Remuneration Of Directors And Key Managerial Personnel-

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

₹ in lakhs

Sl. No.	Particulars of Remuneration paid to Mr. D Varada Reddy	Amount
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	85.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11.32
2	Others, please specify (yearly incentive)	30.00
	Total	126.32

B. Remuneration to other Directors

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

No Commission was paid during the year.

C. Remuneration to key managerial personnel other than Managing Director

₹ in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Gross Salary		Performance incentive	Total
		(a)*	(b)+		
1	Mr.P.Parameshwaran, CFO (up to October 2014)	18.08	2.54	6.63	27.25
2	Mr.Mohan Jayaraman, CFO (from October 2014)	17.38	-	-	17.38
3	K.C.Raman, CS	26.07	-	4.77	30.84

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

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

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

FORM-MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
Oriental Hotels Limited
Chennai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Oriental Hotels Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed within the prescribed time including certain forms filed delayed with adequate late fees (which are taken as compliance of requirements of the Act for filing) and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable for the year under review
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable for the year under review
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable for the year under review.

(vi) Following other laws applicable specifically to the company:

1. Legal Metrology Act, 2009
2. Tamil Nadu Liquor (Licence and Permit) Rules, 1981 issued under the Tamil Nadu Prohibition Act, 1937
3. Food Safety and Standards Act, 2006
4. Tamil Nadu Public Health Act, 1939
5. Tamil Nadu Shops and Establishments Act, 1947
6. The Karnataka Shops and Commercial Establishments Act, 1961
7. The Kerala Shops and Commercial Establishments Act, 1960
8. The Andhra Pradesh Shops and Establishment Act, 1988
9. Chennai City Municipal Corporation Act, 1919
10. The Kerala Places of Public Resort Act, 1963
11. Tamil Nadu Lifts Act, 1997 and Tamil Nadu Lifts Rules, 1997
12. The Karnataka Lifts Act, 1974.
13. The Kerala Lifts and Escalators Act, 2013 and The Kerala Lifts and Escalators Rules, 2012
14. Petroleum Rules, 2002 issued under the Petroleum Act, 1934
15. Indian Boilers Act, 1923 and Boiler Rules, 1950

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as they were not notified during the period under review)
- (ii) The Listing Agreements entered into by the Company for equity shares listed with Madras Stock Exchange Ltd. (till 9th December 2014), National Stock Exchange of India Limited and BSE Limited.

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

1. The Board composition is not in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013 to the extent that (a) the Company has not appointed a woman director on or before 31st March 2015 and (b) the Company has not appointed an independent Director in the place of the Director who had resigned, within the specified period.
2. As informed to us, as of the end of the year under review, the Company in the process of constituting a Risk Management Committee.
3. One Director has entered into opposite transactions in violation of the Code of Conduct for Prevention of Insider Trading as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except as mentioned in sl.no. 1 above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, except as mentioned in sl.no. 1 above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent before the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period the company has:

- (i) Delisted its securities from the Madras Stock Exchange Ltd. with effect from 9th December 2014.
- (ii) Issued Secured Redeemable Non-Convertible Debentures for Rs. 200 crores and got the same listed on the National Stock Exchange of India Limited with effect from 2nd December 2014.

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

For KSM Associates, Company Secretaries

Krishna Sharan Mishra

Practicing Company Secretary
FCS 6447; CP 7039

Place : Chennai
Date : 15th May 2015

ANNEXURE – A

To
The Members
Oriental Hotels Limited
Taj Coromandel, 37, Mahatma Gandhi Road,
Nungambakkam, Chennai : 600 034

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

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

For KSM Associates, Company Secretaries

Krishna Sharan Mishra

Practicing Company Secretary
FCS 6447; CP 7039

Place : Chennai
Date : 15th May 2015

MANAGEMENT DISCUSSION AND ANALYSIS

ANNEXURE TO THE DIRECTORS' REPORT**MANAGEMENT DISCUSSION AND ANALYSIS**

Your Company has been reporting Consolidated Results, taking into account the financial results for the year April 1, 2014 to March 31, 2015 of its Subsidiary, Joint Venture and associates and other developments.

Travel & Tourism's impact on the economic and social development of a country can be huge, opening it up for business, trade and capital investment, creating jobs for the workforce and protecting heritage and culture. The Indian Economy, in the year 2014 has experienced many policy reforms by the Government (actual and prospective) which, has attracted worldwide attention. The cumulative impact of these reforms on reviving investment and growth could be significant.

Overview of the Global & Indian tourism industry

2014 proved to be yet another successful year for the Travel & Tourism sector, off the back of a modestly stronger economic environment. The United Nations World Tourism Organisation (UNWTO) estimates that international tourist arrivals globally grew by 4.7% in 2014, reaching a record of 1,138 million from 1,087 million last year.

The long term outlook for the Indian hospitality business continues to be positive, both for the business as well as the leisure segments with the potential for economic growth, increases in disposable incomes and the burgeoning middle class.

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

Future Trends

During 2015, the industry's contribution to global GDP is likely to grow by 3.7% and employment by 2.6%. By the end of 2015, the Travel & Tourism sector will contribute US\$ 7,860 billion, 10% of global GDP, once all direct, indirect and induced impacts are taken into account. The sector is estimated to account for 284 million jobs, representing 9.5% of total employment.

World Travel & Tourism estimates GDP growth at 3.7% is expected to exceed the overall GDP growth in over half of the 184 countries covered by the World Travel & Tourism Council (WTTC) annual economic impact research. South Asia is expected to experience the highest growth in 2015 at 6.9%. In 2015, Travel & Tourism is expected to generate in the region of 7.2 million new jobs in total, with 2.1 million new jobs directly created within the sector.

The key drivers for international travel demand growth to India include the easier e-visa regime, Swachh Bharat Abhiyan, Make in India and other similar initiatives, which are expected to build a positive global image for the country and will have a long term impact for the travel and tourism industry. WTTC predicts that the travel and tourism industry in India will grow by 7.5% in 2015.

During the year, the Ministry of Tourism India has recorded growth of 10.6% in Foreign Tourist Arrivals (FTAs) in India and Foreign Exchange Earnings (FEEs) have grown by 11.5% .

Government initiatives

According to the Consolidated FDI Policy released by the Ministry of Commerce and Industry, Government of India, the Government has allowed 100% foreign investments under the automatic route in the hospitality industry.

The Government has constituted a Steering Committee with representatives of all sectors of tourism and hospitality industry for promotion of tourism in a sustainable manner. The Government has set up a Hospitality Development Board, with the main function of the Board being monitoring and facilitating the clearances/approvals of hotel projects at both - Central/ State government levels.

The government also launched the scheme of Tourist Visa on Arrival enabled by Electronic Travel Authorization facility (presently for 76 countries) which resulted in a high growth in tourist arrivals.

The Governments has taken the initiative of identifying, diversifying, developing and promoting 'Niche products' of the tourism industry such as (a) Cruise (b) Adventure (c) Medical (d) Wellness (e) Golf (f) Polo and (g) film tourism.

Guest experience

Your Company continues its quest for excellence for enhancement of guest experiences through personalized services and offer of product upgrades. Further, as a process, analysis of feedback from guests, data mining and identification of improvement opportunities to positively impact a guest's experience are continuously undertaken.

Risk Factors: Risk and concerns – Industry Risk:

General Economic Conditions:

The hospitality industry is prone to impacts due to fluctuations in the economy caused by changes in global and domestic economies, changes in local market conditions, foreign policies, reduced international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, volatile interest rates and foreign exchange rates and other social factors.

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

Company Specific risks:

The Company specific risks, include but are not limited to the following::

Heavy dependence on India: The Company's revenue is realized from its Indian operations, making it susceptible to domestic socio-political and economic conditions.

Dependence on the high-end Luxury segment: The Company's flagship hotel, Taj Coromandel contributes the major proportion of the total revenue. The Luxury segment is always affected by the international events, travel behavior and suffers from high operating cost.

Competition from hotel chains: The Chennai market continues to experience growth and expanded supply, with many new players in the market with on-going renovations and product upgrades.

Increased outbound travel: Competition in international airfares, package tour plans etc., resulted travelling interest in destinations like Europe, South East Asia and Australia, which is affordable to an average Indian traveler. This has increased outbound travel, thereby increasing the risk of reduced tourists for the domestic sector.

Foreign exchange fluctuation risks: Your Company has an exposure on foreign currency swaps on long term borrowing (principal amount).

Initiatives to mitigating risks:

To counter these risks effectively, your Company adopted various measures some of which are given below:

- The Company being part of the Taj Group of Hotels, which helps to implement the sales and marketing strategies of Taj, enables your Company to grow and retain its market share. Further, restructuring the operational management of the hotels is in process for effective performance and efficiency improvement.
- On the cost front various initiatives like centralized purchasing, Green Energy, purchase contracts etc had helped in controlling expenditure
- The Company enjoys the benefit of a highly motivated, well trained and organized work force, which gives it a competitive edge.
- Well planned and timely product up-gradation and renovations, improving service standards

The success of the Company being part of 'Taj Group' will be dependent upon its ability to compete in areas such as room rates, quality of accommodation, service level, location and to an extent, the quality & scope of other amenities, including food and beverage facilities.

MANAGEMENT DISCUSSION AND ANALYSIS

Internal Control Systems and its adequacy

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

Adequate internal control measures are in place in the form of various policies & procedures issued by the Management Under the guidelines of the Taj Positive Assurance Model covering all critical and important activities viz. Revenue Management, Hotel Operations, Purchase, Finance, Human Resources, Safety, etc., Internal control systems and their adequacy being an area of continuous focus, which are being reviewed through the internal audit process. Internal audits were being undertaken for every operational Unit and thrust of the reviews was as follows:

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

The “Taj Positive Assurance Model”, a risk and control methodology is being used to identify focus areas, develop a process framework with a scoring matrix and institutionalize the internal audit process.

Human Resource & Industrial Relations:

The Company’s mission is to achieve and sustain leadership in the hospitality industry and to deliver value to its customers by rewarding and recognizing quality customer care based upon individual and team performance. The Company provides opportunities for continuous learning and development and abides by fair policies to ensure the well being of its employees, their families, the community and the environment.

The Company has implemented a policy (namely POSH) for Prevention, Prohibition and Redressal of Sexual Harassment at work place and also constituted committees to implement and govern the said policy. Industrial relations throughout the year were cordial at all operating units of your Company.

Your Company has implemented a continuous improvement programme to build process improvement capabilities in associates at all levels. Key features are customized workshops, and initiatives to generate total associate involvement in quality improvement

Operating Results & Financial Performance

The Annual Report contains Financial Statement of your Company, both on standalone and consolidated basis. An analysis of the financial performance is discussed hereunder:

MANAGEMENT DISCUSSION AND ANALYSIS

₹ in lakhs

Particulars	Standalone		Consolidated	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Revenue from operations	30,005	29,766	36,643	35,538
Other Income	667	468	463	329
Total Expenditure	25,722	25,542	30,633	30,099
Gross Profit	4,949	4,692	6,472	5,768
Less:	3,005		3,199	
Finance Cost	2,584	2,942	3,337	3,116
Depreciation	(603)	2,794	(65)	3,506
Profit/(Loss) before exceptional Items and tax	-	(1,044)	(104)	(854)
Exceptional Items	(603)	-	(169)	(1,751)
Profit Before Tax	(304)	(1,044)	(210)	(2,605)
Provision for Taxation (Net)	(299)	(325)	41	(150)
Profit for the year	-	(719)	72	(2,455)
Share of Profit/(Loss) of Associates	-	-	113	7
Profit after tax before Minority interest	-	-	(51)	(2,448)
Less- Minority Interest	(299)	-	164	187
Profit after tax after Minority Interest		(719)		(2,261)

A summary of standalone and consolidated Cash flow statement for the period ended March 31, 2015 is provided hereunder:

₹ in lakhs

Particulars	Standalone		Consolidated	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Net cash from operating activities	4825	4587	6432	5683
Net cash used for investing activities	(1466)	(2540)	(2638)	(4479)
Net cash from financing activities	(3757)	(2072)	(4342)	(1504)
Net increase/(Decrease) cash & cash equivalents	(398)	(25)	(548)	(300)

Summary of standalone income for the period ended March 31, 2015

₹ in lakhs

Particulars	March 31, 2015	March 31, 2014	% of Change
Sale of Products	13,638	13,888	-1.80
Sale of Services	16,367	15,878	3.07
Other Income	667	468	42.52
Total Income	30,672	30,234	1.45
Statistical Information			
- Average Room Rate (₹)	5,900	5,647	-
- Percentage of Occupancy (%)	63	65	-

MANAGEMENT DISCUSSION AND ANALYSIS

Overall revenue increased by 1.45% and the occupancy percentage of the Company decreased to 63% from 65% during the year under review. The operational income of the Company is under constant pressure due to increase in market supply, increase in the input costs, economic volatility & slowdown.

During the period under review, many prudent cost management processes and measures were positioned, constantly monitored and updated. Further, cost management is not a policy of cost reduction, whereas it strides to achieve absolute balance amongst cost and quality.

Finance Cost

The financing cost was ₹3,005 lakhs for the year ended March 31, 2015 as compared to ₹2,942 lakhs in the previous year consequent to funds borrowed for renovation activities and increase in interest rates.

Profit/Loss

The Company has reported a loss of ₹602 lakhs during the financial year ended as at March 31, 2015.

The Audit Committee of the Board has reviewed the adequacy of the internal control environment through continuous review of the audit findings and monitoring the implementation of the internal audit recommendations.

Limitations of Financial Systems

Contingent Liability:

The accounting standard definition of a contingent liability is as follows:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- the present obligation that arises from past events but is not recognized because it is not probable that a transfer of economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.
- a loss contingency is an existing condition, situation, or set of circumstances that involves uncertainty as to possible loss that will be resolved when one or more future events occur or fail to occur. Potential loss refers to contingent liabilities in which there is substantial and material risk of loss to the organization.

Your Company's Contingent Liabilities pertain primarily to corporate guarantee provided and taxation matters.

Tax and regulatory policies

The rising prices of land in India, high financial cost and long gestation period has put a damper on the investment avenues available with the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. These statements are made based on certain assumptions, expectations of future events over which the Company exercises no control, neither guarantees nor warrant that the same will be realized by the Company. Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to the Company's operations include domestic and international economic conditions affecting demand, supply and price conditions in the hospitality industry, changes in Government regulations, tax regimes and other statutes.

OUR VISION AND VALUES

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

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

TAJ CORE VALUES : **C**ourage
Excellence
Integrity
Team Work
Respect & concern for others, Reliability
Environment & Society Concern

REPORT ON CORPORATE GOVERNANCE**PHILOSOPHY ON CORPORATE GOVERNANCE****A) Company's Vision:**

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

The Company has complied with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange, which deals with the compliance of Corporate Governance requirements as detailed below for the year ending March 31, 2015:

B) Board of Directors

- The Board of Directors comprises Executive, Non-Executive as well as Independent Directors. There are five independent directors and six promoter directors. The Directors possess experience in fields as varied as banking, finance, real estate, marketing and hoteliering to social service. The skill-set and knowledge of the Directors have proved to be of immense value to the Company. The details of Directors seeking re-appointment are furnished in the Notice of the Annual General Meeting.
- "Independent Directors" are Directors who apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding company, its subsidiaries and associates, which may affect the independence of the Director.
- During the year under review, the Board of Directors of the Company met four times and the period between any two meetings did not exceed four months. The dates of the Board Meetings held during each quarter are as follows

Sl. No.	For The Quarter	Date of Meeting
1.	April to June	July 31, 2014
2.	July to September	October 28, 2014
3.	October to December	January 23, 2015
4.	January to March	May 15, 2015

As required under Annexure I to Clause 49 of the Listing Agreement with the Stock Exchanges, all the necessary information was placed before the Board from time to time.

- Independent Directors of the Company met twice during the year on March 11, 2015 and May 15, 2015.
- All the relevant information, as recommended by the Securities and Exchange Board of India (SEBI) / Stock Exchanges, is being furnished to the Board from time to time.
- The details of remuneration sitting fees paid to the directors are being furnished in this report
- None of the Directors of the Board serve as members of more than 10 committees nor are they Chairman of more than 5 Committees, as per the requirements of the listing Agreement. "Committees" for this purpose include the Audit Committee and the Shareholder's/Investor Grievance Committee under the said Clause 49 of the Listing Agreement and the details of the same forms part of this report.
- The Company has adopted a Code of Conduct for its Non-Executive Directors and all Non-Executive Directors have affirmed compliance with the said Code for the financial year ended March 31, 2015. The said code of Conduct is also displayed on the Company's website. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.
- Other than the transactions entered into in the normal course of business, no materially significant related party transactions entered by the Company during the year, which could have potential conflict of interest between the Company and its Promoters, Directors, Management and/or relatives. The Company has adopted Policy for Related Party transactions, which is made available at the website of the Company.
- Due to changes in directorship during the financial year that the company is required to appoint an independent woman director to satisfy the clause 49 of the Listing Agreement with respect to Independent Director as well as Woman Director. The Company is in the process of appointing an independent woman director to comply with the said requirement.
- The Independent Directors are already familiar with the nature of the Industry, and business model of the Company, considering their expertise contribution no familiarization program was organised during the year.

Name of the Director	DIN No.	Category	No. of Meetings attended							Other Companies		
			Board Meeting	Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Ethics Committee	Share Transfe Committee	Whether attended AGM on July 31, 2014	Director ship	Chairman	Member
Mr. Rakesh Kumar Sarna *	1875340	NN	2	1	-	-	-	-	-	6	5	4
Mr. D. Varada Reddy	0052200	MD	4	4	1	-	1	1	1	-	3	-
Mr. S.B.P.V.Ramamohana Rao	0051157	NI	3	3	1	1	-	1	1	-	-	-
Dr. G.Sundaram	0051093	NI	4	4	1	2	1	-	1	-	1	-
Mr. Anil P Goel	0050690	NN	4	-	-	-	-	-	1	9	10	5
Mr. D.Vijayagopal Reddy	0051554	NP	4	-	-	-	-	1	1	5	-	-
Mr. S.Y.Syed Meeran	0547775	NI	4	-	-	-	-	-	1	4	-	-
Mr. Pramod Ranjan	0887569	NP	4	-	-	-	-	1	1	8	-	-
Mr. D.R.Kaarthikeyan	0327907	NI	3	3	1	2	-	-	1	9	-	6
Diwan Arun Nanda	0034744	NI	1	-	-	-	-	-	-	7	1	2
Mr. Ramesh D Hariani	0131240	NP	4	-	-	-	-	-	1	7	-	-
Mr. Venu Srinivasan +	0051523	NI	1	-	-	-	-	-	-	-	-	-
Mr. Raymond. N. Bickson!	0050664	NN	2	2	-	-	-	-	1	-	-	-

NI → Non Executive – Independent NN → Non Executive – Non Independent NP → Non Executive – Promoter MD → Managing Director

*Mr. Rakesh Sarna appointed as an Additional Director w.e.f. October 23, 2014. The Board of directors elected him as the Chairman of the Company at its meeting held on held on October 28, 2014.

+ Mr. Venu Srinivasan, Director resigned from the Board w.e.f. August 11, 2014.

! Mr. Raymond. N. Bickson, Chairman resigned from the Board w.e.f. September 1, 2014.

Composition of Committees Membership as on March 31, 2015:

Name of the Member(s)	Name of the Committees of the Board						
	Audit	Nomination & Remuneration	Stakeholders Relationship	Share Transfer	Ethics	Property Acquisition	Approval
Mr. Rakesh Kumar Sarna	M	M	-	-	-	-	M
Mr. D. Varada Reddy	M	-	M	C	M	C	M
Dr. G. Sundaram	C	C	C	-	C	M	-
Mr. S.B.P.V. Ramamohana Rao	M	M	M	M	-	M	M
Mr. D.R. Kaarthikeyan	M	M	M	-	-	-	-
Mr. D. Vijayagopal Reddy	-	-	-	M	-	M	M
Mr. Pramod Ranjan	-	-	-	M	-	-	-
Mr. Raymond N Bickson**	M	M	-	-	-	-	M

C – Chairman M - Member

** Mr. Raymond N Bickson resigned with effect from September 1, 2014

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

1. Audit Committee

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

Powers of Audit Committee

The powers of audit committee shall include the following:

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

Role of Audit Committee

The existing Role of Audit Committee as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditor(s) for any other services rendered by them.
4. Reviewing; with management, the annual financial statements before submission to the Board for its approval, with particular reference to:

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

Review of information by Audit Committee

The Audit Committee reviewed the following information:

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

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

2. Stakeholders Relationship Committee

Stakeholders Relationship Committee has been expanded to report the status of members, debenture-holders, deposit-holders and any other security holders in addition to equity shareholders.

The Stakeholders Relationship Committee's roles and powers:

- a. Shall consider and resolve grievances of all classes of investors of the company;
- b. The chairperson of the committee by himself or any person authorized by him shall attend the general meetings of the company;
- c. Ensure proper controls at Registrar and Share Transfer Agent;
- d. Look into the redressing of the shareholders complaints and queries;
- e. Review movement in shareholdings and ownership structure;

Share transfers are processed weekly and approved by the Committee and the Investor grievances are also placed before the Committee. There were no pending investor complaints which remained unresolved. The Company has also cleared complaints received through SEBI Complaints Redress System (SCORES). The Company also uploads its Action Taken Reports (ATRs) with respect to the complaints, enable online viewing by investors about the current status. All valid share transfers lodged up to March 31, 2015, have been processed by the Committee. The status of the complaints received (inclusive of SCORES) from members from 01.04.2014 to 31.03.2015 is as under:

Status of Request/Complaints during the period April 01,2014 to March 31, 2015			
Sl. No.	Subject	Received	Replied/ Resolved
A. Requests			
1.	Change/Correction of Address	70	70
2.	Receipt of Dividend Warrant Order for Revalidation	8	8
3.	Change/Correction of Bank Mandate	60	60
4.	Change/Correction of Bank Mandate/Name/Damage-DW	-	-
5.	Request for issue of Duplicate Dividend Warrant	-	-
6.	Receipt of IB For issue of Duplicate Dividend Warrant	-	-
7.	Query Regarding Payment of Dividend Warrant	-	-
8.	Receipt of DD(s) Against DW From Company/Bank	-	-
9.	Request for ECS Facility	-	-
10.	Letters from Clients Regarding Bills/Payments	-	-
11.	Postal Return Documents (Reminder Letters)	-	-
12.	Letter from SEBI/Stock Exchange/Acknowledgement	-	-
13.	Registration of Power of Attorney	-	-
14.	Loss of Securities and Request for Issue of Duplicate	7	7
15.	Receipt of IB and Affidavit for issue of Duplicate Securities	-	-
16.	Request for Consolidation/Split of Securities	-	-
17.	Deletion of Joint Name Due to Death	-	-
18.	Request for Transfer/Transmission of Securities	292	292
19.	DD Received from Banks Against ECS Rejections	-	-
20.	Change & Correction of Name on Securities	-	-
21.	Specimen Sign Change / Not mentioned in Application	-	-
22.	Change & Correction of Name on Dividend Warrant	-	-
23.	Request for Demat/Remat	97	97
24.	Clarification Regarding Shares	-	-
25.	Request for Exchange of Securities	29	29
26.	Others (Clarification / Acknowledgement / NSDL Operation)	6	6
27.	Non-Receipt of Annual Report	-	-
28.	Non-Receipt of Fresh/ New Securities	-	-
29.	Non-Receipt of Refund Orders	-	-
Total (A)		569	569
B. Complaints			
1.	Non-Receipt of Dividend Warrants	-	-
2.	Non-Receipt of Securities	1	1
Total (B)		1	1

Amounts Transferred to IEPF

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

It may be noted that no claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2015 nor shall any payment be made in respect of such claim. During the year, the Company made renewed attempts to establish contact with those members/shareholders who had not claimed dividend(s). Special mailers were sent and organised a personal messenger services to reach the members/shareholders having unclaimed dividends with in Chennai city.

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

Financial Year	Date of declaration	Proposed Date of transfer	Amount Outstanding (₹)
2007 – 2008	July 31, 2008	August 29, 2015	990,055.50
2008 – 2009	July 23, 2009	August 21, 2016	1,206,225.00
2009 – 2010	July 27, 2010	August 25, 2017	934,500.00
2010 – 2011	July 28, 2011	August 26, 2018	1,025,057.60
2011 – 2012	July 17, 2012	August 16, 2019	634,404.15
2012 – 2013	August 6, 2013	August 5, 2020	1,513,177.50
2013 – 2014	July 31, 2014	July 31, 2021	1,148,976.95

The Company transferred the following amounts to the IEPF of the Central Government of the unclaimed dividend belongs to the financial year 2014 – 15.

Particulars	Amount (₹)
Amounts transferred up to March 31, 2014	43,20,048.00
Amounts transferred during financial year 2014 – 15:	
- Unpaid / unclaimed dividend with the Company	7,47,754.55
- Unpaid / unclaimed matured deposits with the Company	-
Total	7,47,754.55
Amount transferred up to March 31, 2015	50,67,802.55

Unclaimed Shares

As per the Listing Agreement, the Company had transferred the unclaimed shares for which the certificates remaining undelivered/unclaimed by the shareholders to “Unclaimed Suspense Account” and dematerialized the shares, held in the name of “Unclaimed Suspense Account”. The said demat account as on March 31, 2015 is having 21,50,350 equity shares yet to be claimed.

Opening Balance		No. of Shareholders claimed	No. of shares transferred	Closing Balance	
No. of holders	No. of shares			No. of holders	No. of shares
1,323	22,77,850	58	1,27,500	1,265	21,50,350

3. Nomination and Remuneration Committee:

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

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

Remuneration policy

The remuneration of the Whole-time Director(s) is being considered and recommended to the Board of directors based on factors such as industry benchmarks, the Company's performance vis-a-vis the industry performance/ track record etc. Remuneration comprises a fixed component viz. salary, perquisites and allowances and a variable component viz. performance incentive/commission. The Remuneration Committee also recommends the annual increments (which are effective April 1 annually) within the salary scale approved by the members as also the performance incentive and Commission payable to the Whole-time Director(s) on determination of profits for the financial year, within the ceilings on net profits prescribed under the Companies Act. The commission payable to Non-Executive Directors will be decided by the Board up to 1% of the net profits of the Company calculated in accordance with the provisions of the Companies Act and is distributed based on a number of factors, including number of Board and Committee meetings attended, individual contribution there at, etc.

The remuneration policy of the Company is governed by the operating agreement(s). The operating policy adopted by the Company covers the terms of appointment such as qualifications, positive attributes and independence of a director, remuneration for the directors, key managerial personnel and other employees as per the applicable provisions of the Act, and the listing agreement. Further, functions of the Human Resource Department of the Company are governed by the "Taj HR Policy Manual Process & Guidelines".

Tenure of the Managing Director

The tenure of appointment of Mr. D Varada Reddy as a Managing Director expires on November 10, 2015 and the remuneration paid during the financial year 2014 – 2015 is furnished hereunder:

Particulars	Amount (₹)
Salary, Incentive and perquisites	88,22,382
Contribution to Provident and Gratuity Fund	23,94,209
Performance Incentive Payable	30,00,000
As on March 31, 2015 Mr. D Varada Reddy is holding 69,15,687 number of equity shares of the Company.	

Sitting fee (remuneration) paid to Non-Executive Directors during the financial year 2014-15 and the details of share held by them as on March 31, 2015 are as under:

Name of Director	Amount (₹)	No of Shares held
Mr. S.B.P.V. Ramamohana Rao	1,00,000	6750
Dr. G. Sundaram	1,30,000	-
Mr. D.Vijayagopal Reddy	50,000	22,97,060
Mr. S.Y.Syed Meeran	50,000	10,500
Mr. Pramod Ranjan	50,000	1,41,96,140
Mr. D.R.Kaarthikeyan	1,00,000	-
Diwan Arun Nanda	10,000	-
Mr. Ramesh. D. Hariani	40,000	11,30,710
Mr. Venu Srinivasan	10,000	-

4. Risk Management Committee

The Company has a Risk Management policy, which lays down a vigorous and active process for identification and mitigation of risks. This Policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. A Committee is being constituted for the same.

Details on General Body Meetings:

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

Location	Date & Time	Resolutions passed
Narada Gana Sabha, Chennai 600018	July 17, 2012 at 2.45 p.m	Ordinary Resolutions : - Adoption of accounts - Declaration of Dividends - Appointment of Directors retiring by rotation - Appointment of Auditors
The Music Academy, Chennai 600014	August 6, 2013 at 2.45 p.m.	Ordinary Resolutions : - Adoption of accounts - Declaration of Dividends - Appointment of Directors retiring by rotation - Appointment of Auditors Special Resolutions : - Payment of commission to Non – Executive Directors
Narada Gana Sabha, Chennai 600018	July 31, 2014 at 3.00 p.m	Ordinary Resolutions : - Adoption of accounts - Declaration of Dividends - Appointment of Directors retiring by rotation - Appointment of Auditors

The resolutions of 44th Annual General Meeting held on July 31, 2014 were passed by means of E-Voting and the votes cast by the Members of the Company who were present at the meeting. The resolutions were passed with requisite majority.

E-Voting/Postal Ballot:

The postal ballot/e-Voting results were declared on September 30, 2014 based on the report of the scrutinizers M/S.KSM Associates, Practicing Company Secretaries, Chennai with respect to the notice dated July 31, 2014 issued by the Company.

Special Resolution 1: Creation of charge on the assets of the Company for an amount not exceeding ₹600 Crores:

Manner of Voting resolution	Votes in favour of the resolution	Votes against the resolution	Invalid Votes
E-Voting	10,98,93,901	10,242	-
Postal Ballot	48,66,861	2,96,986	84,517
Total	11,47,60,762	3,07,228	84,517
Total %	99.73	0.27	-

Special Resolution 2: : Issuance of Non-Convertible Debentures for an amount not exceeding ₹300 Crores.

Manner of Voting resolution	Votes in favour of the resolution	Votes against the resolution	Invalid Votes
E-Voting	10,98,91,191	12,942	-
Postal Ballot	48,28,383	3,06,349	1,13,632
Total	11,47,19,574	3,19,291	1,13,632
Total %	99.72	0.28	-

The postal ballot/e-Voting results were declared on January 29, 2015 based on the report of the scrutinizers M/S.KSM Associates, Practicing Company Secretaries, Chennai with respect to the notice dated October 28, 2014 issued by the Company.

Special Resolution 1: Approval and ratification of excess remuneration paid to the Mr.D.Varada Reddy, Managing Director for the financial years 2012-2013 and 2013-2014.

Manner of Voting resolution	Votes in favour of the resolution	Votes against the resolution	Invalid Votes	Abstain from voting
E-Voting	7,37,70,275	1,33,61,125	-	425
Postal Ballot	1,23,98,103	2,27,930	12,04,874	43,960
Total	8,61,68,378	1,35,89,055	12,04,874	44,385
Total %	86.38	13.62	-	-

Special Resolution 2: Approval for payment of minimum remuneration as per the provisions of the Companies Act, 2013 to Mr. D.Varada Reddy, Managing Director in case of loss or inadequacy of profits for the financial years 2014-2015 & 2015-2016.

Manner of Voting resolution	Votes in favour of the resolution	Votes against the resolution	Invalid Votes	Abstain from voting
E-Voting	7,37,72,700	1,33,59,125	-	-
Postal Ballot	1,24,73,891	1,61,601	12,04,874	34,501
Total	8,62,46,591	1,35,20,726	12,04,874	34,501
Total %	86.45	13.55	-	-

Disclosures

The Board of Directors receives, from time to time, disclosures relating to financial and commercial transactions from key managerial personnel of the Company, where they and/ or their relatives have personal interest. The Company has complied with the requirements of the Stock Exchanges/ Securities and Exchange Board of India/

statutory authorities on all matters relating to capital markets, during the last 3 years. Pursuant to the provisions of sub-clause IX of Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director (CEO) and the Chief Financial Officer has issued a certificate to the Board, for the year ended March 31, 2015. The Company receives continuous disclosure of holdings by the Directors in accordance SEBI (Prohibition of Insider Trading) Regulations, 1992. Further, the Company makes regular disclosure to all the Stock Exchange(s) in which the Company is listed the information.

The Non Executive Chairman of has a separate office in his capacity as chairman of the Company and hence a separate office is not maintained. The Company has adopted necessary guidelines for composition of the Board of Directors, Committees of the Board which are taken into account of the provisions of the Listing Agreement, the Companies Act, 2013 and other applicable laws.

(1) Subsidiary Company

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

(2) Code of Conduct:

1. The Company has adopted insider trading policy as per Tata Code of Conduct for prevention of insider trading. The Code, inter-alia, prohibits purchase/sale of shares of the Company by employees while in possession of unpublished price sensitive information in relation to the Company.
2. The Company receives continuous disclosure of holdings by the Directors in accordance with Clause 13 (4) of SEBI (Prohibition of Insider Trading) Regulations, 1992. Further, the Company makes regular disclosure to all the Stock Exchange(s) in which the Company is listed the information received under the said clause in compliance with clause 13 (6) of the Regulations.

(3) Whistle Blower Policy

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

As regards the other non-mandatory requirements, the Board has taken cognisance of the same and shall consider adopting the same as and when necessary.

(4) MSE Delisting of shares

The Members of the Stock Exchange had approved voluntary exit for its members accordingly an application submitted by the Company to the Madras Stock Exchange Limited for delisting of shares of the Company. Madras Stock Exchange have approved the delisting and the shares of the Company were delisted w.e.f December 9, 2014.

Means of Communication

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

Corporate Filing and Dissemination System

All disclosures and communications to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are filed electronically to the designated portal. The physical copies of the said disclosures and correspondence are also filed with BSE and NSE.

Ministry of Corporate Affairs (MCA)

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

SEBI Complaints Redress System (SCORES)

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

General Shareholder Information

Corporate Identification Number Registered office	L55101TN1970PLC005897 Taj Coromandel 37, Mahatma Gandhi Road Chennai – 600034 Telephone. No. - 044 66002827 Facsimile no. - 044 66002089
Name, Contact details of Company Secretary & Compliance officer's	Mr. K.C.Raman Paramount Plaza, II Floor 47, Mahatma Gandhi Road Chennai – 600034 Telephone. no.- 044 66172828 Facsimile no.- (044) 28254447/28278138 E-mail: ohlshares.mad@tajhotels.com
Registrar and Share Transfer Agent	M/S Integrated Enterprise (India) Limited Kences Towers, 1 Ramakrishna Street North Usman Road, T Nagar, Chennai 600017 Facsimile no.- 044 28140801 - 803 E-mail: corpserv@integratedindia.com
Date, Time and venue of AGM	July 30, 2015 at 2:00 pm Sathguru Sri Gnanananda Hall, Narada Gana Sabha, Alwarpet, Chennai 600018
Financial Calendar	
Financial year	1st April – 31st March
Financial Report for:	
Quarter ending 30th June Quarter ending 30th September Quarter ending 31st December Quarter ending 31st March	On or before August 15 On or before November 15 On or before February 15 On or before May 30
Cut Off for e-Voting E-Voting window dates	July 24, 2015 July 27, 2015 9:00 am to July 29, 2015 5:00 pm
Date of book closure	July 24, 2015 to July 30, 2015 (both the days inclusive)
Dividend payment date	On or before 6th August, 2015
EQUITY SHARES	
Stock Exchanges	Stock Code
The National Stock Exchange of India Ltd Bombay Stock Exchange Ltd	ORIENTHOT EQ 500314
ISIN No. (INDIA)	INE750A01020
Global Depository Receipts	Luxembourg Stock Exchange,
NCD Series A ISIN No.INE750A07027	NCD Series B ISIN No.INE750A07035

The Company has paid annual listing fees to the Stock Exchanges in respect of the financial year 2015-2016.

Compliance with non-mandatory requirements

D) Non Mandatory Other Committees of the Board:

1. Share Transfer Committee

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

2. Approval Committee

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

- To place/accept/renew inter-corporate Deposits, with companies within the specified limits approved by the Board
- To approve regular banking arrangements, avail short term/temporary borrowings
- Appointment of trustees for the company's Gratuity Fund, approval of signatories for operating bank accounts, depository accounts, safe deposit lockers, opening/closure of bank accounts
- During the year all necessary approvals of this committee is being obtained through circular resolutions.

3. Ethics Committee

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

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

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

The Board at its meeting held on February 02, 2015 had adopted the Policy on Prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and constituted Apex POSH Committee, and its unit level committee to provide protection against sexual harassment of women at workplace and redressal of complaints and for the matters connected or incidental thereto.

During the year 2014 – 2015 the Company has received two (2) complaints on sexual harassment and both the complaints have been disposed of and appropriate action taken and no complaints remains pending.

5. Property Acquisition Committee

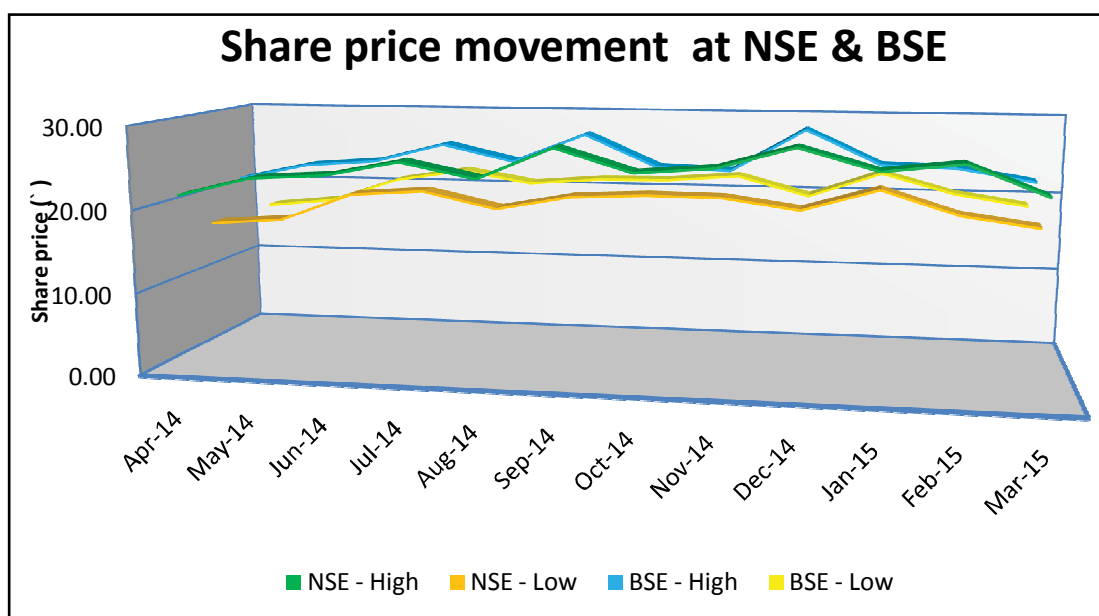
The Board has constituted the Property Acquisition Committee to consider specific business and powers with the terms of references as detailed below:

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

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

Month	National Stock Exchange Ltd (NSE) - Share price in ₹		Nifty		Bombay Stock Exchange Ltd (BSE) - Share price in ₹		Sensex	
	High	Low	High	Low	High	Low	High	Low
Apr-14	21.55	16.90	6870	6650	21.50	16.75	22939	22198
May-14	23.80	17.55	7564	6639	23.40	17.65	25376	22277
Jun-14	24.30	20.90	7700	7240	24.05	20.60	25725	24270
Jul-14	26.05	21.50	7841	7422	26.35	22.00	26300	24892
Aug-14	24.25	19.55	7968	7540	24.35	20.50	26674	25233
Sep-14	28.00	21.20	8180	7842	27.90	21.20	27355	26220
Oct-14	25.30	21.60	8331	7724	24.00	21.30	27894	25911
Nov-14	26.00	21.50	8415	8290	23.70	22.00	28126	27740
Dec-14	28.50	20.25	8627	7961	28.90	19.60	28810	26469
Jan-15	26.00	22.85	8997	8065	24.75	22.70	29844	26776
Feb-15	27.00	20.05	8941	8471	24.50	20.25	29560	28044
Mar-15	23.50	18.80	9119	8269	23.00	18.90	30025	27248

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



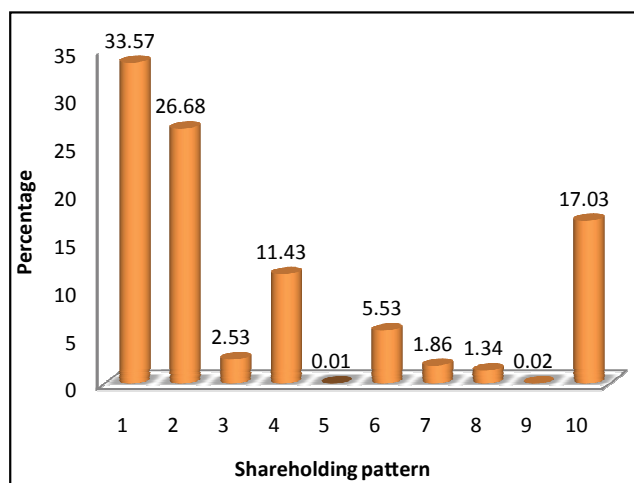
ORIENTAL HOTELS LIMITED

CORPORATE GOVERNANCE

Shareholding pattern as on 31st March 2015

Sl. No	Particulars	No. of shares	% of Shares
A. Promoters			
1	Taj Group	59,961,430	33.57
2	Promoters	47,651,008	26.68
B. Public			
3	Corporate Entities	4,514,684	2.53
4	Directors	17,250	0.01
5	Financial Institutions/Mutual Funds	19,517,778	10.93
6	Commercial Banks	888,400	0.50
7	Mutual Fund Trust Clearing	10,849	0.01
8	Foreign Financial Institution	10,000	0.01
9	Non- Resident Indian	2,401,954	1.34
10	Indian Residents	30,422,627	17.03
C. GDRs Underlying Equity Shares:			
11	Promoters and Promoters Group	9,872,360	5.53
12	Public	3,330,840	1.86
	Grand Total	178,599,180	100.00

Percentage of Shareholding pattern as on 31.03.2015



Particulars	Percentage
1. Promoters - Taj Groups	33.57
2. Promoters - Individual	26.68
3. Bodies Corporate / Trust	2.53
4. IFI / Banks / MF	11.43
5. Directors	0.01
6. GDR - Promoters	5.53
7. GDR - Public	1.86
8. NRIs	1.34
9. MF Clearing Trust / FFI	0.02
10. Public	17.03

List of persons holding more than 1% of the total number of shares as on March 31, 2015

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

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

Distribution Schedule of Share Holding as on March 31, 2015

Srl. No.	Category of Shares	No. of Shareholders	% to Total No. of Shareholders	No. of Shares	% to Capital
1	Up to 500	9,155	65.83	53,696,895	30.07
2	501 - 1000	1,161	8.35	5,620,786	3.15
3	1001 - 2000	995	7.15	21,919,457	12.27
4	2001 - 3000	619	4.45	26,023,516	14.57
5	3001 - 4000	343	2.47	2,663,700	1.49
6	4001 - 5000	484	3.48	2,660,741	1.49
7	5001 - 10000	585	4.21	4,368,739	2.45
8	10001 & Above	565	4.06	61,645,346	34.52
	TOTAL	13,907	100.00	178,599,180	100.00

Reconciliation of Share Capital Audit

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

Dematerialisation of Shares & Liquidity

As of the end of March 31, 2015, shares comprising approximately 97.20% of the Company's Equity Share Capital have been dematerialized.

Status on Dematerialised shares (Equity ISIN No. INE750A01020)

Shares held in	No. of Shares	% of holding
NSDL	16,44,85,444	92.10
CDSL	91,04,021	5.10
Physical	50,09,715	2.80
TOTAL	17,85,99,180	100.00

During the financial year 72,72,730 GDR underlying equity shares were converted into Equity shares. The Balance outstanding GDR underlying equity shares is 1,32,03,200 as on March 31, 2015.

Investor Correspondence

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

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

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

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

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

Location of Hotel Units of the Company:

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

**DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT
REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with sub-clause II (E) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2015.

For **Oriental Hotels Limited**

Place : Chennai
Date : May 15, 2015

D VARADA REDDY
MANAGING DIRECTOR

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE
AS PER CLASUE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

To the Members of
ORIENTAL HOTELS LIMITED,

We have examined the compliance of conditions of Corporate Governance by Oriental Hotels Limited for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representations made by the management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement subject to the following:

- (i) We have been informed that the company is in the process of complying with Clause 49(II)(a) and (b) dealing with independent director and woman director.
- (ii) The company is in the process of complying with the Clause 49(VI) dealing with constitution of risk management committee.

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

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No. 015682N

R.SRIDHAR
Partner
Membership No.028317

Place : Chennai
Date : May 15, 2015

ORIENTAL HOTELS LIMITED

INDEPENDENT AUDITORS' REPORT

To
The Members of
Oriental Hotels Limited

Report on the financial statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Emphasis of Matter

8. Attention is drawn to Note no.38 of the notes to the financial statements regarding payment of remuneration to the Managing Director in respect of earlier years in excess of the limits prescribed under the Act amounting to ₹124.38Lakhs, which has been approved by the members and is subject to approval of the Central Government.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

10. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 15, 2015

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R.SRIDHAR
Partner
Membership No.028317

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 6 of our report of even date

- i). The company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets. Fixed assets have been physically verified by the Management during the year based on a phased programme of verifying all the assets over three years, which in our opinion is reasonable having regard to the size of the company and the nature of its Fixed Assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- ii). The management has conducted physical verification of inventory at reasonable intervals. The procedures of physically verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii). In our opinion and according to the information and explanations given to us, the company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv). In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure to correct major weaknesses in internal control system.
- v). In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, wherever applicable and the directives issued by the Reserve Bank of India, wherever applicable, with regard to deposits accepted from the public.
- vi). The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- vii). According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Luxury Tax, Sales Tax, Wealth Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues during the year with the appropriate authorities. There are no outstanding statutory dues as at 31st March 2015 for a period of more than six months from the date they became payable.
- viii). According to the records of the company and information and explanations given to us, in respect of duty of customs, wealth tax, duty of excise and cess, there are no outstanding amounts that have not been deposited with the appropriate authorities on account of any dispute. The details of disputed income tax, value added tax, sales tax, luxury tax and service tax that have not been deposited with the appropriate authorities are as follows:

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Nature of Dues	Amount (₹. In lakhs)	Forum where dispute is pending
Income tax		
Income Tax Demand for the Assessment Years 2003-04, 2004-05, 2005-06, 2008-09 and 2009-10	409.47	Income Tax Appellate Tribunal, Chennai / Commissioner of Income Tax (Appeals), Chennai
Sales Tax		
Sales Tax Demand for the Financial Years 1990-91 & 1991-92	23.68	Appellate Assistant commissioner, Chennai
Sales Tax Demand for the Financial Years 1992-93 to 1996-97	17.58	Hon'ble High Court of Madras, Chennai
Sales Tax Demand for the Financial Years 2004-05 & 2005-06	30.76	The Assistant Commissioner (Commercial Taxes), Chennai
Sales Tax Demand for the Financial Years 2009-10	3.41	The Assistant Commissioner (Commercial Taxes), Special Circle, Thiruvananthapuram
Sales Tax Demand for the Financial Years 2010-11 to 2012-13	2.27	Sales Tax Appellate Tribunal, Visakhapatnam
Sales Tax Demand for the Financial Years 2012-13 to 2013-14	18.20	The Appellate Deputy Commissioner (CT), Visakhapatnam
Luxury Tax		
Luxury tax demands for the Financial Years 2004-05 and 2005-06	28.15	Hon'ble Kerala High court, Ernakulum
Luxury tax demands for the Financial Years 2006-07, 2010-11 and 2011-12	9.65	Deputy Commissioner (Appeals), Ernakulum
Service tax		
Service Tax Demand for the Financial Years 2003-04 to 2010-11	124.88	Commissioner of Central excise (Appeals), Kochi
Service Tax Demand for the Financial Year 2010-11	38.11	Customs, Excise and Service Tax Appellate Tribunal, Chennai
Service Tax Demand for the Financial Years 2004-05 and 2005-06	8.79	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Service Tax Demand for the Financial Years 2006-07 to 2010-11	7.96	Commissioner of Central excise, Madurai
Service Tax Demand for the Financial Years 2005-06 to 2010-11	11.33	Customs, Excise and Service Tax Appellate Tribunal, Chennai

- ix). According to the information and explanations given to us, the amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- x). The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xi). Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to Banks or financial institutions or debenture holders.

ORIENTAL HOTELS LIMITED

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

- xii). In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or other institutions.
- xiii). In our opinion and according to the information and explanations given to us, the company has availed term loans which have been applied for the purpose for which they were obtained.
- xiv). To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company was noticed or reported during the year.

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 15, 2015

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R.SRIDHAR
Partner
Membership No.028317

Balance Sheet as at 31st March 2015

₹ in lakhs

Particulars	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	1,785.99	1,785.99
(b) Reserves and surplus	3	21,627.75	26,114.76
		23,413.74	27,900.75
Non-current liabilities			
(a) Long-term borrowings	4	23,781.32	14,196.06
(b) Deferred tax liabilities (Net)	5	-	1,140.94
(c) Other Long term liabilities	6	5,294.27	233.48
(d) Long-term provisions	7	463.05	416.47
		29,538.64	15,986.95
Current liabilities			
(a) Short-term borrowings	8	5,154.76	1,700.00
(b) Trade payables	9	2,956.55	2,988.54
(c) Other current liabilities	10	4,798.34	17,501.69
(d) Short-term provisions	11	945.69	1,217.87
		13,855.34	23,408.10
TOTAL		66,807.72	67,295.80
ASSETS			
Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		44,744.33	44,423.27
(ii) Intangible assets		233.96	255.29
(iii) Capital work-in-progress		459.90	1,625.54
(b) Non-current investments	13	6,649.38	6,583.64
(c) Deferred tax assets (net)	5	1,025.72	-
(c) Long-term loans and advances	14	8,399.37	8,403.05
(d) Other non-current assets	15	-	33.87
		61,512.66	61,324.66
Current assets			
(a) Inventories	16	696.68	644.29
(b) Trade receivables	17	1,319.26	1,553.88
(c) Cash and bank balances	18	335.09	719.38
(d) Short-term loans and advances	19	1,548.85	1,484.25
(e) Other current assets	20	1,395.18	1,569.34
		5,295.06	5,971.14
TOTAL		66,807.72	67,295.80
Significant Accounting Policies			
1			
The accompanying notes 1 to 45 form an integral part of the financial statements.			

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

For and on behalf of the Board

Rakesh Kumar Sarna
Chairman
DIN:01875340

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

ORIENTAL HOTELS LIMITED

PROFIT AND LOSS STATEMENT

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

₹ in lakhs

Particulars	Note	March 31, 2015	March 31, 2014
INCOME			
Revenue from operations	21	30,004.66	29,766.03
Other income	21	666.86	467.99
Total Revenue		30,671.52	30,234.02
EXPENSES			
Cost of materials Consumed	22	3,584.09	3,997.67
Employee Benefit Expense	23	7,906.81	7,464.26
Finance Costs	24	3,004.68	2,941.77
Depreciation and amortization	12	2,547.50	2,794.43
Other expenses	25	14,231.26	14,080.02
Total Expenses		31,274.34	31,278.15
Profit/ (Loss) before exceptional item and tax		(602.82)	(1,044.13)
Exceptional items		-	-
Profit/ (Loss) before tax		(602.82)	(1,044.13)
Tax expense:			
(1) Current tax		114.79	65.88
(2) Deferred tax		(376.31)	(390.45)
(3) Tax adjustments		(41.93)	-
Total Taxes		(303.45)	(324.57)
Profit/ (Loss) for the year after tax		(299.37)	(719.56)
Earnings per equity share :			
Basic & Diluted (Face value ₹1/- per share) (Refer Note: 41)		(0.17)	(0.40)
Significant Accounting Policies	1		
The accompanying notes 1 to 45 form an integral part of the financial statements.			

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

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

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

CASHFLOW STATEMENT

Cashflow Statement for the year ended March 31, 2015

₹ in lakhs

Particulars	March 31, 2015	March 31, 2014
A. Cashflow from Operating Activities		
Net profit before tax and extraordinary items	(602.82)	(1,044.13)
a) Depreciation	2,547.50	2,794.43
b) Loss/(Profit) on sale of assets	9.38	24.99
c) Assets Written off	-	34.16
d) Bad Debts / Advances Written Off	-	6.46
e) Provision for Doubtful Debts and Advances	1.43	28.17
f) Provision and Balances Written Back	(129.82)	(98.33)
g) Interest	(246.66)	(110.91)
h) Dividend Income	(235.36)	(209.38)
i) Interest paid	3,004.68	2,941.77
	4,951.15	5,411.36
Operating profits before working capital changes	4,348.33	4,367.23
Adjustments for		
a) Increase in Trade and other receivables	420.11	75.33
b) (Increase) / Decrease in Inventories	(52.39)	67.98
c) Increase in Trade payables and Other liabilities	388.18	412.49
	755.90	555.80
Cash generated from operations	5,104.23	4,923.03
Adjustments for Direct taxes paid (net)	(279.62)	(336.38)
Net Cashflow from operating activities (A)	4,824.61	4,586.65
B. Cash flow from investing activities		
Purchase of fixed assets	(1,913.42)	(2,900.81)
Sale of fixed assets	26.73	6.06
Sale/(Purchase) of Investments	(65.74)	-
Interest received	251.00	145.25
Dividend received	235.36	209.38
Exchange Gain Realised on Funds Invested	0.02	0.03
Net cashflow from investing activities (B)	(1,466.05)	(2,540.09)
Carried Forward	3,358.56	2,046.56

ORIENTAL HOTELS LIMITED

CASHFLOW STATEMENT

Cashflow Statement for the year ended March 31, 2015

₹ in lakhs

Particulars	March 31, 2015	March 31, 2014
Brought Forward	3,358.56	2,046.56
C. Cashflow from financing activities		
Proceeds from issue of Non convertible Debentures	20,000.00	-
Redemption of Non convertible Debentures	(10,000.00)	-
Net Increase/(Decrease) in Other borrowings	(9,361.69)	2,075.97
Debenture Issue Expenses	(77.84)	-
Interest Paid	(3,242.33)	(3,001.68)
Dividend paid(Including dividend tax)	(1,075.12)	(1,145.82)
Net cash flow from financing activities (C)	(3,756.98)	(2,071.53)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(398.42)	(24.97)
Cash as per books		
Cash as on Opening 01st April	620.09	645.06
Cash as on Closing 31st March	221.67	620.09
Net Increase / (Decrease) in cash and cash equivalents	(398.42)	(24.97)
NOTES TO THE CASH FLOW STATEMENT :	As at 31-03-2015 ₹ in lakhs	As at 31-03-2014 ₹ in lakhs
i) Cash and Cash Equivalents		
Cash on hand and balances with banks	335.09	719.38
Bank balances and Deposits Not Considered as Cash	(113.47)	(99.31)
Unrealised Exchange Loss/ (Gain)	0.05	0.02
Cash and Cash Equivalents as restated	221.67	620.09

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

The accompanying notes 1 to 45 form an integral part of the financial statements.

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

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

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

Notes to Financial Statements for the year ended 31st March, 2015**Note 1****Significant Accounting Policies**

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

Use of Estimates:

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

a) Revenue Recognition

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

b) Export Benefit Entitlement

Benefits arising in the nature of Duty Free Scrips are recognised upon the actual utilisation of Duty credit Scrips for the purchase of Fixed Assets and Inventories and are adjusted against the cost of the related assets.

c) Fixed Assets

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

d) Depreciation/Amortisation

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

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

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

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

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

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

e) Investments

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

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

f) Inventories

Inventories are valued at cost on weighted average basis.

g) Transactions in Foreign Exchange

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

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

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

h) Employee Benefits

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

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

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

i) Borrowing Cost

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

j) Taxes on Income :

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

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

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

k) Impairment of Assets:

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

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

Provisions are recognised in terms of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

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

Contingent Assets are not recognised in the financial statements.

m) Assets taken on lease:

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

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

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 2 : SHARE CAPITAL

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
1 Authorised Share capital		
a) Equity Shares 24,50,00,000 - Equity Shares of ₹1/- each (Previous year 24,50,00,000 Equity Shares of ₹1/- each)	2450.00	2450.00
b) Redeemable Cumulative Preference Shares 50,50,000 - Redeemable Cumulative Preference Shares of ₹100/- each	5050.00	5050.00
Total	7500.00	7500.00
2 Issued, Subscribed and Paid up		
Equity Shares 17,85,99,180 - Equity Shares of ₹1/- each fully paid (Previous year 17 85,99,180 Equity Shares of ₹1/- each)	1785.99	1785.99
Total	1,785.99	1,785.99

- (a) The Company has one class of equity shares having a par value of ₹1/- share. Each shareholder is eligible for one vote per share held. The Board of Directors in their meeting on 15th May, 2015 proposed a dividend of ₹0.40 per equity share, which is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- (b) Reconciliation of Equity shares

Particulars	As at March 31, 2015	As at March 31, 2014
	No. of shares ₹ in lakhs	No. of shares ₹ in lakhs
Shares outstanding at the beginning of the year	178,599,180 1,785.99	178,599,180 1,785.99
Add : Shares Issued during the year	- -	- -
Shares outstanding at the end of the year	178,599,180 1,785.99	178,599,180 1785.99

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

Name of the Shareholder(s)	As at March 31, 2015	As at March 31, 2014
	No. of Shares % holding	No. of Shares % holding
The Indian Hotels Company Limited	33,764,550 18.91%	33,764,550 18.91%
TIFCO Holdings Limited	17,208,360 9.64%	17,208,360 9.64%
Reliance Capital Trustee Co Ltd- Reliance Long Term Equity Fund	13,335,961 7.47%	15,047,061 8.43%
Pramod Ranjan	14,196,140 7.95%	-

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 3 : Reserves and Surplus

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Securities Premium Reserve	11,009.40	11,009.40
Less: Debenture Issue Expenses (net of tax)	51.39	-
Less: Provision for Premium Payable on Redemption of Debentures (net of tax)	3,344.13	-
Closing Balance	7,613.88	11,009.40
Debenture Redemption Reserve		
Opening Balance	1,853.00	1,019.00
Less: Transfer to Surplus in Statement of Profit & Loss	1,853.00	-
Add: Transfer from Surplus in Statement of Profit & Loss	1,853.00	834.00
Closing Balance	1,853.00	1,853.00
Investment allowance utilised reserve	45.74	45.74
Export profits reserve	0.43	0.43
General reserve		
Opening Balance	10,061.47	10,061.47
Add: Transfer from Surplus in Statement of Profit & Loss	-	-
Closing Balance	10,061.47	10,061.47
Surplus in Statement of profit and loss		
Opening Balance	3,144.72	5,847.52
Add : Net profit / (Net loss) from Statement of Profit and Loss	(299.37)	(719.56)
Add: Transfer from Debenture Redemption Reserve	1,853.00	-
Less : Transfer to Debenture Redemption Reserve	1,853.00	834.00
Less : Transfer to General Reserves -	-	-
Less : Proposed Dividend	714.40	982.30
Less : Tax on Proposed Dividend	145.43	166.94
Add : Tax credit for Dividend Distribution Tax	67.71	-
	2,053.23	3,144.72
	21,627.75	26,114.76

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 4 : Long Term Borrowings

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Secured (Refer Footnote (i) and (ii))		
- Non- Convertible Redeemable Debentures	20,000.00	-
	20,000.00	-
-Term Loans - From Banks (Refer Footnote iii)	3,781.32	14,196.06
	3,781.32	14,196.06
	23,781.32	14,196.06
Footnote :		
i) Details of Borrowings as at:	March 31, 2015	March 31, 2014
	₹ in lakhs	₹ in lakhs
	Non - Current	Current
Particulars	Non - Current	Current
Debentures	20,000.00	-
Term Loans from Banks	3,781.32	2,160.75
	23,781.32	2,160.75

ii) Terms

Particulars	Loan Outstanding in ₹ lakhs	No. of Installments	Security	Repayment Terms
Rupee Term Loan - II	4,202.00	11	Rupee Term Loan are secured by way of mortgage by deposit of title deeds in respect of immovable properties of Fisherman's Cove and Coonoor Hotel & additionally secured by way of exclusive first charge of credit card receivables of the Company.	19 Quarterly Installments of ₹382 lakhs commencing from April 2013 carrying interest rate of 11.8%
Non - Convertible Debentures (NCDs)				
1000, 10.25% Series A Debentures of ₹10 lakhs each .	10,000.00		Secured by Mortgage of Buildings and other fixed assets of Taj Coromandel, Chennai.	Redeembale at par at the end of the 5th year from the date of allotment.
1000, 2% Series B Debentures of ₹10 lakhs each .	10,000.00		Secured by Mortgage of Buildings and other fixed assets of Taj Coromandel, Chennai.	Redeembale (at par) at the end of the 5th year from the date of allotment along with redemption premium of ₹506610 per debentures.

NOTES TO FINANCIAL STATEMENTS

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

iii) Includes Exchange Loss in currency swap of the term loan ₹1,740.07 lakhs (Previous Year ₹2037.36 lakhs)

Note 5 : Deferred Tax Assets / (Liability) - (Net)

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Deferred Tax Assets:		
Provision for doubtful debts	30.80	35.54
Premium on Redemption of debenture	1,647.98	-
Provision for Employee Benefits	117.00	87.48
Loss u/s 35AD of Income Tax Act, 1961 (Refer Footnote)	5,149.58	4,638.73
Others	67.72	4.01
Total (A)	7,013.08	4,765.76
Deferred Tax Liabilities:		
Depreciation on fixed assets	5,987.36	5,906.70
Total (B)	5,987.36	5,906.70
Net Deferred Tax Assets / (Liabilities) (A-B)	1,025.72	(1,140.94)

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

Note 6 : Other Long Term Liabilities

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Deposits from Others		
Unsecured		
- Deposit - Sublease	200.00	200.00
- Shop Security Deposits	28.17	33.48
	228.17	233.48
Others		
Provision for Premium on Redemption of Debentures (Refer Note 4 Footnote (ii) (NCD's))	5,066.10	-
	5,294.27	233.48

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 7 : Long Term Provisions

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Provision for Employee Benefits	379.81	334.05
Provision for Pension liability for retired Directors & their relatives	83.24	82.42
Total	463.05	416.47

Note 8 : Short Term Borrowings

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
From Bank :		
Secured		
Loan repayable on demand		
Short Term Loan (Refer Footnote (i))	700.00	700.00
Over draft	154.76	-
	854.76	700.00
Other Short Term Loans:		
Unsecured		
Inter Corporate Deposits - From Related party (Refer Footnote (ii))	4,300.00	-
- From others	-	1,000.00
	4,300.00	1,000.00
Total	5,154.76	1,700.00

Footnote :

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

Note 9 : Trade Payables

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Trade payables		
Total Outstanding dues of Micro, Small and Medium Enterprises (Refer Footnote Below)	67.54	62.09
Trade Payable	2,889.01	2,926.45
Total	2,956.55	2,988.54

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

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

NOTES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	67.54	62.09
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.43	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.43	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.43	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 10: Other Current Liabilities

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Current maturities of Long-term borrowings		
Debentures	-	10,000.00
Term loans	2,160.75	4,859.76
	2,160.75	14,859.76
Payables on Current Account dues		
Related Parties	2.65	13.88
Others	6.14	82.55
	8.79	96.43
Deposits	7.64	9.96
Interest accrued but not due on borrowings	49.18	430.25
Interest accrued but not due on Debentures	439.66	262.14
Advance collection from customers	276.82	245.33
Creditors for capital goods and services		
- Retention Money	124.03	166.75
- Others	50.99	47.32
Unclaimed dividends (Refer Footnote (i))	74.52	68.11
Unclaimed matured deposits & interest accrued thereon	1.16	4.26
Other liabilities		
- Employee Related Dues (Refer Footnote (ii))	688.16	652.05
- Statutory Dues	614.56	613.90
- Others	302.08	45.43
Total	4,798.34	17,501.69

Footnotes:

- (i) The amount reflects the position as on 31st March 2015, the actual amount to be transferred to the "Investor Education & Protection Fund" shall be determined and paid to the credit of the fund on due dates.
- (ii) Includes ₹90 lakhs due to Directors (Previous Year ₹60 lakhs).

Note 11 : Short Term Provisions

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Provision for employee benefits	73.13	55.90
Provision for pension liability for retired Directors and their relatives	12.73	12.73
Proposed dividend	714.40	982.30
Tax on dividend	145.43	166.94
Total	945.69	1,217.87

NOTES TO FINANCIAL STATEMENTS

NOTE 12: FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block	
	At Cost as at 01.04.14	Additions	Deduction	At Cost as at 31.03.15	Up to 01.04.2014	Depreciation for the year	Up to 31.03.2015	At at 31.03.2014
Tangible Assets								
Freehold Land *	8,888.82 (8,669.15)	- (219.67)	-	8,888.82 (8,888.82)	- -	- -	- -	8,888.82 (8,669.15)
Leasehold Land #	33.76 (33.76)	-	-	33.76 (33.76)	18.99 (17.85)	1.15 (1.14)	20.14 (18.99)	14.77 (15.91)
Buildings	9,749.36 (8,863.92)	948.64 (897.89)	10.60 (12.45)	10,687.40 (9,749.36)	1,228.96 (1,061.65)	319.81 (167.64)	1,546.02 (1,228.96)	8,520.40 (7,802.27)
Improvements to Lease Buildings	9,053.51 (9,007.98)	18.97 (60.13)	- (14.60)	9,072.48 (9,053.51)	1,183.65 (997.68)	205.06 (190.95)	1,388.71 (1,183.65)	7,869.86 (8,010.30)
Plant and Machinery	22,468.84 (21,256.59)	1,289.33 (1,391.67)	189.24 (179.42)	23,568.93 (22,468.84)	9,498.00 (8,265.03)	1,144.09 (1,390.63)	10,472.38 (9,498.00)	12,970.84 (12,991.56)
Furniture & Fixtures	11,868.22 (11,636.00)	543.47 (265.86)	22.09 (33.64)	12,389.60 (11,868.22)	6,346.67 (5,564.56)	554.95 (811.36)	6,886.49 (6,346.67)	5,521.55 (6,071.44)
Office Equipment	1,748.31 (1,734.42)	45.07 (31.97)	34.59 (18.08)	1,758.79 (1,748.31)	1,272.47 (1,139.22)	205.69 (149.79)	1,453.78 (1,272.47)	475.84 (595.20)
Vehicles	497.66 (505.26)	12.06 (8.93)	14.21 (16.53)	495.51 (497.66)	336.47 (311.20)	58.63 (36.67)	383.44 (336.47)	161.19 (194.06)
Total Tangible Assets	64,308.48 (61,707.05)	2,857.54 (2,876.12)	270.73 (274.72)	66,895.29 (64,308.48)	19,885.21 (17,357.19)	2,489.38 (2,748.18)	22,150.96 (19,885.21)	44,423.27 (44,423.27)
Intangible Assets								
Computer Software	546.91 (353.99)	36.80 (197.88)	- (4.96)	583.71 (546.91)	291.62 (250.09)	58.12 (46.25)	349.75 (291.62)	255.29 (103.90)
Total Intangible Assets	546.91 (353.99)	36.80 (197.88)	- (4.96)	583.71 (546.91)	291.62 (250.09)	58.12 (46.25)	349.75 (291.62)	255.29 (103.90)

Footnotes

* Footnote:

* A portion of land measuring 1.071 acres costing ₹3.78 Crores is under compulsory acquisition by Tamil Nadu State Highway Department. Pending acquisition and fixing of compensation, the same has not been dealt with in the books of account as on 31st March, 2015.

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

Fixed Assets includes Interest Capitalised ₹34.10 Lakhs (Previous Year - ₹57.68 Lakhs)

Fixed Assets include exchange fluctuation capitalised of which Buildings ₹124.47 Lakhs (Previous Year ₹451.67 Lakhs), Plant and Machinery ₹104.55 Lakhs (Previous Year ₹351.79 Lakhs), Furniture and Fixtures ₹51.31 Lakhs (Previous Year ₹165.42 Lakhs) and Vehicles ₹0.46 Lakhs (Previous Year ₹1.46 Lakhs) and Depreciation of which Buildings ₹24.10 Lakhs (Previous Year ₹34.24 Lakhs), Plant and Machinery ₹110.34 Lakhs (Previous Year ₹109.36 Lakhs), Furniture and Fixtures ₹36.33 Lakhs (Previous Year ₹49.15 Lakhs) and Vehicles ₹0.68 Lakhs (Previous Year ₹0.42 Lakhs)

During the year in accordance with the provisions of Schedule II of the Companies Act, 2013 the Company has adopted option of providing depreciation based on the useful life against the provisions made in the previous years which was based on the rate specified in Schedule XIV of the Companies Act, 1956. This has resulted in lower depreciation charge of ₹364.83 Lakhs.

Figures have been regrouped wherever necessary

Figures in brackets are in respect of previous year. B41*

Note 13 : Non Current Investments

Particulars	Face Value	Holdings As at 31st March, 2015	As at 31 March, 2015 ₹ in lakhs	As at 31 March, 2014 ₹ in lakhs
TRADE INVESTMENTS:				
Investment in Subsidiaries- (Unquoted)				
OHL International (HK) Limited-Equity Shares (Refer Footnote (iii))	US\$10	1,500,000	4,683.00	4,683.00
Investment in Joint Ventures (Unquoted)				
TAL Hotels & Resorts Limited-Equity Shares (Refer Footnote iv)	US\$1	919,104	437.68	437.68
Investment in Associates (Unquoted)				
Taj Madurai Limited-Equity Shares	₹10	912,000	118.60	118.60
OTHER TRADE INVESTMENT, UNQUOTED-Equity Shares				
Taj Kerala Hotels and Resorts Limited	₹10	1,515,000	151.50	151.50
Taj Karnataka Hotels and Resorts Limited	₹10	300,000	30.00	30.00
Taj Air Limited (Refer Footnote v)	₹10	6,250,000	625.00	625.00
Taj Trade & Transport Company Limited.	₹10	100,500	15.92	15.92
Lands End Properties Private Limited	₹10	1,990,000	199.00	199.00
Green Infra Wind Farms Limited	₹10	45,000	4.50	4.50
Green Infra Wind Generation Limited (Refer Footnote vi)	₹10	84,000	8.40	6.00
OTHER TRADE INVESTMENT, QUOTED-Equity Shares				
The Indian Hotels Company Limited	₹1	511,836	274.62	274.62
Hotel Leela Venture Limited	₹2	500	0.12	0.12
ElH Limited	₹2	1,125	0.53	0.53
Asian Hotels West Limited	₹10	70	0.08	0.08
Asian Hotels East Limited	₹10	70	0.08	0.08
Asian Hotels North Limited	₹10	70	0.07	0.07
Jaiprakash Associates Limited	₹2	150	0.06	0.06
Sterling Holiday Resorts (India) Limited	₹10	500	0.37	0.37
Tulip Star Hotels Limited	₹10	29,600	32.56	32.56
ElH Associated Hotels Limited	₹10	4,314	2.03	2.03
Benares Hotels Limited	₹10	50	0.06	0.06
Apollo Sindoori Hotels Limited	₹10	100	-	-
Velan Hotels Limited	₹10	4,000	0.42	0.42
Debentures				
Compulsory Convertible Debentures in Indian Hotels Company Limited (Refer Footnote (vii)).	₹55	115,163	63.34	-
NON-TRADE INVESTMENT, QUOTED				
ICICI Bank Limited	₹2	7,730	1.36	1.36
Apollo Hospital Enterprises Limited.	₹5	200	0.08	0.08
NON-TRADE INVESTMENT, UNQUOTED				
Chennai Willingdon Corporate Foundation	₹10	5	-	-
Indian Dairy Entrepreneurs Agricultural Company Limited. (Refer footnote (viii))	₹1	86,302	-	-
TOTAL			6,649.38	6,583.64

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Footnotes :		
i) Aggregate of quoted investments - Shares		
Cost	375.78	312.21
Market value	786.70	421.72
ii) Aggregate of unquoted investments - Shares		
Cost	6,273.60	6271.43
(iii) Stated at the exchange rate prevailing on the date of Initial deposit of loan which was converted into Shares.		
(iv) In terms of Share Retention Agreement with International Finance Corporation (IFC) for the loans availed by TAL Hotel and Resorts Limited (THRL), transfer of shareholding in this company is restricted during the subsistence of the loan agreement of THRL.		
(v) In terms of an undertaking, transfer of this shareholding is restricted to Taj / TATA group Companies.		
(vi) 24,000 shares @ ₹10/- per share acquired during the year.		
(vii) Convertible into equity shares of ₹1/- each within 18 months from the date of allotment.		
(viii) Equity Shares of ₹10/- each have been reduced to ₹1/- each as confirmed by the order of the court and provision for diminution in value has been made in the earlier years.		

Note 14 : Long Term Loans and Advances

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Capital advances	115.66	222.18
Long term security deposits placed for Hotel Properties		
with related parties (Refer Footnote (i))	4,750.00	4,750.00
with Others	468.62	468.62
	5,218.62	5,218.62
Long Term Deposits		
Deposits with public bodies and others	520.73	509.82
	520.73	509.82
Other Loans and advances (including Advance Tax)		
Advance Income Tax Paid (Net of provisions) (Refer Footnote ii & iii)	2,154.44	1,874.82
MAT Credit Entitlement	294.57	409.36
Prepaid Expenses	4.82	3.99
Secured Loans - Mortgage loans to employees	90.53	164.26
	2,544.36	2,452.43
Total	8,399.37	8,403.05

Footnotes :

- (i) The related party under Long Term Deposits placed for hotel properties represent enterprises influenced by relatives of key management personnel.
- (ii) Advance Tax and Tax deducted at Source is net of Provision for Income tax amounting to ₹16,833.79 lakhs (previous year ₹16,833.79 lakhs).
- (iii) Provision for income tax considered above is net of MAT credit utilised of ₹114.79 lakhs (Previous year ₹65.88 lakhs).

Note 15 : Other Non-Current Assets

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Unamortised Borrowing Costs	-	33.87
Total	-	33.87

Footnote : Represents expenses on loans, full amount amortised on account of foreclosure of loan during the year.

Note 16 : Inventories

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(valued at cost)		
Food and beverages	380.71	351.24
Stores and operating supplies	315.97	293.05
Total	696.68	644.29

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

Note 17 : Trade Receivables

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Unsecured		
Outstanding over six months :		
Considered good	49.88	65.31
Considered doubtful	81.15	96.72
	131.03	162.03
Less : Provision for Doubtful Trade Receivable Over Six Months	81.15	96.72
	49.88	65.31
Others :		
Considered good	1,269.38	1,488.57
Considered doubtful	-	-
	1,269.38	1,488.57
Less : Provision for Doubtful Trade Receivable Others	-	-
	1,269.38	1,488.57
Total	1,319.26	1,553.88

Note 18 : Cash and Bank balances

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Cash and cash equivalents		
Cash on hand	31.60	17.36
Cheques, drafts on hand	117.65	112.02
Current accounts	72.37	490.69
	221.62	620.07
Other Balances with Banks		
Margin money deposits	36.54	28.79
Earmarked balances (Refer Footnote i)	76.93	70.52
	113.47	99.31
Total	335.09	719.38

Footnote : (i) Include amounts in unpaid dividend accounts ₹74.52 lakhs (Previous year ₹68.11 lakhs).

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 19 : Short Term Loans and Advances

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(Unsecured, considered good unless stated otherwise)		
Inter Corporate Deposits		
Others	560.00	560.00
	560.00	560.00
Deposits with Public Bodies & Others	85.49	77.12
Other advances		
Considered good		
Staff Advances (Refer Footnote)	159.93	120.31
Prepaid Expenses	263.50	303.99
Indirect Tax Recoverable	119.27	121.96
Supplier Advances	131.65	50.85
Claims Receivables	193.61	186.23
Others	43.24	71.63
	911.20	854.97
Less : Provision for doubtful advances	7.84	7.84
	903.36	847.13
Total	1,548.85	1,484.25
Footnote	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Staff Advances:		
Secured -Mortgage loans	51.64	37.64
Unsecured	108.29	82.67
Total	159.93	120.31

Note 20 : Other Current Assets

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Interest receivable	115.58	119.92
Amounts recoverable (Refer Footnote (i) & (ii))	1,151.79	1,151.79
Other Receivables		
Related party	67.24	245.35
Others	60.57	37.35
Unamortised Borrowing costs (Refer Footnote (iii))	-	14.93
Total	1,395.18	1,569.34

Footnotes :

- (i) Based on the orders of the Division Bench of the Hon'ble High Court of Madras in an earlier year, the value of Freehold Land amounting to ₹749.86 lakhs has been classified as recoverables. The Company has initiated appropriate legal action to recover the amount together with interest and obtained interim stay order to protect and secure the amount. The Company has received part amount under a compromise settlement. The company has already obtained the court order for recovery of the balance amount of ₹374.25 lakhs.
- (ii) The company entered into a long term agreement for development of hotel at Bannerghatta in Bengaluru in the year 2007. During the year 2013-14, the Company decided to terminate the lease agreement and recover the amount spent on the project along with the deposit made. As per the agreement the termination will take effect when the lessor fulfills the conditions laid in the termination agreement. In view of the above agreement an amount of ₹777.65 lakhs lying in long term deposits placed for hotel properties and capital work in progress have been transferred to amounts recoverable.

(iii) Unamortised Borrowing Costs:

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Opening balance:	48.80	-
Add: Additions during the year	-	50.00
Less: Amortised during the year	48.80	1.20
	-	48.80
Less: Unamortised borrowing costs- Non-current	-	33.87
Total	-	14.93

Note : On account of foreclosure of loan the entire amount is amortised during the year.

Note 21 : Rooms, restaurants, banquets and other income

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
(i) Operating Income		
Sale of products	13,651.11	13,896.82
Less: Excise duty	13.32	8.35
	13,637.79	13,888.47
Sale of Services	16,366.87	15,877.56
	30,004.66	29,766.03
(ii) Other Income		
Interest Income	246.66	110.91
Dividend Income		
- From Other Long Term Investments	21.07	184.26
- From a Subsidiary	214.29	25.12
Exchange Gain/(Loss)	-	6.03
Miscellaneous Income	184.84	141.67
	666.86	467.99
	30,671.52	30,234.02

Note 22: Cost of materials consumed

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) Food & beverages consumed (Including smokes)		
i. Opening stock	351.24	355.17
ii. Add Purchases	3,613.56	3,993.74
iii. Less: Closing stock	380.71	351.24
Food & Beverages Consumed	3584.09	3997.67

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

Note 23 : Employee benefits Expenses and Payment to Contractors

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Salaries, Wages, Bonus etc.	4178.06	4006.91
Company's Contribution to Retirement Funds & Other Funds	306.75	298.94
Retiring Gratuity	216.29	60.14
Deputed Staff Salaries	1445.03	1362.60
Payment for contracted services	896.33	881.49
Workmen / Staff Welfare Expenses	864.35	854.18
Total	7906.81	7464.26

Note 24 : Finance Costs

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Interest expense		
Interest Expenses on Borrowings	3,038.78	2,996.73
Interest on others	-	2.72
	3,038.78	2,999.45
Less : Interest capitalised	34.10	57.68
Total	3,004.68	2941.77

Note 25 : Other Expenses

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
i. Operating expenses consist of the following :		
Linen and room supplies	541.52	490.81
Catering supplies	339.79	304.75
Other supplies	71.91	82.10
Fuel, power and light	3,565.32	3,776.19
Banquet expenses	526.57	510.57
Repairs to buildings	550.31	452.76
Repairs to machinery	989.57	861.87
Repairs to others	260.42	221.64
Linen and uniform washing and laundry expenses	306.25	292.29
Payment to orchestra staff, artistes and others	48.87	54.82
Communication charges	218.32	157.72
Guest transportation	244.46	189.13
Travel agents' commission	299.39	236.82
Collecting Agents Commission	298.24	267.96
Fees to Consultants	1,279.00	1,195.34
Other operating expenses	208.68	207.96
Sub Total	9,748.62	9,302.73
ii. General expenses consist of the following :		
Rent	370.21	361.58
Licence fees	753.29	1,001.63
Rates and taxes	633.22	702.83
Insurance	83.98	92.54
Advertising and publicity	1,062.56	1,026.65
Reservation & Other Services	557.27	548.44
Printing and stationery	145.88	145.62
Passage and travelling	67.39	61.10
Bad Debts & Advances Written off	-	6.46
Provision for doubtful debts	1.43	28.17
Professional fees	320.94	284.00
Exchange Gain Loss	0.20	-
Loss on sale of fixed assets (net)	9.38	24.99
Assets Written Off	-	34.16
Donations	-	2.64
Corporate Social Responsibility	11.42	-
Other expenses	391.99	388.15
Directors' fees and commission	5.40	4.42
Payment made to statutory auditors :		
i. As auditors	25.74	25.74
ii. For taxation matters	9.65	9.65
iii. For other services	30.07	24.11
iv. For reimbursement of expenses & service tax	2.62	4.41
Sub Total	4,482.64	4,777.29
TOTAL	14,231.26	14,080.02

NOTES TO FINANCIAL STATEMENTS

Note 26: Contingent Liabilities and Commitments

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

a) On account of income tax matters in dispute

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
(In respect of tax matters for which appeals are pending amounting to	1,076.14	1,076.14

b) On account of other disputes:

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
- Luxury Tax	53.42	40.83
- Sales Tax	113.53	94.79
- Urban Land Tax	7.30	7.30
- Electricity Tax and Adjustment Charges	311.06	139.34
- Service Tax	575.92	584.03

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
c) Bank Guarantee/Bond executed by the Company	150.66	279.10
d) Letter of credits opened by bankers	1.00	-
e) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	119.35	675.43

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

Note 27: Derivative Instruments

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
i) Derivative instruments that are outstanding		
- Interest Swaps with embedded options - in US\$	-	-
- in ₹	-	-
- Principle only swaps- in US\$	94.98	129.52
- in ₹	4,202.00	5,730.00
ii) Unhedged Foreign Currency Exposure/the Foreign Currency Exposures that are not hedged by a derivative instrument or otherwise Receivables Outstanding - in US\$	1.17	0.72
- in ₹	72.88	43.34

Note 28: Income from Rooms, Restaurants, Banquets and other services

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) Room Revenues	14,327.90	14,070.48
b) Sale of food and Beverages	13,637.79	13,888.46
c) Other Services Income	2,038.97	1,807.07

29 Bad debts and Advances written off is after adjusting the provision made in the earlier years amounting to ₹ Nil (Previous Year ₹5.38 lakhs)

30 Earnings in Foreign Exchange :

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) On account of Rooms, Restaurants etc.,	9,495.86	10,181.16
b) Operating and Management Fees	471.56	407.85
c) Dividend	214.30	184.26

31 Value of Imports (CIF Value)

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) Raw Material - Food and Beverages	9.15	6.31
b) Stores & Spares	83.93	46.13
c) Capital Goods	147.50	293.62

32 Expenditure in Foreign Currencies :

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) Consultancy Fees	120.71	59.00
b) Interest	-	46.21
c) Commission	121.65	137.86
d) Payment on other accounts	84.62	181.07

33 Expenditure on account of (i) Salaries, Wages, Bonus etc., (ii) Fuel, Power, Light & Water (iii) Repairs to Machinery and (iv) Other expenses are after adjusting (i) ₹167.44 Lakhs (Previous Year ₹162.57 Lakhs), (ii) ₹92.51 Lakhs (Previous Year ₹85.94 Lakhs), (iii) ₹5.64 Lakhs (Previous Year ₹5.15 Lakhs) and (iv) ₹37.26 Lakhs (Previous Year ₹65.16 Lakhs) respectively recovered from outside parties.

34 Passage & travelling includes travelling expenses of Auditors ₹2.00 Lakhs (Previous Year ₹2.12 Lakhs).

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

Particulars	March 31, 2015	March 31, 2014
a) Number of Non-resident Shareholders	134	139
b) Number of Equity Shares held by them.	34,331,820	32,911,535
c) Gross amount of Dividend (₹ in Lakhs)	188.83	181.01

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

ORIENTAL HOTELS LIMITED
NOTES TO FINANCIAL STATEMENTS

37 Disclosure Under AS -15 (Revised) - Employee Benefits

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Staff Costs include the following		
Defined Contribution Schemes		
Company's contribution to Provident Fund	306.75	298.94
Defined Benefit Schemes (Gratuity - Funded Scheme)		
i) Liability Recognised in the Balance Sheet		
Present value of Obligation -		
As at 1st April, 2014	1,399.75	1,347.06
Interest cost	122.68	103.83
Service Cost	85.28	101.68
Liabilities Assumed on Acquisition / (Settled on Divestiture)	4.55	(4.42)
Benefits Paid	(126.70)	(91.74)
Actuarial (gain) /loss on obligations	206.51	(56.65)
As at 31st March, 2015	1,692.07	1,399.76
Less:		
Fair Value of Assets		
As at 1st April, 2014	1,403.29	1,431.49
Expected return on plan assets less loss on investments	98.73	102.04
Actuarial gain /(loss) on Investments	137.28	(19.14)
Employers' Contribution	(90.15)	(19.35)
Benefits Paid	(126.70)	(91.74)
As at 31st March, 2015	1,422.45	1,403.30
ii) Expense during the year		
Interest Cost	122.68	103.83
Service Cost	85.28	101.68
Liabilities Assumed on Acquisition / (Settled on Divestiture)	4.55	(4.42)
Expected Return on Plan assets	(98.73)	(102.04)
Actuarial (Gain) /Loss	69.23	(37.51)
Expense recognised in the profit and loss account * (Total)	183.01	61.54
iii) Principal Actuarial Assumptions		
Discount Rate	8%	8% / 9.05%
Expected Return on Plan Assets	8%	8% / 7.5%
Rate of increase in Salaries	5%	5%

NOTES TO FINANCIAL STATEMENTS

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
iv) Amount to be recognised in the Balance Sheet		
Present Value of Funded Obligations	1,692.07	1,399.75
Fair Value of Plan Assets	1,422.45	1,403.30
Net Liability	269.62	(3.55)
Amount in Balance Sheet		
Liability / (Asset)	269.62	(3.55)
Defined Benefit Schemes (Pension Non Funded Scheme)		
i) Liability Recognised in the Balance Sheet		
i) Present value of Obligation		
As at 1st April, 2014	95.15	105.98
Interest cost	8.04	8.02
Service Cost	-	-
Benefits Paid	(11.78)	(14.18)
Actuarial (gain) /loss on obligations	4.56	(4.66)
As at 31st March, 2015	95.97	95.16
ii) Expense during the year		
Interest Cost	8.04	8.02
Actuarial (Gain) /Loss	4.56	(4.66)
Expense recognised in the profit and loss account *	12.60	3.36
iii) Principal Actuarial Assumptions		
Discount Rate	8%	9.05%
Pension Increase rate	5%	5%
Medical Inflation Rate	6.5%	6.5%
iv) Amount to be recognised in the Balance Sheet		
Present Value of Funded Obligations	95.97	95.15
Fair Value of Plan Assets	-	-
Net Liability	95.97	95.15
Amount in Balance Sheet		
Liability	95.97	95.15

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

38 Central Government approval is awaited for excess remuneration paid/payable to Managing Director for period 01st April 2012 to 31st March 2014 amounting to ₹124.38 lakhs.

ORIENTAL HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
A.	Sales of Goods / Services *				
	- The Indian Hotels Co Limited		361.46 (418.70)		361.46 (418.70)
	- Roots Corp Limited		- (6.10)		- (6.10)
	- PIEM Hotels Limited		31.27 (22.78)		31.27 (22.78)
	- Taj Trade & Transport Company Limited		12.66 (16.63)		12.66 (16.63)
	- United Hotels Limited		4.03 (3.39)		4.03 (3.39)
	- Inditravel Limited		3.01 (28.79)		3.01 (28.79)
	- Benaras Hotels Limited		10.45 (5.28)		10.45 (5.28)

NOTES TO FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as Follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
B.	Purchase of Goods / Services *				
	- The Indian Hotels Co Limited		1,120.71 (1,125.14)		1,120.71 (1,125.14)
	- PIEM Hotels Limited		23.16 (9.41)		23.16 (9.41)
	- Inditravel Limited		1.86 (6.88)		1.86 (6.88)
	- Benaras Hotels Limited		- (8.18)		- (8.18)
	- Dodla International Limited			15.74	15.74
				-	-
C.	Interest Paid				
	- TIFCO Holdings Limited		41.78 (35.28)		41.78 (35.28)
	- PIEM Hotels Limited		259.89 (111.94)		259.89 (111.94)
	- United Hotels Limited		- (16.27)		- (16.27)
	- Inditravel Limited		- (18.32)		- (18.32)
D.	Dividend Received				
	- Taj Madurai Limited	15.50 (14.59)			15.50 (14.59)
	- The Indian Hotels Co Limited		- (4.09)		- (4.09)
	- Taj Trade&Transport Company Limited		2.01 (3.02)		2.01 (3.02)
	- Benaras Hotels Limited		0.01 (0.01)		0.01 (0.01)
E.	Dividend Paid				
	- Taj Madurai Limited	0.38 (0.38)			0.38 (0.38)
	- The Indian Hotels Co Limited		185.71 (185.71)		185.71 (185.71)
	- TIFCO Holdings Limited		94.65 (94.65)		94.65 (94.65)
	- PIEM Hotels Limited		20.11 (20.11)		20.11 (20.11)
	- Taj Trade&Transport Company Limited		9.15 (9.15)		9.15 (9.15)

NOTES TO FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as Follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
F.	Operating/License Fees Paid/ Provided				
	- The Indian Hotels Co Limited		1,279.00 (1,195.34)		1,279.00 (1,195.34)
G.	Lease Rentals for Hotel Premises				
	- Taj Madurai Limited	155.89 (137.90)			155.89 (137.90)
	- Dodla International Limited			241.18 (282.98)	241.18 (282.98)
H.	Sales & Marketing, Reservation & Other Service Costs				
	- The Indian Hotels Co Limited		1,253.64 (1,216.47)		1,253.64 (1,216.47)
I.	Operating/Management/License Fees Received/Accrued				
	- TAL Hotels & Resorts Ltd	471.56 (407.85)			471.56 (407.85)
J.	Intercompany Deposits Raised During the Year				
	- TIFCO Holdings Limited		1,800.00 (2,150.00)		1,800.00 (2,150.00)
	- PIEM Hotels Limited		6,500.00 (8,150.00)		6,500.00 (8,150.00)
	- United Hotels Limited		- (1,000.00)		- (1,000.00)
	- Inditravel Limited		- (1,500.00)		- (1,500.00)
K.	Intercompany Deposits outstanding as on 31st March 2015				
	- PIEM Hotels Limited		4,000.00 -		4,000.00 -
	- TIFCO Holdings Limited		300.00 -		300.00 -
L.	Intercompany Deposits Repaid During the year				
	- TIFCO Holdings Limited		1,500.00 (2,150.00)		1,500.00 (2,150.00)
	- PIEM Hotels Limited		2,500.00 (8,150.00)		2,500.00 (8,150.00)
	- United Hotels Limited		- (1,800.00)		- (1,800.00)
	- Inditravel Limited		- (2,950.00)		- (2,950.00)

NOTES TO FINANCIAL STATEMENTS

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
M.	Receivables				
	- TAL Hotels & Resorts Ltd	72.88 (43.34)			72.88 (43.34)
	- The Indian Hotels Co Limited		163.00 (170.37)		163.00 (170.37)
	- Roots Corp Limited		- (1.75)		- (1.75)
	- PIEM Hotels Limited		- (8.81)		- (8.81)
N.	Payables				
	- Taj Madurai Limited	81.63 (74.75)			81.63 (74.75)
	- The Indian Hotels Co Limited		840.73 (785.33)		840.73 (785.33)
	- Taj Trade & Transport Company Limited		- (1.45)		- (1.45)
	- United Hotels Limited		- (0.62)		- (0.62)
	- Inditravel Limited		- (11.78)		- (11.78)
	- Benaras Hotels Limited		- (0.88)		- (0.88)
	- Dodla International Limited			92.80 (111.83)	92.80 (111.83)
	- TIFCO Holdings Limited		6.67 -		6.67 -
	- PIEM Hotels Limited		88.96 -		88.96 -
O.	Long Term Licence Deposit Receivable				
	- Dodla International Limited			4,750.00 (4,750.00)	4,750.00 (4,750.00)

* Includes Reimbursement of deputed staff salaries and other expenses.

Key Management Personnel :

Key managerial personnel comprise of Managing Director who has the authority and the responsibility for planning, directing and controlling the activities of the Company. The remuneration paid to such directors is ₹137.70 Lakhs (Previous Year ₹125.50 Lakhs). An amount of ₹90 Lakhs is payable as on 31st March 2015 (previous year ₹60 Lakhs).

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

NOTES TO FINANCIAL STATEMENTS

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

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

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	175.00	175.00
ii. later than one year and not later than five years	700.00	700.00
iii. later than five years	5,118.75	5,308.33
b) License payments recognized in the profit and loss account	241.18	258.75

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

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	66.00	63.00
ii. later than one year and not later than five years	280.50	273.90
iii. later than five years	1,489.22	1,561.82
b) License payments recognized in the profit and loss account	160.90	151.64

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	15.47	22.81
ii. later than one year and not later than five years	1.13	15.81

41 Earning Per Share :

Earning per share is computed based on the following :

Particulars	March 31, 2015	March 31, 2014
Profit after Tax (₹ in Lakhs)	(299.37)	(719.56)
Nominal Value of share (₹)	1.00	1.00
Number of Equity Shares	1,78,599,180	1,78,599,180
Earning Per Share ₹ (Basic and Diluted)	(0.17)	(0.40)

NOTES TO FINANCIAL STATEMENTS

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

43 Disclosure of Company's Interest in Joint Ventures:

Name of the Company	TAL Hotels & Resorts Limited	
% of Interest	21.7360%	
Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Proportionate Share of Assets	13,135.78	12,663.55
Proportionate Share of Liabilities	5,104.53	5,220.21
Proportionate Share in Income	6,642.98	5,775.62
Proportionate Share in Expenses	5,938.39	5,526.07

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

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

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

For and on behalf of the Board

Rakesh Kumar Sarna
Chairman
DIN:01875340

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

ORIENTAL HOTELS LIMITED

FINANCIAL STATISTICS

(RUPEES IN LAKHS)

CAPITAL ACCOUNTS							REVENUE ACCOUNTS								
Year	Capital	Reserves & Surplus	Borrowings	Gross Block	Net Block	Investments	Gross Revenue	Expenditure (Including Interest)	Depreciation	Profit before Tax	Taxes	Profit after Tax	Net Transfer to Reserves	Dividends	Rate of Dividend (on Equity Shares %)
1973-74	137.03	8.76	177.69	354.97	348.56	-	10.27	20.55	6.39	-25.43	-	-25.43	8.76	-	-
1974-75	142.03	21.00	286.34	423.45	401.24	-	101.24	124.77	15.79	-51.56	-	-51.56	12.24	-	-
1975-76	152.46	21.00	325.54	427.87	405.69	-	136.95	145.55	-	-8.60	-	-8.60	-	-	-
1976-77	155.00	21.18	333.72	428.30	406.12	-	158.35	158.26	-	0.08	-	0.08	0.18	-	-
1977-78	155.00	21.23	294.32	428.18	389.87	-	205.22	165.68	*16.15	23.29	-	23.29	0.05	-	-
1978-79	155.00	21.44	219.54	431.69	367.47	-	250.32	185.96	^25.95	38.41	-	38.41	0.21	-	-
1979-80	155.00	32.89	192.43	453.58	374.67	13.71	292.06	214.18	14.92	62.96	-	62.96	11.45	\$27.54	15
1980-81	155.00	65.74	182.56	477.16	381.84	18.13	364.31	284.13	16.42	63.76	-	63.76	32.84	\$29.95	20
1981-82	155.00	112.82	143.29	496.07	383.25	19.64	422.73	324.33	17.50	80.90	-	80.90	47.09	\$32.85	22
1982-83	155.00	130.09	123.46	547.51	408.06	24.59	479.18	368.82	27.13	83.23	32.15	51.08	17.27	\$32.85	22
1983-84	155.00	1358.57	110.25	570.34	402.79	26.59	557.40	435.12	29.99	92.29	50.00	42.29	17.24	\$32.85	22
1984-85	155.00	154.65	146.23	625.86	412.41	26.59	692.00	548.34	46.76	96.90	47.00	49.90	28.32	\$32.85	22
1985-86	155.00	206.49	225.85	825.16	595.57	26.59	908.29	792.47	^16.17	72.17	14.00	58.17	51.84	\$32.85	22
1986-87	155.00	269.11	344.24	966.34	688.39	17.96	1173.26	985.18	54.30	133.78	33.00	100.78	62.62	\$37.20	25
1987-88	155.00	334.39	411.39	1289.51	959.66	17.96	1397.99	1206.49	58.05	133.45	30.00	103.45	65.28	\$37.20	25
1988-89	#203.00	373.30	382.80	1457.32	1069.48	6.56	1256.93	1044.17	59.05	153.71	15.00	138.71	96.91	\$40.84	20
1989-90	€252.02	577.39	419.90	1625.06	1157.87	6.51	1865.64	1569.51	85.53	210.60	23.17	187.43	95.55	56.88	25
1990-91	252.02	719.02	783.59	1942.23	1382.58	16.51	2048.32	1702.49	100.98	244.86	40.22	204.64	127.32	63.01	25
1991-92	252.02	965.36	1207.10	2449.15	1780.95	32.89	2820.57	2321.93	121.68	376.95	55.00	321.95	250.00	75.61	30
1992-93	\$352.83	1067.51	1920.91	3452.86	2635.79	155.25	3506.32	2996.08	167.56	342.68	16.24	326.44	215.00	123.49	35
1993-94	~575.1	2741.69	1354.59	4033.13	3022.60	432.24	4542.82	3703.99	210.35	628.48	90.50	537.98	320.00	197.40	40
1994-95	¶1097.95	11729.02	1871.11	5311.47	4048.77	755.17	5290.02	4208.35	248.96	832.71	50.00	782.71	340.00	512.04	55
1995-96	1097.95	13119.15	1196.25	6284.42	4739.09	1519.56	8091.95	5289.34	348.82	2453.79	350.00	2103.79	1320.00	713.67	65
1996-97	@1646.92	14163.30	1615.07	8593.57	6727.38	1744.84	9311.24	5851.05	450.70	3009.52	420.00	2589.52	1580.27	905.81	55
1997-98	1646.92	16381.42	1723.93	10251.02	7847.77	1970.60	11504.06	7355.77	543.79	3604.50	390.00	3214.50	2133.00	905.81	55
1998-99	c1646.93	18451.69	1842.57	10656.45	7642.74	2413.60	10988.65	6745.10	627.93	3615.62	540.00	3075.62	2020.00	905.81	55
1999-00	1646.93	19201.58	1592.60	13313.65	9712.51	7409.40	9055.29	6194.94	680.00	2180.35	425.00	1755.35	480.00	905.81	55
2000-01	1646.93	19297.51	2688.53	15207.52	11062.52	7606.57	9498.40	6964.24	795.13	1738.97	410.00	1328.97	155.00	823.47	50
2001-02	1785.99	18553.33	866.15	19401.88	13494.53	6596.72	10286.34	7455.31	1124.79	1706.24	865.63	840.61	-295.00	803.70	45
2002-03	1785.99	18551.94	745.42	19943.29	12927.61	6570.00	9903.68	7785.84	1188.64	929.19	391.08	538.11	-31.00	604.45	30
2003-04	1785.99	18679.96	640.18	20456.72	12409.38	6563.70	11525.43	8753.30	1232.24	1557.89	623.94	933.95	-58.00	805.93	40
2004-05	1785.99	19091.81	645.93	21454.83	12253.50	6561.60	13527.13	9787.11	1262.77	2477.25	943.50	1533.75	140.00	1121.89	55
2005-06	1785.99	20473.44	458.03	21937.81	11672.27	7953.17	16847.37	1032.55	1189.83	4324.99	1716.00	2608.99	547.00	1527.36	75
2006-07	1785.99	22091.25	375.10	24087.79	12853.09	6946.60	19541.91	12511.84	1170.26	5859.81	2068.09	3791.72	846.13	1985.04	95
2007-08	1785.99	24246.61	304.82	28341.20	16181.95	6946.60	22004.60	14087.05	1259.95	6657.60	2308.24	4349.36	475.00	2194.00	105
2008-09	1785.99	26098.42	6766.42	34617.63	21424.98	12048.96	21836.08	14754.45	1323.79	5757.84	2025.46	3732.38	410.00	1880.57	90
2009-10	1785.99	26851.01	19065.95	42549.24	29648.96	12252.46	20216.69	15308.39	1371.31	3536.99	1222.43	2314.56	375.00	1561.97	75
2010-11	1785.99	27419.00	21667.90	50635.47	38623.68	7252.46	23904.11	19155.40	1542.72	3205.99	977.42	2228.57	500.00	1660.58	80
2011-12	1785.99	27702.99	29036.85	59196.37	43608.11	7215.81	27020.53	23184.42	1955.15	1880.96	617.76	1263.20	130.00	934.08	45
2012-13	1785.99	27983.56	28340.45	63872.33	46265.05	6583.64	29662.62	27092.06	2616.79	1390.01	-39.80	1429.81	250.00	1149.24	55
2013-14	1785.99	26114.76	30755.82	66480.93	46304.41	6583.64	30234.02	28483.72	2794.43	-1044.13	(324.57)	-719.56	0.00	1149.24	55
2014-15	1785.99	21627.75	31096.83	67938.90	45438.19	6649.38	30671.52	28726.84	2547.50	-602.82	(303.45)	-299.37	-	859.83	40

* Includes adjustment for depreciation written back ₹0.15 lakhs

^ includes adjustment for depreciation written back ₹14.36 lakhs and arrears of depreciation for earlier year ₹26.62 lakhs. Depreciation for 1975-76 and 1976-77 provided in 1978-79

\$ Preference and equity dividends.

^ includes adjustments for depreciation written back to the extent of ₹27.48lakhs.

After issue of Bonus Shares in the ratio 2:5

€ After issue of Rights Shares in the ratio 1 : 5

§ After issue of Bonus Shares in the ratio 2 : 5

~ Issue of Rights Shares in the ratio 3:5 after Bonus Issue.

¶ Issue of Bonus Shares in the ratio 1:2 and 23,52,941 underlying Equity Shares proportionate to Global Depository Receipts.

@ Issue of Bonus Shares in the ratio 1 : 2

c 162 Equity Shares withheld for allotment on rights basis pursuant to a Court Order were allotted during the year 1998-99

d 13,90,536 Equity Shares of Rs.10/- each issued on amalgamation of Covelong Beach Hotel (I) Ltd. with the Company, in the ratio of 2 : 5.

ORIENTAL HOTELS LIMITED

**CONSOLIDATED
FINANCIAL STATEMENTS
2014 - 2015**

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
ORIENTAL HOTELS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS**

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

Other Matters

7. We did not audit the consolidated financial statements of one subsidiary and jointly controlled entity, whose financial statements reflect total assets (net) of Rs.17789.69 Lakhs as at 31st March, 2015, total revenues of Rs.6813.07 Lakhs including share of profit of an associate company of the subsidiary and net outflow of cash flows amounting to Rs.149.35 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the subsidiary and jointly controlled entity, is solely based on the reports of the other auditor.

8. 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 and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and its associate company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 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.
 - 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.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the holding company and its associate company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the holding company, its associate and a jointly controlled entity- Refer Note 27 to the consolidated financial statements.
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts relates to the Group, its associates and jointly controlled entity and (b) the Group's share of net profit/loss in respect of its associates.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company associate companies incorporated in India.

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : May 15, 2015

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.28317

ANNEXURE TO CONSOLIDATED AUDITOR'S REPORT

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 9 of our report of even date

- i). The company and its associate incorporated in India has maintained proper records, showing full particulars including quantitative details and situation of fixed assets. Fixed assets have been physically verified by the Management during the year based on a phased programme of verifying all the assets over three years, which in our opinion is reasonable having regard to the size of the company and the nature of its Fixed Assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- ii). The management of the company and its associate incorporated in India has conducted physical verification of inventory at reasonable intervals. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii). In our opinion and according to the information and explanations given to us, the company or its associate has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv). In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and its associate and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure to correct major weaknesses in internal control system.
- v). In our opinion and according to the information and explanations given to us, the company and its associate has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, wherever applicable and the directives issued by the Reserve Bank of India, wherever applicable, with regard to deposits accepted from the public.
- vi). The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the company and its associate.
- vii). According to the information and explanations given to us and on the basis of our examination of the books of account, the company and its associate has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Luxury Tax, Sales Tax, Wealth Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues during the year with the appropriate authorities. There are no outstanding statutory dues as at 31st March 2015 for a period of more than six months from the date they became payable.
- viii). According to the records of the company and information and explanations given to us, the company and its associate have no outstanding amounts in respect of duty of customs, wealth tax, duty of excise and cess that have not been deposited with the appropriate authorities on account of any dispute. The details of disputed income tax, value added tax, sales tax, luxury tax and service tax that have not been deposited with the appropriate authorities with respect to the company and its associate are as follows:

Nature of Dues	Amount (₹. In Lakhs)	Forum where dispute is pending
Income tax		
Income Tax Demand for the Assessment Years 2003-04, 2004-05, 2005-06, 2008-09 and 2009-10	125.37	Income Tax Appellate Tribunal, Chennai / Commissioner of Income Tax (Appeals), Chennai
Sales Tax		
Sales Tax Demand for the Financial Years 1990-91 & 1991-92	23.68	Appellate Assistant commissioner, Chennai
Sales Tax Demand for the Financial Years 1992-93 to 1996-97	17.58	Hon'ble High Court of Madras, Chennai
Sales Tax Demand for the Financial Years 2004-05 & 2005-06	30.76	The Assistant Commissioner (Commercial Taxes), Chennai
Sales Tax Demand for the Financial Years 2009-10	3.41	The Assistant Commissioner (Commercial Taxes), Special Circle, Thiruvananthapuram

ANNEXURE TO CONSOLIDATED AUDITOR'S REPORT

Nature of Dues	Amount (₹. In Lakhs)	Forum where dispute is pending
Sales Tax Demand for the Financial Years 2010-11 to 2012-13	2.27	Sales Tax Appellate Tribunal, Visakhapatnam
Sales Tax Demand for the Financial Years 2012-13 to 2013-14	18.20	The Appellate Deputy Commissioner(CT), Visakhapatnam
Luxury Tax		
Luxury tax demands for the Financial Years 2004-05 and 2005-06	28.15	Hon'ble Kerala High court, Ernakulum
Luxury tax demands for the Financial Years 2006-07, 2010-11 and 2011-12	9.65	Deputy Commissioner (Appeals), Ernakulum
Service tax		
Service Tax Demand for the Financial Years 2003-04 to 2010-11	124.88	Commissioner of Central excise (Appeals), Kochi
Service Tax Demand for the Financial Year 2010-11	38.11	Customs, Excise and Service Tax Appellate Tribunal, Chennai
Service Tax Demand for the Financial Years 2004-05 and 2005-06	8.79	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Service Tax Demand for the Financial Years 2006-07 to 2010-11	7.96	Commissioner of Central excise, Madurai
Service Tax Demand for the Financial Years 2005-06 to 2010-11	88.74	Commissioner of Central excise(Appeals), Mangalore
Service Tax Demand for the Financial Years 2006-07 to 2013-14	11.33	Customs, Excise and Service Tax Appellate Tribunal, Chennai

- ix). According to the information and explanations given to us, the amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
- x). The company and its associate does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xi). Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to Banks or financial institutions or debenture holders. The associate company incorporated in India does not have any loans or debentures.
- xii). In our opinion and according to the information and explanations given to us, the company and its associate has not given any guarantee for loans taken by others from banks or other institutions.
- xiii). In our opinion and according to the information and explanations given to us, the company has availed term loans which have been applied for the purpose for which they were obtained. The associate company has not availed any term loans.
- xiv). To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company was noticed or reported during the year.

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.28317

Place : Chennai
Date : May 15, 2015

ORIENTAL HOTELS LIMITED

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet as at 31st March 2015

₹ in lakhs

Particulars	Note	As at March 31, 2015	As as March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	1,785.99	1,785.99
(b) Reserves and surplus	3	32,866.06	36,459.74
		34,652.05	38,245.73
Minority Interest		639.44	743.50
Non-current liabilities			
(a) Long-term borrowings	4	26,060.17	17,620.73
(b) Deferred tax liabilities (Net)	5	184.98	1,315.68
(c) Other Long term liabilities	7	5,304.55	259.93
(d) Long-term provisions	8	563.33	498.29
		32,113.03	19,694.63
Current liabilities			
(a) Short-term borrowings	9	5,377.69	1,899.48
(b) Trade payables	10	3,443.34	3,467.75
(c) Other current liabilities	11	6,459.50	18,230.94
(d) Short-term provisions	12	1,083.85	1,316.31
		16,364.38	24,914.48
TOTAL		83,768.90	83,598.34
ASSETS			
Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		52,398.93	51,980.84
(ii) Intangible assets		233.96	255.31
(iii) Capital work-in-progress		484.86	1,656.62
(b) Goodwill on Consolidation		1,075.32	1,035.96
(c) Non-current investments	14	10,033.47	9,603.26
(d) Deferred tax assets (net)	6	1,150.29	101.68
(e) Long-term loans and advances	15	10,265.12	10,211.07
(f) Other non-current assets	16	-	34.48
		75,641.95	74,879.22
Current assets			
(a) Inventories	17	1,076.63	965.95
(b) Trade receivables	18	2,144.16	2,223.71
(c) Cash and bank balances	19	1,323.34	1,823.34
(d) Short-term loans and advances	20	2,109.16	2,010.19
(e) Other current assets	21	1,473.66	1,695.93
		8,126.95	8,719.12
TOTAL		83,768.90	83,598.34
Significant Accounting Policies	1		
The accompanying notes 1 to 37 form an integral part of the financial statements.			

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

For and on behalf of the Board

Rakesh Kumar Sarna
Chairman
DIN:01875340

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

FORTY FIFTH ANNUAL REPORT 2014-15

CONSOLIDATED PROFIT AND LOSS STATEMENT

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

₹ in lakhs

Particulars	Note	31st March 2015	31st March 2014
INCOME			
Revenue from operations	22	36,642.56	35,538.31
Other income	22	462.79	328.64
Total		37,105.35	35,866.95
EXPENSES			
Cost of materials Consumed	23	4,285.88	4,613.97
Employee Benefit Expense	24	9,296.95	8,780.45
Finance Costs	25	3,199.39	3,115.75
Depreciation and amortization	13	3,337.35	3,505.62
Other expenses	26	17,050.66	16,705.14
Total		37,170.23	36,720.93
Profit / (Loss) before exceptional items and tax		(64.88)	(853.98)
Exceptional items (Refer Note No.31)		(103.93)	(1,751.16)
Profit / (Loss) before tax		(168.81)	(2,605.14)
Tax expense:			
(1) Current tax		202.30	127.80
(2) Deferred tax		(374.74)	(269.65)
(3) Tax /Adjustments relating to earlier years		(37.57)	(8.30)
Total Taxes		(210.01)	(150.15)
Profit / Loss for the year		41.20	(2,454.99)
Share of Profits / (Losses) of Associates		71.85	7.27
(Profit) / Loss attributable to Minority Interest		50.53	186.31
Net Profit / (Loss) after minority interest & share of associates		163.58	(2,261.41)
Earnings per equity share:			
Basic & Diluted (Face value ₹1/- per share) (Refer Note: 29)		0.09	(1.27)
Significant Accounting Policies	1		
The accompanying notes 1-37 form an integral part of the financial statements			

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

For and on behalf of the Board

Rakesh Kumar Sarna
Chairman
DIN:01875340

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

ORIENTAL HOTELS LIMITED

CONSOLIDATED CASHFLOW STATEMENT

Consolidated Cashflow Statement for the year ended 31 March, 2015

₹ in lakhs

Particulars	March 31, 2015	March 31, 2014
A. Cashflow from Operating Activities		
Net profit before tax and extraordinary items	(168.81)	(2,605.14)
Adjustments for		
a) Depreciation	3,337.35	3,505.62
b) (Profit) / Loss on sale of assets(net)	14.91	30.46
c) Provision for Diminution in value of investments	102.06	-
d) Assets Written off	-	34.16
e) Bad Debts / Advances Written Off	-	6.46
f) Provision for Doubtful Debts & Advances	1.57	1,735.45
g) Provision and Balances Written Back	(129.82)	(97.30)
h) Interest / Dividend Income	(253.49)	(125.76)
i) Interest	3,199.39	3,115.76
j) Unrealised Foreign Exchange Loss	57.45	60.90
Operating profits before working capital changes	6,160.61	5,660.61
Adjustments for		
a) Increase in Trade and other receivables	223.62	(126.10)
b) Increase in Inventories	(99.42)	57.23
c) Increase in Trade payables	495.70	482.79
	619.90	413.92
Cash generated from operation	6,780.51	6,074.53
Adjustments for Direct taxes paid (net)	(348.25)	(391.36)
Net Cashflow from operations	6,432.26	5,683.17
Net Cashflow from operating activities (A)	6,432.26	5,683.17
B. Cash flow from investing activities		
Purchase of fixed assets	(2,742.13)	(4,669.65)
Sale of fixed assets	31.13	15.59
(Purchase) / Sale of Investments	(200.90)	-
Interest received	252.23	149.54
Dividend received	21.71	25.12
Exchange Gain Realised on Funds Invested	0.02	0.02
Net cashflow from investing activities (B)	(2,637.94)	(4,479.38)
Carry forward	3,794.32	1,203.79

CONSOLIDATED CASHFLOW STATEMENT

Consolidated Cashflow Statement for the year ended 31 March, 2015

₹ in lakhs

Particulars	March 31, 2015	March 31, 2014
Brought Forward	3,794.32	1,203.79
C. Cashflow from financing activities		
Proceeds from issue of Non convertible Debentures	20,000.00	
Redemption of Non convertible Debentures	(10,000.00)	
Net Increase/(Decrease) in other borrowings	(9,753.95)	2,818.32
Debenture Issue Expenses	(77.84)	-
Interest Paid	(3,435.22)	(3,176.61)
Dividend paid	(1,075.12)	(1,145.82)
Net cash flow from financing activities (C)	(4,342.13)	(1,504.11)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(547.81)	(300.32)
Cash as per books (Refer footnote i)	1,724.07	1,918.34
Adjustment for translation of foreign Currency balances	33.68	106.05
Cash as on Closing 31st March	1,209.94	1,724.07
Net Increase /(Decrease) in cash and cash equivalents	(547.81)	(300.32)
Footnotes:		
i) Cash and Cash Equivalents		
Cash on hand and balances with banks	1,323.34	1,823.34
Bank balances and Deposits Not Considered as Cash	(113.45)	(99.29)
Unrealised Exchange Gain	0.05	0.02
Cash and Cash Equivalents as restated	1,209.94	1,724.07
ii) Previous year's figures have been regrouped wherever necessary to conform to current year's classification.		
iii) The accompanying notes 1-37 form an integral part of the financial statements.		

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

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

For and on behalf of the Board

Rakesh Kumar Sarna
Chairman
DIN:01875340

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Notes to Consolidated Financial Statements for the year ended 31st March, 2015

NOTE:1

a) The Company and description of business

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

b) Principles of Consolidation

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

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

Name of the Company	Category	Country of	% of Voting powerheld as at 31st March, 2015
OHL International (HK) Ltd.*	Subsidiary	Hong Kong	100
Taj Madurai Ltd.	Associate	India	26
Lanka Island Resorts Ltd.	Associate of OHL	Sri Lanka	23.08
TAL Hotels & Resorts Ltd.	International (HK) Ltd.	Hong Kong	21.74

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

c). GROUP ACCOUNTING POLICIES:

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

Use of Estimates:

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

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

i) Revenue Recognition

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

ii) Export Benefit Entitlement

Benefits arising in the nature of Duty Free Scrips are recognised upon the actual utilisation of Duty credit Scrips for the purchase of Fixed Assets and Inventories and are adjusted against the cost of the related assets.

iii) Fixed Assets

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

iv) Depreciation

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

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

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

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

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

Depreciation on amounts added on revaluation is provided over the residual life of the assets and the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from revaluation reserve to profit and loss account.

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

ORIENTAL HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

v) Investments

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

vi) Inventories

Inventories are valued at cost on weighted average basis.

vii) Transactions in Foreign Exchange

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

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

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

viii) Employee Benefits

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

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

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

ix) Borrowing Cost

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

x) Taxes on Income :

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

xi) Impairment of Assets:

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor

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

Provisions are recognised in terms of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

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

Contingent Assets are not recognised in the financial statements.

xiii) Assets taken on lease:

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

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

d). Goodwill on consolidation is not amortized.**NOTE 2 : SHARE CAPITAL**

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
SHARE CAPITAL		
1 Authorised Share capital		
a) Equity Shares		
24,50,00,000 - Equity Shares of ₹1/- each (Previous year 24,50,00,000 Equity Shares of ₹1/- each)	2,450.00	2,450.00
b) Preference Shares		
50,50,000 - Redeemable Cumulative Preference Shares of ₹100/- each	5,050.00	5,050.00
Total	7,500.00	7,500.00
2 Issued, Subscribed and Paid up		
Equity Shares		
17,85,99,180 - Equity Shares of ₹1/- each fully paid (Previous year 17,85,99,180 Equity Shares of ₹1/- each)	1,785.99	1,785.99
Total	1,785.99	1,785.99

- (a) The company has one class of equity shares having a par value of ₹ 1/- share. Each shareholder is eligible for one vote per share held. The Board of Directors in their meeting on 15th May, 2015 proposed a dividend of ₹ 0.40 per equity share, which is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Reconciliation of Equity Shares

Particulars	March 31, 2015		March 31, 2014	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Shares outstanding at the beginning of the year	178,599,180	1,785.99	178,599,180	1,785.99
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	178,599,180	1,785.99	178,599,180	1,785.99

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

Name of the Shareholder(s)	March 31, 2015		March 31, 2014	
	No. of shares	% holding	No. of shares	% holding
The Indian Hotels Company Limited	33,764,550	18.91%	33,764,550	18.91%
TIFCO Holdings Limited	17,208,360	9.64%	17,208,360	9.64%
Reliance Capital Trustee Co Ltd- Reliance Long Term Equity Fund	13,335,961	7.47%	15,047,061	8.43%
Mr. Pramod Ranjan	14,196,140	7.95%	-	-

Note 3 : Reserves and Surplus

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Capital Reserve Account		
Opening and Closing Balance	1.74	1.74
Securities Premium Reserve		
Opening Balance	11,009.40	11,009.40
Less: Debenture issue Expenses(net of tax)	51.39	-
Less: Provision for Premium Payable on Redemption of Debentures (net of tax)	3,344.13	-
Closing Balance	7,613.88	11,009.40
Revaluation Reserve		
Opening Balance	926.79	922.58
Depreciation (net of taxes)transferred / foreign exchange fluctuation for the year	(48.93)	4.21
Closing Balance	877.86	926.79
Debenture redemption reserve		
Opening Balance	1,853.00	1,019.00
Less: Transfer to Surplus in Statement of Profit & Loss	1,853.00	-
Add: Transfer from Surplus in Statement of Profit & Loss	1,853.00	834.00
Closing Balance	1,853.00	1,853.00
Investment allowance utilised reserve		
Opening and Closing Balance	45.74	45.74
Export profits reserve		
Opening and Closing Balance	0.43	0.43
Foreign currency translation reserve		
Opening Balance	5,067.71	4,175.05
Add/(Less) Foreign Exchange fluctuation for the year(net)	516.39	892.66
Closing Balance	5,584.10	5,067.71
Unamortised Foreign Currency Monetary Item Translation Difference		
Opening Balance	(3.24)	(47.79)
Add / (Less) Transferred to Statement of Profit and Loss on amortisation	(26.61)	44.55
Closing Balance	(29.85)	(3.24)
General reserve		
Opening Balance	10,543.40	10,543.40
Add / (Less) Transfer during the year	(10.47)	-
Closing Balance	10,532.93	10,543.40
Surplus in profit and loss account		
Opening Balance	7,014.77	11,259.42
Add : Net profit / (Net loss) for the current year	163.58	(2,261.41)
Add : Transfer from Debenture Redemption Reserve	1,853.00	-
Less : Transfer to Debenture Redemption Reserve	1,853.00	834.00
Less : Proposed Dividend	714.40	982.30
Less : Tax on Proposed Dividend	145.43	166.94
Add : Tax credit for Dividend Distribution Tax	67.71	-
	6,386.23	7,014.77
Total	32,866.06	36,459.74

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 4 : Long Term Borrowings

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Secured (Refer footnote)		
Non- Convertible Redeemable Debentures	20,000.00	-
Term Loans - From Banks	5,847.10	17,413.16
Long term maturities of finance lease obligations	9.98	11.92
Unsecured-Loans and advances from related parties	203.09	195.65
	26,060.17	17,620.73

Footnote : Details of Borrowings as at:

Particulars	March 31, 2015		March 31, 2014	
	₹ in lakhs Non - Current	₹ in lakhs Current	₹ in lakhs Non - Current	₹ in lakhs Current
Debentures	20,000.00	-	-	10,000.00
Term Loans from Banks	5,847.10	3,380.47	17,413.16	5,212.14
Loans and Advances and Others	213.07	2.00	207.57	1.99
	26,060.17	3,382.47	17,620.73	15,214.13

Note 5 : Deferred Tax Liability (Net)

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Deferred Tax Liabilities:		
Depreciation on fixed assets	196.54	6,090.92
Total (A)	196.54	6,090.92
Deferred Tax Assets:		
Provision for doubtful debts	-	35.54
Provision for Employee Benefits	11.56	96.96
Loss u/s 35AD of Income Tax Act, 1961(refer note below)	-	4,638.73
Others	-	4.01
Total (B)	11.56	4,775.24
Deferred tax Liability (Net) (A-B)	184.98	1,315.68

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

Note 6 : Deferred Tax Assets (Net)

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Deferred Tax Assets:		
Provision for doubtful debts	30.80	-
Provision for Employee Benefits	117.00	-
Premium on Redemption of debenture	1,647.98	-
Loss u/s 35AD of Income Tax Act, 1961(refer note below)	5,149.58	-
Depreciation on fixed assets	124.56	101.68
Others	67.73	-
Total (A)	7,137.65	101.68
Deferred Tax Liabilities:		
Depreciation on fixed assets	-	-
Total (B)	5,987.36	-
Deferred tax Asset (Net) (A-B)	1,150.29	101.68

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

Note 7 : Other Long Term Liabilities

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
From Others- Unsecured		
Creditors for Capital Goods and Services	10.27	26.45
Deposits-Sublease	200.00	200.00
Shop Security Deposits	28.18	33.48
Others Long Term Liabilities		
Provision for premium on redemption of debentures	5,066.10	-
	5,304.55	259.93

Note 8 : Long Term Provisions

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Provision For Employee Benefits (Refer Footnote below)	563.33	498.29
Total	563.33	498.29

Footnote: - Includes pension liability for retired directors and their relatives ₹83.24 (Previous year ₹82.42)

Note 9 : Short Term Borrowings

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Loans repayable on demand		
Secured from Banks	700.00	700.00
Over draft	154.76	-
Unsecured from Banks	222.93	199.48
From Others		
Unsecured Inter Corporate deposits from Related Party	4,300.00	-
	5,377.69	1,899.48

Note 10 : Trade Payables

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Total Outstanding dues of micro and small enterprises (*)	67.55	62.09
Total Outstanding dues of creditors other than micro and small enterprises	3,375.79	3,405.66
	3,443.34	3,467.75

* Represents information relating to enterprises operating in India.

ORIENTAL HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 11: Other Current Liabilities

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Current Maturities of long term borrowings		
- Debentures	-	10,000.00
- Term loans	3,380.47	5,212.14
Finance lease obligations	2.00	1.99
Payables on Current Account dues		
Related Parties	3.19	22.79
Others	3.45	85.88
Deposits	18.41	21.94
Interest accrued but not due on borrowings	74.55	459.87
Interest accrued and not due on debentures	439.66	262.14
Advance collection from customers	473.59	429.76
Creditors for capital goods and services		
- Retention Money	124.03	166.74
- Others	50.99	47.31
Unclaimed dividends(Refer footnote i. below)	74.52	68.11
Unclaimed matured deposits & interest accrued thereon	1.16	4.26
Other liabilities		
- Employee Related Dues-(refer footnote ii below)	767.06	767.17
- Statutory Dues	692.22	601.96
- Others	346.29	69.03
- Paid Outs	7.91	9.85
	6,459.50	18,230.94

Footnotes: i) The amount reflects the position as on 31st March 2015, the actual amount to be transferred to the "Investor education & protection fund" shall be determined and paid to the credit of the fund on due dates.

ii) Includes ₹90 lakhs due to Directors(Previous Year ₹60 lakhs)

Note 12 : Short Term Provision

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Provision for Employee Benefits	85.85	68.62
Provision for Contingent Claims	28.23	24.37
Proposed Dividend	714.40	982.30
Tax on Dividend	145.43	166.94
Provision for Tax (net of advance tax)	109.94	74.08
	1,083.85	1,316.31

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13: FIXED ASSETS

₹ in lakhs

	Gross Block						Depreciation				Net Block	
Particulars	At Cost as at 01.04.14	Translation Adjustment @	Additions	Deduction/ Adjustment	At Cost as at 31.03.15	Up to 01.04.14	Translation Adjustment @	Depre- ciation for the year	Deduction/ Adjustment	Up to 31.03.15	As at 31.03.15	As at 31.03.14
Tangible Assets												
Freehold Land *	8,888.80	-	-	-	8,888.80	-	-	-	-	-	8,888.80	8,888.80
	(8,669.13)	-	(219.67)	-	(8,888.80)	-	-	-	-	-	(8,888.80)	(8,669.13)
Leasehold Land #	1,929.15	32.17	0.71	-	1,962.03	815.60	19.44	30.15	-	865.19	1,096.84	1,113.55
	(1,788.50)	(140.20)	(0.45)	-	(1,929.15)	(723.16)	(62.54)	(29.90)	-	(815.60)	(1,113.55)	(1,065.34)
Building	9,756.21	-	948.64	10.60	10,694.25	1,202.66	-	319.81	2.75	1,519.72	9,174.53	8,553.55
	(8,870.78)	-	(897.88)	(12.45)	(9,756.21)	(1,053.70)	(18.35)	(167.64)	(.33)	(1,202.66)	(8,553.55)	(7,817.08)
Improvements to Building	16,884.03	194.23	465.69	-	17,543.95	4,457.68	92.24	634.61	-	5,184.53	12,359.42	12,426.35
	(15,422.87)	(585.25)	(890.51)	(14.60)	(16,884.03)	(3,664.67)	(241.47)	(556.52)	(4.98)	(4,457.68)	(12,426.35)	(11,758.20)
Plant and Machinery	25,371.76	85.89	1,428.95	200.68	26,685.92	11,614.90	66.00	1,309.38	179.48	12,810.80	13,875.12	13,756.86
	(23,698.42)	(233.36)	(1,670.87)	(230.89)	(25,371.76)	(10,079.25)	(180.85)	(1,558.91)	(204.11)	(11,614.90)	(13,756.86)	(13,619.17)
Furniture & Fixtures	13,859.92	42.21	694.30	42.04	14,554.39	7,633.46	33.81	727.68	34.78	8,360.17	6,194.22	6,226.46
	(12,957.39)	(123.15)	(867.73)	(88.35)	(13,859.92)	(6,636.07)	(116.16)	(964.06)	(82.83)	(7,633.46)	(6,226.46)	(6,321.32)
Office Equipment	2,512.67	15.32	149.83	48.98	2,628.84	1,698.20	11.39	294.87	38.05	1,966.41	662.43	814.47
	(2,333.27)	(50.01)	(171.74)	(42.35)	(2,512.67)	(1,482.21)	(15.31)	(236.92)	(36.24)	(1,698.20)	(814.47)	(851.06)
Vehicles	753.98	9.20	17.49	19.42	761.25	553.18	7.73	66.47	13.70	613.68	147.57	200.80
	(737.57)	(23.58)	(14.27)	(21.44)	(753.98)	(495.66)	(19.37)	(50.20)	(12.05)	(553.18)	(200.80)	(241.91)
Total Tangible Assets	79,956.52	379.02	3,705.61	321.72	83,719.43	27,975.68	230.61	3,382.97	268.76	31,320.50	52,398.93	51,980.84
	(74,477.93)	(1,155.55)	(4,733.12)	(410.08)	(79,956.52)	(24,134.72)	(617.35)	(3,564.15)	(340.54)	(27,975.68)	(51,980.84)	(50,343.21)
Intangible Assets												
Computer Software	558.64	0.45	36.80	-	595.89	303.33	0.59	58.01	-	361.93	233.96	255.31
	(364.60)	(1.10)	(197.90)	(4.96)	(558.64)	(260.68)	(1.68)	(45.69)	(4.72)	(303.33)	(255.31)	(103.92)
Total Intangible Assets	558.64	0.45	36.80	-	595.89	303.33	0.59	58.01	-	361.93	233.96	255.31
	(364.60)	(1.10)	(197.90)	4.96	(558.64)	(260.68)	(1.68)	(45.69)	(4.72)	(303.33)	(255.31)	(103.92)

Note

* A portion of land measuring 1.071 acres costing ₹3.78 Crores is under compulsory acquisition by Tamil Nadu State Highway Department. Pending acquisition and fixing of compensation, the same has not been dealt with in the books of account as on 31st March, 2015.

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

Fixed Assets includes Interest Capitalised ₹34.10 Lakhs (Previous Year - ₹57.68 Lakhs)

Fixed Assets include exchange fluctuation capitalised of which Buildings ₹124.47 Lakhs (Previous Year ₹451.67 Lakhs), Plant and Machinery ₹104.55 Lakhs (Previous Year ₹351.79 Lakhs), Furniture and Fixtures ₹51.31 Lakhs (Previous Year ₹165.42 Lakhs) and Vehicles ₹0.46 Lakhs (Previous Year ₹1.46 Lakhs) and Depreciation of which Buildings ₹24.10 Lakhs (Previous Year ₹34.24 Lakhs), Plant and Machinery ₹10.34 Lakhs (Previous Year ₹109.36 Lakhs), Furniture and Fixtures ₹36.33 Lakhs (Previous Year ₹49.15 Lakhs) and Vehicles ₹0.68 Lakhs (Previous Year ₹0.42 Lakhs)

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

Depreciation for the year includes ₹103.63 Lakhs on revalued assets adjusted against revaluation reserve (Previous year ₹104.22 Lakhs)

During the year in accordance with the provisions of Schedule II of the Companies Act, 2013 the Company has adopted option of providing depreciation based on the useful life against the provisions made in the previous years which was based on the rates specified in Schedule XIV of the Companies Act, 1956. This has resulted in lower depreciation charge of ₹364.83 Lakhs.

Previous year Figures have been regrouped wherever necessary.

Figures in brackets are in respect of previous year.

ORIENTAL HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 14 : NON- CURRENT INVESTMENTS

Particulars	Face Value	Holdings As at 31st March 2015	As at 31st March 2015 ₹ in lakhs	As at 31st March 2014 ₹ in lakhs
Trade Investments				
Investment in Associates (Unquoted)				
Taj Madurai Ltd.	₹10	912000	255.97	246.56
Lanka Island Resorts Ltd.	LKR 10	18690000	2,208.96	2,111.86
Other Trade Investment, Unquoted-Equity Shares				
Taj Kerala Hotels and Resorts Limited	₹10	1,515,000	151.50	151.50
Taj Karnataka Hotels and Resorts Limited	₹10	300,000	30.00	30.00
Taj Air Limited	₹10	6,250,000	625.00	625.00
Taj Trade & Transport Company Limited.	₹10	100,500	15.92	15.92
Lands End Properties Private Limited	₹10	1,990,000	199.00	199.00
Green Infra Wind Farms Limited	₹10	45,000	4.50	4.50
Green Infra Wind Generation Limited	₹10	84,000	8.40	6.00
St. James Court Hotel Ltd	GBP 1	6,000,000	6,124.66	5,900.48
Taj Safaris Limited	₹10	6,000,000	137.92	-
Other Trade Investment, Quoted-Equity Shares				
The Indian Hotels Company Limited	₹1	511,836	274.62	274.62
Hotel Leela Venture Limited	₹2	500	0.12	0.12
ElH Limited	₹2	1,125	0.53	0.53
Asian Hotels West Limited	₹10	70	0.08	0.08
Asian Hotels East Limited	₹10	70	0.08	0.08
Asian Hotels North Limited	₹10	70	0.07	0.07
Jaiprakash Associates Limited	₹2	150	0.06	0.06
Sterling Holiday Resorts (India) Limited	₹10	500	0.37	0.37
Tulip Star Hotels Limited	₹10	29,600	32.56	32.56
ElH Associated Hotels Limited	₹10	4,314	2.03	2.03
Benares Hotels Limited	₹10	50	0.06	0.06
Apollo Sindoori Hotels Limited	₹10	100	-	-
Velan Hotels Limited	₹10	4,000	0.42	0.42
Debentures				
Compulsory Convertible Debentures in Indian Hotels Company Limited	₹55	115,163	63.34	-
Non-Trade Investments, Quoted				
ICICI Bank Limited	₹2	7,730	1.36	1.36
Apollo Hospital Enterprises Limited.	₹5	200	0.08	0.08
Non-Trade Investments, Unquoted				
Chennai Willingdon Corporate Foundation	₹10	5	-	-
Indian Dairy Entrepreneurs Agricultural Company Limited	₹1	86,302	-	-
			10,137.61	9,603.26
Less : Provision for Dimunition in value of Investments (Refer footnote)			104.14	-
Total			10,033.47	9,603.26

Footnote:- Provision for dimunition in value of investments in Taj Safaris Limited held by the Joint venture Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 15 : Long Term Loans and Advances

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Unsecured, considered good unless otherwise stated		
Capital advances	115.66	222.18
Long term security deposits placed for Hotel Properties with related parties-(Refer footnote-i)	4,750.00	4,750.00
with Others	468.62	468.62
	5,218.62	5,218.62
Long Term Deposits		
Deposits with public bodies and others	520.83	509.83
Long Term Loans and advances to Related Parties		
Loans and advances to related parties	1,865.68	1,808.01
Considered Doubtful advances	1,751.09	-
	3,616.77	1,808.01
Less : Provision for Doubtful advances	1,751.09	-
	1,865.68	1,808.01
Other Loans and advances (including Advance Tax)		
Advance Income Tax Paid (Net of provisions) (refer footnote ii.& iii)	2,154.42	1,874.82
MAT Credit Entitlement	294.57	409.36
Prepaid Expenses	4.82	3.98
Loans and Advances to Employee	90.52	164.27
	10,265.12	10,211.07

Footnotes:

- The related party under Long Term Deposits placed for hotel properties represent enterprises influenced by relatives of key management personnel
- Advance Tax and Tax deducted at Source is net of Provision for Income tax amounting to ₹16,833.79 Lakhs (previous year ₹16,833.79 Lakhs).
- Provision for income tax considered above is net of MAT credit utilised of ₹114.79 Lakhs (Previous year ₹65.88 Lakhs)

Note 16 : Other Non-Current Assets

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Unamortised Borrowing Costs-(refer footnote below)	-	34.48
Total	-	34.48

Footnote: Represents expenses on loans, full amount amortised on account of foreclosure of loan during the year.

Note 17 : Inventories

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(valued at cost)		
Food and Beverages	478.77	427.18
Stores and Operating Supplies	597.86	538.77
Total	1,076.63	965.95

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 18 : Trade Receivables

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Outstanding over six months :		
Considered good	49.88	65.31
Considered doubtful	81.15	96.72
	131.03	162.03
Less :Provision for Doubtful Trade Receivables Over Six Months	81.15	96.72
	49.88	65.31
Others :		
Considered good	2,094.28	2,158.40
Considered doubtful	27.62	27.35
	2,121.90	2,185.75
Less :Provision for Doubtful Trade Receivable Others	27.62	27.35
	2,094.28	2,158.40
	2,144.16	2,223.71

Note 19 : Cash and Bank balances

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Cash and Cash equivalents:		
Cash on hand	43.58	27.49
Cheques, drafts on hand	162.53	164.43
Current accounts	1,003.75	1,516.21
Call and short term deposit accounts (less than 3 months)	-	15.89
	1,209.86	1,724.02
Other Balances with Banks		
Margin money deposits	36.54	28.79
Earmarked balances (Refer foot note:(i))	76.94	70.53
	113.48	99.32
	1,323.34	1,823.34

(i) Include amounts in unpaid dividend accounts ₹74.52 lakhs (Previous year ₹68.11 lakhs)

Note 20 : Short Term Loans and Advances

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(Unsecured, considered good unless stated otherwise)		
Inter corporate deposits from Others	560.00	560.00
Deposits with Public Bodies & Others	115.43	111.37
Other advances		
Considered good		
Staff Advances	166.11	127.45
Prepaid Expenses	733.94	761.77
Indirect Tax Recoverable	147.81	140.28
Supplier Advances	154.95	59.33
Claims Receivables	195.53	186.23
Others	43.24	71.61
	1,441.58	1,346.67
Less: Provision for doubtful advances	7.85	7.85
	1,433.73	1,338.82
	2,109.16	2,010.19

Note 21 : Other Current Assets

Particulars	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
Interest receivable	115.57	119.92
Receivables-Related Party	67.24	245.35
Other recoverables-(Refer footnotes below)	1,290.22	1,314.99
Unamortised Borrowing costs	0.63	15.67
Total	1,473.66	1,695.93

Footnotes:

- (i) Based on the orders of the Division Bench of the Hon'ble High Court of Madras in an earlier year, the value of Freehold Land amounting to ₹749.86 lakhs has been classified as recoverables. The Company has initiated appropriate legal action to recover the amount together with interest and obtained interim stay order to protect and secure the amount. The Company has received part amount under a compromise settlement. The company has already obtained the court order for recovery of the balance amount of ₹374.25 lakhs.
- (ii) The company entered into a long term agreement for development of hotel at Bannerghatta in Bengaluru in the year 2007. During the year 2013-14, the Company decided to terminate the lease agreement and recover the amount spent on the project along with the deposit made. As per the agreement the termination will take effect when the lessor fulfills the conditions laid in the termination agreement. In view of the above agreement an amount of ₹777.65 lakhs lying in long term deposits placed for hotel properties and capital work in progress have been transferred to amounts recoverable.

Note 22 : ROOMS, RESTAURANTS, BANQUETS AND OTHER INCOME

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
1. Revenue from Operations		
Rooms, Restaurants, Banquets and Other Services		
Sale of products	15,676.26	15,681.03
Less: Excise duty	13.32	8.35
	15,662.94	15,672.68
Sale of Services	20,979.62	19,865.63
	36,642.56	35,538.31
2. Other Income		
Interest Income	247.93	115.23
Dividend Income	5.56	10.53
Profit on sale of Fixed Assets	3.96	5.75
Exchange Gain/(Loss)	-	32.88
Miscellaneous Income	205.34	164.25
	462.79	328.64
	37,105.35	35,866.95

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 23 : Cost of materials consumed

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) Food & Beverages Consumed (Including Smokes)		
1. Opening stock	427.18	417.60
2. Add Purchases	4,337.47	4,623.55
3. Less: Closing stock	478.77	427.18
Total	4,285.88	4,613.97

Note 24 : Employee Benefit expense and Payment to Contractor

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Salaries, Wages, Bonus etc.	5,113.26	4,889.56
Company's Contribution to Retirement Funds & Other Funds	344.49	331.47
Retiring Gratuity	240.72	83.92
Deputed Staff Salaries	1,445.04	1,362.62
Payment for contracted services	949.15	931.53
Workmen / Staff Welfare Expenses	1,204.29	1,181.35
Total	9,296.95	8,780.45

Note 25 : Finance costs

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Interest expense	3,233.49	3,173.43
Less : Interest capitalised	34.10	57.68
Total	3,199.39	3,115.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 26 : Other Expenses

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
(i) Operating Expenses consists of the following:		
Linen and room supplies	647.61	595.93
Catering supplies	417.46	379.88
Other supplies	157.57	160.05
Fuel, power and light	4,213.71	4,467.72
Repairs to buildings	623.73	551.63
Repairs to machinery	1,125.34	1,005.97
Repairs to others	332.77	302.53
Linen and uniform washing and laundry expenses	312.80	296.81
Payment to orchestra staff, artists and others	64.09	68.41
Communication charges	273.60	195.01
Guest transportation	295.70	230.16
Travel agents' commission	537.95	383.09
Collecting Agents Commission	377.09	328.58
Fees to Consultants	1,480.20	1,361.01
Other operating expenses	849.52	826.30
	11,709.14	11,153.08
(ii) General expenses consists of the following :		
Rent	546.16	570.53
Licence fees	753.29	1,001.64
Rates and taxes	672.69	729.04
Insurance	154.68	155.18
Advertising and publicity	1,266.48	1,195.28
Reservation & Other Services	557.27	548.45
Printing and stationery	184.55	186.85
Passage and travelling	120.49	115.44
Bad Debts & Advances Written off	-	6.46
Provision for doubtful debts	1.57	40.87
Professional fees	228.21	207.16
Outsourced/Support Services	130.01	110.34
Expenditure on Corporate Social Responsibility	11.41	-
Exchange Gain Loss	75.20	2.30
Loss on sale of fixed assets (net)	18.87	36.19
Assets Written Off	-	34.16
Donations	1.12	3.00
Other expenses	534.42	531.14
Directors' fees and commission	8.25	5.09
Payment made to statutory auditors :		
i. As auditors	34.50	34.71
ii. For taxation matters	9.65	9.65
iii. Auditors remuneration - Other Services	30.07	24.11
iv. For reimbursement of expenses	2.63	4.47
	5,341.52	5,552.06
Total	17,050.66	16,705.14

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 27 :

i.) Contingent Liabilities and Commitments

Contingent Liabilities (to the extent not provided for):

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
In respect of tax matters for which appeals are pending amounting to Contingent Liability not provided for:	1,076.14	1,076.14
b) On account of other disputes:		
- Luxury Tax	53.42	40.83
- Sales Tax	113.53	94.79
- Urban Land Tax	7.30	7.30
- Electricity Tax and Adjustment Charges	311.06	139.34
- Service Tax	575.93	584.03

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
c) Bank Guarantee/Bond executed by the Company	150.66	279.10
d) Letter of credits opened by bankers	1.00	-
e) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	323.34	675.42
f) Other Commitments	39.58	0.79

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

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

29 Earning Per Share :

Particulars	March 31, 2015	March 31, 2014
Earning per share is computed based on the following :		
Profit after Tax ₹ in lakhs	163.58	(2,261.41)
Nominal Value of share (₹)	1.00	1.00
Number of Equity Shares	178,599,180	178,599,180
Earning Per Share ₹ (Basic and Diluted)	0.09	(1.27)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 Related Party Disclosure :

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

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

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
A.	Sales of Goods / Services *				
	- The Indian Hotels Co Limited		361.46 (418.70)		361.46 (418.70)
	- Roots Corp Limited		- (6.10)		- (6.10)
	- PIEM Hotels Limited		31.27 (22.78)		31.27 (22.78)
	- Taj Trade & Transport Company Limited		12.66 (16.63)		12.66 (16.63)
	- United Hotels Limited		4.03 (3.39)		4.03 (3.39)
	- Inditravel Limited		3.01 (28.79)		3.01 (28.79)
	- Benaras Hotels Limited		10.45 (5.28)		10.45 (5.28)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
B.	Purchase of Goods / Services *				
	- The Indian Hotels Co Limited		1,120.71		1,120.71
			(1,125.14)		(1,125.14)
	- PIEM Hotels Limited		23.16		23.16
			(9.41)		(9.41)
	- Inditravel Limited		1.86		1.86
			(6.88)		(6.88)
	- Benaras Hotels Limited		-		-
			(8.18)		(8.18)
	- Dodla International Limited			15.74	15.74
C.	Interest Paid				
	- TIFCO Holdings Limited		41.78		41.78
			(35.28)		(35.28)
	- PIEM Hotels Limited		259.89		259.89
			(111.94)		(111.94)
	- United Hotels Limited		-		-
			(16.27)		(16.27)
	- Inditravel Limited		-		-
			(18.32)		(18.32)
D.	Dividend Received				
	- The Indian Hotels Co Limited		-		-
			(4.09)		(4.09)
	- Taj Trade & Transport Co Limited		2.01		2.01
			(3.02)		(3.02)
	- Benaras Hotels Limited		0.01		0.01
			(0.01)		(0.01)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
E.	Dividend Paid				
	- Taj Madurai Limited	0.38			0.38
		(0.38)			(0.38)
	- The Indian Hotels Co Limited		185.71		185.71
			(185.71)		(185.71)
	- TIFCO Holdings Limited		94.65		94.65
			(94.65)		(94.65)
	- PIEM Hotels Limited		20.11		20.11
			(20.11)		(20.11)
	- Taj Trade & Transport Co Limited		9.15		9.15
			(9.15)		(9.15)
F.	Operating/License Fees Paid/ Provided				
	- The Indian Hotels Co Limited		1,279.00		1,279.00
			(1,195.34)		(1,195.34)
	- Taj International Hotels (H.K.) Limited		101.28		101.28
			(96.81)		(96.81)
G.	Lease Rentals for Hotel Premises				
	- Taj Madurai Limited	155.89			155.89
		(137.90)			(137.90)
	- Dodla International Limited			241.18	241.18
				(282.98)	(282.98)
H.	Sales & Marketing, Reservation & Other Service Costs				
	- The Indian Hotels Co Limited		1,253.64		1,253.64
			(1,216.47)		(1,216.47)
I.	Operating / License Fees Received / Accrued				
	- TAL Hotels & Resorts Ltd	369.06			369.06
		(319.20)			(319.20)
	- Taj International Hotels (H.K.) Limited		123.15		123.15
			(115.29)		(115.29)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
J.	Intercompany Deposits Raised During the Year				
	- TIFCO Holdings Limited		1,800.00 (2,150.00)		1,800.00 (2,150.00)
	- PIEM Hotels Limited		6,500.00 (8,150.00)		6,500.00 (8,150.00)
	- United Hotels Limited		- (1,000.00)		- (1,000.00)
	- Inditravel Limited		- (1,500.00)		- (1,500.00)
K.	Intercompany Deposits Repaid During the Year				
	- TIFCO Holdings Limited		1,500.00 (2,150.00)		1,500.00 (2,150.00)
	- PIEM Hotels Limited		2,500.00 (8,150.00)		2,500.00 (8,150.00)
	- United Hotels Limited		- (1,800.00)		- (1,800.00)
	- Inditravel Limited		- (1,500.00)		- (1,500.00)
L.	Intercompany Deposits Outstanding at the end of the year				
	- TIFCO Holdings Limited		300.00 -		300.00 -
	- PIEM Hotels Limited		4,000.00 -		4,000.00 -
			-		-
M.	Receivables				
	- TAL Hotels & Resorts Ltd	57.04 (33.92)			57.04 (33.92)
	- The Indian Hotels Co Limited		163.00 (170.37)		163.00 (170.37)
	- Roots Corp Limited		- (1.75)		- (1.75)
	- PIEM Hotels Limited		- (8.81)		- (8.81)
	- Taj International Hotels (H.K.) Limited		487.95 (402.69)		487.95 (402.69)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Details of Transaction with the Related Parties are as follows:

S.No.	Particulars	₹ in lakhs			
		Associate Companies /Joint Venture	Significant Influence	Enterprises influenced by Relatives of Key Management Personnel	Total
N.	Payables				
	- Taj Madurai Limited	81.63 (74.75)			81.63 (74.75)
	- The Indian Hotels Co Limited		840.73 (785.33)		840.73 (785.33)
	- TIFCO Holdings Limited		6.67		6.67
	- PIEM Hotels Limited		-		-
	- Taj Trade & Transport Co Limited		88.96		88.96
			-		-
	- Taj Trade & Transport Co Limited		-		-
			(1.45)		(1.45)
	- United Hotels Limited		-		-
			(0.62)		(0.62)
	- Inditravel Limited		-		-
			(11.78)		(11.78)
	- Benaras Hotels Limited		-		-
			(0.88)		(0.88)
	- Taj International Hotels (H.K.) Limited		15.80		15.80
			(9.44)		(9.44)
	- Dodla International Limited			92.80	92.80
				(111.83)	(111.83)
O.	Long Term Licence Deposit Receivable				
	- Dodla International Limited			4,750.00	4,750.00
				(4,750.00)	(4,750.00)

* Includes Reimbursement of deputed staff salaries and other expenses.

Key Management Personnel:

Key managerial personnel comprise of Managing Director who has the authority and the responsibility for planning, directing and controlling the activities of the Company. The remuneration paid to such directors is ₹137.70 Lakhs (Previous Year ₹125.50 Lakhs). An amount of ₹90 Lakhs is payable as on 31st March 2015 (previous year ₹60 Lakhs).

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

ORIENTAL HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- 31** Exceptional Items represents (i) exchange gain/(loss) on revaluation of long term foreign currency monetary items ₹1.88 Lakhs (ii) Provision for long term loans and advances ₹102.05 Lakhs

Exceptional Items in respect of previous year represents (i) exchange gain/(loss) on revaluation of long term foreign currency monetary items ₹56.57 Lakhs (ii) Provisoin for long term loans and advances ₹ 1694.50 Lakhs.

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

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

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	175.00	175.00
ii. later than one year and not later than five years	700.00	700.00
iii. later than five years	5,118.75	5,308.33
b) License payments recognized in the profit and loss account	241.18	258.75

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

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	66.00	63.00
ii. later than one year and not later than five years	280.50	273.90
iii. later than five years	1,489.22	1,561.82
b) License payments recognized in the profit and loss account	160.90	151.64

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating license for each of the following periods		
i. not later than one year	15.47	22.81
ii. later than one year and not later than five years	1.13	15.81
iii. later than five years	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
a) The total of future minimum license payments under non cancellable operating		
i. not later than one year	184.53	180.15
ii. later than one year and not later than five years	788.18	739.23
iii. later than five years	1,153.89	1,473.62
b) License payments recognized in the profit and loss account	165.48	199.00

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

Particulars	March 31, 2015 USD in lakhs	March 31, 2014 USD in lakhs
ASSETS:		
Investments	162.41	162.13
Net Current Assets	8.19	10.66
	170.60	172.79
LIABILITIES :		
Capital	150.00	150.00
Reserves and Surplus	20.60	22.79
	170.60	172.79
Total Income	2.02	2.40
Profit before taxation	1.03	2.31
Profit after Taxation and Share of Associates	1.80	2.04

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

Particulars	TAL Hotels & Resorts Ltd 21.736%	
	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
ASSETS:		
Non Current Assets		
Fixed Assets		
- Tangible Assets	7,654.61	7,557.57
- Intangible Assets	0.01	0.02
- Capital Work in Progress	24.95	31.08
Goodwill on Consolidation	1,075.32	1,035.96
Non-current investments	47.84	13.99
Deferred tax Asset (Net)	124.56	101.68
Long-term loans and advances	1,865.68	1,808.01
Other non-current assets	-	0.61

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Particulars	TAL Hotels & Resorts Ltd 21.736%	
	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Current Assets		
- Inventories	379.95	321.66
- Trade receivables	352.78	276.56
- Cash and bank balances	962.52	863.84
- Short-term loans and advances	560.31	525.97
- Other current assets	87.24	126.61
LIABILITIES :		
Reserves and Surplus	5,384.31	4,692.34
Minority Interest	639.44	743.50
Non Current Liabilities		
- Long Term Borrowings	2,278.85	2,881.37
- Deferred tax liabilities (Net)	184.98	174.75
- Other Long term liabilities	10.27	26.45
- Long-term provisions	100.27	81.81
Current Liabilities		
Short-term borrowings	222.93	199.48
Trade payables	502.60	488.64
Other current liabilities	1,666.47	1,269.26
Short-term provisions	138.16	98.45
INCOME		
Rooms, Restaurants, Banquets, Other Services and Other Income	6,642.98	5,775.62
EXPENSES		
Food and Beverages Consumed	701.79	616.29
Employee Benefit Expenses and Payment to Contractor	1,390.12	1,316.19
Finance Cost	194.71	173.99
Depreciation, Amortisation & Impairment	789.86	711.18
Operating Expenses	1,704.02	1,647.44
General Expenses	1,157.89	1,060.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	March 31, 2015 ₹ in lakhs	March 31, 2014 ₹ in lakhs
Parent:-Oriental Hotels Limited		
Net Asset (Total Assets minus Total liabilities) (₹)	16,606.39	21,093.39
% on Consolidated Net Assets	47.92	55.15
Share of Profits/(Losses)	(529.18)	(918.39)
% on Consolidated Profit	(323.49)	40.61
Wholly Owned Subsidiary-Foreign:-OHL International HK Limited		
Net Asset (Total Assets minus Total liabilities) (₹) (includes investments of its Associate ₹2208.96 lakhs (Previous year ₹2111.86 Lakhs)	10,397.88	10,205.94
% on Consolidated Net Assets	30.01	26.69
Share of Profits/(Losses) ((includes Share of profits in its associate ₹46.93 Lakhs (Previous year ₹(16.26) Lakhs))	110.09	123.18
% on Consolidated Profit	67.30	(5.45)
Joint Venture- Foreign:-Tal Hotels and Resorts Limited (As per Proportionate Consolidation Method)		
Net Asset (Total Assets minus Total liabilities) (₹)	7,391.81	6,699.84
% on Consolidated Net Assets	21.33	17.52
Share of Profits/(Losses)	557.76	(1,489.73)
% on Consolidated Profit	340.96	65.88
Associate Company:-Indian-Taj Madurai Limited (Investment as per the equity method)		
Net Asset (Total Assets minus Total liabilities) (₹)	255.97	246.56
% on Consolidated Net Assets	0.74	0.64
Share of Profits/(Losses)	24.92	23.53
% on Consolidated Profit	15.23	(1.04)

35 Central Government approval is awaited for excess remuneration paid/payable to Managing Director for period 01st April 2012 to 31st March 2014 amounting to ₹124.38 lakhs.

36 As per Accounting Standards 21 on "Consolidated Financial Statement", Accounting Standard 23 on "Accounting for investments in Associates in Consolidated Financial Statements and AS 27 on "Financial Reporting of Interests in Joint Ventures" referred to in Section 211(3C) of the Companies Act, 1956, the company has presented consolidated financial statements separately, including that of its subsidiary, associates and joint venture entities in this annual report.

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

As per our Report attached

For BRAHMAYYA & Co
Chartered Accountants
Firm Registration No 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place: Chennai
Date: May 15, 2015

Mohan Jayaraman
Chief Financial Officer

For SNB ASSOCIATES
Chartered Accountants
Firm Registration No 015682N

R. SRIDHAR
Partner
Membership No.028317

K.C. Raman
Company Secretary

For and on behalf of the Board

Rakesh Kumar Sarna
Chairman
DIN:01875340

D. Varada Reddy
Managing Director
DIN: 00052200

Dr. G. Sundaram
Director
DIN : 00051093



Oriental Hotels Limited

CIN: L55101TN1970PLC005897

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

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

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

BALLOT PAPER

Serial No.

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

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

Sl. No.	Resolution	OR	No. of shares held by me	I Assent to the resolution	I Dissent from the resolution
Ordinary Business					
1.	Adoption of audited financial statements for the year ended March 31, 2015	OR			
2.	Adoption of audited consolidated financial statements for the year ended March 31, 2015	OR			
3.	Declaration of dividend, if any	OR			
4.	Appointment of Director in place of Mr.Ramesh.D.Hariani, (DIN.00131240) who retires by rotation and is eligible for reappointment	OR			
5.	Appointment of Director in place of Mr.Pramod Ranjan (DIN.00887569) who retires by rotation and is eligible for reappointment	OR			
6.	Appointment of Auditors and fixing their remuneration	OR			
Special Business					
7.	Appointment of Mr. Anil P Goel, (DIN.00050690) as a Director	OR			
8.	Appointment of Mr. Rakesh Kumar Sarna, (DIN.01875340) as a Director	OR			

OR – Ordinary Resolution

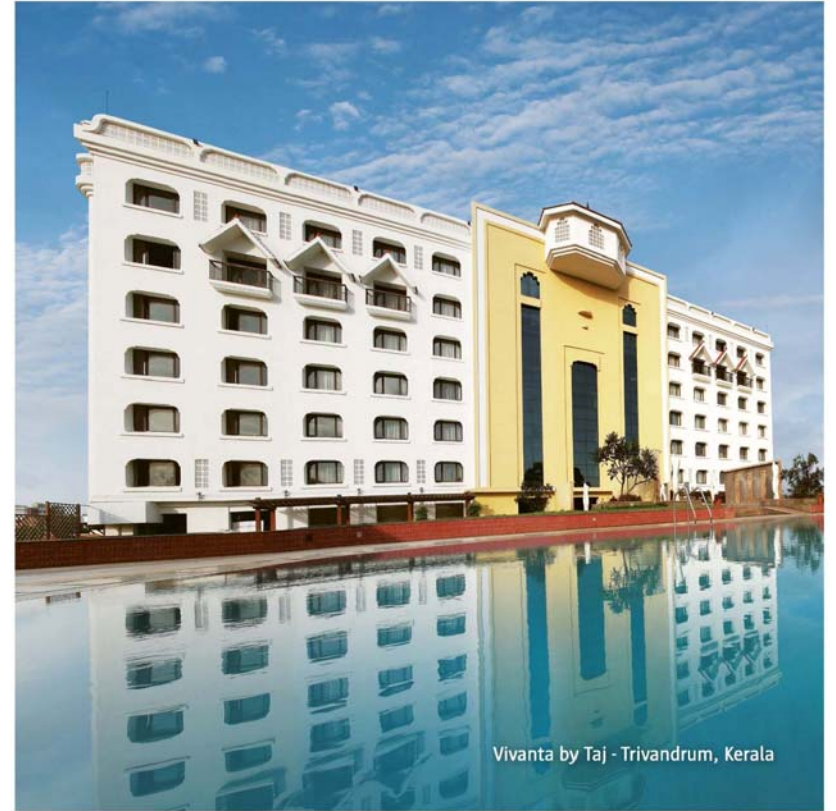
Place:

Date:

Signature of the Shareholder:



Vivanta by Taj - Malabar, Cochin



Vivanta by Taj - Trivandrum, Kerala