

Subject : Conversion of Warrants

Dear Warrant holder(s)

The Company vide its Letter of Offer dated February 27, 2008, had offered 6% Non-Convertible Debentures (NCDs) with Detachable Warrant on rights basis. The Company had issued and allotted 6,02,76,898 Warrants on May 13, 2008, which are due for conversion into Equity Shares between September 1, 2009, to September 30, 2009 (Warrant Conversion Period). As per the terms of issue of Warrants, a Warrant shall be converted into 1 Equity Share at an Exercise Price of Rs.150/- (Rupees One hundred and fifty only).

Procedure for Conversion of Warrant into Equity Share :

Application should be made on the Warrant Exercise Application Form enclosed with this letter. Warrant Exercise Application Form would also be available on request with our Share Department and can also be downloaded from our website www.tajhotels.com during the Warrant Conversion Period.

(i) **In case of Warrants held in Physical Mode:** During the Warrant Conversion Period, the Warrant holder should send his duly filled application for conversion into Equity Shares to any of the Collection Centres of HDFC Bank Limited as mentioned on the Warrant Exercise Application Form along with the Warrant certificate duly discharged on the reverse. The application should also be accompanied by a cheque/demand draft favouring "IHCL – Warrant Conversion" for resident Warrant holder and "IHCL – Warrant Conversion NR" for Non-resident warrant holder payable at par at the Collection Centre branch of HDFC Bank Ltd. The Application form along with the discharged Warrant Certificate and payment shall be deposited with the Collection Centre branch **on or before September 30, 2009.**

(ii) **In case of Warrants held in Electronic Mode (Dematerialized Form):** During the Warrant Conversion Period, Warrant holders should first transfer their dematerialized holdings to the Demat Account details of which are mentioned below by marking this as an off market transaction. The Warrant holder should send his application for conversion into Equity Shares to any of the Collection Centres of HDFC Bank Limited as mentioned on the Warrant Exercise Application Form along with duly acknowledged copy of the Delivery Instruction Slip issued by Depository Participant of the Warrant holder. The application should also be accompanied by a cheque/demand draft favouring "IHCL – Warrant Conversion" for resident Warrant holder and "IHCL – Warrant Conversion NR" for Non-resident Warrant holder payable at par at the collection centre branch of HDFC Bank Ltd. The Application form along with the acknowledged Delivery Instruction Slip and Payment shall be deposited with the Collection Centre branch **on or before September 30, 2009.**

The Company has opened a special depository Escrow account with NSDL* titled, 'The Indian Hotels Company Limited'. The details of the Depository Account are as under:

DP Name : HDFC BANK LTD.	
DP ID : IN301151	Client ID : 27847784

* Beneficial owners (holders of Warrants) having their beneficiary account with CDSL must use the inter-depository delivery instruction slip for the purpose of crediting their Warrants in favour of the Depository Account "The Indian Hotels Company Limited" with NSDL.

The Collecting Banker will not accept any conversion request after September 30, 2009. Unexercised warrant shall automatically stand cancelled after September 30, 2009. The Company shall allot Equity Shares on conversion of Warrants within 15 days from the expiry of Warrant Conversion Period.

For any clarifications the Warrant holders may visit the Company's website (www.tajhotels.com) for terms and conditions of Warrants or may write to: The Indian Hotels Company Limited, Mandlik House, Mandlik Road, Mumbai 400001 or call on Tel. No. 022-66395515 or Fax at 022-22027442 or email to shares.dept@tajhotels.com

For **The Indian Hotels Company Limited**

P. Sanker
Vice President – Legal & Company Secretary

THE INDIAN HOTELS COMPANY LIMITED

Registered Office : Mandlik House, Mandlik Road, Mumbai - 400 001.

Tel # 91 22 66395515; Fax # 91 22 22027442 • E-mail: shares.dept@tajhotels.com • Website: www.tajhotels.com

Received from Mr./Mrs./Ms./M/S. _____ an application for _____ warrants into equity share(s) of Rs. 1/- each alongwith Cheque/Draft No. _____ dated _____ drawn on _____ for Rs. _____ (in words) _____ being the Warrant Conversion Price.

(Please write full address on the reverse, if the application is sent by post and reserve this acknowledgement slip carefully)

ACKNOWLEDGEMENT SLIP

(To be filled in by the Sole/First Applicant)

Collecting Bank's Signature & Stamp
Date : ____/____/2009 DD MM

(Cheques / Drafts are subject to realisation)

**APPLICATIONS WILL BE COLLECTED
AT FOLLOWING BRANCHES OF HDFC BANK**

Agra : Sanjay Place; **Ahmedabad** : Mithakali Road; **Ahmednagar** : Station Road; **Ajmer** : Adjacent to Swami Complex, **Akola** : Opp. Collector Office, **Allahabad** : Civil Lines; **Amaravati** : Morshi Road, **Amritsar** : Court Road; **Anand** : Grid Road, **Aurangabad**: Jalna Road, **Bangalore** : Richmond Road, **Baroda** : Lokmanya Tilak Road; **Belgaum** : Khimjibhai Cmplx; **Bharuch** : Link Road, **Bhavnagar** : Waghawadi Road, **Bhopal** : M.P. Nagar; **Bhubhaneshwar** : Shahid Nagar; **Burdwan** : G.T. Road; **Calicut** : Kannur Road; **Chandigarh** : Sector 35B; **Chennai** : Anna Salai; **Cochin** : Palarivattom; **Coimbatore** : Trichy Road; **Cuttack** : Bajrakbati Road; **Dhanbad**: Sriram Plaza; **Dehradun** : Rajpur Rd; **Gwalior** : City Centre; **Guwahati** : Jail Road; **Hyderabad** : Lakadikpaul; **Hubli** : Vivekanand Hospital Road; **Indore** : Ring Road; **Jabalpur** : Model Road; **Jaipur** : Ashok Road; **Jalandhar** : GT Road; **Jalgaon** : DSP Chowk; **Jammu** : Rail Head Complex; **Jaminagar** : Bedi Bunder Road; **Jamshepur** : Bistupur, **Jodhpur** : Chopasani Road; **Kanpur** : Civil Lines; **Kolhapur** : E Ward, New Shahupuri; **Kolkata** : Royd Street; **Kota** : Main Jhalawar Road; **Kottayam** : KK Road; **Lucknow** : Darbari Lal Sharma Road; **Ludhiana**: Mall Road; **Madurai** : North Veli Street; **Mangalore** : Kadri; **Margoa** : Dr George Barette Road; **Mapuca**: Nr. Govt. Bldg. Complex; **Meerut** : Western Kachery Road; **Mumbai** : Fort ; **Mysore** : Saraswathipuram; **Nadiad** : College Road; **Nagpur** : Wardh Road; **Nasik** : Chandak Circle Link Road; **Navsari**: Station Road; **New Delhi** : KG Marg; **Panjim** : S.V. Road; **Patna** : Exhibition Road; **Pondicherry** : 100ft. Road; **Pune** : Model Colony; **Rajkot**:JawaharRoad;**Ranchi**:CircularRoad;**Ranigunj**:N.S.B.Road;**Salem**:Omalur Main Road; **Solapur** : Morarjipet; **Surat** : Majura Gate; **Surendranagar**: Near Milan Cinema; **Trichur** : M.G. Road; **Trivandrum**: Vazhuthacaud; **Udaipur**: Chetak Circle; **Udupi** : Court Road; **Valsad** : Thithal Road; **Varanasi** : Kuber Complex; **Vijaywada** : Labbipet; **Vishakapatnam** : Dwarka Nagar.

Warrant Exercise Application Form

The Board of Directors

The Indian Hotels Company Limited
Mandlik House, Mandlik Road,
Mumbai 400001.

Dear Sirs,

In exercise of my / our right as Warrant holder(s), I/We hereby apply for the Equity Shares of the Company against the Detachable Warrants registered in my/our name on the Register of Warrant holders and submit the following particulars together with the Original Warrant Certificates / photocopy of the duly acknowledged Delivery Instruction Slip in "Off-market" mode or counterfoil of the delivery instructions slip in "Off-market" mode, duly acknowledged by the Depository Participant and a cheque / demand draft payable at the Collection centre of HDFC Bank for an amount computed @ Rs.150/- per Equity Share.

I / We authorize you to put my / our names on the Register of Members in respect of the Equity Shares applied for by me / us and which may be allotted by the Company pursuant to this Application.

For Non Residents (Tick whichever is applicable)	
<input type="checkbox"/>	I am / We are Non Resident Indian(s) (NRIs), Persons of Indian Origin residing abroad and have remitted funds from abroad through approved banking channels from the funds held in my / our Non resident (External Account in India (NRE A/c), Foreign Currency Non Resident Account (FCNR A/c) or Indian Rupee drafts purchased abroad. I am / We are not applying for the Equity shares as nominee(s) of any person(s) who is / are resident(s) in India.
<input type="checkbox"/>	We are Foreign Institutional Investors (FIIs) registered with SEBI and have remitted funds from Special Rupee Deposit Account.
<input type="checkbox"/>	I am / We are Foreign warrant holders not being NRIs / FIIs.
<input type="checkbox"/>	I am / We are Non resident Indian(s) / Persons of Indian Origin residing abroad applying through NRO account on non-repatriable basis.

Number of Warrants held	Number of Warrants applied for Conversion into Equity Shares	Total Amount payable @ Rs.150/- per Warrant

Details of Warrant applied for Conversion (Physical Form)

Number of Warrants held	Number of Warrants applied for Conversion	Certificate Nos.	Distinctive Nos.	
			From	To

Details of Warrant exercised (Dematerialised Form)

Number of Warrants held	Number of Warrants applied for Conversion	DP ID	Client ID	Delivery Instruction Number	Delivery Instruction Date

Full Name	Fathers Name	Age	PAN	Specimen Signature
Sole / First Applicant				
Second Applicant				
Third Applicant				

Occupation of Sole / First Applicant : _____

Address of Sole / First Applicant : _____

Contact No. of Sole / First Applicant : _____

Email id of Sole / First Applicant : _____

Details of Payment :-

		Name of the Nominee	
Amount @ Rs. 150/- per Warrant paid by Cheque / DD No.		Address	
Dated			
Drawn on Bank			
Branch		If minor Date of Birth	
Type of A/c (Please tick)		Guardian	
NRE/FCNR/NRO/Sp NRE/SB/CUR A/c No.			

I / We want the Equity Shares to be allotted in :

Physical Form : Existing Folio Number _____

Dematerialised Form : DP ID _____ Client ID _____

DP Name _____ Depository : NSDL / CDSL

I / We understand that :

- (i) in case of allotment of Equity Shares to me / us, my / our Beneficiary Account as mentioned above would get credited to the extent of Equity Shares allotted.
- (ii) In case of allotment of Equity Shares to me / us, if Equity Shares can not be credited to my / our Beneficiary Account for whatsoever reasons, including my / our names in this application not being identical with the Beneficiary Account details, I / We shall be given physical Share Certificate(s) for the Equity Shares.

Sole / First Applicant

Second Applicant

Third Applicant

General Instructions

1. Blank Warrant Exercise Application Forms can also be downloaded from the Company's website www.tajhotels.com
2. Each Warrant Exercise Application Form shall be accompanied by a single instrument of payment. Clubbing of folios / securities for the purpose of making a consolidated payment is not permitted.
3. Payment shall be made by Cheque/DD payable at par at the Collection Centre branch.
4. Documents required for Conversion of Warrants into Equity Shares
 - i) A Cheque / DD payable at the Collection Centre for requisite amount
 - ii) Duly filled and signed Warrants Exercise Application Form
 - iii) Warrant Certificate duly discharged on the reverse of the certificate in case Warrants are held in physical form. A photocopy of the Delivery Instruction Slip duly acknowledged by the Depository Participant, evidencing the transfer of Warrants to escrow demat account "The Indian Hotels Company Limited" in case warrants are held in dematerialized form.
 - iv) Photocopy of PAN card of all holders.
 - v) FCNR Certificate (In case of applications from Non Resident Indians with repatriation benefits)
5. The application should be sent along with a photocopy of the Delivery Instruction Slip, tendering the Warrants to the escrow demat account titled "The Indian Hotels Company Limited" with NSDL opened for this purpose with the Depository Participant, HDFC BANK LTD. (DP ID IN301151 & Client ID 27847784).
6. The Warrant holders having the Depository Account with CDSL must use the Inter Depository Delivery Instruction Slip for the purpose of crediting their warrants in favour of the depository account titled "The Indian Hotels Company Limited" with NSDL.
7. In case of the Warrants held in electronic (demat) form, the Equity Shares pursuant to the conversion of Warrants shall be credited only to that Depository Account, from which the Warrants have been tendered.
8. In case of an application in physical mode under a Power of Attorney or by a Body Corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this conversion and to sign the application and a copy of the Memorandum and Articles of Association and / or bye laws of such body corporate or society must be lodged with the collection bank alongwith the Warrant Exercise Application Form.
9. Mode of Payment: A Cheque or DD payable at par at the Collection Centre branch drawn in favour of "IHCL – Warrant Conversion" in case of resident warrant holder(s) and "IHCL – Warrant Conversion NR" in case of Non resident warrant holder.
10. Warrants with payments for lesser amounts shall be rejected and returned.
11. Outstation cheques / outstation Demand Drafts or post dated cheques and postal /money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected. The Company will not accept payment in Cash.
12. In case of Non Resident Applicants on a non repatriation basis, the payment may be made by way of a cheque drawn on Non Resident (Ordinary) Account maintained in Mumbai or Rupee draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai.
13. In case of Non Resident Applicants on a repatriation basis, the payment may be made by Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate) or by cheque/draft on a Non Resident External Account (NRE) or FCNR Account maintained in Mumbai or Rupee draft purchased by debit to NRE/FCNR Account maintained anywhere in India and payable at Mumbai, or FIIs registered with SEBI must remit funds from special non resident rupee deposit account.
14. All applications irrespective of the value or in case of applications in joint names, each of the applicant should mention his / her PAN number allotted under the Income Tax Act, 1961 and also submit a copy of PAN card or a communication from the Income Tax Authorities indicating allotment of a PAN ("PAN Communication") alongwith the application.
15. Investors are advised not to close or transfer their DEMAT account between the period of application for Conversion of Warrants till the time of allotment/receipt of credit in their account so as to avoid rejection of credit from the Depositories and resultant delay in receiving the intimation of allotment.
16. All communication in connection with the application for the conversion of Warrants into Equity Shares, including any change in the address should be addressed to the Company's Registered Office at Mandlik House, Mandlik Road, Mumbai 400001 prior to the allotment of Equity Shares.
17. In case of joint holders, all joint holders must sign the relevant part of the Warrant Exercise Application Form in the same order and as per specimen signature(s) recorded with the Company. Further, in case of joint applicants, the reference, if any, will be made to the first applicant's name and all communication will be addressed to the first applicant.
18. Allotment of Equity Shares to Non Residents / NRIs shall be subject to the conditions as may be imposed from time to time by RBI and FEMA, in the matter of refund of application money, export of share certificates, etc.
19. Warrants shall not be applied for conversion from the United States by / on behalf of a US Citizen.
20. The Equity Shares arising from the conversion of Warrants shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with existing Equity Shares of the Company, including dividends.

All other terms and conditions should be read together with the Letter of Offer dated February 27, 2008, a copy of which is available with the Company.