







Corporate Office: 7, Sham Nath Marg, Delhi-110 054
Telephone: 91-11-2389 0505 Facsimile: 91-11-2389 0575
Website: www.eihltd.com
CIN: L55101WB1949PLC017981

FORM A

Format of covering letter of the Annual Report to be filed with the Stock Exchanges

1.	Name of the Company:	EIH Limited
2.	Annual Standalone Financial statements for the year ended	31 st March, 2016
3.	Type of Audit Observation	Emphasis of Matter
4.	Frequency of observation	One Matter-Fifth time Second Matter – Second time
5.	To be signed by -	
	Managing Director & Chief Executive Officer	 Vikram Oberoi
	Chief Financial Officer	 Biswajit Mitra
	Auditor of the Company	For Ray & Ray Chartered Accountants Firm's Registration No.301072E  R. N. ROY Partner Membership No. 8608
	Audit Committee Chairperson	 L. Ganesh

A member of  The Oberoi Group

Registered Office: EIH Limited, 4, Mangoe Lane, Kolkata-700 001, India
Telephone: 91-33-2248 6751 Facsimile: 91-33-2248 6785

RAY & RAY

CHARTERED ACCOUNTANTS

Webel Bhavan, Ground Floor,
Block - EP & GP, Sector V,
Bidhan Nagar, Salt Lake, Kolkata - 700 091
Telephones: +91-33-4064 8107 / 8108 / 8109
E-mail : raynray@airtelmail.in

INDEPENDENT AUDITOR'S REPORT

To
The Members of
EIH Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of EIH LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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.



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.

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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

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 so 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, 2016, and its profit and its cash flows for the year ended on that date.

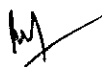
Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) Note No 36 to the standalone financial statements wherein the Company has explained that adjustments for impairment is not considered necessary in respect of continuing negative Net Worth of its Non Current Investments in EIH Flight Services Limited Mauritius, amounting to Rs. 547.89 Million and further Advance towards Equity of Rs. 636.99 Million during the current financial year.

- b) Note 38 to the standalone financial statements regarding disclosure of advance towards equity shares in Mashobra Resort Limited and allotment of shares pending settlement of legal issues between Government of Himachal Pradesh and EIH Limited. Though the Hon'ble High Court has given decision restoring the Arbitration award the Company is contemplating challenging the same before higher authorities. As such the uncertainty of the allotment of shares still continues.

Our opinion is not modified in respect of these matters.



Report on other Legal and Regulatory Requirements

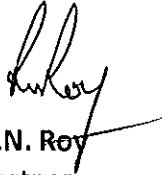
1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act , 2013 ('the Act'), we give in the "Annexure -A", a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -B".
 - g) 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 litigation on its financial position in its standalone financial statements in respect of claims and demands on the Company which are being contested as mentioned in Note 30 (A) (i) and 38.

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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For RAY & RAY
Chartered Accountants
(Firm's Registration No.301072E)



R.N. Roy
Partner
Membership No. 8608
Place: Gurgaon
Date: 26th May, 2016



Annexure –A to Independent Auditor’s Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report at even date)

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the Management during the year in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification which were not material have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- ii As explained to us, inventories have been physically verified by the Management during the year at reasonable intervals. In respect of stocks lying with third parties, certificates confirming stocks have been received for stocks held. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, clauses (iii) (a), (b) and (c) of the aforesaid Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security. Section 185 of the Companies Act, 2013 is not applicable for the Company during the year.
- v. The Company has not accepted any deposits from the public. As such requirement of clause (v) of the aforesaid order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act for the Company.
- vii (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues applicable to it.

According to information and explanations given to us, there are no undisputed amounts payable in respect of income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess that were outstanding, as at 31st March, 2016 for a period of more than six months from the date they became payable.



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(b) According to the information and explanations given to us, the following dues of income tax, sales tax/value added tax, customs duty, excise duty, service tax and luxury tax have not been deposited by the Company on account of disputes:

Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (in Rupees Million)
1	Income Tax Act, 1961	Income Tax	CIT (Appeals), Kolkata for Assessment Years 2000-2001, 2005-2006 to 2008-2009, 2010-2011 to 2011-12	284.87
			ITAT, Kolkata for Assessment Years 2002-2003 to 2006-2007, and 2008-2009 to 2009-2010	48.44
TOTAL				333.31
2.	Income Tax Act, 1961	Tax deducted at source	DCIT (Appeals), Delhi for Assessment Year 2011-2012	0.43
TOTAL				0.43
3.	Value Added Tax of various States	Value Added Tax/ Sales Tax	Maharashtra Sales Tax Tribunal/Joint Commissioner of Sales Tax Appeals, Mumbai for 1999-2000, 2008-2009 and 2009-2010	7.88
			Maharashtra Sales Tax Tribunal, Mumbai for 2005-2006	3.07
			Joint Commissioner of Sales Tax (Appeals) Mumbai for 2007-08 & 2008-09	28.58
			Additional Commissioner of Sales Tax & Vat, Kolkata for 2011-2012	0.62



Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (in Rupees Million)
			Senior Joint Commissioner, Kolkata for 2012-13	0.86
			Appellate and Revision Board Commercial Taxes, West Bengal. Kolkata for 2005-2006 to 2009-10	10.39
			Additional Commissioner (Appeals) Commercial Tax Dept, Udaipur for 2011-12 to 2013-14	3.62
TOTAL				55.02
4.	Customs Act, 1962	Customs Duty	CESTAT Tribunal, Delhi for 2008-2009	429.66
TOTAL				429.66
5.	Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, Delhi for 2004-2005 and 2005-2006.	26.01
TOTAL				26.01
6.	Service Tax	Service Tax	Commissioner of Service Tax, Kolkata for 2008-2009 to 2011-2012	0.36
			CEST Appellate Tribunal, Delhi for 2008-2010	0.98
			Commissioner of Central Excise (Appeal-I), Kolkata 2001-2006	0.27
			CEST Appellate Tribunal, Kolkata for 2008-09 to 2011-12	2.64
			The Commissioner of Service Tax, Division-1 Delhi for 2007-2008 to 2009-2010	6.40
			Custom Excise and Service	24.15



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Sl. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (in Rupees Million)
			Tax Appellate Tribunal, New Delhi for 2010-2011 to 2013-2014	
			Commissioner of Service Tax, Delhi for 2003-2004 to 2006-2007	48.90
			Deputy Commissioner of Service Tax, Delhi 2003-04 to 2005-06	3.86
			CEST Appellate Tribunal, Chennai for 2009-10	4.35
			Various Show Cause Notices served for 2004-2006 and 2009-2013 and replied	62.79
			CEST Appellate Tribunal, Bangalore for 2004-2006	1.11
TOTAL				155.81
7.	Rajasthan Tax on Luxuries (In Hotels and Lodging House) Act, 1990	Luxury Tax	Rajasthan Tax Board, Ajmer for 2010-2011 to 2013-2014	32.96
TOTAL				32.96

- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. There are no debenture holders and loan from Government.
- ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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RAY & RAY


CHARTERED ACCOUNTANTS

- xi According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Companies act, 2013 where applicable and the details of such transactions have been disclosed in the standalone Financial Statements as required by the applicable standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For RAY & RAY

Chartered Accountants

(Firm's Registration No.301072E)


R.N. Roy
Partner

Membership No. 8608

Place: Gurgaon

Date: 26th May, 2016



Annexure – B to Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the 2013 Act”)

We have audited the internal financial controls over financial reporting of EIH Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

In view of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RAY & RAY

Chartered Accountants

(Firm's Registration No.301072E)



R.N. Roy
Partner

Membership No. 8608

Place: Gurgaon

Date: 26th May, 2016









Corporate Office: 7, Sham Nath Marg, Delhi-110 054
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FORM A

Format of covering letter of the Annual Report to be filed with the Stock Exchanges

1.	Name of the Company:	EIH Limited
2.	Annual Consolidated Financial statements for the year ended	31 st March, 2016
3.	Type of Audit Observation	Emphasis of Matter
4.	Frequency of observation	One Matter – Fifth time Second Matter – Second Time
5.	To be signed by -	
	Managing Director & Chief Executive Officer	 Vikram Oberoi
	Chief Financial Officer	 Biswajit Mitra
	Auditor of the Company	For Ray & Ray Chartered Accountants Firm's Registration No.301072E  R. N. ROY Partner Membership No. 8608
	Audit Committee Chairperson	 L. Ganesh

A member of  The Oberoi Group

Registered Office: EIH Limited, 4, Mangoe Lane, Kolkata-700 001, India
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EIH LIMITED

Report on the Consolidated Financial Statements


We have audited the accompanying consolidated financial statements of **EIH LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, 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

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 (hereinafter 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 entities 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 entities 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 consistent 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 operate effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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.



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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Holding Company's preparation 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 also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a. Note 43 to the consolidated financial statements regarding disclosure of advance towards equity shares in Mashobra Resort Limited and allotment of shares pending settlement of legal issues between Government of Himachal Pradesh and EIH Limited. Though the Hon'ble High Court has given decision restoring the Arbitration award the Company is contemplating challenging the same before higher authorities. As such the uncertainty of the allotment of shares still continues.
- b. Note 44 to the consolidated financial statements, which indicate that Oberoi Kerala Hotels & Resorts Limited will not commence any construction / operation of the hotel on the freehold land at Thekkady having a cost of Rs. 17.18 Million. The said Company has taken a decision for its disposal. Necessary approvals are still awaited from Government of Kerala as the matter is under their active consideration. However, the accounts have been drawn up on going concern basis. On receipt of approval from Government of Kerala, this would be treated as Current Assets. These conditions indicate the existence of material uncertainty that cast significant doubt about the Company's ability to continue as a going concern.

Our opinion is not modified in respect of these matters.



Other Matters

We did not audit the financial statements of twelve subsidiaries, and one jointly controlled entity, whose financial statements / financial information reflect total assets of Rs. 4,648.40 Million as at 31st March, 2016, total revenues of Rs. 2,560.03 Million and net cash flows amounting to Rs. (80.41) Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors .

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, 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.
 - (d) 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.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

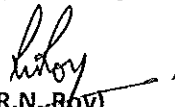
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- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure based on the auditors' reports of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India.
- (g) 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:
- i. The consolidated financial statements disclose the impact of pending litigation on its financial position in its consolidated financial statements in respect of claims and demands of the Group, its associates and jointly controlled entities which are being contested as mentioned in Note 32 (A) (i) and 43.
 - ii. The Group, its associates and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For RAY & RAY

Chartered Accountants
(Firm's Registration No.301072E)


(R.N. ROY)
Partner

Membership No. 8608
Place: Gurgaon
Date: 26th May, 2016



**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
CONSOLIDATED FINANCIAL STATEMENTS OF EIH LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the
Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of EIH Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies incorporated in India except one of its subsidiaries, Mumtaz Hotels Ltd which is not audited by us.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

[Handwritten signature]



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



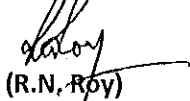
Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Mumtaz Hotels Ltd, whose financial statements / financial information reflect total assets of Rs. 1175.93 Million as at 31st March, 2016, total revenues of Rs. 962.73 Million and net cash flows amounting to Rs. 69.75 Million for the year ended on that date, as considered in the consolidated financial statements and which is a company incorporated in India, is based on the corresponding report of the auditor of Mumtaz Hotels Ltd.

For RAY & RAY

Chartered Accountants

(Firm's Registration No.301072E)



(R.N. Roy)

Partner

Membership No. 8608

Place: Gurgaon



Date: 26th May, 2016

	Standalone				Consolidated		
	3 months ended 31.03.2016 AUDITED	3 months ended 31.12.2015 UNAUDITED	3 months ended 31.03.2015 AUDITED	Year ended 31.03.2016 AUDITED	Year ended 31.03.2015 AUDITED	Year ended 31.03.2016 AUDITED	Year ended 31.03.2015 AUDITED
Income from Operations							
a) Net Sales/Income from Operations	418.95	400.10	387.66	1416.50	1334.59	1786.86	1668.27
b) Other Operating Income	4.19	2.48	6.97	14.15	13.42	29.63	20.89
Total	423.14	402.58	394.63	1430.65	1348.01	1816.49	1689.16
Expenses							
a) Consumption of Provisions, Stores, Wines & Others	59.34	55.22	52.59	206.23	196.45	236.96	221.41
b) Employee benefits expense	102.52	102.40	94.01	397.03	363.30	466.93	426.09
c) Depreciation and Amortisation expense	28.54	30.70	29.06	117.67	124.08	170.28	167.81
d) Other Expenses	163.87	141.96	142.00	548.76	507.32	697.53	690.63
Total	354.27	330.28	317.66	1269.69	1191.15	1571.70	1505.94
Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items	68.87	72.30	76.97	160.96	156.86	244.79	183.22
Other Income	10.85	5.87	6.70	33.09	25.00	15.29	8.02
Profit/(Loss) from ordinary activities before Finance Costs and Exceptional Items	79.72	78.17	83.67	194.05	181.86	260.08	191.24
Finance Costs	4.63	6.32	6.43	22.05	30.61	42.42	46.18
Profit/(Loss) from ordinary activities before Tax and Exceptional Items	75.09	71.85	77.24	172.00	151.25	217.66	145.06
Exceptional Items - Profit/(Loss)	(29.25)	nil	nil	(18.26)	nil	(18.26)	nil
Profit/(Loss) from ordinary activities before Tax	45.84	71.85	77.24	153.74	151.25	199.40	145.06
Tax							
a) Current Tax	22.87	24.77	26.50	51.28	48.84	69.19	65.68
b) Deferred Tax	(0.42)	(0.28)	2.83	0.99	5.78	8.95	12.35
Net Profit/(Loss) for the period	23.39	47.36	47.91	101.47	96.63	121.26	67.03
Less: Share of Minority interest in Profit/(Loss)						12.09	13.03
Share of Profit of Associate Companies						109.17	54.00
Net Profit attributable to the Group						14.12	9.10
						123.29	63.10
Paid-up Equity Share Capital (Face Value - ₹ 2 each)	114.31	114.31	114.31	114.31	114.31	114.31	114.31
Reserves excluding Revaluation Reserve				2353.65	2321.89	2309.95	2274.55
Earnings per Equity Share (Face Value - ₹ 2 each) - ₹							
(a) Basic	0.41	0.83	0.84	1.78	1.69	2.16	1.10
(b) Diluted	0.41	0.83	0.84	1.78	1.69	2.16	1.10


STATEMENT OF ASSETS & LIABILITIES

	Standalone		Consolidated	
	As at		As at	
	31.03.2016 AUDITED	31.03.2015 AUDITED	31.03.2016 AUDITED	31.03.2015 AUDITED
Equity and Liabilities				
1. Shareholders' Funds				
a) Capital	114.31	114.31	114.31	114.31
b) Reserves & Surplus	2572.63	2543.01	2528.93	2495.67
Shareholders' Funds	2686.94	2657.32	2643.24	2609.98
2. Minority Interest			89.08	77.70
3. Non-current Liabilities				
a) Long Term Borrowings	24.37	64.01	166.57	219.62
b) Deferred Tax Liabilities - Net	191.30	190.32	205.29	196.33
c) Other Long Term Liabilities	4.18	4.87	54.45	50.49
d) Long Term Provisions	16.96	16.62	24.79	17.78
Non-current Liabilities	236.81	275.82	451.10	484.22
4. Current Liabilities				
a) Short Term Borrowings	184.85	103.88	186.86	104.48
b) Trade Payables	145.01	130.28	179.12	168.40
c) Other Current Liabilities	104.27	124.68	171.49	192.79
d) Short Term Provisions	2.84	75.22	9.26	81.55
Current Liabilities	436.97	434.06	546.73	547.22
Total Equity and Liabilities	3360.72	3367.20	3730.15	3719.12
Assets				
1. Non-current Assets				
a) Fixed Assets	1997.49	2032.46	2375.41	2376.10
b) Goodwill on Consolidation	-	-	331.50	331.50
c) Non-current Investments	696.51	729.08	223.55	254.08
d) Long Term Loans and Advances	392.19	314.59	281.12	234.72
Non-current Assets	3086.19	3076.13	3211.58	3196.40
2. Current Assets				
a) Inventories	41.53	39.09	52.22	48.50
b) Trade Receivables	186.03	188.67	217.29	223.12
c) Cash and Bank Balances	9.56	23.67	194.16	198.70
d) Short Term Loans and Advances	37.18	39.38	53.97	51.83
e) Other Current Assets	0.23	0.26	0.93	0.57
Current Assets	274.53	291.07	518.57	522.72
Total Assets	3360.72	3367.20	3730.15	3719.12

Notes :

- The Board of Directors of the Company declared an Interim Dividend of ₹ 1.10 per share on 11th March, 2016 which was disbursed on 23rd March, 2016. The Board recommends the Interim Dividend to be the Final Dividend for the year ended 31st March, 2016.
- 'Other Expenses' for the 3 months and year ended 31st March, 2016 include ₹ 0.41 Crores and ₹ 1.82 Crores respectively on account of CSR expenses.
- Exceptional Items for the year ended 31st March, 2016 represent profit on sale of property at Darjeeling, West Bengal of ₹ 10.99 Crores, profit on sale of Land at Delhi of ₹ 12.61 Crores and Provision for diminution in value of investments in Golden Jubilee Hotels Private Limited of ₹ 41.86 Crores.
- The method of determining cost for valuation of inventories has been changed from 'First-In-First-Out' to 'Cumulative Weighted Average' during the current year. As a result of this change, the profit of the Company for 3 months and year ended 31st March, 2016 are higher by ₹ 0.02 Crores and ₹ 0.36 Crores respectively.
- There are no reportable segments other than hotels as per Accounting Standard (AS-17) on Segment Reporting.
- The figures for the 3 months ended 31st March, 2016 are the balancing figures between audited figures for the full Financial Year upto 31st March, 2016 and the published figures upto 31st December, 2015 which were subject to limited review.
- Earnings Per Share are not annualised except for the year ended 31st March, 2015 and 31st March, 2016.
- Figures have been regrouped or rearranged, wherever necessary.
- The Oberoi, New Delhi has been closed effective 1st April, 2016 for major renovations. The hotel is expected to be ready for commercial operations by 1st April, 2018.
- The Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 26th May, 2016.

26th May, 2016


VIKRAM OBEROI
Managing Director and Chief Executive Officer