

B S R & Co. LLP

Chartered Accountants

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Private and confidential

The Board of Directors
The Indian Hotels Company Limited
Mandlik House, Mandlik Road
MUMBAI 400 001

Dear Sirs

Independent Auditors' Report on Computation of Ratios and other Information under Regulation 52(4) and Regulation 54(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2009, as amended to date, to the extent applicable.

- 1) This certificate is issued in accordance with the terms of our engagement letter dated 1 August 2018
- 2) We have been engaged by The Indian Hotels Company Limited ("the Company") to perform assurance procedures on the accompanying Statement of Ratios and Other information as at 30 September 2018 ("the Statement") pursuant to the requirements of Regulation 52(4) and Regulation 54(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2009 as amended to date, to the extent applicable ("SEBI LODR Regulations").

Managements' Responsibility for the Statement

- 3) The Management of the Company is responsible for the following
 - a. The Statement are prepared based on the unaudited interim financial information and other records maintained by the Company as at and for the period ended 30 September 2018. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
 - b. The computation of ratios is properly determined as mentioned in the Statement for the purpose of submission to the debenture trustees of the following Secured and Unsecured Redeemable Non-Convertible Debentures ("NCDs"):

Secured:

- i. 10.10% Non-Convertible Debentures – Face Value of ₹ 300 crores
- ii. 9.95% Non-Convertible Debentures – Face Value of ₹ 250 crores
- iii. 7.85% Non-Convertible Debentures – Face Value of ₹ 495 crores

Unsecured:

- i. 2% Non-Convertible Debentures – Face Value of ₹ 250 crores
- ii. 7.85% Non-Convertible Debentures – Face Value of ₹ 200 crores

Auditor's Responsibility

- 4) Pursuant to the requirements of SEBI LODR Regulations, it is our responsibility to provide a reasonable assurance as to whether the Statement is in agreement with the unaudited interim financial information and other records maintained by the Company from 1 April 2018 to 30 September 2018.

Our responsibility, for the purpose of this certificate, is limited to provide a reasonable assurance on the information contained in the Statement based on our review of the unaudited books of accounts and other relevant records and documents of the Company for the quarter ended 30 September, 2017. The unaudited books of accounts referred here, have been reviewed by us for the purpose of reporting to the Board of Directors pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on which we have issued unmodified review report vide our report dated 14 November 2018. Our review was conducted in accordance with Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' specified under section 143(10) of the Companies Act, 2013. SRE 2410 requires that we comply with ethical requirements of the code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and plan and perform the review to obtain reasonable assurance whether the special purpose financial

- 5) Further, computation of certain ratios is based on trailing 12 months period from 1 October 2017 to 30 September 2018 included in the Statement are recomputed/extracted from the financial information, which had been audited/reviewed by us for the period/year ended 31 March 2018 and 30 September 2018.
- 6) Our work was planned to reflect the Company's own extraction process, verifying how the particulars in the statement within were collected, collated and validated by the Company for inclusion in the Statement based on the Guidance Note on Reports or Certificates for Special purposes (Revised 2016) and the Standards on Auditing issued by the Institute of Chartered Accountants of India, which include concepts of test checks and materiality. The said Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- 8) On the basis of our verification of unaudited interim financial information and other relevant records and documents as referred to in paragraph 3 above, and according to the information, explanations and representations provided to us by the Management of the Company, we certify that the particulars furnished by the Company in the said Statement, read with and subject to the notes thereon, initialed by us for identification purposes, are in agreement with the aforesaid unaudited interim financial information and other relevant records and documents maintained by the Company and produced before us.



The Indian Hotels Company Limited
14 November 2018
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Restriction on Use

- 9) Our work was performed solely to assist you in meeting your responsibilities with reference to the requirements laid under SEBI LODR Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
- 10) This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the debenture trustees of the above mentioned NCDs. As a result, the Statement may not be suitable for another purpose and should not be used by any other person or for any other purpose. We do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Suhas Pai
Partner
Membership No: 119057

Mumbai
14 November 2018

The Indian Hotels Company Limited

Statement of Information

Information pursuant to requirement of Regulation 52(4) and Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulation 2015) for half year ended September 30, 2018

₹ lakhs

| Sr. No. | Particulars | As at 30.09.2018 | | | | | | | | | | |
|--|---|--|--------|------|-----|-----|----|-----|-----|---|--|--|
| (a) | Debt Equity ratio (in times) | 0.42 | | | | | | | | | | |
| (b) | Previous due date for the payment of interest of Non-Convertible Debentures (NCDs) | | | | | | | | | | | |
| (a) | 7.85% Secured NCDs allotted on January 20, 2017 | 20.01.2018 | | | | | | | | | | |
| (b) | 10.10% Secured NCDs allotted on November 18, 2011 | 20.11.2017 | | | | | | | | | | |
| (c) | 9.95% Secured NCDs allotted on July 27, 2011 | 27.07.2018 | | | | | | | | | | |
| (d) | 7.85% Unsecured NCDs allotted on April 20, 2017 | 20.04.2018 | | | | | | | | | | |
| (e) | 2% Unsecured NCDs allotted on December 9, 2009 | 11.12.2017 | | | | | | | | | | |
| (c) | Interest has been paid | Yes | | | | | | | | | | |
| (d) | Previous due date for the repayment of Principal of NCDs | N.A. | | | | | | | | | | |
| (e) | Principal has been repaid | N.A. | | | | | | | | | | |
| (f) | Next due date and amount for the payment of interest of NCDs | Date | Amount | | | | | | | | | |
| (a) | 7.85% Secured NCDs allotted on January 20, 2017 | 21.01.2019 | 3886 | | | | | | | | | |
| (b) | 10.10% Secured NCDs allotted on November 18, 2011 | 19.11.2018 | 3022 | | | | | | | | | |
| (c) | 9.95% Secured NCDs allotted on July 27, 2011 | 29.07.2019 | 2501 | | | | | | | | | |
| (d) | 7.85% Unsecured NCDs allotted on April 20, 2017 | 22.04.2019 | 1579 | | | | | | | | | |
| (e) | 2% Unsecured NCDs allotted on December 9, 2009 | 10.12.2018 | 499 | | | | | | | | | |
| (g) | Next due date and amount for the repayment of Principal of NCDs | Date | Amount | | | | | | | | | |
| (a) | 7.85% Secured NCDs allotted on January 20, 2017 | 15.04.2022 | 49500 | | | | | | | | | |
| (b) | 10.10% Secured NCDs allotted on November 18, 2011 | 18.11.2021 | 30000 | | | | | | | | | |
| (c) | 9.95% Secured NCDs allotted on July 27, 2011 | 27.07.2021 | 25000 | | | | | | | | | |
| (d) | 7.85% Unsecured NCDs allotted on April 20, 2017 | 20.04.2020 | 20000 | | | | | | | | | |
| (e) | 2% Unsecured NCDs allotted on December 9, 2009 | 09.12.2019 | 25000 | | | | | | | | | |
| (h) | Debt Service Coverage Ratio (in times) [Refer note (IV) & (VI) below] | 1.53 | | | | | | | | | | |
| (i) | Interest Service Coverage Ratio (in times) [Refer note (V) & (VI) below] | 4.08 | | | | | | | | | | |
| (j) | Debenture Redemption Reserve | 30597 | | | | | | | | | | |
| (k) | Net Worth (Equity + Other equity) | 421564 | | | | | | | | | | |
| (l) | Net Profit/ (Loss) after Tax | (3876) | | | | | | | | | | |
| (m) | Basic and Diluted Earnings per Share (in ₹) | (0.33) | | | | | | | | | | |
| (I) | The credit rating for the outstanding NCDs is as follows: | | | | | | | | | | | |
| | <table><tr><th>Secured / Unsecured Non- Convertible Debentures (Amount in ₹ / crores)</th><th>CARE</th><th>ICRA</th></tr><tr><td>800</td><td>AA+</td><td>AA</td></tr><tr><td>695</td><td>AA+</td><td>-</td></tr></table> | Secured / Unsecured Non- Convertible Debentures (Amount in ₹ / crores) | CARE | ICRA | 800 | AA+ | AA | 695 | AA+ | - | | |
| Secured / Unsecured Non- Convertible Debentures (Amount in ₹ / crores) | CARE | ICRA | | | | | | | | | | |
| 800 | AA+ | AA | | | | | | | | | | |
| 695 | AA+ | - | | | | | | | | | | |
| (II) | The Asset cover ratio of the Company is 2.25 times. | | | | | | | | | | | |
| (III) | All the Secured NCDs are rated, listed and secured by a pari passu first charge created on all the property, plant and equipment of the Company, both present and future. | | | | | | | | | | | |
| (IV) | Debt Service Coverage Ratio is calculated as: (Profit before Tax + Interest (Net) + Provision for diminution in value of long term investments + Depreciation)/ (Interest (Net) + Principal Repayment of long-term Debt). | | | | | | | | | | | |
| (V) | Interest Service Coverage Ratio is calculated as: (Profit before Tax + Interest (Net) + Provision for diminution in value of long term investments + Depreciation) / Interest (Net). | | | | | | | | | | | |
| (VI) | The ratios have been computed on a trailing twelve month basis. | | | | | | | | | | | |

SIGNED FOR IDENTIFICATION
BY Suhaj Pai

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

