

# THE INDIAN HOTELS COMPANY LIMITED

A **TATA** Enterprise

115<sup>TH</sup> ANNUAL REPORT 2015 - 2016





Dimaid Bhawan Palace, Jodhpur

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# The Indian Hotels Company Limited

## COMPANY INFORMATION

### Board of Directors

Cyrus P. Mistry                      Chairman

K. B. Dadiseth

Deepak Parekh

Nadir Godrej

Shapoor Mistry

Ireena Vittal

Gautam Banerjee

Vibha Paul Rishi

Dr. N. S. Rajan  
(appointed w.e.f November 27, 2015)

Rakesh Sarna                      Managing Director & CEO

Anil P. Goel                      Executive Director & CFO

Mehernosh S. Kapadia      Executive Director -  
Corporate Affairs

### Management

Rakesh Sarna                      Managing Director & CEO

Anil P. Goel                      Executive Director & CFO

Mehernosh S. Kapadia      Executive Director - Corporate Affairs

Chinmai Sharma                      Chief Revenue Officer

Dr. P. V. Ramana Murthy      Senior Vice President - Human Resources

Rohit Khosla                      Senior Vice President - Operations (North)

Farhat Jamal                      Senior Vice President - Operations (West)

Prabhat Verma                      Senior Vice President - Operations (South)

Suma Venkatesh                      Senior Vice President - Real Estate &  
Development

Rajendra Misra                      Senior Vice President - General Counsel

Beejal Desai                      Vice President - Legal & Company Secretary

### Registered Office & Share Department

Mandlik House, Mandlik Road, Mumbai 400 001.

Tel: 6639 5515

Fax: 2202 7442

CIN: L74999MH1902PLC000183

Email: investorrelations@tajhotels.com

Website: www.tajhotels.com

### Solicitors

Mulla & Mulla & Craigie Blunt & Caroe

### Auditors

Deloitte Haskins & Sells, LLP

PKF Sridhar & Santhanam, LLP

### Bankers

The Hongkong & Shanghai Banking Corporation Ltd

Standard Chartered Bank

State Bank of India

HDFC Bank Ltd

ICICI Bank Ltd

## FINANCIAL HIGHLIGHTS

	STANDALONE		CONSOLIDATED	
	2015/16	2014/15	2015/16	2014/15
	₹ crores	₹ crores	₹ crores	₹ crores
Gross Revenue	<b>2,382.32</b>	2,103.60	<b>4,706.27</b>	4,287.35
Profit Before Tax and Exceptional Items	<b>321.89</b>	230.58	<b>169.30</b>	120.43
Profit/(Loss) Before Tax	<b>311.68</b>	1.88	<b>102.14</b>	(232.48)
Profit/(Loss) After Tax, Minority Interest & Share of Associates	<b>201.04</b>	(82.02)	<b>(60.53)</b>	(378.10)
Dividend	<b>29.68</b>	-	<b>29.68</b>	-
Retained Earnings*	<b>328.47</b>	249.32	<b>249.82</b>	211.52
Total Assets	<b>7,562.12</b>	7,198.38	<b>10,944.57</b>	9,886.98
Net Worth	<b>3,885.60</b>	3,615.06	<b>3,181.97</b>	3,227.13
Borrowings	<b>2,107.86</b>	2,209.08	<b>4,781.41</b>	4,074.57
Debt : Equity Ratio	<b>0.54:1</b>	0.61:1	<b>1.5:1</b>	1.26:1
Net Worth Per Ordinary Share of ₹ 1/- each - In ₹	<b>39.28</b>	44.77	<b>32.16</b>	39.96
Earnings Per Ordinary Share - Basic - In ₹	<b>2.44</b>	(1.02)	<b>(0.74)</b>	(4.68)
Earnings Per Ordinary Share - Diluted - In ₹	<b>2.03</b>	** (1.02)	<b>** (0.74)</b>	** (4.68)
Dividend Per Ordinary Share - In ₹	<b>0.30</b>	-	<b>0.30</b>	-

\* Excludes ₹ 0.35 crore (previous year ₹ 213.49 crores) being provision for diminution in value of long term investments in Standalone and ₹ Nil (previous year ₹ 306.51 crores) in Consolidated.

\*\* As the impact of the Compulsorily Convertible Debentures (CCDs) is anti -dilutive for the current and previous year, resulting in a decrease in loss per share from continuing ordinary activities, the effect thereof has been ignored while calculating diluted earnings per share.



# The Indian Hotels Company Limited

## NOTICE

NOTICE is hereby given that the HUNDRED AND FIFTEENTH (115th) ANNUAL GENERAL MEETING of THE INDIAN HOTELS COMPANY LIMITED will be held on Tuesday, August 23, 2016, at 3.00 p.m. at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, to transact the following business:

1. To receive, consider and adopt:
  - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with the Report of the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year 2015/16.
3. To appoint a Director in place of Mr. Cyrus P. Mistry (DIN: 00010178) who retires by rotation and is eligible for re-appointment.
4. Ratification of appointment of Statutory Auditors of the Company.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W/W-100018) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in the year 2017 to examine and audit the accounts of the Company for the financial year 2016/17, the appointment being made at the 113th Annual General Meeting of the Company held on August 27, 2014, for a period upto conclusion of the 116th Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

5. **Appointment of Dr. N. S. Rajan as a Non-Executive Director of the Company.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** Dr. N. S. Rajan (DIN: 07339365), who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 27, 2015 and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation."

6. **Re-appointment of Mr. Anil P. Goel as a Whole-time Director of the Company.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and such other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification thereof, and subject to such other approvals, if any, that may be required, the Company hereby approves the re-appointment and terms of remuneration of Mr. Anil P. Goel (DIN: 00050690), as a Whole-time Director of the Company for a period of five years with effect from March 17, 2016 till March 16, 2021, upon the terms and conditions, including those relating to remuneration, as set out in the Explanatory Statement annexed to the Notice convening this meeting, including the minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year, during the tenure of his appointment, with authority to the Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be mutually agreed to between the Board of Directors and Mr. Goel;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

7. **Re-appointment of Mr. Mehernosh S. Kapadia as a Whole-time Director of the Company.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and such other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification thereof, and subject to such other approvals if any, that may be required, the Company hereby approves the re-appointment and terms of remuneration of Mr. Mehernosh S. Kapadia (DIN: 00050530), as a Whole-time Director of the Company from August 10, 2016 upto his reaching the retirement age of 65 years i.e. May 22, 2018 (retirement age for Executive Directors as

per the Governance Guidelines), upon the terms and conditions, including those relating to remuneration, as set out in the Explanatory Statement annexed to the Notice convening this meeting, including the minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year, during the tenure of his appointment, with authority to the Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be mutually agreed to between the Board of Directors and Mr. Kapadia;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

#### 8. Private placement of Non-Convertible Debentures

To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures on private placement basis, in one or more tranches such that the total amount does not exceed ₹ 700 crores during a period of one year from the date of passing of this Resolution and that the said borrowing is within the overall borrowing limits of the Company;

**RESOLVED FURTHER** that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

#### NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out the material facts in respect of the Business under Item Nos. 4 to 8 to be transacted at the meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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 Member. Proxies in order to be effective should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.
3. Members/Proxies and Authorised representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorising the representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and the Share Transfer Books will remain closed from Wednesday, August 17, 2016 to Tuesday, August 23, 2016, both days inclusive, for payment of dividend, if declared/approved at the Meeting.
5. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") and the Secretarial Standard-2 on "General Meetings", the particulars of Directors seeking appointment / re-appointment at the Meeting are annexed to the Notice.
6. The Dividend on Equity Shares, as recommended by the Board of Directors, if declared at the Annual General Meeting (AGM), will be paid on or after August 26, 2016, to the Members whose names appear on the Company's Register of Members on August 16, 2016, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before Tuesday, August 16, 2016. As regards shares held in electronic form, the dividend will be payable to the 'beneficial owners' of the shares whose names appear in the Statement of Beneficial Ownership furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as at the close of business hours on August 16, 2016.

# The Indian Hotels Company Limited

## 7. Unclaimed Dividends:

Pursuant to the provisions of Section 205A and 205C and other applicable provisions if any, of the Companies Act, 1956 (which are in force) all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as principal amount of debentures and deposits as applicable, remaining unclaimed / unpaid for seven years from the date they first became due for payment, in relation to the Company have been transferred to the "Investor Education and Protection Fund" (IEPF) established by the Central Government. No claim shall lie against IEPF or the Company for the amounts so transferred prior to March 31, 2016 nor shall any payment be made in respect of such claim. It may be noted that unpaid dividend for the financial year ended March 31, 2009 is due for transfer to the IEPF on October 7, 2016. The Company had sent reminders to such Members on June 15, 2016 for claiming of unpaid dividends. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming earlier dividends declared by the Company.

As per the provisions of the Investors Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012 and in order to help the Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) as well as on the website of the Company viz. [www.tajhotels.com](http://www.tajhotels.com) as also on the website of the Ministry of Corporate Affairs [www.mca.gov.in](http://www.mca.gov.in).

8. Securities and 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 are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.

9. Members holding shares in physical form are requested to advise any change of address and are also requested to submit their specimen signatures duly attested by their Bank immediately to the Company. Members holding shares electronically in dematerialized form must advise any change of address to their respective Depository Participant.

## 10. Nomination facility

As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he / she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company.

11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management.

## 12. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are required to submit the filled in form to the Company and Members holding shares in electronic form are required to submit the details to their respective Depository Participants.

13. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote.

14. Members desiring any information as regards the Accounts are requested to write to the Company Secretary at an early date so as to enable the management to reply at the meeting. For any communication, the Members may also send requests to the Company's investor email id: [investorrelations@tajhotels.com](mailto:investorrelations@tajhotels.com).

15. Members are requested to kindly bring their copies of the Annual Report to the Meeting. As per the requirement of the Secretarial Standard-2 on "General Meetings" the route map showing directions to reach the venue of the Meeting is annexed to the Notice.

16. The Notice of the AGM along with the Annual Report of 2015-16 is being sent by electronic mode to those Members whose email addresses are registered with the Company / Depository Participants, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, a physical copy is being sent by permitted mode. To support the 'Green Initiative' Members who have not registered their email addresses are required to register the same with the Company / Depository. Members may note that this Notice and the Annual Report 2015-16 will also be available on the Company's website viz. [www.tajhotels.com](http://www.tajhotels.com).



**17. Voting through electronic means**

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide its Members facility of remote e-voting (to cast their vote electronically from a place other than the venue of the AGM), through e-voting services provided by National Securities Depository Limited (NSDL) on all resolutions set forth in this Notice.

Facility of voting through electronic voting system shall also be available at the Meeting. Members holding shares as on cut off date i.e. August 16, 2016 and attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting.

Mr. Shreepad Korde, Practicing Company Secretary (Membership No. 563) has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting and the voting at the Meeting in a fair and transparent manner.

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

**A) For Members whose email addresses are registered with the Company / Depository Participant:**

Those Members whose email addresses are registered with the Company / Depository Participant will receive an email from NSDL.

- (i) Open the e-mail and access the attached PDF file viz; "remote 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.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- (iii) Click on Shareholder – Login.
- (iv) Insert user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Please keep a note of your new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of The Indian Hotels Company Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are 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: [fraternitygroup2010@gmail.com](mailto:fraternitygroup2010@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

**B) In case of Members' receiving physical copies of the Notice of the Meeting: (for Members whose email addresses are not registered with the Company/Depository)**

- (i) Initial password is provided in the enclosed attendance slip: EVEN (E-voting Event Number) + USER ID and PASSWORD
- (ii) Please follow all step from 18 A (ii) to (xii)

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### C) Other Instructions:

- (i) The e-voting period begins on August 19, 2016 at 9.00 a.m. Indian Standard Time (IST) and ends on August 22, 2016 at 5.00 p.m. IST. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 16, 2016, may cast their vote electronically. The e-voting module will be disabled by NSDL thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.
- (ii) The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. August 16, 2016. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM.
- (iii) Any person, who acquires shares of the Company and becomes a Member of the Company after despatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by a sending a request to [rajivr@nsdl.co.in/evoting@nsdl.co.in](mailto:rajivr@nsdl.co.in/evoting@nsdl.co.in) and may cast their vote by remote e-voting or at the Meeting. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password you can reset your password by using Forgot Password option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (iv) In case Members have any queries regarding e-voting, you may refer to the "Frequently Asked Questions (FAQs) for Members" and "Remote e-voting User manual for Members" available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free number 1800-222-990. Members may also send their queries on e-voting by email to Mr. Rajiv Ranjan, Asst. Manager, NSDL at email id: [rajivr@nsdl.co.in/evoting@nsdl.co.in](mailto:rajivr@nsdl.co.in/evoting@nsdl.co.in).
- (v) The Scrutinizer shall immediately after the conclusion of the voting period, first count the votes at the meeting, thereafter unblock the votes through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than two days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or any person authorised by the Chairman in writing, who shall countersign the same.
- (vi) The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again at the Meeting.
- (vii) The Chairman or the person authorised by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report declare the Results of the voting. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tajhotels.com](http://www.tajhotels.com) and on the website of NSDL immediately after the results are declared by the Chairman. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India where the shares of the Company are listed.

18. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. August 23, 2016.

**By Order of the Board of Directors**

**BEEJAL DESAI**

**Vice President – Legal and Company Secretary**

Mumbai, May 18, 2016

**Registered Office:**

Mandlik House,  
Mandlik Road,  
Mumbai 400 001.  
CIN: L74999MH1902PLC000183  
Tel.: 022 66395515 Fax: 022 22027442  
Email: [investorrelations@tajhotels.com](mailto:investorrelations@tajhotels.com)  
Website: [www.tajhotels.com](http://www.tajhotels.com)