

ANNEXURE TO THE DIRECTORS' REPORT**Annual Report on CSR Activities**

- 1. A brief outline of the Company's CSR Policy, including overview of projects or programs to be undertaken and a reference to the web-link to the CSR Policy and projects and programs.**

The Board of Directors, on the recommendation of the CSR Committee, had formulated a Corporate Social Responsibility Policy ("CSR"). As per the Policy Statement, the Company's CSR Policy will focus on addressing the critical social, economic and educational needs of marginalised under-privileged children of society and "caring for the elderly and addressing their health issues". The Policy will also focus on cleanliness under the Swachh Bharat Abhiyan within 500 meters of each Hotel and Service Units of the Company.

The CSR Policy and the activities of the Company are available on the Company's website www.eihltd.com.

The Board of Directors at the Board Meeting held on 16th November 2016, on the recommendation of the CSR Committee, approved a CSR spend of ₹ 26.3 million. This equates to 2% of the average Net Profit of the Company during the three preceding Financial Years and an unspent amount of ₹ 1.5 million for the Financial Year 2015-16.

- 2. Composition of the CSR Committee**

CSR Committee comprises of the following Board Members:

- i) Mr. S.S. Mukherji - Chairperson;
- ii) Mr. Vikram Oberoi - Member;
- iii) Mr. Arjun Oberoi - Member; and
- iii) Mr. Rajeev Gupta - Independent Director and Member

- 3. Average Net Profit of the Company for the last three Financial Years**
₹ 1,240.73 million.

- 4. Prescribed CSR Expenditure (two percent of the amount as in Item 3 above).**
₹ 24.81 million.

- 5. Details of CSR spent during the Financial Year**

- a) Total Amount to be spent for the Financial Year including previous year unspent amount : ₹ 26.3 million ;
- b) Amount unspent, if any : ₹ 6.02 million

c) Manner in which the amount was spent during the Financial Year is detailed below:

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|-------|--|--|--|--|---|--|--|
| S.No | CSR Project or activity identified | Sector in which the project is covered | Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise (₹ in million) | Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Over-heads : (₹ in million) | Cumulative expenditure up to the reporting period (₹ in million) | Amount spent Direct or through implementing agency |
| 1 | Promoting social, economic and educational needs of the marginalised under-privileged children of the society. | Urban/ Rural | Kolkata, Mumbai, Delhi, Bhubaneswar, Jaipur, Agra and Udaipur | 18.07 | 18.07 | 18.07 | Through SOS Children's Villages of India |
| 2. | Swachh Bharat Abhiyan sanitation program | Urban | Within 500 meters of the Hotel in the following cities: Delhi, Kolkata, Mumbai, Jaipur, Udaipur, Bengaluru | 2.99 | 2.21 | 2.21 | Direct |
| TOTAL | | | | 21.06 | 20.28 | 20.28 | |

6. In case the Company has failed to spend the two percent of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board Report.

The CSR Committee and the Board have approved that the balance unspent amount of Rs. 6.02 million, be carried forward to Financial Year 2017-18 to be spent on the ongoing CSR projects and/or any other CSR activity as may be identified by the CSR Committee.

7. The CSR Committee states that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and policy of the Company.

VIKRAM OBEROI
Managing Director and Chief Executive Officer

S.S. MUKHERJI
Chairperson - CSR Committee