IHCL

# REPORT ADOPTED BY THE COMMITTEE OF INDEPENDENT DIRECTORS OF THE INDIAN HOTELS COMPANY LIMITED RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT BETWEEN ORIENTAL HOTELS LIMITED AND THE INDIAN HOTELS COMPANY LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, AT ITS MEETING HELD ON AUGUST 23, 2026

**Members Present:**

Mr. Venkataramanan Anantharaman - Chairperson
Mr. Nasser Munjee
Ms. Hema Ravichandar
Mr. Anupam Narayan

**In attendance:**

Ms. Melisa Alva – Senior Vice President & Company Secretary

## A. BACKGROUND

1. A proposal involving the amalgamation of Oriental Hotels Limited ("**OHL**"/"**Transferor Company**") with The Indian Hotels Company Limited ("**Transferee Company**"/ "**Company**"/ "**IHCL**"), by way of a scheme of arrangement under the provisions of Sections 230 - 232 of the Companies Act, 2013 ("**Act**") (including the rules thereunder) and other relevant provisions of the Act, as applicable and in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B)/ Income Tax Act, 2025, including Section 2(6) ("**Scheme/ Amalgamation**") was placed before the Committee of Independent Directors ("**ID Committee**") at its meeting held on August 23, 2026 for the purpose of considering and if thought fit, recommending, the draft Scheme to the Board in terms of the SEBI Master Circular dated June 20, 2023 bearing reference number SEBI/HO/CFD/POD-2/P/CIR/2023/93 ("**SEBI Circular**").

2. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.

3. The Scheme is subject to the receipt of approval from the Board of Directors and (a) requisite majority of the shareholders of the respective Transferor Company and Transferee Company (collectively "**Companies**"); (b) NCLT, (c) SEBI (d) National Stock Exchange of India Limited and the BSE Limited (hereinafter collectively referred to as "**Stock Exchanges**"); and (e) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws.

THE INDIAN HOTELS CO. LTD. MUMBAI

4. In terms of SEBI Circular, a report is required to be issued by the ID Committee recommending the draft Scheme, taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the Company.

5. This report of the ID Committee is made in compliance with the requirements of the SEBI Circular.

## B. DOCUMENTS/DRAFT DOCUMENTS PLACED BEFORE THE ID COMMITTEE

The following documents were placed before the ID Committee at its meeting held on August 23, 2026:

(a) Draft of the proposed Scheme;

(b) Valuation report dated August 23, 2026, jointly issued by PwC Business Consulting Services LLP (Reg No. IBBI/RV-E/02/2022/158), registered valuer appointed by the Company and SSPA & Co., Chartered Accountants (Reg No. IBBI/RV-E/06/2020/126), registered valuer appointed by OHL on the valuation of shares and recommendation of share exchange ratio ("**Valuation Report**");

(c) Fairness Opinion dated August 23, 2026, issued by Kotak Mahindra Capital Company Limited (Reg No. INM000008704), an independent SEBI Registered Category 1 Merchant Banker, providing its opinion on the fairness on the Share Exchange Ratio recommended in the Valuation Report ("**Fairness Opinion Report**");

(d) The draft certificate from BSR & Co LLP, the statutory auditors of the Company, in terms of Para(A)(5) of Part I of the SEBI Circular and proviso to sub-clause (j) of Section 232(3) of the Companies Act, 2013, certifying that the accounting treatment proposed in the Scheme is in compliance with the accounting standards prescribed under Section 133 the Act; and

(e) Other presentations, reports, documents and information pertaining to the draft Scheme made available to/ circulated to the Board.

## C. SALIENT FEATURES OF THE SCHEME:

1. The Scheme inter-alia contemplates the amalgamation of the Transferor Company with the Transferee Company and dissolution of the Transferor Company without winding up.

THE INDIAN HOTELS CO. LTD. MUMBAI

2. Pursuant to the sanction of the Scheme by the NCLT and upon the conditions for the Scheme to become effective being fulfilled, the Scheme shall become effective from the opening of business hours on April 01, 2027, or such other date as may be directed by the NCLT ("**Appointed Date**").

3. With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Company to become undertaking of the Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act/ IT Act 2025 and other applicable laws.

4. The entire paid-up share capital of the Transferor Company including the shares issued by the Transferor Company to the Transferee Company shall stand cancelled in its entirety without being required to comply with the provisions of Section 66 of the Companies Act, 2013.

5. Pursuant to the Scheme the Transferee Company will issue equity shares to the equity shareholders of the Transferor Company (other than the Transferee Company and/or its subsidiaries) pursuant to Sections 230 to 232 and other applicable provisions of the Act, and Section 2(1B) of the IT Act / Section 2(6) of IT Act 2025.

6. The Scheme is conditional upon, and subject to:

   (a) Stock Exchanges issuing their observation letter/ no objection letter in relation to the Scheme pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (b) approval of the Scheme by the requisite majority of the shareholders of the Companies, creditors (where applicable) of all the Companies as required under sections 230 to 232 of the Act, the SEBI Circular or as per directions of the NCLT, subject to any dispensation that may be granted by the NCLT;

   (c) the Scheme being sanctioned by the NCLT in terms of Section 230 to Section 232 and relevant provisions of the Act on terms acceptable to the Companies;

   (d) receipt of approval from the Competition Commission of India, if required, for this Scheme in form and substance reasonably satisfactory to the Transferor Company and the Transferee Company or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;

THE INDIAN HOTELS CO. LTD. MUMBAI

(e) approval of the Scheme (through e-voting) by the requisite majority of public shareholders of the Companies in accordance with the provisions of the SEBI Circular;

(f) the certified copies of the sanction orders of the NCLT approving the Scheme being filed with the Registrar of Companies; and

(g) such other approvals and sanctions including sanction of any Governmental Authority or contracting party as may be required by law in respect of the Scheme being obtained.

## D. RATIONALE FOR THE SCHEME

The Scheme shall enable the Companies to reap several benefits including:

1. The Companies are engaged in similar businesses and have complementary portfolios, as the Transferor Company has a significant presence in the states of Tamil Nadu, Kerala and Karnataka. The Amalgamation will create synergies amongst the businesses, and will facilitate a wider and stronger base for future growth;

2. The Scheme shall enable the business of the Transferor Company, by virtue of becoming part of a larger entity, to have access to the financial resources, management experience and expertise of the Transferee Company. The Scheme would thus enable the business of the Transferor Company to leverage the resources of the Transferee Company and facilitate operational and cost synergies, asset management opportunities, rationalization, standardisation and simplification of business processes;

3. The Scheme is in consonance with the strategy of the Transferee Company to reduce the number of operating entities under its holding, which in turn will lead to elimination of duplication, simpler management structure, better administration, rationalisation of administrative expenses, etc, consequently reducing costs of maintaining separate entities;

4. The Scheme will make it possible to achieve a full accounting consolidation and joint utilisation of financial resources which are independently available within the Companies, allowing standardisation in accounting policies and practices;

5. Due to the abovementioned business, operational and financial synergies, the Scheme will be beneficial to the public shareholders of the Transferee Company; and

THE INDIAN HOTELS CO LTD MUMBAI

6. The Scheme/ Amalgamation will provide the public shareholders of the Transferor Company with an opportunity to participate directly in the consolidated hospitality business of the Transferee Company through the Consideration Shares proposed to be issued pursuant to the Scheme and they would continue to play a part in the growth of one of India's leading hospitality companies, i.e., the Transferee Company.

## E. SCHEME NOT DETRIMENTAL TO SHAREHOLDERS OF THE COMPANY

1. Based on the presentations made and the discussion(s) that ensued thereafter; review of the documents placed at the meeting and the ID Committee's deliberations and consideration of various factors including but not limited to the synergies mentioned above, the need for the Scheme, rationale and expected benefits of the Scheme, the ID Committee concluded that the proposed Scheme is fair and in the best interest of the shareholders, as the proposed Amalgamation is expected to result in consolidation of opportunities, thereby enhancing the value of the amalgamated entity and overall shareholder value.

2. Further, the ID Committee noted that the Transferor Company is an associate company of the Transferee Company. As recommended in the Valuation Report and upon the Scheme becoming effective and in consideration of the Amalgamation, IHCL shall allot equity shares, credited as fully paid-up to the members of OHL, holding fully paid up equity shares in OHL and whose names appear in the register of members of OHL (other than IHCL and/or its subsidiaries) on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date in the following manner:

   *"25 equity shares in the Transferee Company of the face value of INR 1 (Indian Rupees one only) each (credited as fully paid-up) for every 117 equity shares of the face value of INR 1 (Indian Rupees one only) each fully paid-up held by such member in the Transferor Company."*

3. The shares allotted to OHL shareholders by IHCL as set out above shall rank pari passu in all respects with the then existing equity shares of IHCL and shall be listed on BSE Limited and National Stock Exchange of India Limited.

4. The Amalgamation will, pursuant to the Share Exchange Ratio and the terms of the Scheme, result in an approximate dilution of 0.62% of the promoter group shareholding in the Transferee Company and in turn will increase the public shareholding of the Transferee Company's shares to that extent.

THE INDIAN HOTELS CO. LTD. MUMBAI

5. Given that the Scheme envisages issue of equity shares by the Transferee Company to the shareholders of the Transferor Company as mentioned above, the Independent Directors have considered the impact of the said issuance on the shareholders of the Transferee Company. However, considering the Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme above and after due deliberations, the ID Committee has concluded that the said issuance in terms of the Scheme will have no significant impact on the shareholders of the Transferee Company.

6. Accordingly, the Scheme is not detrimental to the shareholders of the Company.

## F. RECOMMENDATION

The ID Committee after due consideration of all matters mentioned above and taking into consideration that the Scheme is not detrimental to the shareholders of the Company, recommends the draft Scheme for favourable consideration and approval by the Board of Directors of the Company.

**For and on behalf of the Committee of Independent Directors**

V-Ananthara

**Mr. Venkataramanan Anantharaman**
**Chairman of the ID Committee**
**(DIN: 01223191)**

THE INDIAN HOTELS CO. LTD. MUMBAI

Date: August 23, 2026
Place: Mumbai

**THE INDIAN HOTELS COMPANY LIMITED** CIN L74999MH1902PLC000183

CORP Office: 10th Floor, Express Towers, Barrister Rajni Patel Marg, Nariman Point, Mumbai 400 021, Maharashtra, India T +91 22 6137 1637
REGD Office: Mandlik House, Mandlik Road, Mumbai 400 001, Maharashtra, India **www.ihcltata.com**
**A TATA Enterprise**