

21st July, 2020

The National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot No..C/1, G Block Bandra Kurla Complex Bandra(E) Mumbai – 400 051. Code: EIHOTEL	BSE Limited Corporate Relationship Dept. 1 st Floor, New Trading Ring Rotunda Building Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400001 Code:500840	The Calcutta Stock Exchange Limited 7, Lyons Range Kolkata-700001 Code:05
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SUB: SUBMISSION OF ANNUAL REPORT OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20

Dear Sir / Madam,

Pursuant to provision of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations), please find enclosed herewith the copy of the Annual Report of the Company for the Financial Year 2019-20. Annual Report is also available on the website of the Company www.eihltd.com

Kindly take the above in your records and host on your website.

Thank you,

Yours faithfully
For **ElH Limited**



Tejasvi Dixit
Asst. Company Secretary



Annual Report 2019-2020



Oberoi Hotels & Resorts has been voted the Best Hotel Group for the third consecutive year by Telegraph Travel Awards, UK – 2019, 2018 and 2017.

Oberoi Hotels & Resorts was voted Best Indian Hotel Group in the Travel + Leisure, India & South Asia India's Best Awards, 2019.

Oberoi Hotels & Resorts was voted the Best Luxury Hotel Brand by Business Traveller UK Awards, 2019.

Oberoi Hotels & Resorts was ranked second amongst the Best Hotel Brand in the World by Travel + Leisure, US, World's Best Awards, 2019.

Our endeavour is to create memories for our guests that last a lifetime. We are unrelenting in our quest for perfection in everything we do - from hotel design and décor to creating an environment for our team that encourages them to provide our guests with warm and intuitive service.

Our commitment to excellence, attention to detail and personalised service has once again been appreciated and recognised by our guests. In 2019, Oberoi Hotels & Resorts was voted the Best Hotel Group by The Telegraph Travel Awards, UK for the third consecutive year. The Oberoi Group has also been recognized as one of the Best Employers in the 'Aon Best Employers India – 2019' survey.

The recognition that we continue to receive is a testament to the vision of our founder, Rai Bahadur M. S. Oberoi. Taking his legacy forward, our Executive Chairman, Mr. P. R. S. Oberoi continues to inspire our employees to set global benchmarks in service excellence.

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The Late Rai Bahadur M.S. Oberoi
Founder of The Oberoi Group
1898-2002

BOARD OF DIRECTORS

Mr. Prithvi Raj Singh Oberoi
Executive Chairman

Mr. Shib Sanker Mukherji
Executive Vice Chairman

Mr. Vikramjit Singh Oberoi
Managing Director & Chief Executive Officer

Mr. Arjun Singh Oberoi
Managing Director – Development

Mrs. Nita Mukesh Ambani
Director

Mr. Manoj Harjivandas Modi
Director

Mr. Anil Kumar Nehru
Independent Director

Mr. Lakshminarayan Ganesh
Independent Director

Mr. Sudipto Sarkar
Independent Director

Mr. Rajeev Gupta
Independent Director

Dr. Chhavi Rajawat
Independent Director

Mr. Sanjay Gopal Bhatnagar (*w.e.f. 27th August 2019*)
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Kallol Kundu

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. S.N. Sridhar

AUDITORS

Deloitte Haskins & Sells LLP, Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City, Phase – II
Gurugram - 122002
Haryana

REGISTERED OFFICE

4, Mangoe Lane
Kolkata - 700001

CORPORATE OFFICE

7, Shamnath Marg
Delhi - 110054



P.R.S. Oberoi, *Executive Chairman*

The Oberoi Dharma

We, as members of The Oberoi Group are committed to display through our behaviour and actions the following conduct, which applies to all aspects of our business :

- Conduct which is of the highest ethical standards - intellectual, financial and moral and reflects the highest levels of courtesy and consideration to others.
- Conduct which builds and maintains team work, with mutual trust as the basis of all working relationships.
- Conduct which puts the customer first, the Company second and the self last.
- Conduct which exemplifies care for the customer through anticipation of need, attention to detail, excellence, aesthetics and style and respect for privacy along with warmth and concern.
- Conduct which demonstrates two-way communication, accepting constructive debate and dissent whilst acting fearlessly with conviction.
- Conduct which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievement as well as individual development.
- Conduct which at all times safeguards the safety, security, health and environment of guests, employees and the assets of the company.
- Conduct which eschews the short-term quick-fix for the long-term establishment of healthy precedent.

The Oberoi Group Mission

Our Guests

We are committed to meeting and exceeding the expectations of our guests through our unremitting dedication to every aspect of service.

Our People

We are committed to the growth, development and welfare of our people upon whom we rely to make this happen.

Our Distinctiveness

Together, we shall continue the Oberoi tradition of pioneering in the hospitality industry, striving for unsurpassed excellence in high-potential locations all the way from the Middle East to the Asia-Pacific.

Our Shareholders

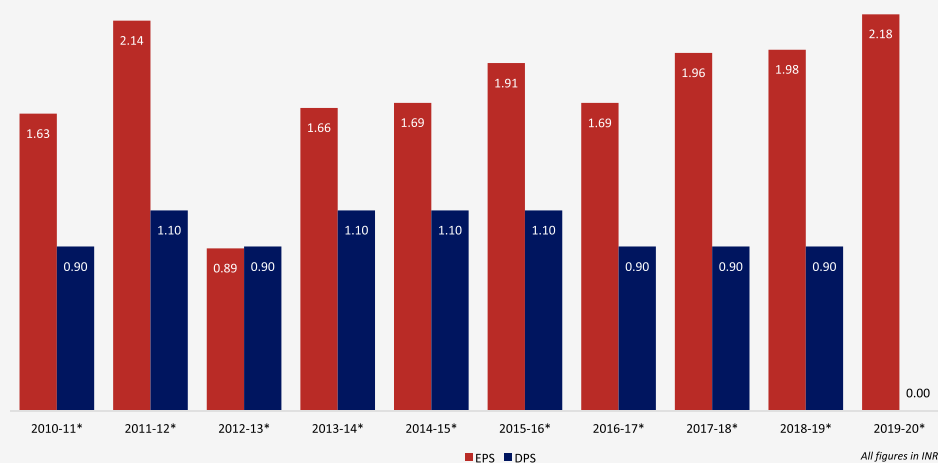
As a result, we will create extraordinary value for our shareholders.

Highlights

	Revenue	Profit Before Tax	Profit After Tax	Dividend	Retained Earnings	Forex Earnings
2019-20	14,343	1,091	1,245	0	2,587	4,685
2018-19	16,273	1,637	1,133	514	1,777	5,145
2017-18	14,340	1,739	1,123	514	1,592	4,355
2016-17	13,768	1,279	965	514	1,496	4,255
2015-16	14,696	1,649	1,090	629	1,507	5,625
2014-15	13,730	1,512	966	629	1,492	5,148
2013-14	12,789	1448	950	629	1248	5765
2012-13	11,770	718	510	514	935	4825
2011-12	11,622	1550	1224	629	1435	4630
2010-11	11,429	855	645	514	934	4795

All figures in INR million

Earning Per Share and Dividend Per Share



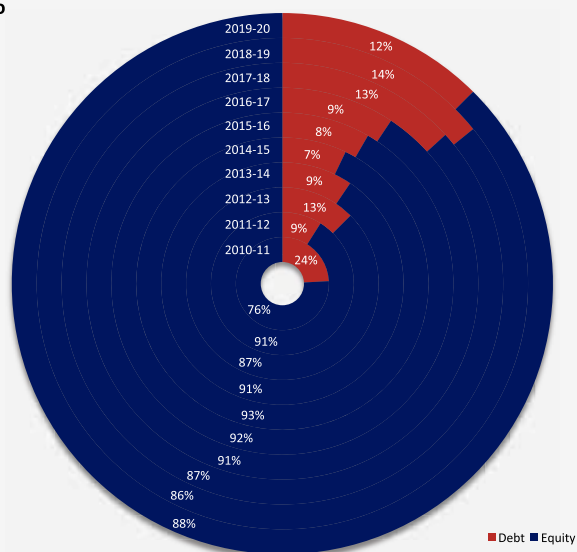
* based on the number of Equity Shares subsequent to Rights Issue of Equity shares on 26th March, 2011

Highlights

	Net Worth	Share Capital	Reserves & Surplus	Borrowings	Capital Employed	Gross Fixed Assets
2019-20	29,192	1,143	28,049	4,151	32,198	29,792
2018-19	28,551	1,143	27,408	4,711	31,015	25,243
2017-18	28,159	1,143	27,016	4,293	31,052	24,637
2016-17	27,682	1,143	26,538	2,860	29,382	20,990
2015-16	26,878	1,143	25,735	2,449	27,828	18,993
2014-15	26,573	1,143	25,430	2,039	28,023	29,334
2013-14	26,476	1,143	25,333	2,764	28,326	29,101
2012-13	26,249	1,143	25,106	3,754	29,249	28,658
2011-12	26,352	1,143	25,208	2,601	28,852	28,059
2010-11	25,878	1,143	24,735	8,240	28,868	27,255

All figures in INR million

Debt to Equity Ratio



HIGHLIGHTS

(Conversion Rate : INR 100 = US \$1.30)												Figures in Million except Serial nos. 14, 15, & 16									
		2010 - 2011		2011 - 2012		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18		2018-19		2019-20	
		₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$	₹	\$
FOR THE YEAR																					
1.	GROSS REVENUE	11429	149	11622	151	11770	153	12789	166	13730	178	14696	191	13768	179	14340	186	16273	212	14343	186
2.	PROFIT BEFORE TAX	855	11	1550	20	718	9	1448	19	1512	20	1649	21	1279	17	1739	23	1637	21	1091	14
3.	PROFIT AFTER TAX	645	8	1224	16	510	7	950	12	966	13	1090	14	965	13	1123	15	1133	15	1245	16
4.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR											1025	13	884	11	1051	14	1125	15	1221	16
5.	DIVIDEND	514	7	629	8	514	7	629	8	629	8	629	8	514	7	514	7	514	7	-	-
6.	RETAINED EARNINGS	934	12	1435	19	935	12	1248	16	1492	19	1507	20	1496	19	1592	21	1777	23	2587	34
7.	FOREIGN EXCHANGE EARNINGS	4795	62	4630	60	4825	63	5765	75	5148	67	5625	73	4255	55	4355	57	5145	67	4685	61
AT YEAR END																					
8.	GROSS FIXED ASSETS	27255	354	28059	365	28658	373	29101	378	29334	381	18993	247	20990	273	24637	320	25243	328	29792	387
9.	SHARE CAPITAL	1143	15	1143	15	1143	15	1143	15	1143	15	1143	15	1143	15	1143	15	1143	15	1143	15
10.	RESERVES AND SURPLUS	24735	322	25208	328	25106	326	25333	329	25430	331	25735	335	26538	345	27016	351	27408	356	28049	365
11.	NET WORTH	25878	336	26352	343	26249	341	26476	344	26573	345	26878	349	27682	360	28159	366	28551	371	29192	380
12.	BORROWINGS	8240	107	2601	34	3754	49	2764	36	2039	27	2449	32	2860	37	4293	56	4711	61	4151	54
13.	CAPITAL EMPLOYED	28868	375	28852	375	29249	380	28326	368	28023	364	27828	362	29382	382	31052	404	31015	403	32198	419
PER SHARE (₹)																					
14.	NET WORTH PER EQUITY SHARE	45.28*	0.59	46.10*	0.60	45.92*	0.60	46.32*	0.60	46.49*	0.60	47.03*	0.61	48.43*	0.63	49.27*	0.64	49.95*	0.65	51.07*	0.66
15.	EARNINGS PER EQUITY SHARE	1.63*	0.02	2.14*	0.03	0.89*	0.01	1.66*	0.02	1.69*	0.02	1.91*	0.02	1.69*	0.02	1.96*	0.03	1.98*	0.03	2.18*	0.03
16.	DIVIDEND PER EQUITY SHARE	0.90*	0.01	1.10*	0.01	0.90*	0.01	1.10*	0.01	1.10*	0.01	1.10*	0.01	0.90*	0.01	0.90*	0.01	0.90*	0.01	-	-
RATIO																					
17.	DEBT: EQUITY RATIO	0.32 : 1		0.10 : 1		0.14 : 1		0.10 : 1		0.08 : 1		0.09 : 1		0.10 : 1		0.15 : 1		0.17 : 1		0.14 : 1	
Based on the number of Equity Shares subsequent to Rights Issue of Equity shares on 26th March, 2011 increasing the number of Equity shares from 392,953,972 to 571,569,414.																					

* based on the number of Equity Shares subsequent to Rights Issue of Equity shares on 26th March, 2011 increasing the number of Equity shares from 392,953,972 to 571,569,414.

Notes :

- Serial nos. 8,10,11,13,14 and 17 are inclusive of Revaluation Reserve balance as at year end.
- Figures have been regrouped /rearranged wherever necessary.
- Figures pertaining to the years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 are in accordance with Ind AS while figures pertaining to the years upto 2014-15 are in accordance with previous GAAP.

EXECUTIVE CHAIRMAN'S REVIEW

Ladies and Gentlemen,

In recent years the world travel and tourism industry was showing robust growth. The industry was outperforming global economic growth and was poised for greater contribution to prosperity and employment. However, in the spring of this year we have had unprecedented disruptions due to the COVID-19 pandemic. This pandemic is now a major health crisis in India and around the world. The travel industry was amongst the first to be affected by the pandemic and will, in all probability, be the last to recover. We have faced several challenges in the past. I have no doubt that your Company will emerge stronger and more resilient after this crisis is over.

According to The World Travel and Tourism Council (WTTC), in the year 2019 the Indian travel and tourism industry contributed 6.8% to GDP. The contribution to employment in India was 8% or approximately 40 million jobs. The travel and tourism industry has to work tirelessly with our partners and the Tourist Department, Government of India to increase tourism so that we can increase our foreign exchange earnings and create more jobs. In 2019 the number of foreign visitors to India totalled 11 million. Over 2.5 million foreign visitors arrived in India on the tourist e-visa scheme, a growth of 24% over the previous year. Foreign visitors from The United States of America contributed 9%, the United Kingdom contributed 6% and Canada and Australia contributed 2% each. However, this share of foreign travellers visiting India relative to other Asian countries continues to disappoint. The Indian travel and tourism industry has to work much harder to attract more foreign visitors to our country.

Due to the COVID-19 pandemic, we expect very few foreign travellers to visit India in the current year and in the next year. The hospitality industry must therefore, concentrate on domestic travellers. Your company is well positioned to serve the domestic tourism market.

We have recently taken several steps to streamline our operations. In October 2019, The Oberoi Centre of Excellence (TOCE) went live. TOCE is a centralized facility to ensure process excellence for all business units of the Company. We are offering owned and managed hotels efficient delivery of services in Finance, Procurement, Data Management, Taxation, Business Transformation and Budgeting. We expect TOCE to make your Company leaner and more efficient.

The Oberoi Group continues to excel and be recognised worldwide as a pre-eminent Hospitality Group. In December 2019, the Oberoi Brand was recognized as the Best Hotel Brand for third consecutive year by the Telegraph Travel Awards, UK in a

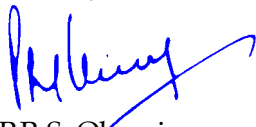
large survey of Telegraph newspaper readers. The Oberoi Brand continues to be recognized as amongst the best hotel brands worldwide. In July 2020, The Oberoi, Mumbai was ranked as the Best City Hotel in Asia by Travel + Leisure, USA. In the year 2020, three of our hotels were ranked in the Top 15 in Asia by Travel + Leisure, USA. The Oberoi, Amarvilas was ranked amongst the Best Hotels in Asia by Fodor's Finest Hotels, USA.

The Oberoi, Marrakech opened in November 2019; this resort has been well received by guests who have stayed in the hotel and a number of international publications have rated this resort as one of the best hotel openings globally in 2019.

I am optimistic that travel and tourism industry will grow exponentially after this pandemic is over.

In conclusion, I sincerely thank my colleagues on the Board, our dedicated employees and other stakeholders for their continued support.

Thank you.



P.R.S. Oberoi
Executive Chairman

18th July, 2020

DIRECTORS' REPORT

The Board presents the Seventieth Annual Report together with the Audited Financial Statement and the Auditor's Report for the Financial Year ended on 31st March 2020.

Financial Highlights

The financial highlights are set out below:

	(₹ in million)			
Particular	Standalone		Consolidated	
Year	2019-20	2018-19	2019-20	2018-19
Total Revenue	14,343.08	16,272.62	16,746.94	18,796.07
Earnings Before Interest, Depreciation, Taxes, Amortisations and Exceptional items (EBIDTA)	3,094.21	4,061.38	3,686.98	4,747.05
Finance Costs	495.15	463.60	556.05	504.41
Depreciation	1,342.03	1,230.08	1,464.61	1,325.57
Exceptional Income/ (Expenditure)	(166.07)	(730.66)	(4.67)	(730.66)
Share of Profit of Associate and Joint Venture Companies	-	-	(1.44)	122.96
Profit Before Tax	1,090.96	1,637.04	1,660.21	2,309.37
Current Tax	209.91	610.29	372.39	862.25
Deferred Tax	(363.62)	(106.63)	(363.61)	(42.45)
Net Profit for the year	1,244.67	1,133.38	1,651.43	1,489.57
Other Comprehensive Income / (Loss) for the year, net of tax	(23.29)	(8.86)	550.82	(16.32)
Total Comprehensive Income	1,221.38	1,124.52	2,202.25	1,473.25
Less: Share of profit of Non-Controlling Interest	-	-	173.09	170.86
Total Comprehensive Income attributable to Group	-	-	2,029.16	1,302.39
Profit for the Year attributable to the Group	-	-	1,488.17	1,315.41
Balance Brought Forward	4,861.01	4,468.78	5,398.59	4,910.16
Adjustment for new Ind AS	6.69	(112.14)	8.09	(112.04)
Accumulated Balance	6,112.37	5,490.02	6,894.85	6,113.53
Adjusted to Opening Retained Earnings	-	-	-	(81.78)
Final Dividend paid for the year 2018-19	(514.41)	(514.41)	(514.41)	(514.41)
Dividend Tax	(72.25)	(105.74)	(91.34)	(105.73)
Transfer to General Reserve	-	-	-	-
Other Comprehensive Income / (Loss) for the year, net of tax	(23.29)	(8.86)	(52.53)	(13.02)
Balance carried over	5,502.42	4,861.01	6,236.57	5,398.59

Directors' Responsibility Statement

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013 ("the Act") and, based upon representations from the Management, the Board states that:

- a) in preparing the Annual Accounts, applicable accounting standards have been followed and there are no material departures;
- b) the Directors have selected accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- c) the Directors have taken proper and sufficient care in maintaining adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts of the Company on a "going concern" basis;
- e) the Directors have laid down internal financial controls to be followed by the Company. These internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws. These systems are adequate and are operating effectively.

Performance

The annexed Management Discussion and Analysis forms a part of this report and covers, amongst other matters, the performance of the Company during the Financial Year 2019-20 as well as the future outlook.

Business Responsibility Report

In accordance with regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Business Responsibility Report describing the initiatives taken by the Company from the environmental, social and governance perspective is attached and forms part of this Report.

Corporate Governance Report

In accordance with regulation 34(3) read with Schedule V(C) of the listing regulations, the report on Corporate Governance along with the certificate from Practicing Company Secretary is attached and forms part of this Report.

Dividend

In view of the prolonged lockdown and consequent travel restrictions to avoid spread of COVID-19 pandemic imposed by the Government of India as well other countries globally almost all business segments i.e. Corporate, Leisure, MICE and Direct business were severely impacted. In these unforeseen and uncertain times, it is difficult to predict when business conditions will normalise. Therefore, in order to conserve cash and ensure liquidity for the operations for the Financial Year 2020-21, the Board of Directors decided not to recommend any dividend to the shareholders for the Financial Year 2019-20.

Board Meetings

During the year, Five Board Meetings were held on 30th May 2019, 13th August 2019, 5th November 2019, 24th January 2020 and 26th March 2020 respectively.

Directors and Key Managerial Personnel

The Shareholders, by special resolutions passed on 11th July 2019, approved re-appointment of Mr. Lakshminarayan Ganesh (DIN: 00012583), Mr. Rajeev Gupta (DIN: 00241501) and Mr. Sudipto Sarkar (DIN: 00048279) as Non-executive Independent Directors on the Board of the Company for a second term of 5 (five) consecutive years from the date of expiry of their respective current term, not liable to retire by rotation.

The Nomination and Remuneration Committee and the Board at their respective meetings held on 28th May 2019 and 30th May 2019, noted that the above Non-executive Independent Directors are highly renowned professionals drawn from diverse fields, who bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's functioning and its decision making process. The Company and the Board have immensely benefitted from their vast experience, knowledge and strategic insights on various matters relating to Company's business. Considering the enormous contributions of the Directors to the functioning and performance of the Company, the Board was of the unanimous view that it will be in the best interest of the Company to re-appoint them as Non-executive Independent Directors for a second term of 5 (five) consecutive years.

Taking into consideration the outcome of the performance evaluation report of the aforesaid three independent directors, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, approved and recommended to Shareholders re-appointment of Mr. Lakshminarayan Ganesh, Mr. Rajeev Gupta and Mr. Sudipto Sarkar as Non-executive Independent Directors on the Board of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years from the respective expiry date of their current term.

The Shareholders, by special resolutions passed on 11th July 2019, approved re-appointment and remuneration of Key Managerial Personnel of the Company, namely, Mr. Vikramjit Singh Oberoi (DIN: 00052014), Managing Director and Chief Executive Officer and Mr. Arjun Singh Oberoi (DIN: 00052106), Managing Director-Development for a term of 5 (five) years with effect from 1st July 2019.

The Shareholders, by an ordinary resolution passed on 12th October 2019, on the recommendation of Nomination and Remuneration Committee and the Board, approved appointment of Mr. Sanjay Gopal Bhatnagar (DIN: 00867848) as a Non-executive Independent Director on the Board of the Company for a term of 5 (five) consecutive years with effect from 27th August 2019, not liable to retire by rotation, in place of Mr. Santosh Kumar Dasgupta.

At the first meeting of the Board of Directors for the Financial Year 2020-21 held on 26th June 2020 the Independent Directors have confirmed, as required under sub section (7) of Section 149 of the Act read with Regulation 25(8) of the listing regulations, that they meet the criteria of independence required under sub-section (6) of Section 149 of the Act and clause (b) of sub-regulation (1) of Regulation 16 of the listing regulations.

The Board, after undertaking due assessment of the veracity of the declaration submitted by the Independent Directors under sub section (6) of Section 149 of the Act read with sub-regulation (9) of Regulation 25 of the listing regulations, was of the opinion that the Independent Directors meet the criteria of independence.

Mr. Vikramjit Singh Oberoi retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Directors recommend re-appointment of Mr. Vikramjit Singh Oberoi as a Director on the Board.

Corporate Social Responsibility

The Company's Corporate Social Responsibility (CSR) Policy formulated in accordance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 can be accessed on the Company's website www.eihltd.com

The Annual Report on Corporate Social Responsibility activities for the Financial Year 2019-20 is given in **Annexure 1** and forms a part of this Report. The Annexure also gives the composition of the CSR Committee.

In addition to the mandatory CSR spend in accordance with the Act, during the year, the Company's Hotels and Service Units have also taken the following CSR initiatives:

The Oberoi Grand, Kolkata supports Sasha, an NGO which works with local artisans for the upliftment and self-employment of women by purchasing hand-crafted products made by them. Hotel also donate discarded uniforms, bath & bed linen, F&B linen and newspapers. The hotel also invited Ankur Kala, Shri Rajchandra Aatma Tatva Research Centre and Sarada Seva Sangha NGO's working for the rehabilitation and empowerment of marginalised and economically challenged women and children and physically challenged women to showcase and sell their products viz. batik, tie-n-dye, tailoring, appliqué, block printing, silk-screen, handmade gift packets, candles, bags, jute, batik, embroidery, tailoring and stationery products. The hotel had also organised breakfast on 28th December 2019 for 1,200 children in the Jungle Crows 'Khelo Rugby' 10 day winter camp which was coordinated by Mr. Paul Walsh and Chef Shaun Kenworthy for economically deprived sections of the city who are trained to play Rugby.

The Oberoi, Udaivilas, Udaipur employees visited Mother Teresa Orphanage and Asha Dham Ashram for the poor, sick, mentally challenged and old people and supports them by taking care of their daily needs. Visits were also organised to government primary school, local vendors/kiosks, where importance of hygiene was demonstrated and toiletries were distributed. Collaterals in all the guest rooms are placed and donations given by guests are collected and sent to CRY (Child Relief and You). As a green initiative, the hotel also organised, sapling plantation drives at Fatehsagar lake area.

The Oberoi and Trident Nariman Point, Mumbai donated community kitchen equipment and utensils to Bal Jeevan Trust. Bal Jeevan Trust works relentlessly to improve nutrition and education for street children in the city of Mumbai. The hotels organized a hotel visit for the children of The Aditya Birla Integrated Trust for a day of fun and learning. The children spent the day learning about Hotel operations of different departments. They enjoyed their visit to the flower room and also learnt a few kitchen tricks with our chefs in an interactive cooking session on basic methods of cooking. Representatives from The

National Institute for the Blind (NAB) displayed their talent and creativity through an exhibition and sale of hand - made 'Rakhi' and other small gift items. The hotels organized a Shop of a Cause Exhibition for all employees in the cafeteria. The decorative and gift items were hand made by volunteers from various Non-Profit Organizations such as Krupakabi, Welfare for Stray Dogs, DEEDS, Women Trust of India, Aseema Foundation and Dharma Bharti Foundation. All contributions generated from the sale are utilized by the Non - Profit organizations to uplift the lives of many. The hotels organized a yearly charity drive to encourage team members to come forward and donate household items/ clothes/ books/ toys which are no longer of use to them.

Trident Bandra Kurla Complex, Mumbai seeks to raise awareness towards the need for youth education, healthcare and safety needs. Through the Youth Career Initiative (YCI) Program, we aim to not only provide high-quality vocational education to underprivileged needful youth, but to also create an environment conducive to their overall growth and development. Ten youth aspirants were trained across various departments and functions in the hotel namely - Housekeeping, Kitchen, F&B Service and Front Office.

The Oberoi, Bengaluru nurtures physically challenged girls and economically challenged senior citizens in association with Cheshire Home Trust. The hotel team hosts a lunch for the children, care givers and supervisors at the Home. Girls and their teachers were invited for a fun afternoon followed by lunch at the hotel. The hotel team also organized interactive and engaging activities for the children of the home. Former resident of this home is employed with the reservations back office team. Hotel also work with Friends in Need Society-this NGO works with orphanages and home for the elderly. Christmas fete was organized where donated items are sold to invitees and funds raised for an old age home. The hotel contribute 250 pieces of festive tea cakes for their bake sale. The hotel also works with the Association of People with Disability, Bangalore Chapter working for underprivileged people with disability. The hotel supplies lunch for their Bangalore residents. The bakery team donates all breakfast pastries and rolls which are not consumed during each morning's breakfast service.

During the pandemic caused by COVID-19 virus, the hotel and its kitchen and support teams arranged both lunch and dinner boxes for the staff of St' Philomena's Hospital.

The Oberoi Vanyavilas, Ranthambore was involved in the welfare of local communities by providing life insurance and basic equipment to forest guards in Ranthambore. The hotel also promotes "Dhonk", a socially responsible enterprise that aims at creating sustainable jobs for local villagers through art and crafts. The rainfall pattern has changed significantly at Sawai Madhopur and has resulted in shortage of water in the jungle and the natural water bodies tend to dry. The hotel has assisted the forest department by filling the water hole behind the hotel for the wild animals to drink water. On the recommendation of the Chief Conservator of Forest, the hotel recognized the exceptional work done by the forest guards at the Ranthambore National Park and in other parks of India. The hotel visits the underprivileged and disabled children and arranges refreshments, gifts and a little party of song and dance.

The Oberoi, Gurgaon and Trident, Gurgaon engage with communities at various levels, supporting initiatives in education, community development, skill development and basic needs of food. The hotels are associated with Happy School, which is a school for

underprivileged children. Both hotels provide mid-day meal of high-protein soya biryani once a week. Executives also contribute by volunteering to teach or donate toys. The hotels are also associated with Ritinjali, which is a volunteer-based organization that works with the marginalized communities in education and development related projects. The hotels provide basic food and essentials like rice, wheat flour and oil once a month. The hotels hire differently abled persons from Pallavanjali Institute for the Actualization of Individual Potential (PIAP) which is an NGO that focus on the needs of children and youth with disabilities. In the area of skill development and livelihood generation, the hotels are partnered with Youth Career Initiative (YCI) which is an innovative, high-impact approach to combating global youth unemployment. It works with young people who are unlikely to have a viable route into legitimate employment and improve their situation without external help. This is a 6 months programme and every year candidates are trained by the hotels. The candidates are paid a stipend and transportation during the training period. A blood donation camp was organised in association with Sri Sathya Sai Sanjeevani Hospital and the Rotary Blood Bank.

Maidens Hotels, Delhi employees visited Palna and Mother Teresa Home where breakfast and gifts were distributed. A blood donation camp was organised where the employees also donated blood.

The Oberoi, New Delhi organized blood donation camps in association with the Rotary Blood Bank and the Sri Sathya Sai Sanjeevani Centre for Child Heart Care to create awareness about the benefits of safe and regular blood donation. The hotel also supports numerous underprivileged citizens through Goonj, an NGO. Several team members donated woolens, blankets, shawls, shoes in addition to other items of basic necessity that are used to protect against the winter cold.

Audit Committee

The composition of the Audit Committee is as under:

- Mr. Sudipto Sarkar - Independent Director & Chairperson
- Mr. Lakshminarayan Ganesh - Independent Director
- Mr. Anil Kumar Nehru - Independent Director
- Mr. Rajeev Gupta – Independent Director
- Mr. Shib Sanker Mukherji – Executive Vice Chairman; and
- Mr. Arjun Singh Oberoi - Managing Director, Development

For other details relating to the Audit Committee, please refer to the Corporate Governance Report.

Company's Policy on Directors Appointment and Remuneration and Senior Management Personnel Appointment and Remuneration

The Company's Policy on Directors Appointment and Remuneration Policy (revised), 2019, ("Director Appointment Policy") and Senior Management Appointment and Remuneration Policy ("Senior Management Policy") formulated in accordance with Section 178 of the Act read with regulation 19(4) of the listing regulations can be accessed on the Company's website www.eihltd.com.

The salient features of the “Directors Appointment Policy” are as under:

- The Policy aims to engage Directors (including non-executive and independent non-executive directors) who are highly skilled, competent and experienced persons within one or more fields of business, finance, accounting, law, management, sales, marketing, administration, corporate governance, technical operations or other disciplines related to the business of the Company. The Directors shall be able to positively carry out their supervisory role on the management and the general affairs of the Company;
- assessing the individual against a range of criteria including but not limited to industry experience, background, and other qualities required to operate successfully in the position with due regard to the benefits of diversity of the Board;
- the extent to which the individual is likely to contribute to the overall effectiveness on the Board and work constructively with existing Directors;
- the skills and experience the individual brings to the role and how these will enhance the skill sets and experience of the Board as a whole;
- the nature of positions held by the individual including directorships or other relationships and the impact they may have on the Directors ability to exercise independent judgment;
- the time commitment required from a Director to actively discharge his or her duties to the Company.

The Salient features of the “Senior Management Policy” are as under:

- The objective of this Policy is to provide a framework and set standards for the appointment, remuneration and termination of Key Managerial Personnel (KMP) and the Core Management Team (within the Senior Management Personnel) who have the capacity and responsibility to lead the Company towards achieving its long term objectives, development and growth;
- Appointment & Remuneration of Key Managerial Personnel and Core Management Team are aligned to the interests of the Company and its Shareholders within an appropriate governance framework;
- Remuneration is structured to align with the Company’s interests, taking into account the Company’s strategies and risks;
- Remuneration is linked to individual and Company performance, which, in turn, impacts the quantum of variable pay;
- Remuneration is designed to be competitive within the hospitality industry or other industries in general for applicable roles;
- Executives performing similar complexity of jobs are paid similar compensation.

The remuneration paid to Senior Management personnel is categorised under the following major heads:

Fixed Salary: This includes basic salary, other allowances, perquisites and retirement benefits;

Variable Salary: This includes variable pay linked to Company and Individual performance.

Energy Conservation Measures

During the year, energy conservation measures taken by the Company include:

- replacement of conventional lamps with energy efficient LED lamps with inclusion of smart controls;
- replacement of old chiller with energy efficient chiller;
- replacement of old split air conditioners with inverter based units;
- improving thermal insulation of guest tents;
- installation of energy efficient EC motors in ventilation fans;
- installation of waste heat recovery equipment;
- installation of VFD for air compressors and chilled water pumps;
- carrying out over hauling works for cooling towers and heat exchangers;
- installation of water flow optimizers in wash basin taps and installation of water efficient eco washer based WCs.

Furthermore, conservation measures in the form of tight operational control of lighting and other equipment, regulation of air conditioning set points according to ambient temperatures, taking guest floors out of order during low occupancy and optimization of laundry and boiler operation were continued. Energy audit of plant and machinery along with thermography of electrical panels were carried out for identifying additional measures of saving energy.

Operational measures include setting of benchmarks with respect to the current year with targets for increased savings, initiatives by energy conservation committees comprising of cross functional groups, close monitoring and performance evaluation of plant and machinery by conducting regular self-audit and up grading of plant room equipment. With various energy conservation measures taken in the Financial Year 2019-20, the Company reduced overall energy consumption by about 3.25 million Kwh which resulted in a reduction of carbon dioxide emissions by about 1.7 million kg in comparison to the previous financial year.

Actions planned for the next year are –

- replacement of remaining conventional lamps with energy efficient LED lamps;
- upgrading of sewage treatment plants;
- installation of new energy efficient pumps;
- upgrading chillers with VFD retrofitting;
- replacement of old chillers with more energy efficient chillers;
- installation of heat pumps in place of conventional hot water boilers;
- replacement of cooling towers with more efficient cooling towers;
- installation of water efficient eco washer based water closets and installation of water flow optimizer in taps.

Foreign Exchange Earnings and Outgo

During the Financial Year 2019-20, the foreign exchange earnings of the Company amounted to ₹ 4,685.10 million as compared to ₹ 5,144.68 million in the previous year. The expenditure on foreign exchange during the Financial Year was ₹ 697.01 million as compared to ₹ 598.28 million in the previous year.

Auditor and Auditor's Report

At the 67th Annual General Meeting of the Company held in the year 2017, the Shareholders had approved the appointment of M/s. Deloitte, Haskins & Sells LLP, Chartered Accountants, (FRN 117366 W/W 100018) ("Deloitte") as the Statutory Auditors of the Company to hold office for 5 (five) consecutive years.

The Report of Auditors does not contain any qualification, reservation or adverse remarks.

Secretarial Auditors

In accordance with the provisions of Section 204 of the Act, M/s. JUS & Associates were appointed as the Secretarial Auditors of the Company for the Financial Year ended on 31st March 2020. The Secretarial Audit Report submitted by the Secretarial Auditors does not contain any qualification, reservation or adverse remarks. The Secretarial Auditor Report is **annexed** and forms part of the Annual Report. The Certificate of Non-Disqualification of Directors from the Practicing Company Secretary pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the listing regulations is also **annexed** and forms part of this report.

Secretarial Standards

During the year, the Company has complied with the applicable Secretarial Standards.

Related Party Transactions

The contracts, arrangements and transactions entered into by the Company during the Financial Year with related parties were in the ordinary course of business and are on an arm's length basis. During the year, the Company has not entered into any contract, arrangement or transaction with Related Parties that could be considered material in accordance with the Related Party Transaction Policy of the Company. The Policy on Related Party Transactions approved by the Board can be accessed on the Company's website www.eihltd.com.

The details of Related Party Transactions are set out in Note nos.43 and 43 to the Standalone and Consolidated Financial Statements respectively.

Extract of Annual Return

The Extract of the Annual Return for the Financial Year ended on 31st March 2020 in Form MGT-9 is annexed as **Annexure 2**.

Loan, Guarantees or Investments

Particulars of loans given, investment made, guarantees given, if any, and the purpose for which the loan, guarantee and investment will be utilised are provided in the Standalone Financial Statement in Note nos. 8 & 44.

Deposits

During the year, the Company did not accept any deposits from the public.

Vigil Mechanism / Whistleblower Policy

In accordance with the Section 177(9) of the Act and rules framed thereunder read with Regulation 22 of the Listing Regulations, the Company has a Whistleblower Policy in place for its Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, "*The Oberoi Dharma*". The Policy provides for protected disclosures for the Whistleblower. Disclosures can be made through e-mail or letter to the Whistle Officer or to the Chairperson of the Audit Committee. The Whistleblower Policy can be accessed on the Company's website www.eihltd.com.

During the year ended on 31st March 2020, one complaint was received from an ex-employee of the Company's business unit, Oberoi Flight Services, Chennai against the General Manager of the unit. The complaint was thoroughly investigated by the Whistle Officer and the Whistle Committee. The Report of the Whistle Officer and the Whistle Committee and its recommendation was placed before the Audit Committee. The Audit Committee deliberated and approved the recommendation of the Whistle Committee for Management action. The Management took necessary action to the satisfaction of the Audit Committee.

Subsidiaries, Associates and Joint Ventures

Subsidiaries/Joint Ventures

The Company has three Indian subsidiaries which are also Joint Ventures, namely, Mumtaz Hotels Ltd, Mashobra Resort Ltd and Oberoi Kerala Hotels and Resorts Ltd.

The Company's overseas subsidiaries are i) EIH Flight Services Ltd, Mauritius; ii) EIH International Ltd, BVI; iii) EIH Holdings Ltd, BVI; iv) EIH Investments NV Netherlands; v) EIH Management Services BV, Netherlands; vi) PT Widja Putra Karya, Indonesia; vii) PT Waka Oberoi Indonesia, Indonesia and viii) PT Astina Graha Ubud, Indonesia.

In accordance with regulation 16 read with regulation 24 of the listing regulations, the Board at its meeting held on 30th May 2019, on the recommendation of the Audit Committee, identified the following unlisted subsidiary companies of the Company as "material subsidiary" for the Financial Year 2019-20 (based on Income/Net worth in the preceding accounting year 2018-19) :

S. No.	Name of the subsidiary	Percentage	Action Required under Listing Regulations
1.	Mumtaz Hotels Ltd	20.51 (based on income)	i) Secretarial Audit for 2019-20; ii) Appointment of a EIH Independent Director on the Board of Mumtaz Hotels Ltd.
2.	EIH International Ltd	23.37 (based on Net worth)	Appointment of a EIH Independent Director on the Board of EIH International Ltd.
3.	Mashobra Resorts Ltd	10.53 (based on Income)	Secretarial Audit for 2019-20;
4.	EIH Holdings Ltd	12.00 (based on Net worth)	No action required.

Therefore, in accordance with regulation 24A of the listing regulations, Secretarial Audit of the records of the unlisted material subsidiaries, Mumtaz Hotels Limited and Mashobra Resorts Ltd, both incorporated in India, was conducted by JUS & Associates, Practicing Company Secretary for the Financial Year 2019-20. The Secretarial Audit Report submitted by the Practicing Company Secretary does not contain any qualification, reservation, or adverse remark. The Secretarial Audit Report of Mumtaz Hotels Ltd and Mashobra Resort Ltd are **annexed** and forms part of the Annual Report.

At the Company's Board Meeting held on 13th August 2019, the Board had approved appointment of Mr. Sudipto Sarkar, Independent Director as a Director on the Board of EIH International Ltd, a foreign subsidiary and Dr. Chhavi Rajawat, Independent Director on the Board of Mumtaz Hotels Ltd, an Indian subsidiary. Accordingly, Mr. Sudipto Sarkar was appointed on the Board of EIH International Ltd on 9th September 2019 and Dr. Chhavi Rajawat was appointed on the Board of Mumtaz Hotels Ltd on 25th October 2019.

Associates

The Company has two domestic Associate Companies, namely, EIH Associated Hotels Ltd (a listed entity) and USmart Education Ltd (an unlisted entity).

Joint Ventures

The Company has three Joint Venture Companies, one domestic Company, namely, Mercury Car Rentals Private Ltd and two foreign Companies, namely, Oberoi Mauritius Ltd and La Roseaie De L'Atlas (also an associate as per Ind AS requirement) through its wholly owned foreign subsidiary.

A Report on the performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies are provided in the **Annexure** to the Consolidated Financial Statement and hence are not repeated here for the sake of brevity.

The policy on material subsidiaries can be accessed on the Company's website www.eihltd.com.

Directors/Key Managerial Personnel (KMP) Remuneration

- During the year, in accordance with regulation 17(6) (e) of the listing regulations, special resolutions were passed by the shareholders by way of postal ballot and remote e-voting on 11th July 2019 in respect of remuneration of Mr. Vikramjit Singh Oberoi (DIN: 00052014), and Mr. Arjun Singh Oberoi (DIN: 00052106).
- The ratio of the remuneration of each Director to the median employees remuneration for the Financial Year is as under:

(₹ in Million)			
S.No	Name of the Director	Directors' Remuneration	Ratio
			Median Employees Remuneration
1.	Mr. Prithvi Raj Singh Oberoi, Executive Chairman	28.25	0.43
2.	Mr. Shib Sanker Mukherji, Executive Vice Chairman	29.40	0.43
3.	Mr. Vikramjit Singh Oberoi Managing Director & CEO	33.49	0.43
4.	Mr. Arjun Singh Oberoi Managing Director - Development	30.72	0.43

Directors' remuneration includes retirement benefits, wherever applicable

- c) The percentage increase in remuneration of each Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any in the Financial Year:

(₹ in Million)

S.No	Name	Total Remuneration 2019-20	Total Remuneration 2018-19	Percentage Increase / Decrease
1.	Mr. Prithvi Raj Singh Oberoi	28.25	33.02	(14.45)
2.	Mr. Shib Sanker Mukherji	29.40	32.94	(10.72)
3.	Mr. Vikramjit Singh Oberoi	33.49	35.84	(6.56)
4.	Mr. Arjun Singh Oberoi	30.72	33.32	(7.78)
5.	Chief Financial Officer	-	15.75*	-
6.	Chief Financial Officer	14.92	10.97**	36.01
7.	Company Secretary	8.25	6.88	19.91

Total remuneration includes retirement benefits, wherever applicable

**Mr. Biswajit Mitra-CFO up to 30th September 2018*

***Mr. Kallol Kundu- CFO with effect from 1st October 2018*

- d) The percentage increase in the median remuneration of employees in the Financial Year 3.92%.
- e) The number of permanent employees on the rolls of the Company at the end of the Financial Year are 3,929.
- f) The average percentage increase already made in the salaries of employees of the Company other than the managerial personnel in the last Financial Year was 5.8%. The average percentage increase in the managerial remuneration is Nil.

It is hereby affirmed that the remuneration of the Executive Directors and Key Managerial Personnel are as per the Remuneration Policy of the Company.

Internal Financial Controls and Risk Management Systems

Compliance of the Internal Financial Controls and Risk Management Systems are given in the Management Discussion & Analysis report.

Board Evaluation

In accordance with the provisions of the Act and Regulation 17(10) of the Listing Regulations, a Board Evaluation Policy is in place. A structured questionnaire by an independent external agency covering various aspects of the Board's functioning, Board culture, performance of specific duties by Directors and contribution to the Board proceedings was circulated to the members of the Board for the Financial Year 2019-20. Based on the responses received, the Board as a whole, the Committees, the Chairperson and individual Directors were separately evaluated in the meeting of the Independent Directors and at the meeting of the Board of Directors.

The process of review of Non-Independent Directors, the Board as a whole and also its Committees were undertaken in a separate meeting of Independent Directors held on 22nd May 2020 without the attendance of Non-Independent Directors and members of management. At the meeting, the performance of the Chairman of the Company was reviewed taking into account the views of the Executive Directors, Non-executive Directors and Independent Directors. The meeting also assessed the quality, quantity and timeliness of information required for the Board to perform its duties properly.

The entire Board, excluding the Director being evaluated, evaluated the performance of each Independent Director.

The Directors have expressed their satisfaction with the evaluation process conducted by the independent external agency.

Based on the findings from the evaluation process, the Board will continue to review its procedures, processes and effectiveness of Board's functioning, individual Directors effectiveness and contribution to the Board's functioning in the Financial Year 2020-21 as well with a view to practice the highest standards of Corporate Governance.

Cost Records

The Company is not required to maintain cost records in accordance with Section 148 of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014 as the services of the Company are not covered under the said rules.

Significant and Material orders, if any

During the Financial Year, there were no significant or material orders passed by the regulators, courts or tribunals impacting the going concern status and the Company's operation in future.

Prevention of Sexual Harassment at the Workplace

The Company has a policy for prevention of sexual harassment at the workplace. In accordance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and rules made thereunder, the Company has constituted an Internal Compliant Committee (ICC) in all its hotels, Oberoi Flight Services (OFS), Oberoi Airport Services (OAS), Printing Press and Corporate Office.

During the year, the ICC received three complaints from Company's Hotels. All the three complaints have been disposed of within the statutory time period prescribed under the POSH Act. The Company has also filed necessary returns as required to be filed under the POSH Act.

Particulars of Employees

In accordance with Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 the following are **annexed** and forms part of this Report:

- i) List of top ten employees of the Company in terms of remuneration;
- ii) List of employees who received remuneration for the year which in the aggregate was not less than ₹ 10.2 million;
- iii) List of employees who were employed for a part of the year and who received remuneration which in the aggregate, was not less than ₹ 0.85 million per month.

Cautionary Statement

Risks, uncertainties or future actions could differ materially from those expressed in the Directors' Report and the Management Discussion and Analysis. These statements are relevant on the date of this Report. We have no obligation to update or revise any statements, whether as a result of new information, future developments or otherwise. Therefore, undue reliance should not be placed on these statements.

Acknowledgement

The Board takes this opportunity to thank all employees for their commitment, dedication and co-operation.

For and on behalf of the Board

Mumbai
26th June 2020

ARJUN SINGH OBEROI
Managing Director-Development

VIKRAMJIT SINGH OBEROI
*Managing Director and
Chief Executive Officer*

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 web-link to the CSR Policy, 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 will focus on any one or more of the following CSR activities:

- i) addressing the critical social, economic and educational needs of the marginalized under-privileged children of the society, especially to orphan and homeless children and care for their educational, nutritional, health and psychological development needs;
- ii) caring for the elderly and addressing their health issues;
- iii) addressing the sanitation issues including contribution to the Swachh Bharat Kosh set up by the Central Government for promotion of sanitation;
- iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water including contribution to the clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;

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

The Board of Directors at its Board Meeting held on 13th August 2019, on the recommendation of the CSR Committee, approved a CSR spend of ₹ 27.47 Million on the following CSR activities for the Financial Year 2019-20:

(₹ in Million)		
S.No.	Activity	Amount
1.	Contribution to SOS Children's Villages of India	23.97
2.	Contribution to Help Age India	3.50
Total		27.47

The aforesaid two activities approved are ongoing contracts for the year 2019-20.

2. Composition of the CSR Committee

The CSR Committee comprises of the following Board Members:

- i) Mr. Shib Sanker Mukherji- Chairperson;
- ii) Mr. Vikramjit Singh Oberoi- Member;
- iii) Mr. Arjun Singh Oberoi- Member; and
- iv) Mr. Rajeev Gupta- Independent Director and Member

3. **Average Net Profit of the Company for the last three Financial Years**
₹ 1,313.49 Million
4. **Prescribed CSR Expenditure (two percent of the amount as in Item 3 above)**
₹ 26.27 Million.
5. **Details of CSR spent during the Financial Year**
 - a) The total amount to be spent for the Financial Year including the previous year's unspent amount : ₹ 26.27 Million
 - b) Amount unspent, if any : NIL
 - 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 (₹ Million)	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Over-heads : (₹ Million)	Cumulative expenditure up to the reporting period (₹ Million)	Amount spent Direct or through implementing agency
1	Promoting social, economic and educational needs of the marginalised under-privileged children.	Urban/ Rural	Kolkata, Mumbai, Delhi, Bhubaneswar, Jaipur, Agra and Udaipur	23.97	23.97	23.97	Through SOS Children's Villages of India
2.	Primary health care services for India's elderly population (60+ years) for the poor and needy	Urban	Shimla	3.50	3.50	3.50	Through Help Age India
TOTAL				27.47	27.47	27.47	

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 Company has spent more than what was required to be spent as CSR amount i.e. ₹ 27.47 Million as against ₹ 26.27 Million required to be spent in the Financial Year.
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.

VIKRAMJIT SINGH OBEROI
Managing Director and CEO

SHIB SANKER MUKHERJI
Chairperson – CSR Committee

ANNEXURE TO THE DIRECTORS' REPORT

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As at the Financial Year ended on 31st March 2020**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L55101WB1949PLC017981
2.	Registration Date	26 th May 1949
3.	Name of the Company	EIH Limited
4.	Category/Sub-category of the Company	Public Limited
5.	Address of the Registered office & contact details	4, Mangoe Lane, Kolkata – 700 001 Telephone No. : 91-33-4000 2200 Fax Nos.: 91-33-2248 6785/91-33-2242 0957 E-mail: isdho@oberoigroup.com : invcom@oberoigroup.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Investors Services Division 7, Sham Nath Marg Delhi – 110 054

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Hotel Services	9963/99631110	94.43

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Mumtaz Hotels Limited 4, Mangoe Lane, Kolkata-700 001	U55101WB1990PLC095270	Subsidiary	60.00	2(87)
2	Mashobra Resort Limited Wildflower Hall Chharabra, Shimla-171012	U55101HP1995PLC017440	Subsidiary	78.79	2(87)
3	Oberoï Kerala Hotels and Resorts Limited XXIV/1289, Bristow Road, Willingdon Island, Cochin-682 003	U55101KL1994PLC007951	Subsidiary	80.00	2(87)

S.No	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
4	ElH International Limited Romasco Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Island	Foreign Company	Subsidiary	100.00	2(87)
5	ElH Holdings Limited Romasco Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Island	Foreign Company	Subsidiary	100.00	2(87)
6	ElH Investments N.V. Chuchubiweg 17, Curacao, Netherlands Antilles	Foreign Company	Subsidiary	100.00	2(87)
7	ElH Management Services B.V. Locatellikade 1, Parnassustoren, 1076 AZ Amsterdam, The Netherlands	Foreign Company	Subsidiary	100.00	2(87)
8	PT Widja Putra Karya Jl. Kayu Aya- Seminyk Beach, Kuta, Denpasar 80033, Bali, Indonesia	Foreign Company	Subsidiary	70.00	2(87)
9	PT Waka Oberoi Indonesia Patai Medana, Tanjung 83352, Lon- bok Utara-Nusa, Tenggara Barat (NTB) Indonesia	Foreign Company	Subsidiary	96.33	2(87)
10	PT Astina Graha Ubud Dsn/Br. Jambangan Singekerta, Ubud-Gianyar, Indonesia	Foreign Company	Subsidiary	60.00	2(87)
11	ElH Flight Services Limited The Oberoi Mauritius, Baie aux Tortues Pointe aux Piments Mauritius	Foreign Company	Subsidiary	100.00	2(87)
12	ElH Associated Hotels Limited 1/24, G.S.T. Road, Meenambakkam Chennai-600 027	L92490TN1983PLC009903	Associate	36.81	2(6)
13	Mercury Car Rentals Private Limited 4, Mangoe Lane, Kolkata – 700 001	U63011WB1995PTC068029	Joint Venture	40.00	2(6)
14	USmart Education Ltd Everest House, Ground Floor 46-C Chowringhee Road, Kolkata- 700071	U80901WB2013PLC199259	Associate	25.10	2(6)
15	Oberoi Mauritius Limited Romasco Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Island	Foreign Company	Joint Venture	50.00	2(6)
16	La Roseaie De L'Atlas, Rhemena Tribe, Fraction Touihina, Ghezoula, Marrakech, Morocco	Foreign Company	Joint Venture	47.93	2(6)

IV) SHAREHOLDING PATTERN: (Equity Share Capital as percentage of Total Equity)

A) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) PROMOTER AND PROMOTER GROUP										
(1)	INDIAN									
(a)	Individual/HUF	29,989,233	-	29,989,233	5.25	29,989,233	-	29,989,233	5.25	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	171,469,006	-	171,469,006	30.00	171,469,006	-	171,469,006	30.00	-
(d)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total A(1) :	201,458,239	-	201,458,239	35.25	201,458,239	-	201,458,239	35.25	-
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total A(2) :	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A) (1)+(A)(2)	201,458,239	-	201,458,239	35.25	201,458,239	-	201,458,239	35.25	-
(B) PUBLIC SHAREHOLDING										
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	57,022,509	37,425	57,059,934	9.98	62,249,676	37,425	62,287,101	10.90	9.16
(b)	Financial Institutions / Banks	102,768	10,750	113,518	0.02	134,466	8,860	143,326	0.03	26.26
(c)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	29,203,739	-	29,203,739	5.11	30,581,128	-	30,581,128	5.35	4.72
(f)	Foreign Institutional Investors	22,777,175	-	22,777,175	3.99	23,345,886	-	23,345,886	4.08	2.50
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total B(1) :	109,106,191	48,175	109,154,366	19.10	116,311,156	46,285	116,357,441	20.36	6.60

A) Category-wise Share Holding – Contd..

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	208,233,563	20,161	208,253,724	36.44	202,014,250	18,962	202,033,212	35.35	-2.99
(b)	Individuals									
	(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	36,153,776	6,014,306	42,168,082	7.38	35,837,869	5,254,223	41,092,092	7.19	-2.55
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6,159,471	-	6,159,471	1.07	6,600,027	-	6,600,027	1.15	7.15
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Others									
	Non Resident Indians	1,182,221	89,199	1,271,420	0.22	1,022,200	87,984	1,110,184	0.19	-12.68
	Trusts	10,660	-	10,660	-	10,650	-	10,650	-	-0.09
	Foreign Nationals	-	-	-	-	-	-	-	-	-
	Directors Relatives	859	435	1,294	-	859	435	1,294	-	-
	Clearing Members	389,464	-	389,464	0.07	108,207	-	108,207	0.02	-72.22
	Investor Education and Protection Fund	2,702,694	-	2,702,694	0.47	2,798,068	-	2,798,068	0.49	3.53
	Sub-Total B(2) :	254,832,708	6,124,101	260,956,809	45.65	248,392,130	5,361,604	253,753,734	44.40	-2.76
	Total Public Shareholding B = B(1)+B(2) :	363,938,899	6,172,276	370,111,175	64.75	364,703,286	5,407,889	370,111,175	64.75	-
	Total (A+B) :	565,397,138	6,172,276	571,569,414	100.00	566,161,525	5,407,889	571,569,414	100.00	-
(C) SHARES HELD BY CUSTODIANS, AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED										
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C):	564,184,636	7,384,778	571,569,414	100.00	566,161,525	5,407,889	571,569,414	100.00	-

B) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Oberoi Hotels Private Limited	83,646,328	14.63	-	8,364,328	14.63	-	-
2	Oberoi Holdings Private Limited	33,438,993	5.85	-	33,438,993	5.85	-	-
3	Oberoi Investments Private Limited	28,150,008	4.93	-	28,150,008	4.93	-	-
4	Oberoi Buildings & Investments Private Limited	18,061,376	3.16	-	18,061,376	3.16	-	-
5	Shib Sanker Mukherji	9,092,363	1.59	-	9,092,363	1.59	-	-
6	Deepak Madhok	9,011,677	1.58	-	9,011,677	1.58	-	-
7	Arjun Singh Oberoi	6,450,258	1.13	-	6,450,258	1.13	-	-
8	Vikramjit Singh Oberoi	5,127,325	0.90	-	5,127,325	0.90	-	-
9	Oberoi Properties Private Limited	3,114,340	0.54	-	3,114,340	0.54	-	-
10	Oberoi Leasing & Finance Company Private Limited	2,152,365	0.38	-	2,152,365	0.38	-	-
11	Bombay Plaza Private Limited	1,913,190	0.33	-	1,913,190	0.33	-	-
12	Oberoi Plaza Private Limited	710,391	0.12	-	710,391	0.12	-	-
13	P R S Oberoi	307,610	0.05	-	307,610	0.05	-	-
14	Aravali Polymers LLP	282,015	0.05	-	282,015	0.05	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Oberoi Hotels Private Limited (No Change)	83,646,328	14.63	83,646,328	14.63
2	Oberoi Holdings Private Limited (No Change)	33,438,993	5.85	33,438,993	5.85
3	Oberoi Investments Private Limited (No Change)	28,150,008	4.93	28,150,008	4.93
4	Oberoi Buildings & Investments Private Limited (No Change)	18,061,376	3.16	18,061,376	3.16
5	Shib Sanker Mukherji (No Change)	9,092,363	1.59	9,092,363	1.59
6	Deepak Madhok (No Change)	9,011,677	1.58	9,011,677	1.58
7	Arjun Singh Oberoi (No Change)	6,450,258	1.13	6,450,258	1.13
8	Vikramjit Singh Oberoi (No Change)	5,127,325	0.90	5,127,325	0.90
9	Oberoi Properties Private Limited (No Change)	3,114,340	0.54	3,114,340	0.54
10	Oberoi Leasing & Finance Company Private Ltd (No Change)	2,152,365	0.38	2,152,365	0.38
11	Bombay Plaza Private Limited (No Change)	1,913,190	0.33	1,913,190	0.33
12	Oberoi Plaza Private Limited (No Change)	710,391	0.12	710,391	0.12
13	P R S Oberoi (No Change)	307,610	0.05	307,610	0.05
14	Aravali Polymers LLP (No Change)	282,015	0.05	282,015	0.05

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		Date of change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ITC Limited	No Change	85,621,473	14.98	85,621,473	14.98
2	Reliance Industrial Investments and Holdings Limited*		84,592,273	14.80		
		25/10/2019			-	-
	At The End of The Year		-	-		
3	Reliance Industrial Investments and Holdings Limited*		21,315,000	3.73		
		25/10/2019			-	-
	At The End of The Year		-	-		
4	Reliance Capital Trustee Co Ltd-A/C Nippon India Multi Cap Fund®		13,805,653	2.42		
		05/04/2019			14,005,653	2.45
		17/05/2019			14,667,550	2.57
		24/05/2019			14,767,550	2.58
		21/06/2019			14,607,376	2.56
		26/07/2019			14,632,376	2.56
		02/08/2019			14,657,376	2.56
		06/08/2019			14,690,376	2.57
		09/08/2019			14,734,547	2.58
		16/08/2019			14,734,576	2.58
		23/08/2019			14,809,576	2.59
		30/08/2019			14,959,576	2.62
		06/09/2019			14,984,576	2.62
		20/09/2019			15,009,576	2.63
		27/09/2019			15,059,576	2.63
		25/10/2019			15,100,576	2.64
		08/11/2019			15,150,576	2.65
		15/11/2019			15,200,576	2.66
		29/11/2019			15,350,576	2.69
		06/12/2019			15,450,576	2.70
		13/12/2019			15,600,576	2.73
		20/12/2019			15,625,576	2.73
		31/12/2019			15,675,576	2.74
		03/01/2020			15,750,576	2.76
		17/01/2020			15,778,545	2.76
		31/01/2020			15,303,545	2.68
		14/02/2020			15,503,545	2.71
		21/02/2020			15,603,545	2.73
		28/02/2020			15,728,897	2.75
		06/03/2020			15,813,152	2.77
		31/03/2020			16,209,972	2.84
	At The End of The Year		16,209,972	2.84		

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		Date of change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Life Insurance Corporation of India		13,332,796	2.33		
		05/04/2019			12,863,954	2.25
		12/04/2019			12,197,820	2.13
		19/04/2019			12,101,820	2.12
		26/04/2019			12,059,006	2.11
		03/05/2019			11,594,483	2.03
		10/05/2019			11,585,345	2.03
		24/05/2019			11,516,754	2.01
		31/05/2019			11,175,123	1.96
		21/06/2019			10,255,095	1.79
		28/06/2019			9,908,957	1.73
		05/07/2019			9,850,754	1.72
		12/07/2019			9,712,113	1.70
		19/07/2019			9,203,343	1.61
		26/07/2019			9,193,211	1.61
		02/08/2019			9,186,326	1.61
		08/11/2019			9,143,204	1.60
		06/12/2019			9,028,031	1.58
		13/12/2019			8,941,332	1.56
	At The End of The Year		8,941,332	1.56		
6	General Insurance Corporation of India	No Change	8,815,795	1.54	8,815,795	1.54
7	Russell Credit Limited	No Change	6,556,551	1.15	6,556,551	1.15
8	HDFC Small Cap Fund		6,169,178	1.08		
		03/01/2020			7,664,178	1.34
		10/01/2020			8,146,119	1.43
		17/01/2020			8,621,119	1.51
		24/01/2020			9,148,119	1.60
		31/01/2020			9,623,426	1.68
		31/03/2020			9,674,926	1.69
	At the End of the year		9,674,926	1.69		
9	The New India Assurance Company Limited		6,207,122	1.09		
		24/05/2019			5,817,992	1.02
		29/11/2019			5,876,190	1.03
		06/12/2019			5,884,279	1.03
	At The End of The Year		5,884,279	1.03		

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Date of change	No. of shares % of total shares of the company	No. of shares % of total shares of the company	
10	Sundaram Mutual Fund A/C Sundaram Mid Cap Fund		5,947,517	1.04	
		27/09/2019		6,293,785	1.10
		30/09/2019		6,347,517	1.11
	At The End of The Year		6,347,517	1.11	
11	L and T Mutual Fund Trustee Ltd-L and T Mid Cap Fund [#]		4,727,391	0.83	
		05/04/2019		4,199,700	0.73
		26/04/2019		4,223,021	0.74
		03/05/2019		4,485,340	0.78
		10/05/2019		4,669,100	0.82
		17/05/2019		4,688,599	0.82
		28/06/2019		4,953,600	0.87
		05/07/2019		5,055,759	0.88
		12/07/2019		5,239,000	0.92
		19/07/2019		5,429,856	0.95
		26/07/2019		5,536,600	0.97
		06/08/2019		5,543,415	0.97
		13/09/2019		5,588,415	0.98
		30/09/2019		5,598,415	0.98
		31/03/2020		5,783,746	1.01
	At The End of The Year		5,783,746	1.01	
12	Reliance Strategic Business Ventures Limited [*]		-	-	
		25/10/2019		105,907,273	18.53
	At The End of The Year		105,907,273	18.53	
*Not in Top 10 at the end of the year, holding share in two different demat account					
Note: By scheme of arrangement approved by National Company Law Tribunal (NCLT) effective from 13th September 2019, shareholding of Reliance Industrial Investments and Holdings Ltd have been transferred to Reliance Strategic Business Ventures Limited					
#Not in Top 10 in the beginning of the year					
®Name of The Fund Changed From Reliance Capital Trustee Co Ltd. a/c Reliance Multi Cap Fund To Reliance Capital Trustee Co Ltd-A/C Nippon India Multi Cap Fund					

E) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Date of change	No. of shares % of total shares of the company	No. of shares % of total shares of the company	
1	Arjun Singh Oberoi	No Change	6,450,258	1.13	6,450,258
2	Vikramjit Singh Oberoi	No Change	5,127,325	0.90	5,127,325
3	P R S Oberoi	No Change	307,610	0.05	307,610
4	Shib Sanker Mukherji	No Change	9,092,363	1.59	9,092,363

V) INDEBTEDNESS-Indebtedness of the Company including interest outstanding/accrued but not due for payment
(₹ in Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year*				
i) Principal Amount	2,960.94	1,750.00	-	4,710.94
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7.99	-	-	7.99
Total (i+ii+iii)	2,968.93	1,750.00	-	4,718.93
Change in Indebtedness during the financial year				
• Addition	1,156.62	-	-	1,156.62
• Reduction	(715.90)	(1,000.00)	-	(1,715.90)
Net Change	440.72	(1,000.00)	-	(559.28)
Indebtedness at the end of the financial year				
i) Principal Amount	3,400.99	750.00	-	4,150.99
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8.66	-	-	8.66
Total (i+ii+iii)	3,409.65	750.00	-	4,159.65

* Outstanding on account of finance lease obligations, not being loans/deposits, are not included

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Million)

S. No.	Particulars of Remuneration	Name of MD/WTM/ Manager				Total Amount
		Prithvi Raj Singh Oberoi	Shib Sanker Mukherji	Vikramjit Singh Oberoi	Arjun Singh Oberoi	
	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	-	8.82	11.05*	11.36*	31.23
1	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	2.75	1.45	6.50	3.42	14.12
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
	Commission	25.50	19.13	15.94	15.94	76.51
4	- as % of profit	2.00%	1.50%	1.25%	1.25%	
5	Others, please specify					
	Total (A)	28.25	29.40	33.49	30.72	121.86
	Ceiling as per the Act			10% of the Net Profits		

*include Retirement benefits.

B. Remuneration to other directors

(₹ in Million)

S.No	Particulars of Remuneration	Name of Directors						Total Amount
		Anil Nehru	Sudipto Sarkar	Lakshmin arayan Ganesh	Rajeev Gupta	Chhavi Rajawat	Sanjay Gopal Bhatnagar	
1	Independent Directors	1.20	0.45	0.60	0.15	0.10	0.10	2.60
	Fee for attending board / committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	1.20	0.45	0.60	0.15	0.10	0.10	2.60
2	Other Non-Executive Directors	Nita Mukesh Ambani			Manoj Harjivandas Modi			
	Fee for attending board / committee meetings		0.20			0.20		0.40
	Commission		-			-		-
	Others, please specify		-			-		-
	Total (2)		0.20			0.20		0.40
	Total (B)=(1+2)							3.00*
	Total Managerial Remuneration							
	Overall Ceiling as per the Act				11% of the Net Profit			

*Sitting fee paid to Non-Executive Directors does not form part of Total Managerial Remuneration.

C. Remuneration of Key Managerial Personnel other than MD/WTd/CEO

(₹ in Million)

S.No	Particulars of Remuneration	Key Managerial Personnel		Total
		CFO	CS	
	Gross Salary			
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	14.81	8.12	22.93
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.11	0.13	0.24
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, please specify	-	-	-
	Total	14.92	8.25	23.17

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment			--DO--		
Compounding			--DO--		
B. DIRECTORS					
Penalty			NONE		
Punishment			--DO--		
Compounding			--DO--		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment			--DO--		
Compounding			--DO--		

For and on behalf of the Board

Mumbai
26th June 2020

ARJUN SINGH OBEROI
Managing Director - Development

VIKRAMJIT SINGH OBEROI
Managing Director and Chief Executive Officer

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure, Developments and Outlook

The Global Economy – Performance & Prospects

2019 saw global economic growth¹ slow to 2.9% compared with 3.6% in the previous year, impacted by slowing rates of growth in most regions across the world. In Emerging Markets and Developing Economies (EMDE), GDP growth reduced from 4.5% in 2018 to an estimated 3.7% in 2019 due to increased government debt and a slowing of investment. Simultaneously, weaker exports and investment in advanced economies (USA, EU and Japan), led to a slower GDP growth of 1.7% in 2019 against 2.2% in 2018.

GDP growth in the ‘Emerging and Developing Asia’² fell from 6.3% in 2018 to 5.5% in 2019 strongly influenced by the slowdown in the Chinese economy. This is the first time since the 1997-98 Asian financial crisis that growth in this region dropped below 6%.

The ongoing COVID-19 pandemic has brought global economic activity to almost a standstill. Owing to widescale lockdowns in most parts of Asia, Europe and in South and North America, the service sector, particularly travel, tourism and hospitality have seen severe disruption to their businesses. With businesses staring at severe liquidity crisis, unemployment rates have risen sharply. Likewise, sharp drops in consumer spending have affected global supply chains. Governments across the world have introduced stimulus packages to support their economies which will further exasperate their fiscal deficits. There are varying opinions on the shape and the scale of economic recovery with the outlook still uncertain till a vaccine or an effective treatment for COVID-19 is found. The International Monetary Fund³ estimates the global economy to contract sharply by 4.9% in 2020, much worse than during the 2008-09 financial crisis. The U.S. economy is projected to shrink in 2020 by 5.9% and the Euro area by 7.5%. China is expected to grow at a modest 1.2%.

The India Story

India’s⁴ GDP growth rate declined from 6.1% in 2018-19 to an estimated 4.2% in 2019-20. On the other hand, India improved its global ranking in the *World Bank’s Ease of Doing Business Report* from 143 in 2016-17 to 68 in 2019-20. **India’s total foreign exchange (Forex) reserves** increased to around US\$ 508 billion in June 2020.

The Government of India has introduced several bold pro-corporate initiatives in the past year, including passing of the Insolvency and Bankruptcy Code (Second Amendment) Bill, rationalization of GST rates and reduction of corporate tax rates. Measures have also been taken to improve the Ease of Doing Business index. Reduction of GST on hotel rooms with tariffs of ₹ 1,001 to ₹ 7,500 per night to 12% and those above ₹ 7,501 to 18% was another step in the right direction. Likewise, easing of credit, especially for the stressed real estate and NBFC sectors helped boosting investment and consumption.

Much like the rest of the world, the Indian economy has been deeply affected by the impact of the COVID-19 pandemic with it’s far reaching consequences on economic and social life. The lockdown in India that was imposed on 24th March 2020 has had an unprecedented impact on the economy owing to a steep fall in demand as well as supply.

¹ IMF World Economic Outlook Update, June 2020

² *ibid*

³ *ibid.*

⁴ *ibid*

The process of lifting the lockdown in various states has since started in phases, effective 1st June 2020, guided by the decision of individual states, although during a major part of this lockdown period, hotel and flight operations were mandated to remain non-operational across India. We expect domestic travel to gradually pick up as the lockdown in various cities in India is lifted. Further, once border restrictions are lifted, we expect international travel to also progressively resume.

The IMF has projected India's economy to contract by 4.5% in 2020 followed by a 6%⁵ GDP growth for India in 2021-22, implying that a recovery of business sentiment and resultant economic growth recovery may be on the cards once a vaccine and /or treatment is in sight.

Travel & Tourism

Global Scenario

As per the *World Travel and Tourism Council*, the global Travel & Tourism industry generated US\$ 8.9 trillion (10.3% of global GDP) and 330 million jobs directly and indirectly in 2019. While the global economy grew by 2.4%, the Travel and Tourism industry grew by 3.5%.

India

The Travel & Tourism Industry has been a major source of growth for the Indian economy. Over the past few years, tourism has witnessed steady growth, aided by the shift from foreign to domestic tourism driven by the rising purchasing power of the expanding middle class. The 2020 edition of the *WTTC's Economic Impact - India* Report states that the Travel & Tourism industry's total contribution to the country's GDP in 2019 equated to 6.8% or ₹ 13.7 trillion (US\$ 194.3 billion). This decline in 2019 from 9.2% in 2018 is attributed to several factors, such as a general declining trend in economic activity, discontinuation of a national airline leading to reduced air travel, natural disasters and pollution levels especially during the winter months.

The industry continued to generate over 8% of employment, amounting to 40 million jobs, and significantly contributes to the Foreign Exchange Earnings of the country, increasing by 7.4% per cent during January to November 2019.

2019 witnessed an estimated 11 million Foreign Tourist Arrivals to the country, a growth of 3.2% over 2018. Among other factors, this may be attributed to easy access to e-visas and government schemes, as, of the total foreign visitors, over 2.5 million arrived on an e-tourist visa – a growth of 24%. Top countries for inbound arrivals in 2019 include Bangladesh (12%), United States of America (9%), United Kingdom (6%), Canada (2%) and Australia (2%). In its latest report on the Tourism and Hospitality industries, the *India Brand Equity Foundation* projects that number of Foreign Tourist Arrivals in India will surpass 30 million by 2028, although Domestic tourism for the hospitality sector has equally continued to gain importance, being a significant generator of revenue.

India's ranking in the Travel and Tourism Competitiveness Index (TTCI) of the World Economic Forum has moved from 65 in 2013 to 34 in 2019. The government has adopted the development of thematic circuits comprising 77 projects under the 'Swadesh Darshan Scheme' for an amount of ₹ 6,035.70 Crore.

⁵ IMF World Economic Outlook Update, June 2020

Tourism & Hospitality - Trends and Opportunities for Growth

The past decade saw a substantial increase in hotel rooms in India and with a corresponding increase in demand, room rates and occupancies improving gradually till reaching a peak in 2018-19. The impact of COVID-19 on the hospitality sector is likely to constrain supply in the near term, which is expected to trigger growth in occupancy levels and rates once consumer and business confidence returns post this crisis. India's tourism sector was, not long ago, projected to reach US\$95.3 billion by 2028. Given the current circumstances, it may however be early to assess the possible impact of COVID-19 on future capital investments in the sector and whether the projects that are under planning or in the initial stages of development will still be developed.

We believe that with the demographic dividend of the country, the vast and widespread tourism landscape, forts and palaces, wellness retreats, wildlife sanctuaries, tea and coffee plantations, hill stations, deserts and seas, the cultural, religious and spiritual destinations which makes India a nation so rich and diverse, the opportunity for hospitality and tourism to flourish and drive employment and foster economic growth will help overcome any short and medium term impediments.

Financial and Operating Performance

The Company's Total Revenue was ₹ 14,343 million in 2019-20 as compared to ₹ 16,273 million in the previous year, a decrease of about 12%.

Earnings Before Interest, Depreciation, Taxes, Amortisations and Exceptional Items (EBIDTA) was ₹ 3,094 million as compared to ₹ 4,061 million, a decrease of about 24%.

Profit before Tax was ₹ 1,091 million as compared to ₹ 1,637 million in the previous year, a decrease of about 33%.

The Net Profit for the year was ₹ 1,245 million as compared to ₹ 1,133 million in the previous year, an increase of about 10%.

Total comprehensive income was ₹ 1,221 million as against ₹ 1,125 Million in the previous year, an increase of about 9%.

The Revenue and Profitability would have been higher had there not been the outbreak of the COVID-19 pandemic in the 4th quarter of the Financial Year.

A note on the impact of COVID-19 on the Company's operations is provided at Note No. 54 of the Notes to the Accounts.

The Company and the Hotels have taken various initiatives to protect the Health and Safety of Guests and Employees. All precautions based on World Health Organisation Guidelines and directions of the Central and State Governments have been implemented and are being strictly adhered to. The exhaustive measures introduced at Hotels have been published on the websites of Oberoi Hotels & Resorts and Trident Hotels.

The Company continues to be largely engaged in hospitality and related businesses.

Internal Control Mechanism and Adequacy

The organisation's commitment to internal controls flows from *The Oberoi Dharma* which states that as members of The Oberoi Group, we are committed to conduct which is of the highest standards – ethical, intellectual, financial and moral. Adequate internal control processes have been laid down to provide an assurance on the orderly and efficient conduct of operations, safeguarding of assets, prevention and detection of fraud and

errors, accurate and timely completion of accounting records and the timely preparation of reliable financial information.

Appropriate checks and balances have been built in the internal control mechanisms to reflect its necessary concomitance to the principle of governance without affecting the ease of operations and their management.

Internal Financial Controls (IFC)

The Directors have devised a framework for internal financial controls to be followed by the Company that conforms to the requirements of Section 134(5) (e) of the Companies Act, 2013, and incorporates measures that ensure the adequacy and continuing operating effectiveness of such internal financial controls. Furthermore, in accordance with Section 149(8), read with the Code for Independent Directors laid down under Schedule IV, Clause II (4) of the Companies Act, 2013, the Independent Directors have satisfied themselves on the integrity of financial information and ensured that financial controls and systems of risk management are in place.

In order to enable the Directors to meet these responsibilities, the Board has devised the necessary systems, frameworks and mechanisms within the Company and empowered the Audit Committee to periodically review and confirm that the mechanism remains effective and fit for purpose.

In line with global best practices applicable to organisations of a similar size, nature and complexity, the Company's internal control framework has been designed through structured control risk assessments by way of Standard Operating Procedures (SOPs), Risk and Control Matrices (RACM), Information Technology (IT) Policies, ERP-based Information Systems including MIS and automated system controls inbuilt within the ERP and other IT Systems. With increased instances of information security breaches and data leakages being reported from across the globe, the Company has created a policy for reviewing its information technology security infrastructure. Commensurate actions are taken to mitigate risks arising in the information technology framework.

The RACM framework is periodically tested through independent internal audits using data analytics tools. The Internal Audit team has also implemented systems to ensure continuous audit monitoring, in order to identify deviations from the standard, if any. Such exceptions, if any, are then reported to the functional/ unit heads with the responsibility of rectifying these exceptions within a definitive time frame. The audit team also has the responsibility to ensure adequate monitoring mechanisms and procedures to ensure prevention and detection of failures and faults in processes and possible fraud.

Internal Audit Mechanism and Review Systems

The Internal Audit Department is headed by the Chief Internal Auditor and comprises of a strong internal workforce of ERP-trained Chartered Accountants with specialised skillsets in areas of Information Security, Financial, Business, Legal, Statutory, Projects and Process Audits.

The Department works on the latest Computer Assisted Audit Techniques (CAATs) and deploys online monitoring mechanisms across the IT systems of all functions and units of the Company. Focus areas for specific audits are determined based on structured assessment of risk and the yearly Internal Audit Plan as approved by the Audit Committee. All reported observations of audits are maintained in online databases for comprehensiveness, ease of accessibility and structured follow up.

Periodically, IT Security Audits are conducted by joint teams of Internal Audit and the IT Department. Vulnerability assessment and penetration testing (VAPT) of IT systems are also done by specialised external agencies.

The Company has a structured follow-up team of Senior Executives who meet periodically under the aegis of the Managing Director and Chief Executive Officer to address and resolve pending audit issues. The Chief Internal Auditor presents the findings to the Audit Committee every quarter, in the order of the impact of risks and probabilities of their occurrence, and highlights pendency of issues, if any.

The Audit Committee takes cognisance of the presentation and provides its directions and guidance for further action. Besides, the Chief Internal Auditor has also been entrusted with the responsibility to report to the Audit Committee on the adequacy of 'Internal Financial Controls' (IFC) in accordance with Section 177 (4) (vii) of the Companies Act, 2013.

During the Financial Year 2019-20, separate presentations on internal audit findings on four occasions and internal financial controls on two occasions were shared with the Audit Committee in its meetings. The Audit Committee was satisfied with the adequacy of the internal control systems and procedures of the Company and the performance of the Internal Audit Department in respect of monitoring of such systems.

Risk Management

The Securities and Exchange Board of India vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, has mandated that with effect from 1st April 2019, the top 500 listed entities determined on the basis of market capitalization at the end of the previous financial year are required to constitute a Board Committee on Risk Management. The NSE and BSE list on market capitalization as at 31st March 2019 included the Company's name among the Top 500. Therefore, the Company constituted a Board Committee on Risk Management comprising of Board Members and Senior Executives of the Company with the majority of the Members belong to the Board:

1. Mr. Anil Kumar Nehru - Independent Director and Chairperson;
2. Mr. Lakshminarayan Ganesh - Independent Director;
3. Mr. Vikramjit Singh Oberoi - Managing Director & Chief Executive Officer;
4. Mr. Arjun Singh Oberoi - Managing Director, Development;
5. Mr. Kallol Kundu - Chief Financial Officer;
6. Mr. Sameer Nayar - Executive Vice President, Strategic Development.

During the year, the Board Committee on Risk Management ("the Committee") met twice on 30th July 2019 and 25th January 2020. The Committee formulated the Risk Charter and the Risk Management Framework for the risks associated with the Company's business, the salient features of which are as follows:

Risk Charter

The Committee has an oversight role and in fulfilling that role, it relies on the reviews and reports to periodically assess risks to the effective execution of business strategy and reviewing key leading indicators in this regard.

The Committee has an overall responsibility of reviewing, with management, the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, all short term and long term risks that significantly affect the operation of the Company as well as the guidelines, policies and processes for monitoring and mitigating such risks.

The Committee is responsible for ensuring that the Company has a structured risk governance framework which includes risk assessment and risk management practices and the guidelines, policies and processes for risk assessment and risk management.

Specific responsibilities of the Committee includes:

- i) Annual review and approval of Risk Management Framework of the Company;
- ii) Periodic review of the risk management processes and practices of the Company to ensure that appropriate measures are taken to achieve a prudent balance between risk and reward in both ongoing and new business activities;
- iii) Evaluation of significant risk exposures of the Company and assessment of management's actions to mitigate the exposures in a timely manner;
- iv) Reporting to the Board its evaluations, actions and recommendations.

Risk Management Framework

The Committee has identified ten key risk outcomes for the organization as under:

- Risk of inadequate growth;
- Risk of business slowdown;
- Risk of low or negative returns;
- Risk of deterioration of financial health;
- Risk of business interruption;
- Risk of impact on reputation;
- Safety, health, environment and security risk;
- Cyber risk;
- Risk of inadequate compliance;
- Risk of fraud;

The Committee has also constituted a Functional Risk Management Sub-Committee (FRMS-C) comprising of Mr. Arjun Singh Oberoi as Chairperson and Mr. Vikramjit Singh Oberoi as Co-Chairperson of the FRMS-C.

The Committee shall closely monitor the risks listed above with the Company reporting regularly to the Board

The Oberoi Centre of Excellence

During the year, the Company initiated major process improvement initiatives through "The Oberoi Centre of Excellence" ("TOCE"). The centre commenced operations on 01st October 2019 with the broad objective of introducing contemporary IT-enabled processes, modifying various processes across the organization to enhance efficiency, eliminating manpower redundancy, promoting scalability and achieving economies of scale.

This is done by channelizing collective resources; ensuring smart and efficient delivery of transactional services; driving expertise in Finance, Procurement, Master Data Management, Taxation, Business Transformation, Budgeting; all resulting in realisation of benefits from scale, standardisation, collective experience, high-end technology, Research & Development and mitigation of attrition risk.

TOCE has helped the Company optimise manpower in various functions such as Finance, Procurement and IT simplifying approval system; better Delegation of Authority based workflow, improved compliance and optimised controls with reduced manual intervention;

better vendor management, robust budget control system; financial planning and analysis system and BOT based accounting and reconciliations reducing human intervention.

The services are provided to all Business Units in the group to streamline and better control functional and operational processes.

All services are provided at arms' length and invoiced under chargeback mechanisms that are in line with industry and international best practices. Chargeability to every Business Unit has been estimated based on the cost incurred.

Business consolidation and expansion

The following hotels and resorts recently opened or are currently under planning and development:

The Oberoi Marrakech opened in December 2019. All rooms and suites in this luxury hotel have private swimming pools. The hotel has received excellent reviews from guests who have stayed at the hotel and has also received many compliments from Travel Writers, Tour Operators and Travel Agents. The adjoining land of approximately 20 hectares will be developed as Oberoi branded villas, as and when there is sufficient demand. The hotel is being managed by a step-down subsidiary of a wholly owned overseas subsidiary of the Company.

Construction of The Oberoi Doha is currently underway. This luxury hotel will have 237 rooms and suites. Forty five serviced apartments are also being built within the development. The hotel is likely to open in the fourth quarter of 2021. The property will be managed by a wholly owned overseas subsidiary of the Company.

Work on The Oberoi Rajgarh Palace located near Khajuraho, Madhya Pradesh was making good progress till work was suspended due to the Covid lockdown. The hotel will provide luxury accommodation on a 62 acre site next to the Panna forest reserve.

Planning consent for the Company's 55 acre beach front site at Goa is awaited. Government approvals are in the process of being obtained.

Planning in respect of The Oberoi Hotel as part of a mixed-use development in Bengaluru is under review due to major changes to the planning guidelines by the Bengaluru Development Authorities.

The Oberoi Wildlife Resort Bandhavgarh, is located on a 22 acre site five kilometers from Bandhavgarh National Park in Madhya Pradesh. The jungle resort will consist of luxury tents, a restaurant and a spa. The construction of the resort is underway and is likely to open in the third quarter of 2021. This resort will be managed by ElH Limited.

An overseas subsidiary of the Company will operate two resorts, i.e. The Oberoi and Trident, on the island of Koh Tan located five kilometres south west of Koh Samui, Thailand. The lush green one hundred acre site, overlooks a two kilometre pristine beach. The plan incorporates an Oberoi Resort and a Trident Resort with multiple restaurants, meeting and recreation facilities, spas and wellness centres. Planning of both hotels is in progress.

The Oberoi Kathmandu will be developed on a greenfield site measuring six acres. The proposed luxury hotel will be in close proximity to important tourist attractions of the Royal Palace, Thamel and other important business locations. The hotel will incorporate 80 keys and shall be developed as a low rise garden hotel with multiple restaurants, meeting facilities, spa and wellness center and recreational facilities. The hotel will be managed by ElH Limited.

The Oberoi wildlife resort located next to Bardia National Park Nepal, will be developed on a greenfield site measuring approximately 30 acres. The resort will comprise of 20 luxury tents, a restaurant and a spa and wellness centre. The hotel will be managed by Elh Limited.

The Oberoi luxury wildlife resort is located on the edge of Masai Mara National Reserve Kenya. The project is on hold due to prevailing market conditions.

Awards

Oberoi Hotels & Resorts has been voted the Best Hotel Group for the third consecutive year by Telegraph Travel Awards, UK – 2019, 2018 and 2017.

Oberoi Hotels & Resorts was voted Best Indian Hotel Group in the Travel + Leisure, India & South Asia India's Best Awards, 2019.

Oberoi Hotels & Resorts was voted the Best Luxury Hotel Brand by Business Traveller UK Awards, 2019

Oberoi Hotels & Resorts was ranked second amongst the Best Hotel Brand in the World by Travel + Leisure, US, World's Best Awards, 2019.

HOTEL	AWARD	AWARDED BY
The Oberoi, Mumbai, India	10 Best City Hotels in Asia (Ranked 2nd)	Travel + Leisure World's Best Awards 2019
	10 Best City Hotels in Asia (Ranked 2nd)	Travel + Leisure USA World's Best Awards 2018
	10 Best City Hotels in Asia (Ranked 2nd)	Travel + Leisure USA World's Best Awards 2018
	Best Business Hotel in Mumbai (2nd consecutive year)	Business Traveller Asia-Pacific Award 2018
The Oberoi Rajvilās, Jaipur, Rajasthan, India	Top 25 Hotels – India (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
	Top 25 Luxury Hotels – Asia (Ranked 2nd)	TripAdvisor Travelers' Choice Awards 2019
	Top 25 Luxury Hotels – India (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
	Top 25 Hotels for Service – India (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
	5 Best Resort Hotels in India (Ranked 2nd)	Travel + Leisure, USA World's Best Awards, Readers' Survey 2018
The Oberoi Amarvilās, Agra, Uttar Pradesh, India	Top 10 Hotels for Romance – India (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
	5 Best Resort Hotels in India (Ranked 1st)	Travel + Leisure, USA World's Best Awards, Readers' Survey 2018
The Oberoi Vanyavilās, Wildlife Resort, Ranthambhore, Rajasthan, India	Top 25 Small Hotels – India (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
HOTEL	AWARD	AWARDED BY
The Oberoi Udaivilās, Udaipur, Rajasthan, India	Gold List, 2020	Condé Nast Traveller, USA & UK
	Gold List, 2019	Condé Nast Traveller, USA
	Gold List, 2019	Condé Nast Traveller, UK
	Gold List, 2019	Condé Nast Traveller, Middle East
	Best Asia & Indian Subcontinent Hotel	Condé Nast Traveller, UK Readers' Travel Awards 2018

The Oberoi Sukhvilās Spa Resort, New Chandigarh	Best destination Spa for International Travellers Best Wellness Cuisine Best Destination Spa World's Greatest Places 2018 52 Places to go in 2018	Travel + Leisure, India & South Asia India's Best Awards 2019 GeoSpa GlobalSpa Awards 2019 GeoSpa GlobalSpa Awards 2019 TIME magazine, USA New York Time
The Oberoi Beach Resort, Sahl Hasheesh, Red Sea, Egypt	Top 10 Luxury Hotels – Egypt (Ranked 2nd)	TripAdvisor Travelers' Choice Awards 2019
The Oberoi Beach Resort, Mauritius	2020 Star Award Winners Top 10 Luxury Hotels – Mauritius (Ranked 2nd) Top 10 Hotels for Romance – Mauritius (Ranked 2nd)	Forbes Travel Guide, USA TripAdvisor Travelers' Choice Awards 2019 TripAdvisor Travelers' Choice Awards 2019
The Oberoi, Gurgaon, Delhi National Capital Region	10 Best City Hotels in Asia (Ranked 2nd)	Travel + Leisure, USA World's Best Awards 2018
The Oberoi, New Delhi	The 2020 Gold List Hotel of the year Favourite Business Hotel in India IT List 2019 The World's Best Hotels and Resorts for Families 2019 Hot List 2018	Condé Nast Traveler, USA and UK Travel + Leisure, India & South Asia India's Best Awards 2019 Condé Nast Traveller Readers' Travel Awards 2019 Travel + Leisure, USA Travel + Leisure, USA Condé Nast Traveller, UK
The Oberoi, Dubai United Arab Emirates	Best Business Hotel - International Top 25 Hotels for Service – UAE (Ranked 2nd)	Travel + Leisure, India & South Asia India's Best Awards 2019 TripAdvisor Travelers' Choice Awards 2019
The Oberoi Beach Resort, Al Zorah	Best Luxury Resort International Ajman's Leading Luxury Resort Middle East's Leading Luxury Villa Resort (2nd Consecutive Year) Ajman's Leading Luxury Resort 2018	Travel + Leisure, India & South Asia India's Best Awards 2019 World Travel Awards Middle East 2019 World Travel Awards Middle East 2018 & 2017 World Travel Awards Middle East 2018
The Oberoi, Bengaluru	Top 25 Hotels – India (Ranked 13th) Top 25 Luxury Hotels – India (Ranked 13th) Top 25 Hotels for Service – India (Ranked 12th)	TripAdvisor Travelers' Choice Awards 2019 TripAdvisor Travelers' Choice Awards 2019 TripAdvisor Travelers' Choice Awards 2019
HOTEL	AWARD	AWARDED BY

The Oberoi Cecil, Shimla	Best Hotel in Heritage Grand Category	National Tourism Awards 2017 – 2018
	Top 25 Hotels – India (Ranked 11th)	TripAdvisor 2019 Travelers' Choice Awards
	Top 25 Luxury Hotels – Asia (Ranked 21st)	TripAdvisor 2019 Travelers' Choice Awards
	Top 25 Luxury Hotels – India (Ranked 5th)	TripAdvisor 2019 Travelers' Choice Awards
	Top 25 Hotels for Service – India (Ranked 8th)	TripAdvisor 2019 Travelers' Choice Awards
	Best Hotel in Heritage Grand Category	National Tourism Awards 2016 – 2017
The Oberoi, Madina	Top 25 Hotels – Saudi Arabia (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
	Top 25 Luxury Hotels – Middle East	TripAdvisor Travelers' Choice Awards 2019
	Top 25 Luxury Hotels – Saudi Arabia (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
	Top 25 Hotels for Service – Saudi Arabia (Ranked 2nd)	TripAdvisor Travelers' Choice Awards 2019

Development in Human Resources and Industrial Relations

The Oberoi Group continuously reviews and re-aligns its people practices and policies with an aim to provide its employees the best working environment. Our team members truly demonstrate the Oberoi Dharma by placing guests first, the company second and self, last.

The belief of “people being our biggest asset” has always guided the company to continuously strive to create the next generation of people practices. In the last one year, several such practices have been instrumental in continuing The Oberoi Group being an employer of choice. Some of these initiatives are:

The Oberoi Group Employee Engagement Survey – Employee engagement has always been a strong focus at The Oberoi Group. In the financial year 2019-20, the Kincentric Employee Engagement study was concluded, where the Oberoi Group has achieved an overall engagement of 82% which is in the Top Quartile of Global and India Best Employers. An employee participation rate of 92% was achieved across all hotels and business units in India and overseas. Our scores are at par with the Global Best Employers at 82%.

Diversity and Inclusion – One of our key focus areas for the financial year 2019-20 was to focus on Gender Diversity, ensure we provide the best working environment to be ‘inclusive’ and are a preferred employer for women. We achieved our internal plans and goals to foster and continue our Diversity mission across all our Hotels.

Retention – With a focus on employee engagement and managing people’s careers proactively, our Executive and staff turnover remained steady and well below current market trends.

Compliance - The Oberoi Group stands committed to the highest standards of compliance with all labour-related and other statutory requirements. A detailed Third Party Contract Labour Manual was created to standardise all policies governing the third party manpower. This was implemented across the Group as a best practice initiative for the year.

Humam Resource Automation – The journey to automate HR processes to ensure process efficiency, robust data analytics and better business delivery is continuing with the selection of automated solutions for Performance Management and Learning Management.

Industrial Relations remained stable throughout the year. We were also able to reduce the number of on-going labour litigations by reaching fair and equitable settlements.

Learning & Development

In keeping with The Oberoi Group's philosophy of training and developing people, its hotels and corporate training centre, The Oberoi Centre of Learning and Development (OCLD) continued to invest in comprehensive training interventions.

The Oberoi Centre of Learning and Development (OCLD) continued to be focused on its core programmes, namely, the Post Graduate Management Programmes in Guest Services, Housekeeping, Kitchen and Sales Management and the three-year Undergraduate Systematic Training and Education Programme (STEP). OCLD engaged with a Professor-in-Residence from the University of Nebraska to review the curriculum of the Management Training Programmes. The review resulted in the development of two new modules to focus on Business Acumen and Business Transformation. The Food and Beverage curriculum has also been revamped to include research in international cuisine trends and curating meal experiences.

OCLD created a module on 'Creating a Luxury Mindset' to be used in orientation of team members and the STEP Programmes collaborated with the University of Nebraska, Lincoln via a global classroom to understand global hospitality.

As part of the Corporate Learning and Development initiatives, a series of 10 programmes were run for Executives in the Financial Year 2019-20. Over 200 executives attended these management and functional development workshops. Competencies covered included Leadership, Coaching, Performance Management, Productivity and Process Improvement.

Master Trainer workshops were conducted to enhance training capability and better compliance within the organisation. These were focused on Prevention of Sexual Harassment Train and a Trainer workshop for HR Managers.

A talent framework was established to identify, nurture and retain top talent by the senior leadership. Individual development plans for the Top Talent were rolled out. Executives received training interventions for their specific identified learning and development needs.

The Oberoi Group Coaching and Mentorship Programmes were launched. Executives who are General Managers, Hotel Managers, Executive Assistant Managers and Rooms Division Managers were identified as Mentees and carefully matched to Mentors who are members of The Oberoi Group Mentors Club. The Mentors Club is a group of 7 leaders in the Company who have a long and successful track record, role modelling the culture of the organization and epitomizing Leadership qualities at The Oberoi Group. The Oberoi Group Coaching programme has been created to support first time department heads.

As on 31st March 2020, the number of people employed by the group was 9,959.

The Board takes this opportunity to thank all employees for their unwavering commitment to guests and the organisation and for their dedication and co-operation.

For and on behalf of the Board

Mumbai
26th June 2020

ARJUN SINGH OBEROI
Managing Director-Development

VIKRAMJIT SINGH OBEROI
*Managing Director and
Chief Executive Officer*

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of the Company for the Financial Year ended on 31st March 2020 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in the prescribed format by the Securities and Exchange Board of India ("SEBI") is as under:

SECTION 1: General Information

1	Corporate Identity Number (CIN) of the Company	L55101WB1949PLC017981
2	Name of the Company	EIH Limited
3	Registered address	4, Mangoe Lane, Kolkata-700 001 Telephone No.- 91-33-40002200 Fax No.- 91-33-22486785
4	Website	www.eihltd.com
5	E-mail address	isdho@oberoigroup.com invcom@oberoigroup.com
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Hotels- 9963/99631110
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Hotel Services
9	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations – Six Countries (through wholly owned subsidiary); ii. Nine directly owned hotels in India – (Delhi, Mumbai, Kolkata, Bengaluru, Udaipur and Ranthambore); iii. Thirteen managed hotels in India.
10	Markets served by the Company	The Company caters to both national and international markets

SECTION 2 : Financial Details

1	Paid up Capital (₹ in Million)	1,143.14
2	Total Turnover (₹ in Million)	14,343.08
3	Total profit after taxes (₹ in Million)	1,244.67
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	2.20%

List of activities in which expenditure in Point 4 above has been incurred:	• The Company has been supporting SOS Children's Villages of India under "Project Shaksham" since 2014. Under this project, the Company provides family-based care including education, healthcare, nutrition, and career development needs for children who have been abandoned, orphaned and are homeless. The program extends to 150 children in 15 family homes in Mumbai (Alibaug), Delhi, Bengaluru and Kolkata.
	• The Company also sponsors higher education programs for 46 young persons at various educational institutes.
	• The Company is also supporting primary health care services, basic diagnostics tests, and awareness regarding communicable and non-communicable diseases along with their prevention through Information Education and Communication (IEC) activities for the elderly in select areas through Help Age India.
	Other notable CSR activities:
	• <u>The Oberoi Grand, Kolkata:</u> Supporting Sasha, an NGO which works to educate children and self-employment of women by purchasing their hand-crafted products. Also supporting Ankur Kala and Shri Rajchandra Aatma Tatva Research Center, NGO's working for the rehabilitation and empowerment of marginalised and economically challenged women and children to showcase and sell their products.
	• <u>The Oberoi and Trident Nariman Point, Mumbai:</u> Organizing Blood Donation Camps for Thalassemia patients and facilitated sale of products in the Hotels by NGO's Advitya, Kurprkabi Foundation, National Association of Blind and Women's Trust of India.
	• <u>The Oberoi, Bengaluru:</u> Supporting <i>Cheshire Home Trust</i> to nurture physically challenged girls and economically challenged senior citizens

	• <u>The Oberoi Vanyavilas, Ranthambore:</u> Supporting <i>welfare of the local forest guards</i> by providing life insurance and basic equipment to forest guards in Ranthambhore.
	• <u>The Oberoi Udaivilas, Udaipur</u> supports Mother Teresa Orphanage and Asha Dham Ashram for the poor, sick and mentally challenged and old people by taking care of their daily needs.
	• <u>The Oberoi New Delhi</u> supports numerous underprivileged citizens through an NGO, Goonj. The hotel organized Blood Donation Camps in association with the Rotary Blood Bank, Delhi to create awareness about the benefits of safe and regular blood donation.
	• <u>Trident Bandra Kurla, Mumbai</u> seeks to raise awareness towards the need for youth education, healthcare and safety needs. Through the Youth Career Initiative (YCI) Program, it aims to not only provide high-quality vocational education to under-privileged needful youths, but to also create an environment conducive to their overall growth and development. Ten youth aspirants were trained across various departments and functions in the hotel namely - Housekeeping, Kitchen, F&B Service and Front Office.

SECTION 3: OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies?	The Company has 11 subsidiaries. Of these, three are domestic companies and the rest are overseas bodies corporate.
2	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The operative domestic subsidiary companies viz: Mumtaz Hotels Ltd and Mashobra Resorts Ltd participate in the Business Responsibility initiatives of the Company. Overseas subsidiary companies are also encouraged to follow the Business Responsibility initiatives of the Company. However, these overseas subsidiaries adhere to their local regulatory and compliance requirements.

SECTION 4: BR INFORMATION

1. Details of BR head:

Sl.No.	Particulars	Details
1	DIN Number (if applicable)	00052014
2	Name	Vikramjit Singh Oberoi
3	Designation	Managing Director and Chief Executive Officer
4	Telephone No.	91 11 23890505
5	Email id	vikram.oberoi@oberoigroup.com

SECTION 5: Commitment to Responsible Business

As the owner and operator of leading luxury and five star hotels, the Company is committed to undertaking responsible business practices which are fully aligned with the principles enunciated under the Business Responsibility Reporting framework on social, environmental and economic responsibilities of business. The context of these principles are embedded firmly within the “The Oberoi Dharma” and “The Oberoi Group Mission” guiding our business practices and corporate governance. This philosophy allows us to work relentlessly towards delighting our guests and enriching the lives of our employees through an open and participative work culture and by providing opportunities for learning, development and growth.

The Company recognises the importance of society and the environment in which it operates. We strongly believe in mobilising our resources and efforts to strengthen and empower the socially and economically disadvantaged and to conduct business in a manner which is environmentally responsible. Through our policies, processes and initiatives, we conduct business in a responsible and sustainable manner. The Company continuously reviews and improves its policies and processes and in so doing, ensures the highest standards of service and business practices.

This Business Responsibility Report details the various initiatives undertaken by the Group during the Financial Year.

PRINCIPLE 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company’s guiding philosophy on ethics, transparency and accountability is articulated in the “The Oberoi Dharma” and specific details are provided in the Company’s “Code of Conduct and Ethics Policy”. The Oberoi Dharma extends to the entire Company and is central to all that we do, individually and as an organisation. It binds all employees to act with honesty, integrity and ethics at all times. Every year, Directors, Key Managerial Personnel and Senior Management Personnel of the Company, give a written affirmation of compliance to “The Oberoi Dharma”.

All employees are required to sign “The Code of Conduct and Ethics Undertaking” at the time of joining the Company. “The Code of Conduct and Ethics” espouses honest and ethical conduct, while also emboldening the Company to act strongly against:

- Theft, pilferage and fraud;
- Violence and abuse;

- Physical harm or assault;
- Sexual harassment of women at the workplace;
- Vandalism of Company property or assets.

The Company also has a “Whistleblower Policy” which allows the Company to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Policy provides a mechanism for the Directors and employees of the Company to raise concerns regarding any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements, reports, fraud etc. The Policy applies to all employees of the hotels, business units and corporate office of “The Oberoi Group” in India.

The Policy enables and facilitates an employee and other stakeholders to report instances of misconduct, leakage of unpublished price sensitive information, fraud, and misdemeanour to the Whistle Officer, CEO or Chairperson of the Audit Committee.

The implementation of the Whistleblower Policy is anchored by the Executive Vice President, Human Resources and is overseen by the MD & CEO of the Company.

PRINCIPLE 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company maintains the highest standards of safety and sustainability in accordance with the Oberoi Dharma and Vision which clearly states:

- “We see an organization which is committed to the environment, using natural products and recycling items, thus ensuring proper use of diminishing natural resources.” - Oberoi Vision
- “Conduct which at all times safeguards the safety, security, health and environment of customers, employees and the assets of the company.” – Oberoi Dharma
- “Conduct which eschews the short-term quick-fix for the long term establishment of healthy precedent.” – Oberoi Dharma.

The Company takes great care in ensuring sustainable practices. Measures implemented by the Company include the following:

- All laundry chemicals are bio-degradable
- Detergents used require less water to rinse out of the fabric and are therefore water efficient
- Cloth bags are used instead of plastic bags for collecting and delivering guest laundry, dry cleaning and pressing
- Bio-degradable garbage bags are used in most hotels
- Guests are encouraged to adopt environment conscious practices like optimised changing of bed linen and towels during their stay
- All stationery and shopping bags are made of recycled paper
- Some of the hotels have implemented efficient WC systems with dual water flow for saving water

- Garden irrigation is carried out through recycled water
- Compost pits have been created in hotels with large gardens
- Compost machines have been installed in majority of hotels to recycle waste.

Safety initiatives underpin the Company's business and operational practices. These include physical structures resilient to intrusive and / or other damaging interventions to the extent feasible, fire-safety measures, focus on guest, employee safety, safety towards women in the workplace and overall operational safety across all functions. In addition, initiatives are taken to review the safety and security situation as follows:

- Internal security audit reviews of each hotel twice a year
- Following up on pending audit review points on a monthly tracking report
- Investigate any incident which is followed by a detailed Incident Report
- An exhaustive check list for risk assessment as a part of internal security audit
- Issuance of high alerts/security advisories from time to time based on prevailing security situations that arise in the city or country in which the hotel is located

PRINCIPLE 3: Businesses should promote the wellbeing of all employees

The Oberoi Dharma is the Company's central philosophy towards ensuring the wellbeing of its employees as follows:

- Conduct which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievement as well as individual development"

The Company is committed to making the employee experience enriching. This is done by ensuring a work culture that is caring, open and respectful and provides opportunity for learning, development and growth. Through various policies which guide employee engagement, we have fostered a culture that ensures guest centricity, high standards of personalised service and an enabling work environment.

The Company strongly espouses gender equality, diversity and equal opportunity:

- For the Company, gender equality is a commitment. The team comprises employees of both genders with increasing emphasis on providing opportunities to women. We are constantly working to improve on the gender diversity ratio. In addition, to ensure we do not lose lady team members, we actively create an ecosystem that supports their personal commitments thereby ensuring the right conditions necessary for their career growth and progression.
- Our teams comprise a diverse mix from different cultures, regions and social backgrounds. The Company has expatriate employees, adding a flavour of diversity to the organisational culture.
- Given the varied age and interest demographics of team members, we design events on multi aspects such as entertainment, learning, environment, sports, health and pay back to society.

Presented below are the details on human resources of the Company:

1	Total number of employees (total number of permanent employees).	3,929
2	Total number of employees hired on temporary / contractual / casual basis.	1,217
3	Number of permanent women employees.	736
4	Number of permanent employees with disabilities	1
5	List of employee associations that are recognized by management	The Company's business is spread over several states and comprises of multiple hotels, business units and offices. There are several employees associations recognised by the management depending on the laws of the particular state.
6	Percentage of permanent employees who are members of recognised employee associations	Because of multiple employees associations in various hotels, business units and offices, permanent employees change their membership to the various associations from time to time. Accordingly, the exact percentage keeps on changing. However, recognised associations always have majority numbers.
7	Number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in FY 2019-20	
	Category	No. of complaints filed during the Financial Year
		No. of complaints pending as on end of the Financial Year
7.1	Child labor / forced labor / involuntary labour	We do not employ child labour, forced labour or involuntary labour.
7.2	Sexual harassment	Three
7.3	Discriminatory employment	We do not discriminate while selecting employees.
7.4	Number of man-days of executive level training	5,398 (7.92 man-days per executive)
7.5	Number of man-days of staff level training	82,364 (19.19 man-days per staff)

The Company ensures continuous improvement of skills and capabilities of our already distinguished talent pool.

PRINCIPLE 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company acknowledges and believes that it has a strong role to play in giving back to the communities and stakeholders it works with. Guided by the Corporate Social Responsibility Policy, the Company reaches out to stakeholders who are socially disadvantaged, vulnerable and marginalised. The Company takes particular attention in ensuring that the initiatives are designed to provide adequate help and relief to the following:

- Underprivileged children, including orphans and homeless children
- Elderly people
- Local communities
- Environment- tree plantation

The Company's initiatives focus on providing critical social, economic and developmental support like education, necessary vocational training and welfare support to these stakeholders so that they lead better lives. (Refer to section 2(5) of this report).

Some notable initiatives are:

- The Company's managed hotels The Oberoi and Trident Gurgaon support Pallavanjali which offers education, training and therapy to young adults with special needs. In the last nine years, the hotels have fostered an environment which presents equal opportunities to young adults who do not function optimally in a traditional academic setup to get trained and learn hospitality skills. Students of Pallavanjali get trained at these two hotels, thrice a week, in the uniform room, laundry, flower room, bakery and finance department.
- The Company provides employment to differently abled people and works with young adults with speech and hearing impairments. This initiative has commenced at The Oberoi Cecil, Shimla and Wildflower Hall, Shimla. The Oberoi Rajvilas, Jaipur and Trident, Chennai will shortly commence the next batch.

PRINCIPLE 5: Businesses should respect and promote human rights

The Company exercises utmost care in the promotion and protection of Human Rights. As already noted, the Oberoi Dharma drives the Company's central philosophy towards its employees and in its outlook regarding various stakeholders across its value chain. This approach is reiterated through the statement "conduct which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievement as well as individual development".

The company strongly values and upholds gender equality, diversity and provision of equal opportunities for all. The employees are sensitised regarding all aspects of socially inclusive behaviour and the need to have a humanitarian approach to all actions. The Company's Human Resource policies espouse these principles and these are clearly demonstrated in the recruitment policy, where nobody is discriminated on the basis of gender, caste, religion or physical disability. Any incidence of misconduct or harassment is dealt with seriously within the organisation. This helps in building a healthy and lively work place strengthened through mutual trust and ethical behaviour.

PRINCIPLE 6: Business should respect, protect, and make efforts to restore the environment

The Company is committed to protecting the environment within which it operates. The Oberoi Group vision and dharma places utmost importance to sustainability while conducting business. Some of the environmental initiatives are:

- Energy efficient building and architectural design:

New construction emphasises on energy efficient building design and materials. The roofs and external walls have high thermal resistance insulation to minimise energy loss. Building fenestration is incorporated with high performance insulated glass to reduce energy loss. Roof tops have reflective tiles or an albedo coating to minimize the impact of heat.

- Use of energy efficient designs and equipment:

Care is taken to ensure that the system design and equipment deployed are energy efficient. Highly efficient chillers are used for air conditioning. Pumps, fans, compressors, blowers and other equipment are selected carefully considering their energy efficiency. Energy recovery systems and variable speed drives are used extensively to save energy. High efficiency boilers and heaters are used with energy recovery systems to recover waste heat. Energy efficient lighting with optimal use of natural light is practiced. Building Management systems are used for monitoring and control.

- Sustainable landscape and water use:

Sustainable landscaping and horticulture are essential features of every hotel.

The design of new hotels ensures a high percentage of green area, trees and shrubs. Local plants species are extensively used to encourage biodiversity.

The use of natural fertilizers and bio-pesticides support sustainable practices. While building hotels, natural contours of the site are maintained to limit disturbance to natural water flow and increase infiltration of storm water. Rain water harvesting systems are installed in the majority of hotels. Hotels have Sewage Treatment Plants (STPs). Treated water from STPs gets recycled for use in horticulture and cooling towers. Technology for treating and recycling used water from laundry back to the laundry is an option under active consideration which will not only save water but also reclaim the heat which gets lost otherwise. A pilot plant at one our larger city hotels has been evaluated. Low water usage plumbing fixtures are used to reduce water consumption. Irrigation systems use automation to control water usage.

- Use of sustainable materials:

Fly-ash, a waste product from power plants is used in building structures. Low embedded energy materials (material with recycled content, rapidly renewable wood / composite wood products) are extensively used in developing interiors. FSC certified wood and composite products made from recycled wood scrap are used. Priority is given on use of locally available materials like tiles, granite, marble etc. This reduces transportation and minimises carbon emissions. Biodegradable organic chemicals are used in washing machines. Bathroom amenities are made from natural botanical

extracts and herbs. Use of plastics is discouraged and there is preference for renewable and organic products. The refrigerants used have low global warming and low ozone depletion properties.

- Waste Reduction, recycle and reuse:

Wet garbage is treated in organic waste converters and recycled in several hotels. Alternatively, it is used as animal feed. Metal, plastic and other recyclable waste are segregated and sold as scrap for recycling. Electronic waste is disposed responsibly to authorized agencies as per regulations. Printed stationery is reused. Old linen is recycled for back of the house use. Business kits and cards are made from recycled paper.

- Indoor environmental quality:

Hotel designs give attention to indoor environmental quality for maintaining the environment for users, occupants and guests. Good ventilation is provided in all areas and air is treated to give good indoor air quality. Smoking zones are clearly identified and ventilation systems ensure there is no exposure of smoke outside these areas. Low VOC materials like paints, coatings, plywood, timber and fabrics are used to minimise exposure to VOCs. Carpets used are environment friendly and comply with CRI standards. Buildings are carefully treated for acoustic comfort and to minimise ingress of noise from outside. Wet and dry scrubbers are installed to reduce emissions of gases and particulate matter.

- Special attention is paid towards safety and detailed safety procedures are listed for operational guidance of hotels.
- Hotel designs ensure accessibility for differently abled guests.
- In addition, the Company continues to ramp up its reliance on renewable energy, some of which is listed below:

The Company has invested in a local wind generating company and 3.6 million units of electricity per year from wind energy have been contracted on a long term basis for The Oberoi, Bangalore. The Company and its Associate have invested in a local wind generating company and 1.5 million units of electricity per year from wind energy have been contracted on a long term basis for Oberoi Flight Services, Chennai besides 2.8 million units for the Trident Chennai. Roof top solar panels have been installed in all hotels of as much capacity feasible. In addition to the roof top solar plants, it is planned to utilize the unused land parcels within the hotel boundary to add to the existing solar power plant capacity which is estimated to deliver 30% to 40% of the total power consumed at The Oberoi Rajvillas, The Oberoi Vanyavillas, The Oberoi Udaivillas, Trident Udaipur and Trident Agra. This project is estimated to be commissioned by the end of the second quarter in Financial Year 2020-21.

PRINCIPLE 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company takes up with responsibility and commitment matters concerning the hotel industry across the country through active participation in apex industry associations

including the following:

- Hotel Association of India (HAI)
- Federation of Hotels and Restaurant Association of India (FHRAI)
- Federation of Associations in Indian Tourism & Hospitality (FAITH)
- Tourism & Hospitality Skills Council (THSC)
- Skills Council for People with Disability (SCPwD)

PRINCIPLE 8: Businesses should support inclusive growth and equitable development

The Company continues to regularly identify and engage with different sections of the communities. Please refer to Point 5 of Section 2 of this Business Responsibility Report for further details.

PRINCIPLE 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company has an uncompromising and unrelenting commitment to delivering excellence and value to its guests through efficient, personalised and caring service. This is based on “The Oberoi Dharma”. Our commitment to excellence, attention to detail and personalised service continues to be acknowledged and appreciated globally. The Oberoi Hotels & Resorts has been voted the Best Hotel Group for the third consecutive year by Telegraph Travel Awards, UK - 2019. Oberoi Hotels & Resorts was voted Best Indian Hotel Group in the *Travel + Leisure*, India & South Asia India’s Best Awards, 2019. Oberoi Hotels & Resorts was voted as the Best Luxury Hotel Brand by Business Traveller UK Awards, 2019. Oberoi Hotels & Resorts was ranked second amongst the Best Hotel Brand in the World by *Travel + Leisure*, US, World’s Best Awards, 2019.

The many accolades that our hotels receive is recognition of the commitment and dedication of employees at all levels to deliver exceptional guest experiences.

The overall service and product classification of hotels in India is governed by The Ministry of Tourism via the Hotel and Restaurant Approval and Classification Committee (HRACC). HRACC has developed stringent guidelines for hotels to follow. Based on a detailed inspection, hotels are classified as 5 Star deluxe, 5 star and so on. All our hotels have been classified under 5 Star Deluxe, 5 star and Heritage hotels. This certificate is issued after a detailed inspection every five years.

The various channels that are used by the Company for marketing communication include:

- Direct & Foreign Tour Operator engagement
- Meetings, Incentives, Conference & Exhibition (MICE) Focus
- Multi resort use policy
- Online Travel Agent growth
- Customised itineraries to International Free Independent Traveller (FIT) – Exotic Vacations
- Enhancing sales force productivity & effectiveness
- Enhance focus on Digital Marketing
- Establishing a robust CRM approach and process
- Aggressive re-marketing via the Oberoi Contact Centre
- Targeting priority International Markets for FIT
- Ongoing engagement through Trident Privilege

Internationally, the Company has leveraged several reputed magazines to reach out to its large base of international customers.

Within the hotels a variety of media is used to display information for guests to better understand the special offers and general information about the hotel. To ensure continuous improvement, the Company's hotels rely on the "GQA – Guest Questionnaire" feedback process, which enables us to understand guest needs and experiences better.

The continuous endeavour of the Company is to maximise and increase satisfaction, loyalty and referrals from guests. This is based on the belief that loyal guests will actively promote and recommend our hotels. All customer complaints are immediately addressed to ensure that the guests continue to have a positive association and remain loyal to our hotels.

For the past two decades, the Company has consistently commissioned reputed independent third party agencies to conduct anonymous mystery audits at each of our hotels to ascertain that established quality standards pertaining to both service and product are met.

All the operating standards applicable at Oberoi Hotels and Trident Hotels have been approved by the Company's Executive Chairman. The MD and CEO of the Company, with support from management and staff, ensure the highest operating standards across all hotels.

For and on behalf of the Board

Mumbai
26th June 2020

ARJUN SINGH OBEROI
Managing Director-Development

VIKRAMJIT SINGH OBEROI
*Managing Director and
Chief Executive Officer*

REPORT ON CORPORATE GOVERNANCE

1. The Company's philosophy on Code of governance

The Company's philosophy on governance is documented in "*The Oberoi Dharma*" which is the fundamental code of conduct of the Company and in its "*Mission Statement*".

The texts of "*The Oberoi Dharma*" and the "*Mission Statement*" appear on page nos 10 and 11 of this Annual Report.

2. Board of Directors

a) Board Composition

As on 31st March 2020, the Company had twelve Directors on the Board. Four are Executive Directors and eight are Non-executive directors. Six of the Non-executive Directors are Independent Directors.

Mr. Sanjay Gopal Bhatnagar was appointed as a Non-executive Independent Director with effect from 27th August 2019 in the causal vacancy caused due to the resignation of Mr. Santosh Kumar Dasgupta.

b) Meetings and Attendance

During the Financial Year, the Board met five times on 30th May 2019, 13th August 2019, 5th November 2019, 24th January 2020 and 26th March 2020.

Details of attendance of Directors at Board Meetings during the Financial Year and at the company's Sixty Ninth Annual General Meeting together with the number of other directorships and Committee memberships held by them are as follows

Name	Designation	Category	Attendance		No. of other Directorships*	@No. of other Board Committees in which he is a member or Chairperson (other than EIH)
			Board Meeting	Last AGM		
Mr. Prithviraj Singh Oberoi	Executive Chairman	Executive	2	No	2	0
Mr. Shib Sanker Mukherji	Executive Vice Chairman	Executive	5(1)	Yes	1	2**
Mr. Vikramjit Singh Oberoi	Managing Director & Chief Executive Officer	Executive	5(1)	Yes	4	1
Mr. Arjun Singh Oberoi	Managing Director- Development	Executive	5(2)	Yes	3	-
Mr. Sudipto Sarkar	Director	Non-Executive Independent	5(2)	No	3	4
Mr. Anil Kumar Nehru	Director	Non-Executive Independent	5(1)	Yes	3	3**
Mr. Lakshminarayan Ganesh	Director	Non-Executive Independent	4(1)	Yes	5	6

Mrs. Nita Mukesh Ambani	Director	Non-Executive Non-Independent	4(3)	Yes	2	-
Mr. Manoj Harjivandas Modi	Director	Non-Executive Non-Independent	4(3)	No	2	2
Mr. Rajeev Gupta	Director	Non-Executive Independent	2	No	5	4
Dr. Chhavi Rajawat	Director	Non-Executive Independent	2(1)	No	1	-
Mr. Sanjay Gopal Bhatnagar#	Director	Non-Executive Independent	2(1)	NA	1	1

* Excludes Directorship if any, in private companies/foreign companies and companies under Section 8 of the Companies Act, 2013.

** Chairperson of one committee.

() The numbers in bracket represents meetings attended through video conference out of the total number of meetings attended. All the Directors who were present at the Board Meeting held on 26th March 2020 attended the meeting through video conference in accordance with amendment in Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 by Companies (Meetings of Board and its Powers) Amendment Rules, 2020.

@ Only Audit Committee & Stakeholders Relationship Committee has been considered as per Listing Regulations.

Appointed as Non-executive Independent Director with effect from 27th August 2019. The appointment got delayed for about 59 days due to delay in receipt of other regulatory approvals.

c) Names of the listed entities where the above Directors are Director(s) and the category of Directorship

Name of the Director	Name of the listed Company	Category of Directorship
Mr. Prithviraj Singh Oberoi	EIH Associated Hotels Limited	Non-Executive Chairman
Mr. Shib Sanker Mukherji	EIH Associated Hotels Limited	Non-Executive Vice Chairman
Mr. Vikramjit Singh Oberoi	EIH Associated Hotels Limited	Managing Director
Mr. Arjun Singh Oberoi	-	-
Mr. Sudipto Sarkar	EIH Associated Hotels Limited	Independent Director
	Vesuvius India Limited	Independent Director
	Triveni Engineering & Industries Limited	Independent Director
Mr. Anil Kumar Nehru	EIH Associated Hotels Limited	Independent Director
Mr. Lakshminarayan Ganesh	Rane Holdings Limited	Chairman and Managing Director
	Rane Brake Linings Limited	Chairman and Non-executive Director
	Rane (Madras) Limited	Chairman and Non-executive Director
	Rane Engine Valve Limited	Chairman
	EIH Associated Hotels Limited	Independent Director
Mrs. Nita Mukesh Ambani	Reliance Industries Limited	Non-Executive Director
Mr. Manoj Harjivandas Modi	-	-

Mr. Rajeev Gupta	United Spirits Limited	Independent Director
	Vardhaman Special Steels Limited	Independent Director
	Cosmo Films Limited	Independent Director
	TV Today Network Limited	Independent Director
	Rane Holdings Limited	Independent Director
Dr. Chhavi Rajawat	-	-
Mr. Sanjay Gopal Bhatnagar	Metropolis Healthcare Limited	Independent Director

d) Inter-se Relationship of Directors

Mr. Prithvi Raj Singh Oberoi and Mr. Vikramjit Singh Oberoi are related to each other, being father and son. None of the other Directors are related to any other Director.

e) Shareholding of Non- executive Directors

None of the Non-executive Directors hold any shares in the Company.

f) Weblink where details of Familiarisation Program for Independent Directors is disclosed

The familiarisation program for Independent Directors is given on the Company's website www.eihltd.com.

g) Skill, Expertise and Competence of the Board of Directors

The matrix setting out the skills/ expertise/ competence of the Board of Directors are as under:

i) Qualifications

- Degree holder in relevant disciplines (e.g. management, accountancy, legal, sales, marketing, administration, finance, and Corporate Governance and hospitality industry related disciplines); or
- Recognised specialist.

ii) Experience

- Experience of management in a diverse organization;
- Experience in accounting and finance, administration, corporate, legal and strategic planning;
- Ability to work effectively with other members of the Board.

iii) Skills

- Excellent interpersonal, communication and representational skills;
- Leadership skills;
- Extensive team building and management skills;
- Strong influencing and negotiating skills;
- Continuous professional development to refresh knowledge and skills;

iv) Abilities and Attributes

- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to observe "The Oberoi Dharma" and the fundamental code of conduct.

v) Name (s) of Directors who have these expertise and skills

S.No.	Name of the Director	Area of Expertise/ Skill
1.	Mr. Prithvi Raj Singh Oberoi	Hotel Management Graduate - Hospitality Industry Leader with more than 70 years' experience in running the internationally renowned brand "The Oberoi Hotels and Resorts".
2.	Mr. Shib Sanker Mukherji	Chartered Accountant and Management Graduate - Expertise in Finance, Accounts, Strategy and General Management.
3.	Mr. Vikramjit Singh Oberoi	Expert in Hotel Management operations and General Administration.
4.	Mr. Arjun Singh Oberoi	Expert in Strategizing and Development of new hotel projects and execution of the projects.
5.	Mr. Anil Kumar Nehru	Experience of Management in a diverse organisation. Ability to work effectively with other members of the Board.
6.	Mr. Lakshminarayan Ganesh	Experience of Management of Diverse organisation. Experience in Finance, Accounts, Strategy and General Management.
7.	Mr. Sudipto Sarkar	Recognised Specialist in law, compliance, Corporate Governance and litigation
8.	Mr. Rajeev Gupta	Recognised specialist in Strategy, Restructuring, Mergers and Acquisitions.
9.	Mr. Manoj Harjivandas Modi	Experience of Management in a diverse organisation, accounting and finance, administration, corporate, legal and strategic planning.
10.	Mrs. Nita Mukesh Ambani	Experience of Management in a diverse organisation, Strong influencing and negotiating skills, a recognised leader.
11.	Mr. Sanjay Gopal Bhatnagar	Experience of Management in a diverse organisation and Management skills.
12.	Dr. Chhavi Rajawat	Experience of Management in a diverse organisation, a recognised leader.

h) Independent Directors

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and are independent of the management.

i) Confirmation of the Compliance of the Codes

All Directors and members of Senior Management have, as on 31st March 2020, affirmed their compliance with:

- *The Oberoi Dharma*, the fundamental code of conduct for The Oberoi Group;
- The Company's Code of Conduct for Prevention of Insider Trading in its shares;
- Disclosures relating to all material and financial transactions;
- Annual Disclosure(s) as required under the Code of Conduct of Prevention of Insider Trading.

3. Audit Committee

Composition, Meetings and Attendance

The Audit Committee comprises of six Board Members, namely, Mr. Sudipto Sarkar, Mr. Anil Kumar Nehru, Mr. Rajeev Gupta, Mr. Lakshminarayan Ganesh, Mr. Shib Sanker Mukherji and Mr. Arjun Singh Oberoi. Mr. Sudipto Sarkar is the Chairperson of the Audit Committee.

The members of the Audit Committee except Mr. Arjun Singh Oberoi and Mr. Shib Sanker Mukherji are Non-executive Independent Directors. The quorum for an Audit Committee Meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Mr. Sudipto Sarkar, the Chairperson of the Audit Committee is a graduate in Mathematics from Presidency College, Kolkata and obtained his TRIPOS in law from Jesus College, Cambridge. Mr. Anil Kumar Nehru has studied Business Management from IIM, Ahmedabad, Harvard Business School and Columbia University. Mr. Rajeev Gupta is a Management Graduate from IIM, Ahmedabad and an Investment Banker. Mr. Shib Sanker Mukherji is a Chartered Accountant and has completed advanced Management Program from Harvard Business School. Mr. Lakshminarayan Ganesh is a Chartered Accountant and holds a Masters degree in Business Administration and Mr. Arjun Singh Oberoi is a Graduate in Science (Economics) from the University of Buckingham, UK. Accordingly, the Chairperson and all the members of the committee are financially literate within the meaning of explanation under regulation 18(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Audit Committee met five times during the Financial Year on 29th May 2019, 13th August 2019, 5th November 2019, 24th January 2020 and 26th March 2020.

Attendance of the members of the Audit Committee during the Financial Year 2019-20 is given below:

Name of the Member	Number of Meetings attended
Mr. Sudipto Sarkar, Chairperson**	4(1)
Mr. Anil Kumar Nehru*	5(1)
Mr. Lakshminarayan Ganesh	4(1)
Mr. Shib Sanker Mukherji	5(1)
Mr. Arjun Singh Oberoi	4(1)
Mr. Rajeev Gupta	-

() The numbers in bracket represents meetings attended through video conference out of the total number of meetings attended.

All the Members who were present at the audit committee meeting held on 26th March 2020 attended the meeting through video conference in accordance with amendment in Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 by Companies (Meetings of Board and its Powers) Amendment Rules, 2020.

* Chairman of the Committee till 14th August, 2019.

** Appointed Chairman of the Committee by the Board effective 15th August, 2019 for a period of two years as a part of rotation policy.

Mr. Vikramjit Singh Oberoi, Managing Director & Chief Executive Officer is an invitee to the Audit Committee Meetings. The Statutory Auditor, the Chief Financial Officer and the Chief Internal Auditor also attend Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

Role of Audit Committee

The Role of the audit committee is in accordance with Regulation 18, Part C of Schedule II to the listing regulations and Section 177 of the Companies Act, 2013.

4. Stakeholders Relationship Committee

Composition, Meetings & Attendance

The Stakeholders Relationship Committee ("SRC") comprises of four Board Members, namely, Mr. Anil Kumar Nehru, Mr. Shib Sanker Mukherji, Mr. Vikramjit Singh Oberoi and Mr. Arjun Singh Oberoi. Mr. Anil Kumar Nehru is the Chairperson of the SRC. Mr. S. N. Sridhar, Company Secretary, who is also the Compliance Officer of the Company, acts as Secretary to the Committee.

The quorum for a meeting of SRC is two members.

The SRC met nine times during the Financial Year on 24th April 2019, 30th May 2019, 3rd July 2019, 13th August 2019, 11th September 2019, 4th November 2019, 17th December 2019, 24th January 2020 and 28th February 2020.

Attendance of the members of the SRC during the Financial Year 2019-20 is given below:

Name of the Member	Number of Meetings attended
Mr. Anil Kumar Nehru	9
Mr. Shib Sanker Mukherji	4
Mr. Vikramjit Singh Oberoi	6
Mr. Arjun Singh Oberoi	9(4)

() The numbers in bracket represents meetings attended through video conference out of the total number of meetings attended.

Role of Stakeholders Relationship Committee

The Role of SRC is in accordance with Regulation 20 and Part D of Schedule II to the listing regulations and Section 178 of the Companies Act, 2013. The Committee monitors the company's response to investor complaints. It has also been authorised to approve the issue of duplicate share certificates in lieu of those lost or destroyed.

Pursuant to Regulation 40(2) of the listing regulations, the power to approve transfers, transmissions, etc. of shares in their physical form has been delegated to a Committee of Executives of the Company.

As on 31st March 2020, 03 demat requests and 01 physical transfer requests were pending. These have been subsequently processed within the stipulated timelines.

During the Financial Year, 45 complaints were received from investors. These complaints mainly related to dividends and Annual Reports not received by Shareholders. All complaints have been resolved. There were no complaints pending as on 31st March 2020.

5. Risk Management Committee

Committee and its Composition

The Risk Management comprises of a mix of Board Members and senior executives of the Company as under:

- Mr. Anil Kumar Nehru -Independent Director;
- Mr. L. Ganesh – Independent Director
- Mr. Vikramjit Singh Oberoi-Managing Director and Chief Executive Officer;
- Mr. Arjun Singh Oberoi, Managing Director - Development;
- Mr. Kallol Kundu - Chief Financial Officer; and
- Mr. Sameer Nayar-Executive Vice President- Strategic Development.

Mr. Anil Kumar Nehru is the Chairperson of the committee. The quorum of the Board Committee on Risk Management shall be three members comprising of any two Board Member along with any one senior executive. The Company Secretary acts as Secretary to the Committee.

Role of Board Committee on Risk Management

The Role of the Board Committee on Risk Management Committee are as under:

- Identifying new risks facing the company and reviews existing risks for continuity and relevance including risks relating to cyber security;
- Identifying Key Risk Owners who will be responsible for managing individual risks;
- Recommending Key Risk Indicators (KRIs) and measurement criteria;
- Recommending mitigation plans as identified by individual Key Risk Owners;

During the Financial Year, the RMC met twice on 30th July 2019 and on 25th January 2020.

Attendance of the members of the RMC during the Financial Year 2019-20 is given below:

Name of the Member	Number of Meetings attended
Mr. Anil Kumar Nehru	2
Mr. Lakshminarayan Ganesh*	1 (1)
Mr. Vikramjit Singh Oberoi	2
Mr. Arjun Singh Oberoi	1
Mr. Kallol Kundu	2
Mr. Sameer Nayar	2

* Appointed with effect from 13th August 2019

() The numbers in bracket represents meetings attended through video conference out of the total number of meetings attended.

6. Corporate Social Responsibility Committee

Composition, Meetings and Attendance

The Corporate Social Responsibility Committee (“CSR Committee”) comprises of four Board Members, namely, Mr. Rajeev Gupta (Independent Director), Mr. Shib Sanker Mukherji, Mr. Vikramjit Singh Oberoi and Arjun Singh Oberoi. Mr. Shib Sanker Mukherji, Executive Vice Chairman is the Chairperson of the Committee.

The quorum for a meeting of the CSR Committee is two members. The Company Secretary acts as Secretary to the Committee.

The CSR Committee met on 12th August 2019 during the Financial Year.

Attendance of members of the CSR Committee during the Financial Year 2019-20 is given below:

Name of the member	Number of Meetings attended
Mr. Shib Sanker Mukherji, Chairperson	1
Mr. Vikramjit Singh Oberoi	1
Mr. Arjun Singh Oberoi	-
Mr. Rajeev Gupta	-

Role of CSR Committee

The Role of the CSR Committee is to formulate the CSR Policy and to take CSR initiatives in accordance with Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policies) Rules, 2014.

7. Nomination and Remuneration Committee

Composition, Meetings & Attendance

The Nomination and Remuneration Committee (“NRC”) comprises of four Board Members, three Non-executive Independent Directors, namely, Mr. Anil Kumar Nehru, Mr. Lakshminarayan Ganesh, Mr. Rajeev Gupta and Mr. Prithvi Raj Singh Oberoi, Executive Chairman.

Mr. Lakshminarayan Ganesh is the Chairperson of the NRC.

The quorum for a meeting of the NRC is either two members or one third of the members of the committee, whichever is greater, including one independent director in attendance. The Company Secretary acts as the Secretary to the Committee.

The NRC met three times during the Financial Year on 28th May 2019, 12th August 2019 and 26th March 2020.

Attendance of the members of the NRC during the Financial Year 2019-20 is given below:

Name of the Member	Number of Meetings attended
Mr. Lakshminarayan Ganesh, Chairperson**	3(1)
Mr. Anil Kumar Nehru*	3(1)
Mr. Prithvi Raj Singh Oberoi	1
Mr. Rajeev Gupta	1(1)

() The numbers in bracket represents meetings attended through video conference out of the total number of meetings attended. All the Members who were present at the NRC meeting held on 26th March 2020 attended the meeting through video conference in accordance with amendment in Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 by Companies (Meetings of Board and its Powers) Amendment Rules, 2020.

* Chairman of the Committee till 14th August, 2019.

** Appointed Chairman of the Committee by the Board effective 15th August, 2019 for a period of two years as a part of rotation policy

Role of the Nomination and Remuneration Committee

The Role of the NRC are in accordance with regulation 19 and Part D of Schedule II to the listing regulations and sub-section (2), (3) and (4) of Section 178 of the Companies Act, 2013.

The NRC has formulated the following policies in accordance with the aforesaid provisions:

- i) Director Appointment and Remuneration Policy;
- ii) Senior Management Personnel (excluding Executive Directors) Appointment and Remuneration Policy.

The aforesaid policies are available on the Company's website www.eihltd.com

Performance evaluation criteria for Independent Directors is as per the approved Board Evaluation Policy of the Company

8. Remuneration of Directors

a) Remuneration to Executive Directors

(₹ Million)				
Name	Salary	Perquisites	Commission on Profits (Accrued)	Total
Mr. Prithviraj Singh Oberoi	-	2.75	25.50	28.25
Mr. Shib Sanker Mukherji	8.82	1.45	19.13	29.40
Mr. Vikramjit Singh Oberoi	11.05*	6.50	15.94	33.49
Mr. Arjun Singh Oberoi	11.36*	3.42	15.94	30.72
TOTAL	31.23	14.12	76.51	121.86

* include Retirement Benefits

Note: No stock option was given

b) Remuneration to Non-executive Directors

Non-executive directors are not paid any remuneration by the Company. Non-executive directors who attend Board or committee meetings are paid a sitting fee of ₹ 50,000 (Rupees fifty thousand only) for each sitting of the Board or committee thereof. During the Financial Year, the total amount paid to Non-executive directors for attending board and committee meetings amounted to ₹ 3.0 Million. No stock option was given to Directors of the Company.

c) Service Contracts of Executive Directors

Name	Tenure	Notice Period	Severance Fees
Mr. Prithviraj Singh Oberoi	27.06.2017-26.06.2022	6 months	As per Agreement
Mr. Shib Sanker Mukherji	27.06.2017-26.06.2022	6 months	As per Agreement
Mr. Vikramjit Singh Oberoi	01.07.2019-30.06.2024	6 months	As per Agreement
Mr. Arjun Singh Oberoi	01.07.2019-30.06.2024	6 months	As per Agreement

d) Severance Fees

Severance fee, if any to Executive Directors is in accordance with Section 202 of the Companies Act, 2013.

9. General Body Meetings

i) Location and time of the last three Annual General Meetings (AGMs) and Special Resolutions passed at these Meetings:

Financial Year ended	Location	Date	Time	Special Resolutions Passed
31st March 2017	The Oberoi Grand, Kolkata	2nd August 2017	11.30 A.M	None
31st March 2018	The Oberoi Grand, Kolkata	1st August 2018	11.30 A.M	None
31st March 2019	The Oberoi Grand, Kolkata	14th August 2019	11.30 A.M	None

(ii) Special Resolution passed through postal ballot:

During the year, five special resolutions were passed by postal ballot with the requisite majority on 11th July 2019. The details of voting pattern are as under:

- a) Re-appointment of Mr. Vikramjit Singh Oberoi (DIN-00052014) in the Whole-time employment of the Company as “Managing Director and Chief Executive Officer”, liable to retire by rotation:

e-voting		Ballot-voting		Total voting	
Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares & %)	Cast against (No of shares & %)
39,96,52,486	35,425	3,18,211	3,823	39,99,70,697 (99.99)	39,248 (0.01)

- b) Re-appointment of Mr. Arjun Singh Oberoi (DIN-00052106) in the Whole-time employment of the Company as “Managing Director-Development”, liable to retire by rotation:

e-voting		Ballot-voting		Total voting	
Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares & %)	Cast against (No of shares & %)
39,96,49,946	37,965	3,07,450	4,590	39,99,57,396 (99.99)	42,555 (0.01)

- c) Re-appointment of Mr. Lakshminarayan Ganesh (DIN: 00012583) as a Non-executive Independent Director for a second terms of 5(five) consecutive years, not liable to retire by rotation

e-voting		Ballot-voting		Total voting	
Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares & %)	Cast against (No of shares & %)
39,22,67,946	74,14,509	2,96,695	12,362	39,25,64,641 (98.14)	74,26,871 (1.86)

- d) Re-appointment of Mr. Rajeev Gupta (DIN: 00241501) as a Non-executive Independent Director for a second terms of 5(five) consecutive years, not liable to retire by rotation:

e-voting		Ballot-voting		Total voting	
Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares & %)	Cast against (No of shares & %)
38,64,03,709	55,68,577	2,99,932	10,988	38,67,03,641 (98.58)	55,79,565 (1.42)

- e) Re-appointment of Mr. Sudipto Sarkar (DIN: 00048279) as a Non-executive Independent Director for a second terms of 5(five) consecutive years, not liable to retire by rotation:

e-voting		Ballot-voting		Total voting	
Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares)	Cast against (No of shares)	Cast in favour (No of shares & %)	Cast against (No of shares & %)
39,25,92,391	70,90,164	2,99,155	10,944	39,28,91,546 (98.22)	71,01,158 (01.78)

- (iii) **Person who conducted the postal ballot exercise**
Dr. Ajay Kumar Jain, Practicing Company Secretary, Jus & Associates, appointed as the Scrutinizer, had conducted the postal ballot voting process.
- (iv) **Procedure for postal ballot**
The postal ballot was conducted in accordance with the procedure set out in Section 110 of the Companies Act, 2013 read with rule 22 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations.
- (v) **Proposal to pass any special resolution through postal ballot**
None.

10. General Disclosures

- a) **Related Party Transactions**
 - (i) A summary of transactions with related parties, in the ordinary course of business and at arm's length is placed before the Audit Committee every quarter;
 - (ii) There were no material individual transactions with related parties that were not in the ordinary course of business and at arm's length during the Financial Year ended 31st March 2020;
 - (iii) There were no material significant transactions during the Financial Year with related parties such as the Promoters, Directors, Key Managerial Personnel, Relatives or Subsidiaries that could have potential conflict of interest with the Company;
 - (iv) The mandatory disclosure of transactions with related parties, in compliance with the Indian Accounting Standard (Ind AS-24), forms part of this annual report;
 - (v) Related Party Transactions policy of the Company can be accessed on the Company's website www.eihltd.com.
- b) **Capital Market non- compliances, if any**
There were no instances of non-compliance by the Company on any matter relating to the capital markets during the past three years;
- c) **Vigil Mechanism/ Whistleblower Policy**
The Company has a Whistleblower Policy which can be accessed on the Company's website www.eihltd.com. It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee in terms of the policy. During the Financial Year, one (1) complaint was received which was duly investigated by the Whistle Committee and reported to the Audit Committee. Action recommended by the Whistle Committee / Audit Committee has been implemented by the management.

d) Policies

In accordance with the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has formulated the following policies which can be accessed on the Company's website www.eihltd.com :

- i) Policy on Material Subsidiaries;
- ii) Policy on Distribution of dividend;
- iii) Policy on Determination and disclosure of material events;
- iv) Policy on Preservation and Archival of documents;
- v) Risk Management Policy.

e) Insider Trading

The company has formulated a Code of Conduct for Prevention of Insider Trading in the shares of the Company for Directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment), Regulations, 2018. The Code of Conduct for Prevention of Insider Trading, Code of fair disclosure of Unpublished Price Sensitive Information and Policy and procedure for inquiry in case of leak of Unpublished Price Sensitive Information can be accessed on the Company's website www.eihltd.com.

f) Independent Directors Meeting

During the year, one Independent Directors meeting which was required to be held mandatorily under the Act could not be held. In accordance with the Ministry of Corporate Affairs Circular no.11/2020 dated 24th March 2020, it has been clarified that as per Para VII (1) of Schedule IV to the Act, independent Directors (IDs) are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For the financial year 2019-20, if the ID's of a company have not been able to hold such a meeting, this shall not be viewed as a violation. However, Independent Directors met through video conference on 22nd May 2020 to review the performance of the Non-Independent Directors and the Board as a whole, performance of the Chairperson and quality, quantity and timeliness of information exchange between the Company Management and the Board.

g) Board Evaluation

The Company has put in place a Board Evaluation process. A note on this is provided in the Directors' Report

h) Sexual Harassment at Workplace

In accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the complaints received and resolved during the year is as under:

Number of Complaints filed during the year	03
Number of Complaints disposed of during the year	03
Number of Complaints pending as at the end of the Financial Year	Nil

i) Internal Controls

The Company has put in place adequate Internal Control Systems and Procedures including adequate financial controls with reference to the financial statement.

j) Certificate from Company Secretary in Practice regarding Directors debarred under the Act etc.

A certificate from the Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is attached and forms part of this report.

k) Fee to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which statutory auditor is a part during the Financial Year is ₹ 40.94 million.

l) Committee Recommendations

There has been no instance where the Board has not accepted any recommendation of / submission by any Committee which is mandatorily required, in the Financial Year 2019-20.

m) Non- mandatory requirements

The Company is complying with the non-mandatory requirement of separation of the post of Chairperson and Managing Director.

11. Means of Communication

The Annual Report for each Financial Year is mailed to all Shareholders in the month of July of each calendar year. Each report contains standalone and consolidated financial statement of the Company for the Financial Year along with the Directors' and Auditor's Reports and its annexures. Also included in each Annual Report is the notice convening the Annual General Meeting and the Corporate Governance Report.

The financial results or the extract of the financial results, as the case may be, of the company were officially released or will be released in accordance with the following schedule:

SL No	Nature of Communication	Media used for Publication	Dates of Publication	Forwarded/to be forwarded to Stock Exchanges on
1	Quarterly unaudited financial statement (first quarter 2019-20)	Newspapers	14.08.2019	13.08.2019
2	Half-yearly unaudited financial statement (second quarter 2019-20)	Newspapers	06.11.2019	05.11.2019

SL No	Nature of Communication	Media used for Publication	Dates of Publication	Forwarded/to be forwarded to Stock Exchanges on
3	Quarterly unaudited financial statement (third quarter 2019-20)	Newspapers	25.01.2020	24.01.2020
4	Annual audited financial statements 2019-20*	Newspapers	N.A*	26.06.2020

*Not published as SEBI vide its circulars dated 26th March 2020 read with 12th May 2020 has exempted publication of advertisements in newspapers for all events scheduled till 30th June 2020 due to COVID-19 pandemic.

The Financial Results are published in The Economic Times, The Times of India, Mint, The Financial Express, The Indian Express and *Eoi Samay (Bengali)*.

The presentation on Financial Results made for Analyst/Institutional Investors call/meetings are shared with the stock exchanges and Analyst/Institutional Investors within 30 minutes of the conclusion of the Board meeting along with the Financial Results. The presentation is also uploaded on the Company's website www.eihltd.com

All corporate information filed by the Company with the stock exchanges are uploaded on www.connect2nse.com/LISTING/ (NSE) and www.listing.bseindia.com (BSE) and can be viewed on the website of stock exchanges i.e. www.nseindia.com, www.bseindia.com and www.cse-india.com. The information is also available on the Company's website www.eihltd.com.

The Management Discussion and Analysis and Business Responsibility Report for the Financial Year forms part of the Directors' Report.

12. General Shareholder Information

- a. The Seventieth Annual General Meeting will be held at 11.30 A.M. on Friday, 14th August 2020. The AGM will be conducted through Video Conference/ Other Audio Visual Means (OAVM) in accordance with Ministry of Corporate Affairs ("MCA") circulars dated 8th April 2020, 13th April 2020, 5th May 2020 and 15th June 2020 which permits Companies to hold Annual General Meeting through Video Conference without the physical presence of the members. In compliance with the said circulars the Annual General Meeting is being held through Video Conference/other Audio Visual Means.

- b. The tentative Financial calendar is as follows:

Audited Financial Statement for 2019-20	Friday	26th June 2020
e-mailing of Annual Report for 2019-20	on or before	21st July 2020
Unaudited First Quarter Financial Result 2020-21	Thursday	13th August 2020
Seventieth Annual General Meeting	Friday	14th August 2020
Unaudited Second Quarter Financial Result 2020-21	Wednesday	4th November 2020

c. Register of shareholders

The Register of Shareholders will remain closed from 7th August 2020 to 9th August 2020, both days inclusive.

d. Payment of dividend

In view of the prevailing business conditions due to lockdown, the Board of Directors have not recommended any dividend payment for the Financial Year 2019-20.

e. Listing of Shares on Stock Exchanges

The Stock Exchanges with their respective stock codes are as follows:

Name & Address of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata-700001	05
BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001	500840
The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai-400 051	EIHOTEL

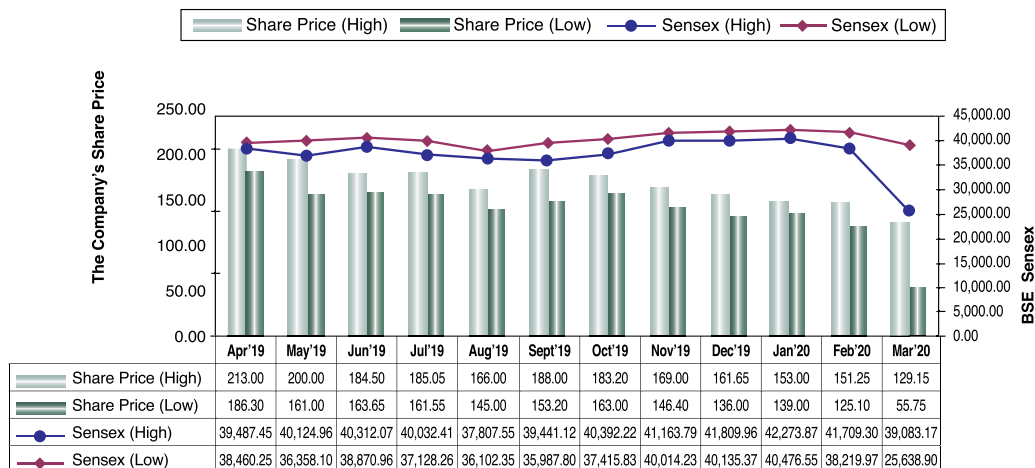
The ISIN Number of the company's shares in the dematerialised mode is INE 230A01023.

There are no arrears of listing fees to the stock exchnages.

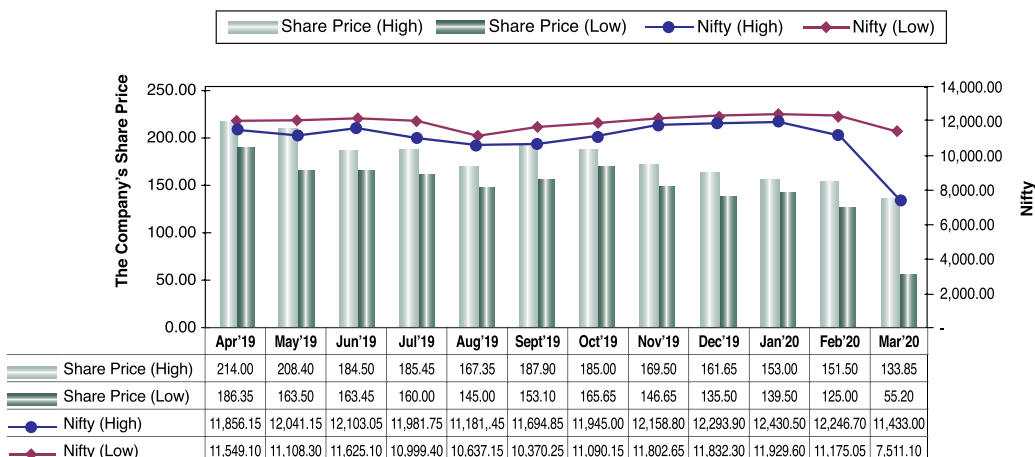
f. Market Price of the Company's share versus Sensex and Nifty (in Rupees)

The Company's monthly share price pattern during the Financial Year versus the Sensex and the Nifty has been as follows:

A. The Company's Share Price versus Sensex



B. The Company's Share Price versus Nifty



g. Unclaimed Suspense Account

The Company has a demat account namely "EIH Ltd-Unclaimed Suspense A/c" with ICICI Bank Limited. The Shares remaining unclaimed as on 31st March 2020 in the Suspense Account are as under:

Particulars	No. of Shareholders	No. of Shares	% of Shares capital
Aggregate number of Shareholders and outstanding shares as on 1st April 2019	374	1,58,748	0.02
Shareholders who had approached the Company and whose shares were transferred from the suspense account during the year	3	630	-
Shareholders whose shares were transferred to Investor Education and Protection fund	71	35,313	-
Aggregate number of Shareholders and outstanding shares lying as on 31st March 2020	300	122,805	0.02

Note: voting rights on these shares will remain frozen till the rightful owner claim these shares

- h.** In accordance with Section 20, 101 and 136 of the Companies Act, 2013 and rules made there under, the Annual Report, Notices of the Annual General Meeting, Postal Ballot notice, circulars etc, are being sent by electronic means to those Shareholders whose e-mail addresses are made available to the Company by the Shareholders and the depository. Documents e-mailed to Shareholders are also available on the Company's website www.eihltd.com to enable Shareholders to read and download a copy, if required.

13. Share Transfers

The Company is a SEBI recognised Category-II Share Transfer Agent. Requests for dematerialisation and re-materialisation should be sent to the Company's Investors Services Division, ("ISD"), 7, Shamnath Marg, Delhi - 110 054.

The Company's Shares are traded on the Stock Exchanges in the compulsory dematerialised form. Shareholders are requested to ensure that their Depository Participants ("DPs") promptly send physical documents, i.e. Dematerialization Request Form ("DRF"), Share Certificates, etc. to the ISD by providing the Dematerialization Request Number ("DRN").

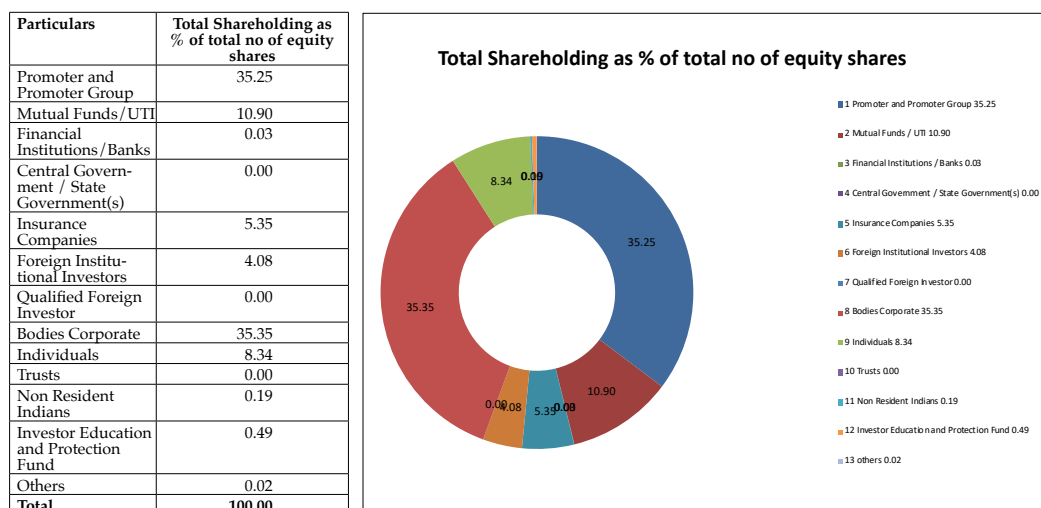
Dematerlization

As on 31st March 2020, 566.16 million Shares of the Company (representing 99.05% of the total shares) were held in the dematerialised form and 5.41 million Shares (representing 0.95% of the total shares) were held in the physical form. As on 31st March 2020, the total number of Shareholders were 60,608 out of which 51,236 (84.54%) were holding shares in a dematerialised form. The balance 9,372 (15.46%) shareholders continued to hold shares in the physical form. Shares of Company are listed on the two stock exchanges with nationwide terminal viz. BSE and NSE. The shares are frequently traded on these exchanges.

14. Distribution of Shareholding as on 31st March 2020

Shareholding Range	No. of Shareholders	% of Shareholders	No. of shares	% of Shareholding
Upto – 1000	49,513	81.69	10,943,778	1.91
1001 – 5000	9,677	15.97	20,006,527	3.50
5001 – 10000	889	1.47	6,201,674	1.09
10001 – 50000	405	0.67	7,594,992	1.33
50001 – 100000	31	0.05	2,076,712	0.36
100001 and above	93	0.15	524,745,731	91.81
Total	60,608	100.00	571,569,414	100.00

15. Pattern of Shareholding as on 31st March 2020



Note: for detailed shareholding pattern, kindly refer shareholding pattern section of MGT-9

16. Unclaimed Dividends

All Unclaimed Dividends upto and including the Financial Year ended on 31st March 2012, have been transferred to the Investor Education and Protection Fund ("IEPF") as mandated under law.

In accordance with Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules), the Company has uploaded a Statement of Unclaimed Dividend amounts as on the date of the last Annual General Meeting in Form IEPF-2 on the website of Ministry of Corporate Affairs, www.mca.gov.in. This statement and details of Unclaimed Dividends have also been uploaded on the Company's website, www.eihltd.com. The year-wise Unclaimed Dividend position as on 31st March 2020 is: 2012-13 - ₹ 3.66 Million, 2013-14 - ₹ 4.73 Million, 2014-15 - ₹ 4.88 Million, 2015-16 - ₹ 4.84 Million, 2016-17 - ₹ 4.09 Million, 2017-18 - ₹ 2.32 Million and 2018-19 - ₹ 2.11 Million.

Shareholders who have not encashed their Dividend Warrants relating to the subsequent Financial Years are reminded by the Investors Services Division (ISD) of the Company, from time to time, to claim their Dividends before transfer to the IEPF. Shareholders who have not encashed their Dividend Warrants relating to the Financial Year ended on 31st March, 2013 and subsequent years are requested to contact the ISD.

17. Transfer of Shares held by Shareholders if their dividend remained unclaimed for seven consecutive years to Investor Education and Protection Fund Authority (IEPF).

In accordance with the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) (as amended), the Company is required to statutorily transfer the shares held by the Shareholders whose Dividend has remained unclaimed for a consecutive period of seven years or more to IEPF.

The Company had sent Notices by Registered Post to those Shareholders who have not claimed their Dividend for the past seven years or more to claim their Dividend. Notices were also published in the Newspapers on 5th June, 2019 requesting Shareholders to claim their Dividend failing which their Shares will be transferred to IEPF. As per IEPF Rules, the cut-off date for drawing the list of Shareholders was 5th September, 2019 and Transfer of shares to IEPF was within 1 month of the cut-off date i.e. by 4th October, 2019.

Shareholders who have responded to the Notice have been paid the dividend amount. The Shareholders from whom no response was received, the Company had transferred their shareholding to the demat account of the IEPF between 27th September 2019 to 30th September 2019. The details of shares transferred to IEPF are as under:

No. of Shareholders	No. of shares transferred
371	128,574

The Company has also filed form IEPF-4 with the IEPF authority giving the details of shares transferred. The details of shares transferred are also available on the Company's website www.eihltd.com. Shareholders are requested to follow the below

mentioned procedure for claiming their shares/unclaimed dividend from IEPF:

- a) Make an online application in Form IEPF-5 available on the website www.iepf.gov.in ;
- b) Send a copy of the online application duly signed on each page by Shareholders/claimant along with copy of challan and all documents mentioned in Form IEPF-5 to the Company's Investors Services Division, 7, Shamnath Marg, Delhi-110 054 for verification of his/her claim;
- c) The Company shall, within 15 days of receipt of the claim form, send a verification report to the IEPF Authority along with all documents submitted by the claimant;
- d) On verification, the IEPF Authority shall release the shares/ dividend directly to the claimant.

18. Location of Hotels

A list of hotels and other business units owned as well as managed by the Company appears as an Annexure to this Report.

19. Address for Correspondence

The Company's Registered Office is located at 4, Mangoe Lane, Kolkata-700 001.

Correspondence from Shareholders on all matters should be addressed to:

The Investors Services Division (ISD)

EIH Limited

7, Shamnath Marg,

Delhi-110 054

Telephone No. : 91-11-2389 0505

Fax Nos. : 91-11-2389 0605

e-mail : isdho@oberoigroup.com

e-mail for invcom@oberoigroup.com

Investors Grievances

20. Information as per Regulation 36(3) of the Listing Regulations

Information pursuant to regulation 36(3) of the Listing Regulations pertaining to particulars of Directors to be reappointed at the forthcoming Annual General Meeting is enclosed as an annexure to the notice convening the Annual General Meeting.

21. Compliance Certificate

The Certificate from Jus & Associates, Practicing Company Secretaries regarding compliance of conditions of corporate governance in accordance with the provisions of the listing regulations is annexed and forms part of the report.

For and on behalf of the Board

Place: Mumbai

Date: 26th June 2020

VIKRAMJIT SINGH OBEROI

Managing Director & Chief Executive Officer

Declaration by the Managing Director and Chief Executive Officer under Clause Regulation 34(3) and Schedule V (D) of Listing Regulation regarding adherence to the Code of conduct.

In accordance with regulation 34(3) and schedule V(D) of the listing regulations, I hereby confirm that all Directors and Senior Management Personnel of the Company have affirmed compliance with The Oberoi Dharma, the Code of Conduct, as applicable to them, for the Financial Year ended 31st March 2020.

Place: Mumbai
Date: 26th June 2020

VIKRAMJIT SINGH OBEROI
Managing Director & Chief Executive Officer

List of Subsidiary Companies

A. Companies Incorporated in India

- (1) Mumtaz Hotels Limited
- (2) Mashobra Resort Limited
- (3) Oberoi Kerala Hotels and Resorts Limited

B. Companies Not Incorporated in India

- (1) EIH Flight Services Ltd.
- (2) EIH International Ltd.
- (3) EIH Holdings Ltd.
- (4) EIH Investments NV
- (5) EIH Management Services BV
- (6) PT Widja Putra Karya
- (7) PT Waka Oberoi Indonesia
- (8) PT Astina Graha Ubud

Locations of the Various Hotels and Other Business Units

A. Hotels owned and operated by ElH Limited

The Oberoi, Mumbai	The Oberoi Udaivilās, Udaipur
The Oberoi, New Delhi	The Oberoi Vanyavilās, Ranthambhore
The Oberoi, Bangalore	Trident, Nariman Point, Mumbai
The Oberoi Grand, Kolkata	Trident, Bandra Kurla, Mumbai

B. Hotels in which ElH Limited has ownership interest directly or through Subsidiary / Associate and managed directly or through a Subsidiary

The Oberoi Amarvilās, Agra	Trident, Chennai
The Oberoi Rajvilās, Jaipur	Trident, Agra
Wildflower Hall, Shimla (An Oberoi Resort)	Trident, Jaipur
The Oberoi Cecil, Shimla	Trident, Udaipur
The Oberoi, Bali	Trident, Cochin
The Oberoi, Lombok	Trident, Bhubaneswar
The Oberoi, Mauritius	Trident, Hyderabad
The Oberoi, Sahl Hasheesh, Egypt	
The Oberoi Marrakech, Morocco	

C. Hotels managed by ElH Limited or a Subsidiary

The Oberoi, Gurgaon
The Oberoi, Dubai
The Oberoi Zahra, Nile Cruiser
Trident, Gurgaon
The Oberoi Sukhvilās, Near Chandigarh
The Oberoi, Al Zorah, Ajman (UAE)

D. Other Business Units owned and operated by ElH Limited

Motor Vessel Vrinda, Cochin (A Luxury Cruiser)	Oberoi Flight Services,	Mumbai, Delhi, Chennai, Kolkata
	Oberoi Airport Services,	Mumbai
Maidens Hotel, Delhi		
Printing Press, Manesar, Gurgaon		
Business Aircraft Charters		

E. Other Business owned and operated through Jointly Controlled Entity Luxury car hire and car leasing

Note:

ElH Limited has strategic/substantial investments in hotels owned by subsidiary/associate companies. Overseas hotels are managed through a foreign subsidiary.

**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE**

To,
The Members,
ElH Limited
4, Mangoe Lane
Kolkata- 700001

We have examined the compliance of conditions of Corporate Governance by **ElH Limited** ("the Company"), for the year ended March 31, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time [hereinafter referred to as "Listing Regulations"].

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stated above.

Based on our examination of relevant records and according to the information and explanations provided and the representations given to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of the Listing Regulations for the year ended 31st March, 2020.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Date: June 26, 2020
Place: New Delhi

Membership Number: FCS -1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800
UDIN: F001551B000383603

SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
ElH Limited
4, Mangoe Lane
Kolkata- 700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**ElH Limited**” (“the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2020 (“the financial year”), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2020, according to the provisions of:

- I. The Companies Act, 2013 (‘the Act’) as amended from time to time, and the Rules made there under read with notifications, exemptions and clarifications thereto;
- II. The Securities Contracts (Regulation) Act, 1956 as amended from time to time, and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 as amended from time to time, and the Rules and Regulations made there under, to the extent applicable to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 viz.:
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time read with circular on Reporting of code of conduct violation.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time. These regulations are not applicable to the Company during the financial year since the Company has not raised any money from the public and hence, these regulations have not been considered for the purpose of this report.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. These regulations are not applicable to the Company during the financial year since the Company does not have any such scheme in operation and hence, these regulations have not been considered for the purpose of this report.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time. These regulations are not applicable to the Company during the financial year since the Company has not raised any money through debt securities from the public and hence, these regulations have not been considered for the purpose of this report.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time, as the Company has obtained registration with SEBI, as Category I Registrars and Share Transfer Agents, under these regulations.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended from time to time. These regulations are not applicable to the Company during the financial year since the Company has not got its shares delisted from any stock exchange and hence, these regulations have not been considered for the purpose of this report.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as amended from time to time. These regulations are not applicable to the Company during the financial year since the Company has not bought back any of its securities and hence, these regulations have not been considered for the purpose of this report.
- VI. Also, other significant policies and regulations specifically applicable to the Company, including:
- a) Tourism Policy of Government of India and Classification of Hotels.
 - b) Food Safety and Standards Act, 2006 and Rules made there under.
 - c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made there under.
 - d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made there under.

- e) Phonographic and Performance License.
- f) Indian Explosives Act, 1884 and Rules made there under.
- g) The Apprentices Act, 1961 and Rules made there under.
- h) India Boiler Act, 1923

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with The National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited.
- (iii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended from time to time, read with circulars issued there under.

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company ("the Board") is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director in terms of Companies Act, 2013 and Regulation 17 of the Listing Regulations. The changes in the composition of Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act. However, the casual vacancy resulting from resignation of an Independent Director could not be filled within the stipulated time period of three months, due to delay in receipt of prior approval from relevant regulatory authorities required in this regard.
2. Adequate notice has been given to all directors to schedule the Board Meetings during the financial year under review; agenda and detailed notes on agenda were sent properly before the scheduled meeting; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions were carried out unanimously. None of the members of the Board have expressed dissenting views on any of the agenda items during the financial year.
4. In accordance with Regulation 16 read with Regulation 24/24A of the Listing Regulations, the Company was required to appoint Company's Independent Director on the Board of two of its subsidiary companies, viz, Mumtaz Hotels Limited and ElH International Limited. Accordingly, the Board in its meeting held on August 13, 2019 appointed Ms. Chhavi Rajawat, Independent Director, as a Director on the Board of Mumtaz Hotels Limited and Mr. Sudipto Sarkar, Independent Director, as a Director on the Board of ElH International Limited.

5. The Company has obtained requisite approval of shareholders under Regulation 17 (6) (e) of the Listing Regulations, through postal ballot in respect of the following:
 - i) Re-appointment of Mr. Vikramjit Singh Oberoi as the Managing Director and Chief Executive Officer of the Company under Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6)(e) and other applicable provisions of the Listing Regulations;
 - ii) Re-appointment of Mr. Arjun Singh Oberoi as Managing Director-Development of the Company under Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6)(e) and other applicable provisions of the Listing Regulations;
 - iii) Re-appointment of Mr. Lakshminarayan Ganesh as a Non-executive Independent Director under Section 149, 152 read with Schedule IV and other applicable Rules and Regulations of Companies Act, 2013 and Regulations 16 and 17(1A) and other applicable provisions of the Listing Regulations;
 - iv) Re-appointment of Mr. Rajeev Gupta as a Non-executive Independent Director under Section 149, 152 read with Schedule IV and other applicable Rules and Regulations of Companies Act, 2013 and Regulations 16 and 17(1A) and other applicable provisions of the Listing Regulations;
 - v) Re-appointment of Mr. Sudipto Sarkar as a Non-executive Independent Director under Section 149, 152 read with Schedule IV and other applicable Rules and Regulations of Companies Act, 2013 and Regulation 16 and 17(1A) and other applicable provisions of the Listing Regulations; and
 - vi) Appointment of Mr. Sanjay Gopal Bhatnagar (DIN:00867848) as a Non-executive Independent Director on the Board of the Company for a term of five consecutive years with effect from August 27, 2019 under Section 149, 152 read with Schedule IV and other applicable Rules and Regulations of Companies Act, 2013 and Regulations 16 and 17(1A) and other applicable provisions of the Listing Regulations;
6. The Shareholders of the Company in its Annual General meeting held on August 14, 2019 approved payment of dividend @ ₹ 0.90 per share of face value of ₹ 2 per share.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/ sector specific laws, under both Central and State legislations, reliance has been placed on the Compliance Certificate issued by the Company Secretary for each quarter as

placed before the Board meeting, based on the reports and compliance certificates received by the Company from its hotels, resorts and service units etc. as part of the Company's compliance management and reporting system. Based on the aforesaid internal compliance certificates, we are of the opinion that the Company has generally complied with the following:

- i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues.
- ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum Wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations.
- iii) Deposit of taxes relating to Income Tax and Goods & Services Tax and other applicable taxes including Tax deducted at source. However, cases of disputed tax liabilities of substantial amount are brought up at each Board meeting and appropriate action is taken and recorded in the minutes of meetings. Total amount of disputed tax liability forms part of the Contingent Liabilities in the 'Notes to Accounts' forming an integral part of the Financial Statements for the financial year.
- iv) Applicable state and central laws, including those related to the Environment, Food Safety & Standards, Apprentice and Performance License, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported as part of Board process for compliance reporting and appropriate action is taken from time to time.
- iv) Applicable state and central laws, including those related to the Environment, Food Safety & Standards, Apprentice and Performance License, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported as part of Board process for compliance reporting and appropriate action is taken from time to time.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Membership Number: FCS -1551

Certificate of Practice Number: 21898

Firm Registration Number: P2010DE695800

Date: June 26, 2020

Place: New Delhi

UDIN: F001551B000383592

[This secretarial audit report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members,
EIH Limited
4, Mangoe Lane,
Kolkata-700001

Our Secretarial Audit Report of even date for the financial year ended March 31, 2020 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

This audit was conducted during the period of lockdown imposed by the Government due to the COVID-19 pandemic. During these extraordinary times, we had to make an exception and place reliance solely on scanned copy of certain documents and records, as provided to us by the Company electronically for the purpose of this audit, as we could not verify physical copies of the said documents and records.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and occurrence of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Membership Number: FCS -1551

Certificate of Practice Number: 21898

Firm Registration Number: P2010DE695800

Date: June 26, 2020

Place: New Delhi

SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
ElH Limited, and
Mumtaz Hotels Limited
4, Mangoe Lane,
Kolkata-700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**Mumtaz Hotels Limited**” (“the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2020 (“the financial year”), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2020, according to the provisions of:

- I. The Companies Act, 2013 (“the Act”) and the rules made thereunder, read with notifications, exemptions and clarifications thereto;
- II. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder, to the extent applicable in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- III. Secretarial Standards issued by the Institute of Company Secretaries of India.
- IV. Other significant laws specifically applicable to the Company, including:
 - a) Tourism Policy of Government of India and Classification of Hotels.
 - b) Food Safety and Standards Act, 2006 and Rules made thereunder.
 - c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder.
 - d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder.
 - e) Phonographic and Performance License.
 - f) Indian Explosives Act, 1884 and Rules made thereunder.
 - g) The Apprentices Act, 1961 and Rules made thereunder.
 - h) India Boiler Act, 1923

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Mr. Bharat Bhushan Goyal, Managing Director of the Company passed away on April 07, 2019. Thereafter, the Board in its meeting held on May 17, 2019 appointed Mr. Manish Goyal, Director as the Managing Director of the Company without payment of any remuneration, under section 196 and other applicable provisions of the Companies Act read with Schedule V of the Act and rules made thereunder. In the same Board Meeting, Mr. Manav Goyal was appointed as a Director in the casual vacancy caused due to the demise of Mr. Bharat Bhushan Goyal. These appointments were subsequently approved by the shareholders in their meeting held on August 14, 2019.
3. In accordance with section 149(4) of the Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, with effect from July 05, 2017, the requirement of appointment of Independent Directors for a Joint Venture Company has been dispensed with. However, Mr. Raj Kumar Kataria and Mr. Sandeep Kumar Barasia who were appointed in the year 2015 as Independent Directors for a consecutive period of five (5) years continued on the Board as Independent Directors. The tenure of Mr. Raj Kumar Kataria as an Independent Director ended on February 25, 2020. However, he was inducted as an Additional Director by the Board, effective March 31, 2020.
4. The Board of Directors in its meeting held on October 25, 2019 appointed Dr. Chhavi Rajawat, one of the Independent Directors of EIH Limited ("EIHL"), the holding Company, as an Additional Director on the Board of the Company in compliance with Regulation 16 read with Regulation 24 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as applicable on EIHL.
5. During the financial year, adequate notice along with agenda and detailed notes on agenda was given to all directors for the meetings of the Board and its Committee(s) and in case of shorter notice, due compliance of relevant provisions of the Act and Secretarial Standards in this regard was made. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
6. All the decisions were carried unanimously. None of the members of the Board expressed dissenting views on any of the agenda items during the financial year.
7. The Shareholders of the Company in its Annual General meeting held on August 14, 2019 approved payment of dividend @ Rs. 7.50 per share.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs affecting its going concern or alter the charter or capital structure or management or business operation or control etc., in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry /sector specific, under both Central and State legislations, reliance has been placed on the quarterly compliance certificate and reporting by the General Manager of Mumtaz Hotels Limited to the Company Secretary of the Company and the Compliance Certificate duly signed by the Company Secretary, as placed before the meeting of the Board of Directors of the Company as well as of EIHL, the holding company, for each quarter. Also, the team of Chief Internal Auditor of EIHL conducts audit, of all hotels run by EIHL, along with unlisted material subsidiaries and joint venture companies of EIHL, which also covers compliances under applicable laws. Based on the aforesaid internal compliance management and certification mechanism, we are of the opinion that the Company has generally complied with the following:

- i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues;
- ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum Wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations;
- iii) Deposit of taxes relating to Income Tax, Goods and Services Tax and other applicable taxes including Tax Deducted at Source. The estimated liability in respect of cases of disputed tax liabilities and other legal cases have been disclosed as contingent liability in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report;
- iv) Applicable State and Central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights & Measures, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported to the Management and appropriate action is taken from time to time.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Membership Number: FCS - 1551

Certificate of Practice Number: 21898

Firm Registration Number: P2010DE695800

Date: May 21, 2020

Place: New Delhi

UDIN: F001551B000264101

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members of
ElH Limited, and
Mumtaz Hotels Limited
4, Mangoe Lane,
Kolkata-700001

Our Secretarial Audit Report of even date for the financial year ended March 31, 2020 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

This audit was completed during the period of lockdown imposed by the Government due to the COVID-19 pandemic. During these extraordinary times, we had to make an exception and place reliance solely on scanned copy of certain documents and records, as provided to us by the Company electronically for the purpose of this audit, as we could not verify physical copies of the said documents and records.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and occurrence of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Membership Number: FCS - 1551

Certificate of Practice Number: 21898

Firm Registration Number: P2010DE695800

Date: May 21, 2020

Place: New Delhi

SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
ElH Limited, and
Mashobra Resort Limited
Hotel Wildflower Hall,
Chharabra, Shimla
Himachal Pradesh-171012

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**Mashobra Resort Limited**” (“the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2020 (“the financial year”), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2020, according to the provisions of:

- I. The Companies Act, 2013 (“the Act”) and the rules made thereunder read with notifications, exemptions and clarifications thereto;
- II. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent applicable in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- III. Secretarial Standards issued by the Institute of Company Secretaries of India;
- IV. Other significant laws specifically applicable to the Company, including:
 - a) Tourism Policy of Government of India and Classification of Hotels
 - b) Food Safety and Standards Act, 2006 and Rules made thereunder
 - c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder
 - d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder

- e) Phonographic and Performance License
- f) Indian Explosives Act, 1884 and Rules made thereunder
- g) The Apprentices Act, 1961 and Rules made thereunder
- h) India Boiler Act, 1923

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. In accordance with section 149(4) of the Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, with effect from July 05, 2017, the requirement of appointment of Independent Directors for a Joint Venture Company has been dispensed with. However, Mr. Viresh S Mathur and Mr. Shashank Bhagat who were appointed in the year 2015 as Independent Directors for a consecutive period of five (5) years continued on the Board as Independent Directors. Both Mr. Mathur and Mr. Bhagat have since resigned from the Board of Directors of the Company with effect from January 22, 2020.
3. During the financial year, adequate notice along with agenda and detailed notes on agenda was given to all directors for the meetings of the Board and its Committee(s) and in case of shorter notice, due compliance of relevant provisions of the Act and Secretarial Standards in this regard was made. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
4. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs affecting its going concern or alter the charter or capital structure or management or business operation or control etc., in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and State legislations, reliance

has been placed on the quarterly Compliance Certificate and reporting by the General Manager of the Company to the Company Secretary of the Company and the Compliance Certificate duly signed by the Company Secretary, as placed before the meeting of the Board of Directors of the Company as well as of ElH Limited ("ElHL"), the holding company, for each quarter. Also, the team of Chief Internal Auditor of ElHL conducts audit, of all hotels run by ElHL, along with unlisted material subsidiaries and joint venture companies of ElHL, which also covers compliances under applicable laws. Based on the aforesaid internal compliance management and certification mechanism, we are of the opinion that the Company has generally complied with the following:

- i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues;
- ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations;
- iii) Deposit of taxes relating to Income Tax, Goods and Services Tax and other applicable taxes including Tax Deducted at Source. The estimated liability in respect of cases of disputed tax liabilities and other legal cases have been disclosed as contingent liability in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report;
- iv) Applicable State and Central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights and Measures, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported to the Management and appropriate action is taken from time to time.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Membership Number: FCS - 1551

Certificate of Practice Number: 21898

Firm Registration Number: P2010DE695800

Date: May 18, 2020

Place: New Delhi

UDIN: F001551B000258401

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members of
EIH Limited, and
Mashobra Resort Limited
Hotel Wildflower Hall,
Chharabra, Shimla
Himachal Pradesh-171012

Our Secretarial Audit Report of even date for the financial year ended March 31, 2020 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

This audit was completed during the period of lockdown imposed by the Government due to the COVID-19 pandemic. During these extraordinary times, we had to make an exception and place reliance solely on scanned copy of certain documents and records, as provided to us by the Company electronically for the purpose of this audit, as we could not verify physical copies of the said documents and records.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and occurrence of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor

Membership Number: FCS - 1551

Certificate of Practice Number: 21898

Firm Registration Number: P2010DE695800

Date: May 18, 2020
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
ElH Limited
4, Mangoe Lane,
Kolkata- 700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ElH Limited having CIN L55101WB1949PLC017981 and having registered office at 4, Mangoe Lane, Kolkata- 700001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Prithviraj Singh Oberoi	00051894	30/03/1961
2.	Shib Sanker Mukherji	00103770	28/05/1999
3.	Vikramjit Singh Oberoi	00052014	15/12/1993
4.	Arjun Singh Oberoi	00052106	15/12/1993
5	Nita Mukesh Ambani	03115198	31/10/2011
6	Manoj Harjivandas Modi	00056207	31/10/2011
7	Anil Kumar Nehru	00038849	23/11/2002
8	Ganesh Lakshminarayan	00012583	30/01/2008
9	Sudipto Sarkar	00048279	30/10/2014
10	Rajeev Gupta	00241501	01/11/2012
11	Chhavi Rajawat	06752959	30/10/2017
12	Sanjay Bhatnagar	00867848	27/08/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Principal Consultant & Partner
Membership Number: FCS – 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE073000

Date: June 9, 2020
Place: New Delhi
UDIN: F001551B000327492

INDEPENDENT AUDITOR'S REPORT

To
The Members of ElH Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ElH Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Assessment of Impairment of investment in a wholly owned subsidiary of the Company (Refer Note 1(l)(iii), 8, 38, 53 to the Ind AS Standalone Financial Statements) The Company has a non-current investment in ElH Flight Services Limited (ElHFSL), Mauritius, a wholly owned subsidiary of the company, amounting to INR 1,184.88 Million. The Company is of the view that the operations of its subsidiary represent a single cash-generating unit ('CGU'). The Company performed an impairment assessment and concluded that the recoverable amount was lower than the carrying amount as at March 31, 2020 and accordingly, the Company recognised an impairment loss of INR 161.40 Million in the Statement of Profit and Loss which has been recognised under "Exceptional items". (Refer Note 38). Due to the multitude of factors and assumptions involved in determining the forecasted revenues/cash flows and discount rate in the projection period, significant judgments are required to estimate the recoverable value. Hence this is considered as a key audit matter.	Principal audit procedures performed: • We have understood and tested the design, implementation and operating effectiveness of the management controls over the assessment and conclusion over the impairment evaluation with regard to the investment in a wholly owned subsidiary of the Company. • Assessed the appropriateness of the valuation model to determine the recoverable amount (Value in use). • Tested the key assumptions used in determining the recoverable amount and assessed the reasonableness of the future cash flow projections, the growth rates and the discount rate. • Performed an assessment of the reasonableness of the previously prepared projections to determine management's ability to forecast adequately and understand the reason for material variances. • Considered sensitivity of reasonable possibility of changes in the key assumptions and inputs to determine the effect on the recoverable amount. • Checked mathematical accuracy of the model. • We involved our internal fair valuation specialist to test the valuation model and the discount rates used. • Assessed the adequacy of related disclosures in the notes to the standalone financial statements and their compliance with Ind AS.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' report including annexures to the Directors' Report, Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The management was able to perform year end physical verification of inventories, only at certain units prior to the year end. We were able to physically observe the physical stock verification at one unit before the year end. On account of COVID-19 related lockdown restrictions, physical verification of inventories was performed by the management at certain units subsequent to the year end. We were not able to physically observe the stock verification. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA501 “Audit Evidence – Specific Considerations for Selected Items” and have obtained sufficient appropriate audit evidence. Our report is not modified in respect of this matter.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended 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 litigations on its financial position in its standalone financial statements. Refer Note 44 of the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 41 of the Standalone Financial Statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer Note 45 of the Standalone Financial Statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: New Delhi
Date: June 26, 2020

Manjula Banerji
Partner
Membership No. 086423
(UDIN: 20086423AAAAAG2322)

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’
section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of ElH Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone Ind AS 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”. 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 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 of the Company 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, based on "the criteria for internal financial control over financial reporting established by the respective 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 Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: New Delhi
Date: June 26, 2020

Manjula Banerji
Partner
Membership No. 086423
(UDIN: 20086423AAAAAG2322)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the management was able to perform year end physical verification of inventories only at certain units prior to the year end. We were able to physically observe the physical stock verification at one unit before the year end. On account of COVID-19 related lockdown restrictions, physical verification of inventories was performed by the management at certain units subsequent to the year end. We were not able to physically observe the stock verification. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence. As explained to us, no material discrepancies were noticed on physical verification.
- (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.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year.

- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Luxury Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Luxury Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Luxury Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

(Rupees million)

S. No	Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates ⁽¹⁾	Amount unpaid ⁽²⁾
1	Income Tax Act, 1961	Income Tax	Assessing Officer	2008-09 and 2009-10	-
			Appellate Authority up to Commissioner of Income Tax Appeals	2000-01, 2007-08, 2008-09, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17	-
Total					-
2	Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	2011 to 2015, 2012 to 2016	11.57
			The Honorable Supreme Court of India	2004 to 2006	3.86
Total					15.43
3	Sales Tax	Sales Tax and Value Added Tax	Appellate Authority upto Commissioner level	2005-06, 2010-11, 2013-14, 2014 -15, 2016-17	23.82
			Rajasthan Tax Board	2011-12, 2012-13, 2013-14	-
			West Bengal Appellate and Revisional Board	2008-09, 2009-10, 2013-14, 2014-15, 2015-16	6.20
			Mumbai High Court	1999-00	1.23
Total					31.25

4	Customs Act, 1962	Customs Duty	Delhi High Court	2008-09	429.66
Total					429.66
5	Rajasthan Tax on Luxuries (In Hotel and Lodging Houses) Act, 1990	Luxury Tax	Jodhpur High Court	2010-11 to 2013-14	1.11
Total					1.11

(1) Period in respect of income tax represent assessment year.

(2) Net of INR 341.40 million paid under protest.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has neither taken any loans or borrowings from financial institutions and government nor has issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Place: New Delhi
Date: June 26, 2020

Manjula Banerji
Partner
Membership No. 086423
(UDIN: 20086423AAAAAG2322)

Balance Sheet as at March 31, 2020

	Notes	As at March 31, 2020	Rupees Million As at March 31, 2019
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	4	18,238.54	19,314.24
RIGHT-OF-USE-ASSET	5	3,874.39	-
CAPITAL WORK-IN-PROGRESS		1,129.34	639.00
INTANGIBLE ASSETS	6	78.54	73.42
INVESTMENT PROPERTY	7	1,084.83	1,106.88
FINANCIAL ASSETS			
(i) Investments	8	8,121.66	8,285.22
(ii) Other non-current financial assets	9	1,805.82	1,758.95
TAX ASSETS (Net)	10	557.42	743.46
OTHER NON-CURRENT ASSETS	11	934.45	3,139.39
TOTAL NON-CURRENT ASSETS		35,824.99	35,060.56
CURRENT ASSETS			
INVENTORIES	12	522.71	503.59
FINANCIAL ASSETS			
(i) Trade receivables	13	1,906.58	2,249.20
(ii) Cash and cash equivalents	14	51.96	58.28
(iii) Other bank balances	15	33.18	32.75
(iv) Other current financial assets	16	53.48	46.32
OTHER CURRENT ASSETS	17	745.28	568.85
TOTAL CURRENT ASSETS		3,313.19	3,458.99
TOTAL ASSETS		39,138.18	38,519.55
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	18	1,143.14	1,143.14
OTHER EQUITY	19	28,049.17	27,407.76
TOTAL EQUITY		29,192.31	28,550.90
LIABILITIES			
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	20	1,832.14	2,098.63
(ii) Lease liabilities		1,148.43	-
(iii) Other non-current financial liabilities	21	78.96	91.98
PROVISIONS - NON-CURRENT	22	244.14	243.95
OTHER NON-CURRENT LIABILITIES	23	11.17	14.93
DEFERRED TAX LIABILITIES - NET	24	1,236.44	1,599.17
TOTAL NON-CURRENT LIABILITIES		4,551.28	4,048.66
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	25	1,865.28	2,246.64
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	26	11.91	0.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	1,692.50	1,957.29
(iii) Lease liabilities		31.82	-
(iv) Other current financial liabilities	28	660.14	655.49
PROVISIONS - CURRENT	29	191.20	161.57
OTHER CURRENT LIABILITIES	30	941.74	898.23
TOTAL CURRENT LIABILITIES		5,394.59	5,919.99
TOTAL LIABILITIES		9,945.87	9,968.65
TOTAL EQUITY AND LIABILITIES		39,138.18	38,519.55

See accompanying notes to the Financial Statements

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

SUDIPTO SAKRAR
Chairman - Audit Committee
(DIN No. :00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

MANJULA BANERJI
Partner

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : New Delhi
Date : 26th June, 2020

Place : Mumbai
Date : 26th June, 2020

Statement of Profit and Loss for the Year ended March 31, 2020

	Notes	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
REVENUE FROM OPERATIONS	31	13,503.00	15,432.38
OTHER INCOME	32	840.08	840.24
TOTAL INCOME		14,343.08	16,272.62
EXPENSES			
CONSUMPTION OF PROVISIONS, WINES & OTHERS	33	1,688.29	2,120.93
EMPLOYEE BENEFITS EXPENSE	34	4,108.87	4,215.84
FINANCE COSTS	35	495.15	463.60
DEPRECIATION AND AMORTISATION EXPENSE	36	1,342.03	1,230.08
OTHER EXPENSES	37	5,451.71	5,874.47
TOTAL EXPENSES		13,086.05	13,904.92
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		1,257.03	2,367.70
EXCEPTIONAL ITEMS - PROFIT / (LOSS)	38	(166.07)	(730.66)
PROFIT BEFORE TAX		1,090.96	1,637.04
TAX EXPENSE	39		
CURRENT TAX		209.91	610.29
DEFERRED TAX		(363.62)	(106.63)
PROFIT FOR THE YEAR		1,244.67	1,133.38
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit obligations		(31.12)	(13.62)
- Tax relating to these items		7.83	4.76
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX		(23.29)	(8.86)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,221.38	1,124.52
EARNINGS PER EQUITY SHARE (In INR) FACE VALUE INR 2	49		
(1) BASIC		2.18	1.98
(2) DILUTED		2.18	1.98

See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

MANJULA BANERJI
Partner

Place : New Delhi
Date : 26th June, 2020

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(DIN No. : 00052014)

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : Mumbai
Date : 26th June, 2020

Statement of Cash Flows for the Year ended March 31, 2020

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,090.96	1,637.04
Adjustments for		
Depreciation and amortisation expense	1,342.03	1,230.08
(Gain)/loss on disposal of property, plant and equipment (net)	16.51	(0.58)
Provision for impairment in value of investments	161.40	-
Bad Debts & advances written off	0.60	41.23
Provision for doubtful debts / advances	24.32	856.27
Provisions/Liabilities written back	(29.22)	(48.85)
(Gain)/loss on sale of investment	-	(116.83)
Fair value changes on equity investments measured at fair value through profit or loss	2.13	0.83
Dividend income classified as investing cash flows	(227.80)	(291.65)
Interest income classified as investing cash flows	(123.75)	(91.55)
Rental Income From Investment properties	(170.56)	(88.01)
Finance costs	495.15	463.60
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	317.70	(1,109.81)
(Increase)/Decrease in inventories	(19.12)	(75.56)
Increase/(Decrease) in trade payables	(224.43)	399.14
Increase/ (Decrease) in employee benefit obligations	(1.30)	(56.95)
(Increase)/ Decrease in other current / non-current financial assets	(19.51)	(73.88)
(Increase)/Decrease in other current / non-current assets	(175.66)	15.46
Increase/(Decrease) in other current / non-current financial liabilities	37.80	37.38
Increase/(Decrease) in other current / non-current liabilities	39.75	49.82
Cash generated from operations	2,537.00	2,777.18
Income taxes paid (net of refund)	(18.74)	(653.19)
Net cash inflow from operating activities	2,518.26	2,123.99
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(1,390.52)	(1,362.74)
Payments for investment property	(4.07)	-
Payments for intangible assets	(45.33)	(24.75)
Purchase of Investments	(0.02)	(721.09)
Sale of Investments	0.05	181.94
Rental Income From Investment properties	170.56	88.01
Proceeds from sale of property, plant and equipment	85.46	19.86
Changes in other bank balances	(0.43)	0.08
Dividends received	227.80	291.65
Interest received	89.23	91.63
Net cash outflow from investing activities	(867.27)	(1,435.41)

Statement of Cash Flows for the Year ended March 31, 2020 – *Contd.*

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings		
Non-current borrowings	250.00	-
Current borrowings	-	846.92
Repayment of borrowings		
Non-current borrowings	(428.57)	(438.16)
Current borrowings	(381.36)	-
Interest paid	(398.31)	(464.71)
Repayment of lease liabilities	(109.69)	-
Dividends paid	(517.13)	(514.41)
Tax on dividend	(72.25)	(105.74)
Net cash outflow from financing activities	(1,657.31)	(676.10)
Net increase / (decrease) in cash and cash equivalents	(6.32)	12.48
Cash and cash equivalents at the beginning of the year	58.28	45.80
Cash and cash equivalents at the end of the year	51.96	58.28

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows"

See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

MANJULA BANERJI
Partner

Place : New Delhi
Date : 26th June, 2020

For and on behalf of the Board

SUDIPTO SAKRAR
Chairman - Audit Committee
(DIN No. :00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : Mumbai
Date : 26th June, 2020

Statement of Changes in Equity for the year ended March 31, 2020

Rupees Million

A. Equity share capital

As at April 1, 2018	1,143.14
Changes in equity share capital during the year	-
As at March 31, 2019	1,143.14
Changes in equity share capital during the year	-
As at March 31, 2020	1,143.14

B. Other equity

Rupees Million

	Reserves and surplus				Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained earnings (Surplus)	
Balance as at April 1, 2018	1,024.21	12,373.41	9,149.13	4,468.78	27,015.53
Profit for the year	-	-	-	1,133.38	1,133.38
Adjustments for the new IndAS	-	-	-	(112.14)	(112.14)
Other comprehensive income / (loss) for the year, net of tax	-	-	-	(8.86)	(8.86)
	-	-	-	1,012.38	1,012.38
Allocations/Appropriations:					
Final dividend paid for the year 2017-18	-	-	-	(514.41)	(514.41)
Dividend distribution tax	-	-	-	(105.74)	(105.74)
	-	-	-	(620.15)	(620.15)
Balance as at March 31, 2019	1,024.21	12,373.41	9,149.13	4,861.01	27,407.76
Balance as at April 1, 2019	1,024.21	12,373.41	9,149.13	4,861.01	27,407.76
Profit for the year	-	-	-	1,244.67	1,244.67
Adjustments for the new IndAS	-	-	-	6.69	6.69
Other comprehensive income / (loss) for the year, net of tax	-	-	-	(23.29)	(23.29)
	-	-	-	1,228.07	1,228.07
Allocations/Appropriations:					
Final dividend paid for the year 2018-19	-	-	-	(514.41)	(514.41)
Dividend distribution tax	-	-	-	(72.25)	(72.25)
	-	-	-	(586.66)	(586.66)
Balance as at March 31, 2020	1,024.21	12,373.41	9,149.13	5,502.42	28,049.17

See accompanying notes to the Financial Statements

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells LLP
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MANJULA BANERJI
Partner

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : New Delhi
Date : 26th June, 2020

Place : Mumbai
Date : 26th June, 2020

Notes to Accounts

General Information

ElH LIMITED ("the Company") is a public Company limited by shares, incorporated and domiciled in India having its Registered Office at 4, Mangoe Lane, Kolkata – 700 001. The company is primarily engaged in owning and managing premium luxury hotels and cruisers under the luxury 'Oberoi' and 'Trident' brands. The Company is also engaged in flight catering, airport restaurants, project management and corporate air charters.

1 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements of the Company. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Indian Accounting Standard (Ind AS)

The standalone financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision of an existing Accounting Standard requires a change in accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- equity investments in entities other than subsidiaries, joint ventures and associates which are measured at fair value;
- defined benefit plans – plan assets measured at fair value;
- customer loyalty programs

(iii) Use of estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

b) Revenue recognition

- (i) Performance obligation in contract with customers are met throughout the stay of guest in the hotel or on rendering of services and sale of goods.
- (ii) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, Goods and Service Tax and amounts collected on behalf of third parties.
- (iii) Interest income from debt instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
- (iv) Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Timing of revenue recognition from major business activities

- *Hospitality Services:* Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable or when collectability is certain.
- *Sale of printed material:* Revenue from sale of printed and other materials is recognised when the significant risks and rewards of ownership of the materials have been passed on to the buyer which usually coincides with the dispatch of materials.
- *Others:* Revenue from Shop License Fee, Management and Marketing Fee included under "Other Services" is recognised on accrual basis as per terms of the contract.
- Revenue in respect of customer loyalty program are recognized when loyalty points are redeemed by the customers or on its expiry.

Notes to Accounts — *Contd.*

c) Foreign currencies

(i) Presentation Currency

The financial statements are presented in INR which is the Functional Currency of the Company.

(ii) Transactions and balances

Effective April 1, 2018, the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

Sales made in any currency other than the functional currency of the Company are converted at the prevailing applicable exchange rate. Gain/Loss arising out of fluctuations in exchange rate is accounted for on realization or translation into the reporting currency of the corresponding receivables at the year end.

Payments made in foreign currency including for acquiring investments are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

Revenue expenditure of all the overseas sales offices are converted at the average exchange rate for the year. Assets and liabilities other than Fixed Assets are converted at the exchange rate prevailing at the close of the accounting year and Property, Plant and Equipment are converted at the month-end exchange rate of the month of acquisition.

Foreign currency loans covered by forward contracts are realigned at the forward contract rates, while those not covered by forward contracts are realigned at the rates ruling at the year end. The differences on realignment is accounted for in the Statement of Profit and Loss.

d) Income tax

Current income tax is recognized based on the taxable profit for the year, using tax rates and tax laws that have been enacted or made applicable on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company has adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments

e) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the taxes are also recognised in other comprehensive income or directly in equity respectively.

f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The board of directors of the Company, which has been identified as being the CODM, generally assesses the financial performance and position of the Company, and makes strategic decisions.

Notes to Accounts — *Contd.*

g) **Leases**

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparative information as at and for the year ended March 31, 2019 has not been restated. The impact of adoption of the standard on financial statements of the Company has been disclosed in the notes to accounts.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to certain leases which had previously been classified as ‘operating leases’ under the principles of Ind AS 17, Leases. These liabilities have been measured at the present value of the remaining lease payments, discounted using the company’s incremental borrowing rate as of 1 April 2019.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

The Company as a lessee:

The Company’s lease asset classes primarily consist of leases for land, building and vehicle leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company applies the practical expedient by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Notes to Accounts — *Contd.*

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

h) Impairment of tangible and intangible assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

Impairment losses recognized in prior years are reversed when there is an indicator that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.

i) Cash and cash equivalents

For the purpose of presentation in the statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

k) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined based on Cumulative Weighted Average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Unserviceable/damaged/discarded stocks and shortages are charged to the statement of Profit and Loss.

l) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in the statement of profit and loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the Statement of Profit and Loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Notes to Accounts — *Contd.*

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain / (losses) in the statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income: Interest income from debt instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

m) Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Notes to Accounts — *Contd.*

n) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than land and hotel buildings is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013.

The hotel buildings are depreciated equally over the balance useful life ascertained by independent technical expert which ranges between 23 years and 55 years with effect from March 31, 2020 and the total useful life of the buildings are higher than those specified by Schedule II to the Companies Act; 2013. The management believes that the balance useful lives so assessed best represent the periods over which the hotel buildings are expected to be in use. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/ (losses).

o) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

p) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

q) Trade and other payables

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Notes to Accounts — *Contd.*

s) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

t) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Gratuity obligations –

Maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Leave encashment on termination of service –

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Provident Fund –

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

u) Dividends

Liability is created for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity.

Notes to Accounts — *Contd.*

v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the year attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year,

(ii) Diluted earnings per share

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

w) Government grants/incentives

Government grants/ incentives that the Company is entitled to on fulfillment of certain conditions, but are available to the Company only on completion of some other conditions, are recognized as income at fair value on completion of such other conditions.

Grants/incentives that the Company is entitled to and are available to the Company on fulfillment of certain conditions, such grants/incentives are recognized at fair value as income when there is reasonable assurance that the grant/incentives will be received.

x) Investment in Subsidiaries, joint ventures and associates

Investment in Subsidiaries: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

Investment in joint ventures and associates: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An Associate is an entity over which the company has significant influence.

The investment in joint ventures are carried at cost. The investment in associates are carried at cost except for those investments which were required to be fair valued until the investee had not become an associate. The carrying amount of such investments is the sum of fair value of the investment until the time the investee had not become an associate and the cost of investment as a result of which the investee became an associate entity. Any further investments made in that associate thereafter are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment in subsidiaries, joint ventures and associates recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment in subsidiaries, joint ventures and associates.

y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million with two decimals as per the requirement of Schedule III, unless otherwise stated.

Notes to Accounts — *Contd.*

2

RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2020

3

SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Detailed information about each of these estimates or judgements is included in relevant notes together with information about the basis of calculation for each impacted line item in the financial statements.

A Significant estimates :

i) Useful life of the Hotel Building

The Company has adopted useful life of property, plant and equipment as stipulated by Schedule II to the Companies Act, 2013 except for the hotel buildings for computing depreciation. In the case of the hotel building of the Company, due to superior structural condition, management decided to assess the balance useful life by independent technical expert. As per the certificates of the technical expert, the balance useful life of the hotel buildings ranges between 23 years and 55 years as at March 31, 2020 and the total useful life of the buildings are higher than those specified by Schedule II to the Companies Act, 2013. The carrying amount of the hotel building is being depreciated over its residual life.

ii) Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations with various regulatory authorities and third parties with respect to tax/legal matters. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. These are subjective in nature and involves estimation uncertainty in determining the likely outcome of such tax/legal matters.

B Significant judgements:

Advance towards Equity Shares

In the case of Mashobra Resort Limited ("MRL"), several disputes with the Government of Himachal Pradesh, the joint venture partner, were referred by the High Court of Himachal Pradesh by an order dated 17th December, 2003 to an Arbitral Tribunal consisting of a single Arbitrator. The Arbitrator's award dated 23rd July, 2005 was challenged both by the Company and MRL, amongst others, before the High Court of Himachal Pradesh. The operation of the Arbitration Award was stayed pending substantive hearing of the applications by the High Court. Consequently, the status quo ante of the entire matter was restored to the position as on 17th December, 2003 and the hotel is being operated by MRL accordingly. The Company vide its letter dated 4th April, 2012 requested MRL to account for the entire amount of INR 1,361.93 Million provided to MRL upto 31st March, 2012 as 'Advance Towards Equity', including INR 130.00 Million being the opening balance of 'Advance Towards Equity'. In view of the above, the Company has shown the said amount of INR 1,361.93 Million as 'Advance Towards Equity' under Other non-current financial assets in its books of account.

The High Court, by virtue of an order dated 25th February, 2016 which was made available to the Company in May 2016, decided not to interfere with the order of the Arbitrator. The Company amongst others, have preferred an appeal before the Division Bench of the High Court of Himachal Pradesh. By an Order dated 27th June, 2016, Division Bench has stayed the Single Bench Judge Order dated 25th February, 2016 and directed the parties to maintain status quo till the matter is finally heard and disposed off. The matter is pending before the Division Bench of the High Court of Himachal Pradesh for adjudication.

Notes to Accounts — Contd.

4. PROPERTY, PLANT AND EQUIPMENT	Gross carrying amount					Accumulated Depreciation			Rupees Million
	As at April 01, 2018	Additions during the year	Sales/ Adjustments during the year	Balance as at March 31, 2019	As at April 1, 2018	For the Year	Less: Sales/ Adjustments	Balance as at March 31, 2019	Carrying Value as at March 31, 2019
Freehold Land (including development cost)	1,607.87	-	-	1,607.87	-	-	-	-	1,607.87
Land under finance lease	641.88	-	-	641.88	14.55	4.85	-	19.40	622.48
Buildings	12,670.98	38.76	33.71	12,676.03	689.20	270.01	32.77	926.44	11,749.59
Plant & Equipment	6,000.18	202.27	96.13	6,106.32	1,696.04	633.52	86.31	2,243.25	3,863.07
Furniture & Fittings	1,199.56	36.44	3.98	1,232.02	355.23	115.72	3.50	467.45	764.57
Vehicles	530.34	76.31	71.78	534.87	143.91	85.48	66.72	162.67	372.20
Office Equipment	36.47	6.65	5.77	37.35	9.82	6.07	5.49	10.40	26.95
Vehicles under finance lease	103.07	19.44	16.54	105.97	39.33	25.94	13.84	51.43	54.54
Boats	40.24	0.59	-	40.83	8.97	1.98	-	10.95	29.88
Aircrafts	319.29	-	-	319.29	72.15	24.05	-	96.20	223.09
TOTAL	23,149.88	380.46	227.91	23,302.43	3,029.20	1,167.62	208.63	3,988.19	19,314.24

Notes to Accounts — Contd.

4 PROPERTY, PLANT AND EQUIPMENT – Contd.

	Gross carrying amount					Accumulated Depreciation					Rupees Million		
	As at April 01, 2019	Reclas- sified on adoption of Ind AS 116 (Refer note 47)	Adjusted balance as at April 1, 2019	Additions during the year	Less: Sales / Adjust- ments during the year	Balance as at March 31, 2020	As at April 01, 2019	Reclas- sified on adoption of Ind AS 116 (Refer note 47)	Adjusted balance as at April 1, 2019	For the Year	Less: Sales/ Adjust- ments	As at March 31, 2020	Carrying Value as at March 31, 2020
Freehold Land (including development cost)	1,607.87	-	1,607.87	-	-	1,607.87	-	-	-	-	-	-	1,607.87
Land under finance lease	641.88	(641.88)	-	-	-	-	19.40	(19.40)	-	-	-	-	-
Buildings	12,676.03	-	12,676.03	233.67	74.81	12,834.89	926.44	-	926.44	271.75	4.48	1,193.71	11,641.18
Plant & Equipment	6,106.32	-	6,106.32	462.85	49.80	6,519.37	2,243.25	-	2,243.25	612.86	28.47	2,827.64	3,691.73
Furniture & Fittings	1,232.02	-	1,232.02	85.70	5.10	1,312.62	467.45	-	467.45	116.02	3.62	579.85	732.77
Vehicles	534.87	-	534.87	15.20	9.51	540.56	162.67	-	162.67	85.23	4.08	243.82	296.74
Office Equipment	37.35	-	37.35	5.05	0.35	42.05	10.40	-	10.40	7.07	0.17	17.30	24.75
Vehicles under finance lease	105.97	(105.97)	-	-	-	-	51.43	(51.43)	-	-	-	-	-
Boats	40.83	-	40.83	-	0.17	40.66	10.95	-	10.95	1.97	0.05	12.87	27.79
Aircrafts	319.29	-	319.29	20.27	5.85	333.71	96.20	-	96.20	25.35	3.55	118.00	215.71
TOTAL	23,302.43	(747.85)	22,554.58	822.74	145.59	23,231.73	3,988.19	(70.83)	3,917.36	1,120.25	44.42	4,993.19	18,238.54

(i) Assets held as security

Refer to note 20 & 25 for disclosure of assets held as security.

(ii) Interest capitalised to qualifying assets

Refer to note 35 for disclosure of amount capitalised to qualifying assets.

(iii) Contractual obligations

Refer to note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Accounts — Contd.

5 RIGHT-OF-USE-ASSET

	Gross carrying amount					Balance as at March 31, 2020	Accumulated Depreciation				Carrying Value as at March 31, 2020		
	As at April 01, 2019	Reclas- sified on adoption of Ind AS 116 (Refer note 47)	Adjusted balance as at April 1, 2019	Additions during the year	Less: Sales / Adjust- ments during the year		As at April 01, 2019	Reclas- sified on adoption of Ind AS 116 (Refer note 47)	Adjusted balance as at April 1, 2019	For the Year		Less: Sales/ Adjust- ments	As at March 31, 2020
Land	-	3,979.01	3,979.01	-	-	3,979.01	-	19.40	19.40	129.59	-	148.99	3,830.02
Buildings	-	0.88	0.88	1.19	-	2.07	-	-	-	0.64	-	0.64	1.43
Vehicles	-	105.97	105.97	14.42	21.12	99.27	-	51.43	51.43	25.22	20.32	56.33	42.94
TOTAL	-	4,085.86	4,085.86	15.61	21.12	4,080.35	-	70.83	70.83	155.45	20.32	205.96	3,874.39

6 INTANGIBLE ASSETS

	Gross carrying amount				Accumulated Depreciation			Rupees Million	
	As at April 01, 2018	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2019	As at April 1, 2018	For the Year	Less: Sales/ Adjustments	As at March 31, 2019	Carrying Value as at March 31, 2019
Computer Software	145.91	24.75	-	170.66	58.57	38.67	-	97.24	73.42
TOTAL	145.91	24.75	-	170.66	58.57	38.67	-	97.24	73.42

	Gross carrying amount				Accumulated Depreciation			Rupees Million	
	As at April 01, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2020	As at April 1, 2019	For the Year	Less: Sales/ Adjustments	As at March 31, 2020	Carrying Value as at March 31, 2020
Computer Software	170.66	45.33	-	215.99	97.24	40.21	-	137.45	78.54
TOTAL	170.66	45.33	-	215.99	97.24	40.21	-	137.45	78.54

Intangible Assets are amortised on straight line basis over a period of 3 to 5 years

Notes to Accounts — Contd.

7 INVESTMENT PROPERTY

	Gross carrying amount			Balance as at March 31, 2019	Accumulated Depreciation			Carrying Value as at March 31, 2019
	As at April 01, 2018	Additions during the year	Less: Sales/ Adjustments during the year		As at April 1, 2018	For the Year	Less: Sales/ Adjustments	
Buildings	-	989.66	-	989.66	-	14.43	-	975.23
Plant & Equipment	-	141.01	-	141.01	-	9.36	-	131.65
TOTAL	-	1,130.67	-	1,130.67	-	23.79	-	1,106.88

	Gross carrying amount			Balance as at March 31, 2020	Accumulated Depreciation			Carrying Value as at March 31, 2020	
	As at April 01, 2019	Additions during the year	Less: Sales/ Adjustments during the year		As at April 1, 2019	For the Year	Less: Sales/ Adjustments		As at March 31, 2020
Buildings	989.66	3.47	-	993.13	14.43	15.67	-	30.10	963.03
Plant & Equipment	141.01	0.60	-	141.61	9.36	10.45	-	19.81	121.80
TOTAL	1,130.67	4.07	-	1,134.74	23.79	26.12	-	49.91	1,084.83

The assets relating to The Oberoi Corporate Tower, Gurgaon has been classified as Investment Property as per IndAS 40. The fair value of the same as assessed by the management is INR 2,491.73 million (P.Y. INR 1,726.60 million).

The rental income generated from Investment property is INR 170.56 million (2019: INR 88.01 million)

The expenses incurred by investment property are as follows :

- Directly relating to rental income - INR 77.64 Million (2019: INR 73.39 million)
- Not Directly relating to rental income - INR 30.42 Million (2019: INR 26.22 million)

Notes to Accounts — Contd.

	As at March 31, 2020	Rupees Million As at March 31, 2019
8		
NON-CURRENT INVESTMENTS		
A. Investments in equity instruments (fully paid)		
(i) Quoted -		
In Associate entity (Equity investments at cost)		
11,215,118 (2019 - 11,215,118) Equity Shares of INR 10 each of EIH Associated Hotels Limited fully paid	1,010.72	1,010.72
In Other entities (Equity investments at Fair value through profit & loss)		
25,000 (2019 - 25,000) Equity Shares of INR 10 each of Tourism Finance Corporation of India Limited fully paid	0.85	2.98
(ii) Unquoted -		
In Joint Venture entity (Equity investments at cost)		
12,705,884 (2019 - 12,705,884) Equity Shares of INR 10 each of Mercury Car Rentals Private Limited fully paid	348.25	348.25
In Associate entity (Equity investments at cost)		
125,501 (2019 - 125,501) Equity Shares of INR 10 each of Usmart Education Limited fully paid *	-	-
In Subsidiary Companies (Equity investments at cost)		
106,607,800 (2019 - 106,607,800) Equity Shares of USD 1 each of EIH International Limited fully paid	5,082.76	5,082.76
25,999,995 (2019 - 25,999,995) Equity Shares of INR 10 each of Mashobra Resort Limited fully paid	260.04	260.04
2,176,000 (2019 - 2,176,000) Equity Shares of INR 10 each of Oberoi Kerala Hotels and Resorts Limited fully paid	21.76	21.76
Less: Provision for impairment in value of investments	(21.76)	(21.76)
	-	-
12,390,000 (2019 - 12,390,000) Equity Shares of INR 10 each of Mumtaz Hotels Limited fully paid	394.72	394.72
69,044,006 (2019 - 69,044,006) Equity Shares of Mauritian Rupees 10 each of EIH Flight Services Limited, Mauritius fully paid	1,184.88	1,184.88
Less: Provision for impairment in value of investments (Note 53)	(161.40)	-
	1,023.48	1,184.88
In Other entities (Equity investments at Fair value through profit & loss)		
41,858,400 (2019 - 41,858,400) Equity Shares of INR 10 each of Golden Jubilee Hotels Private Limited fully paid	418.58	418.58
Less: Provision for impairment in value of investments	(418.58)	(418.58)
	-	-
13,200 (2019 -18,000) Equity Shares of INR 10 each of Green Infra Wind Generation Limited fully paid	0.13	0.18
4,200 (2019 - 4,200) Equity Shares of INR 10 each of ReNew Wind Energy (Karnataka) Pvt. Ltd. fully paid	0.42	0.42
Total Investments in equity instruments	8,121.37	8,284.95
B. Investment in Government Securities (Unquoted)		
National Savings Certificate (lodged with Government Authorities as Security Deposit)	0.29	0.27
Total Investment in government securities	0.29	0.27
Total non-current investments	8,121.66	8,285.22
Aggregate carrying amount of quoted investments	1,011.57	1,013.70
Aggregate market value of quoted investments	2,356.02	4,315.19
Aggregate carrying amount of unquoted investments	7,711.83	7,711.86
Aggregate amount of impairment in the value of investment	601.74	440.34

* Usmart Education Limited has become an Associate of the Company during the previous year by virtue of acquisition of 25.10% shareholding at a cost of INR 251.

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
9		
OTHER NON-CURRENT FINANCIAL ASSETS		
Advances towards equity shares in:		
Subsidiary Company		
Mashobra Resort Limited (refer note 3B)	1,361.93	1,361.93
Security deposits	443.89	397.02
Total other non-current financial assets	1,805.82	1,758.95
10		
TAX ASSETS (Net)		
Income Tax Asset (Net)		
Opening balance	738.46	686.24
Add/(Less): Tax payable for the year	(204.78)	(591.54)
Add: Taxes paid	450.22	619.62
Add/(Less): Refund/adjustment for earlier years	(431.48)	24.14
Closing balance	552.42	738.46
Wealth Tax Asset (Net)		
Opening balance	5.00	5.00
Add: Taxes paid	-	-
Closing balance	5.00	5.00
Total tax assets	557.42	743.46
11		
OTHER NON-CURRENT ASSETS		
Capital Advances	114.00	80.27
Prepaid Expenses	7.03	17.44
Other Advances recoverable considered good - unsecured	3.84	14.04
Other Advances recoverable which have significant increase in credit risk - unsecured	182.99	185.89
Less: Provision for doubtful advances	(182.99)	(185.89)
	-	-
Advances paid under protest	243.91	216.13
Services exports incentive	162.58	182.21
Prepaid rent relating to security deposit (assets)	403.09	657.06
Prepayments for lands on operating leases	-	1,972.24
Total other non-current assets	934.45	3,139.39

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
12		
INVENTORIES *		
Provisions, Wines & Others	256.57	260.02
Stores & Operating Supplies	265.15	243.57
Goods-in-transit (Operating Supplies)	0.99	-
Total inventories	522.71	503.59

* Inventories are valued at cost which is based on 'Cumulative Weighted Average Method' or net realisable value, whichever is lower.

The cost of inventories recognised as an expense during the year as consumption of provisions, wines & others INR 1,688.29 million (2019: INR 2,120.93 million)

Inventories as at 31.03.2020 is after a write-off amounting to INR 4.30 million owing to the lockdown situation arising due to the global pandemic Covid-19.

13 **TRADE RECEIVABLES ***

Unsecured, considered good

Receivable from related parties	253.49	152.25
Receivable from other than related parties	1,653.09	2,096.95
	1,906.58	2,249.20

Unsecured, which have significant increase in credit risk

Receivable from other than related parties	893.99	999.16
Less: Provision for doubtful debts	(893.99)	(999.16)
	-	-
Total trade receivables	1,906.58	2,249.20

* Read with note 41(B) & 52(a)

14 **CASH & CASH EQUIVALENTS**

Balances with banks		
- Current accounts	34.52	39.13
Cash in hand	9.43	14.12
Cheques in hand	3.50	0.80
Fixed Deposits with original maturity of less than three months	4.51	4.23
Total cash and cash equivalents	51.96	58.28

15 **OTHER BANK BALANCES**

Margin deposits	0.64	0.30
Unpaid dividend accounts	26.62	29.34
Fixed deposits with original maturity of more than 3 months & having remaining maturity of less than 12 months from the balance sheet date	5.92	3.11
Total other bank balances	33.18	32.75

Notes to Accounts — *Contd.*

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
16		
OTHER CURRENT FINANCIAL ASSETS		
Interest accrued on deposits	2.83	2.36
Other receivables	25.12	17.45
Security deposits	25.53	26.51
Total other current financial assets	53.48	46.32

17		
OTHER CURRENT ASSETS		
Prepaid expenses	66.29	138.47
Prepayments for lands on operating leases	-	32.92
Prepaid rent relating to security deposits (assets)	33.20	47.02
Advances recoverable in cash or in kind or for value to be received	229.95	199.49
Services exports incentive	292.25	130.35
Balance with government authorities	123.59	20.60
Total other current assets	745.28	568.85

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
18		
EQUITY SHARE CAPITAL		
AUTHORISED		
1,500,000,000 Equity Shares of INR 2 each (2019 - 1,500,000,000)	3,000.00	3,000.00
	<u>3,000.00</u>	<u>3,000.00</u>
ISSUED, SUBSCRIBED & FULLY PAID		
571,569,414 Equity Shares of INR 2 each (2019 - 571,569,414)	1,143.14	1,143.14
	<u>1,143.14</u>	<u>1,143.14</u>

(i) Reconciliation of equity share capital

	Number of shares	Equity share capital (par value) INR
As at April 1, 2018	571,569,414	1,143.14
Change during the year	-	-
As at March 31, 2019	571,569,414	1,143.14
Change during the year	-	-
As at March 31, 2020	571,569,414	1,143.14

(ii) Rights and preferences attached to equity shares :

The Company has one class of equity shares having a par value of INR 2 per share. These shares rank *pari passu* in all respects including voting rights and entitlement to dividend.

(iii) Details of Shareholders holding more than 5 percent shares in the Company :

	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% holding	Number of Shares	% holding
(1) Reliance Strategic Business Ventures Limited (2019 - Reliance Industrial Investments and Holdings Limited)	105,907,273	18.53	105,907,273	18.53
(2) ITC Limited	85,621,473	14.98	85,621,473	14.98
(3) Oberoi Hotels Private Limited	83,646,328	14.63	83,646,328	14.63
(4) Oberoi Holdings Private Limited	33,438,993	5.85	33,438,993	5.85

	Rupees Million	
	March 31, 2020	March 31, 2019
(iv) Dividends		
Final dividend for the year ended March 31, 2019 of INR 0.90, March 31, 2018 – INR 0.90	514.41	514.41
Dividend Distribution Tax	72.25	105.74
Dividends not recognised at the end of the reporting period		
Liability for proposed dividend*	-	514.41
Dividend Distribution Tax on proposed dividend	-	57.42

*In view of lockdown and the present business conditions and to conserve cash and maintain liquidity for future, the Board of Directors have decided not to recommend dividend for the Financial Year 2019-20. This is subject to the approval of the shareholders in the ensuing annual general meeting.

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
19		
OTHER EQUITY		
RESERVES AND SURPLUS		
Capital Redemption Reserve	1,024.21	1,024.21
Securities Premium	12,373.41	12,373.41
General Reserve	9,149.13	9,149.13
Retained Earnings	5,502.42	4,861.01
Total Other Equity	28,049.17	27,407.76
(i) CAPITAL REDEMPTION RESERVE		
Opening Balance	1,024.21	1,024.21
Adjustment during the year	-	-
Closing Balance	1,024.21	1,024.21
(ii) SECURITIES PREMIUM		
Opening Balance	12,373.41	12,373.41
Adjustment during the year	-	-
Closing Balance	12,373.41	12,373.41
(iii) GENERAL RESERVE		
Opening Balance	9,149.13	9,149.13
Adjustment during the year	-	-
Closing Balance	9,149.13	9,149.13
(iv) RETAINED EARNINGS		
Opening Balance	4,861.01	4,468.78
Add: Profit during the year as per Statement of Profit & Loss	1,244.67	1,133.38
Less : Adjustments for new IndAS (refer note 47 and 51)	(6.69)	112.14
Final dividend	514.41	514.41
Dividend distribution tax	72.25	105.74
Other comprehensive income recognised directly in retained earnings		
- Remeasurements of defined benefit obligations, net of tax	23.29	8.86
Closing Balance	5,502.42	4,861.01

Nature and purpose of Reserves

(i) Capital Redemption Reserve

Capital Redemption Reserve represents the statutory reserve created by the company for the redemption of its preference share capital issued and redeemed under previous GAAP. The same can be utilised by the company for issuing fully paid bonus shares.

(ii) Securities Premium

This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
20		
NON-CURRENT BORROWINGS - at amortised cost		
Term Loans from Banks		
Secured		
The Hong Kong & Shanghai Banking Corporation Limited (HSBC)	1,607.14	2,035.71
RBL Bank Limited (RBL)	225.00	-
Long Term maturities of Finance Lease Obligations:		
Secured		
Long Term maturity of Finance Lease Obligations - Vehicles	-	34.86
Unsecured		
Long Term maturity of Finance Lease Obligations - Land	-	28.08
Non-current borrowings	1,832.14	2,098.63
Current maturities of long-term debt (included in note 28)	453.57	428.57
Current maturities of finance lease obligations (included in note 28)	-	24.64

PARTICULARS OF TERM BORROWINGS :

i) Security

Term loan from The Hong Kong & Shanghai Banking Corporation limited (HSBC) is secured by way of equitable mortgage by deposit of title deeds in respect of the Company's hotel in Delhi known as The Oberoi, New Delhi.

Term loan from RBL Bank Limited (RBL) is secured by first pari passu charge by way of equitable mortgage on immovable fixed assets of the Company's hotel in Delhi known as The Oberoi, New Delhi. Process of creation of security is in progress.

The Finance Lease Obligations are secured by hypothecation of vehicles taken under Lease.

ii) Terms of repayment and Interest rate :

Term loan from The Hong Kong & Shanghai Banking Corporation limited (HSBC) is repayable in 28 quarterly installments of INR 107.14 Million starting from February 2018 and ending on November 2024 and carries interest which is linked to banks MCLR, presently effective rate is 8.90%

Term loan from RBL is repayable in 20 quarterly installments of INR 12.50 Million starting from December 2020 and ending on September 2025 and carries interest which is linked to 12 month T-bill, presently effective rate is 8.50%

The finance lease obligations are secured by hypothecation of vehicles taken under lease. Repayments are done by equated monthly installments over 36 to 60 months.

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
21		
OTHER NON-CURRENT FINANCIAL LIABILITIES		
Lease Rent Equalisation	-	9.48
Security Deposits	78.96	82.50
Total other non-current financial liabilities	78.96	91.98
22		
PROVISIONS - NON-CURRENT		
Employee benefit obligations		
Leave Encashment - Unfunded		
Present value of obligation	244.14	243.95
Total provisions - non-current	244.14	243.95
23		
OTHER NON-CURRENT LIABILITIES		
Advance Rent	11.17	14.93
Total other non-current liabilities	11.17	14.93
24		
DEFERRED TAX LIABILITIES - NET		
Deferred Tax Liabilities on account of :		
Depreciation	1,657.34	2,195.13
Restatement of liability at fair value	0.41	0.32
Total deferred tax liabilities (A)	1,657.75	2,195.45
Deferred Tax Assets on account of :		
Statutory expenses claimable on payment	75.93	95.10
Provision for debts, advances and investments	271.05	414.10
Fair Valuation of Security Deposit - Assets	32.99	38.76
Loyalty and Membership fee -IndAS effect	0.01	25.01
Lease rent equalisation*	-	3.59
Other temporary differences	41.33	19.72
Total deferred tax assets (B)	421.31	596.28
Deferred Tax Liabilities (Net - A-B)	1,236.44	1,599.17

* Deferred tax assets decreased by INR 3.59 million on account of transition to Ind AS 116 w.e.f. 01.04.2019

Notes to Accounts — Contd.

Movement in deferred tax liabilities				Rupees Million
	Depreciation	Fair Valuation of Equity Investment	Restatement of liability at fair value	Total
As at April 2018	2,031.85	2.77	0.19	2,034.81
Charged/(Credited):				
- to profit and loss	163.28	(2.77)	0.13	160.64
- to other comprehensive income	-	-	-	-
As at March 31, 2019	2,195.13	-	0.32	2,195.45
Charged/(Credited):				
- to profit and loss	(537.79)	-	0.09	(537.70)
- to other comprehensive income	-	-	-	-
As at March 31, 2020	1,657.34	-	0.41	1,657.75

Movement in deferred tax assets							Rupees Million
	Statutory Expenses claimable on payment	Provision for Debts, Advances and Investments	Fair Valuation of Security Deposit-Assets	Adjustments on account of IndAS 115	Lease Rent Equalisation	Others temporary differences	Total
As at April 2018	88.11	129.56	31.33	-	3.83	20.50	273.33
IndAS P&L adjustment done through opening reserves	-	-	-	60.23	-	-	60.23
(Charged)/Credited:							
- to profit and loss	11.54	284.54	7.43	(35.22)	(0.24)	(0.78)	267.27
- to other comprehensive income	(4.55)	-	-	-	-	-	(4.55)
As at March 31, 2019	95.10	414.10	38.76	25.01	3.59	19.72	596.28
IndAS P&L adjustment done through opening reserves	-	-	-	-	(3.59)	-	(3.59)
(Charged)/Credited:							
- to profit and loss	(21.87)	(143.05)	(5.77)	(25.00)		21.61	(174.08)
- to other comprehensive income	2.70	-	-	-	-	-	2.70
As at March 31, 2020	75.93	271.05	32.99	0.01	-	41.33	421.31

Notes to Accounts — Contd.

	As at March 31, 2020	Rupees Million As at March 31, 2019
25		
CURRENT BORROWINGS		
SECURED – at amortised cost		
Short Term Loan From Banks		
The Hongkong & Shanghai Banking Corporation limited (HSBC)	180.00	-
ICICI bank limited (ICICI)	240.00	-
HDFC bank limited	300.00	-
Cash Credit From Banks		
United bank of India (UBI)	186.29	67.44
The Hongkong & Shanghai Banking Corporation limited (HSBC)	47.76	219.17
ICICI bank limited (ICICI)	95.00	10.89
HDFC bank limited	66.23	199.14
UNSECURED – at amortised cost		
Short Term Loan From Banks		
ICICI bank limited (ICICI)	-	750.00
Federal bank limited	750.00	1,000.00
	1,865.28	2,246.64

PARTICULARS OF SHORT TERM BORROWINGS :

i) Security :

Short Term Loan and Cash Credit facilities from banks are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the company, both present and future, ranking pari passu.

Cash Credit with United Bank of India is additionally secured by way of second charge in respect of the Company's hotel in Kolkata known as The Oberoi Grand.

ii) Terms of repayment and Interest rate :

Short term loan from HSBC for INR 180 Million is repayable on June 26, 2020 and carries Interest @ 8.20%.

Short term loan from ICICI for INR 240 Million is repayable on September 04, 2020 and carries Interest @ 8.55%.

Short term loan from HDFC for INR 300 Million is repayable on May 31, 2020 and carries Interest @ 8.05%.

Cash Credit from UBI is repayable on demand and carries Interest at MCLR-Y + 0.55%

Cash Credit from HSBC is repayable on demand and carries Interest at overnight MCLR

Cash Credit from ICICI is repayable on demand and carries Interest at 6 months MCLR + 0.30%

Cash Credit from HDFC is repayable on demand and carries Interest at 1 year MCLR +0.15%

Short term loan from Federal bank limited INR 500 Million is repayable on September 18, 2020 and carries Interest @ 8.40%.

Short term loan from Federal bank limited INR 250 Million is repayable on March 20, 2021 and carries Interest @ 8.70%.

Notes to Accounts — Contd.

	As at March 31, 2020	Rupees Million As at March 31, 2019
26		
TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES		
(i) Principal amount remaining unpaid at the end of the year *	11.87	0.77
(ii) Interest due thereon remaining unpaid at the end of the year	-	-
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year	0.04	0.02
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.04	-
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	-	-
(vii) Interest remaining disallowable as deductible expenditure under the Income Tax Act, 1961	-	-
Total [(i)+(v)]	11.91	0.77

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are based on information made available to the Company.

27		
TRADE PAYABLES TO OTHER THAN MICRO AND SMALL ENTERPRISES		
Trade Payables	1,622.30	1,892.17
Trade Payables to related parties	70.20	65.12
Trade payables to other than micro and small enterprises	1,692.50	1,957.29

28		
OTHER CURRENT FINANCIAL LIABILITIES		
Current Maturities of Long Term Debt (refer note 20)	453.57	428.57
Current Maturities of Finance Lease Obligations (refer note 20)	-	24.64
Interest accrued but not due on borrowings	8.66	7.99
Unclaimed Dividend	26.62	29.34
Security Deposits	68.10	30.69
Other Payables		
Liability for capital assets	89.74	133.45
Lease rent equalisation	-	0.81
Payable to related parties	5.05	-
Other liabilities	8.40	-
Total other current financial liabilities	660.14	655.49

Notes to Accounts — *Contd.*

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
29		
PROVISIONS - CURRENT		
Employee benefit obligations		
Leave Encashment - Unfunded		
Present value of obligation	60.18	33.13
Gratuity - Funded		
Present value of obligation	708.01	680.25
Less: Fair value of plan assets	576.99	551.81
Net Liability	131.02	128.44
Total provisions - current	191.20	161.57
30		
OTHER CURRENT LIABILITIES		
Advance from Customers (refer Note 52)	327.16	463.28
Statutory and other dues	442.17	249.29
Advance Rent	23.33	14.56
Deferred Revenue	149.08	171.10
Total other current liabilities	941.74	898.23

Notes to Accounts — Contd.

	Rupees Million	
	Year ended March 31, 2020	Year ended March 31, 2019
31		
REVENUE FROM OPERATIONS		
Rooms	6,022.62	6,287.05
Food and Beverage	5,278.44	6,504.93
Other Services	1,754.96	2,178.10
Sale of Printed Materials	446.98	462.30
Total revenue from operations	13,503.00	15,432.38
32		
OTHER INCOME		
Interest Income:		
Interest income from financial assets at amortised cost	44.12	29.59
Interest income on Income Tax refund	79.63	61.96
Dividend Income:		
Dividend income from Subsidiary Companies	163.93	235.08
Dividend income from equity investment measured at fair value through profit or loss	0.06	0.05
Dividend income from Associates and Joint venture Companies	63.81	56.52
Income on account of Services Exports Incentive	162.67	231.01
Others :		
Rental Income from Investment Property	170.56	88.01
Net foreign exchange gain	15.29	4.79
Provisions/ liabilities written back	29.22	14.10
Profit on sale of Property, Plant and Equipments (Net)	-	0.58
Miscellaneous Income	110.79	118.55
Total other income	840.08	840.24
33		
CONSUMPTION OF PROVISIONS, WINES, & OTHERS		
Opening Stock	260.02	193.85
Add: Purchases	1,684.84	2,187.10
	1,944.86	2,380.95
Less : Closing Stock	256.57	260.02
Total consumption of provisions, wines, & others	1,688.29	2,120.93
34		
EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	3,520.48	3,620.64
Contribution to Provident Fund and Other Funds (refer note 42)	220.36	200.54
Staff Welfare Expenses	368.03	394.66
Total employee benefit expenses	4,108.87	4,215.84

Notes to Accounts — Contd.

	Rupees Million	
	Year ended March 31, 2020	Year ended March 31, 2019
35		
FINANCE COSTS		
Interest Expense	398.44	444.33
Interest on obligations under finance leases	-	19.27
Interest on lease liabilities	107.35	-
	505.79	463.60
Less : Amount Capitalised to qualifying assets	(10.64)	-
Total finance costs	495.15	463.60
36		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property, plant and equipment	1,120.25	1,167.62
Depreciation of Right of use asset	155.45	-
Amortisation of intangible assets	40.21	38.67
Depreciation of investment property	26.12	23.79
Total depreciation and amortisation expense	1,342.03	1,230.08
37		
OTHER EXPENSES		
Power & Fuel	993.10	1,076.79
Rent	378.42	442.59
Repairs :		
Buildings	251.15	213.65
Plant & Machinery	415.64	405.71
Others	45.26	46.11
Insurance	51.05	40.02
Rates & Taxes	358.90	356.47
Expenses on Apartment & Board	172.11	226.47
Royalty	122.68	139.31
Advertisement, Publicity & Other Promotional Expenses	343.44	326.71
Commission to Travel Agents & others	381.48	377.55
Passage & Travelling	307.81	322.45
Postage, Telephone, etc.	74.31	80.67
Professional Charges	236.29	319.43
Linen, Uniform Washing & Laundry Expenses	45.41	51.00
Renewals & Replacement	136.25	133.19
Musical, Banquet & Kitchen Expenses	98.35	94.50
Auditors' Remuneration (refer note 37(a))	22.23	21.93
Directors' Fees and Commission	79.51	97.62
Loss on Sale/Discard of Property, Plant and Equipments (Net)	16.51	-
Bad debts & advances written off	127.99	41.23
Less : Charged off against provisions	(127.39)	(34.75)
	0.60	6.48
Provision for debts & advances with significant increase in credit risk	19.65	8.78
CSR Expenses (refer note 37(b))	27.47	31.32
Expenses on Contracts for Services	538.89	552.11
Fair value changes on equity investments measured at fair value through profit or loss	2.13	0.83
Airport Levy Expenses	121.37	272.41
Miscellaneous Expenses	211.70	230.37
Total other expenses	5,451.71	5,874.47

Notes to Accounts — Contd.

	Rupees Million	
	Year ended March 31, 2020	Year ended March 31, 2019
37		
OTHER EXPENSES – Contd.		
(a) Details of Auditors' remuneration		
As auditor:		
Audit fee	14.00	14.50
Tax audit fee	1.10	1.40
Reimbursement of expenses	1.13	1.13
In Other Capacity:		
For Limited Review of Unaudited Financial Results	5.40	4.20
For verification of statement and other reports	0.60	0.70
Total payments to auditors	22.23	21.93
(b) Details of CSR Expenditure		
SOS Children's Villages of India	23.97	24.78
Helpage India	3.50	3.50
Expenses for Swachh Bharat Abhiyan	-	3.04
Total expenditure CSR	27.47	31.32
Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	26.27	27.38

38 **EXCEPTIONAL ITEMS**

Profit on sale of Investment in an Associate	-	116.83
Provision for Doubtful Debts	(4.67)	(847.49)
Provision for impairment in value of investments in a Subsidiary	(161.40)	-
Total exceptional items	(166.07)	(730.66)

Exceptional Items include (a) C.Y. Nil (P.Y. Profit of INR 116.83 million on sale of investment in Mercury Travels Limited); (b) a one-off provision of INR 4.67 million (P.Y. INR 847.49 million) against receivable from a single customer in the flight catering business, due to uncertainty over business continuity of the referred customer and (c) provision for impairment in value of investment in EIH Flight Services Limited, Mauritius INR 161.40 million (P.Y. - Nil) (Refer Note 53).

Notes to Accounts — Contd.

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
39		
TAX EXPENSE		
(a) Current tax		
Tax on profits for the year	198.44	600.86
Adjustments for prior periods	11.47	9.43
Total current tax	209.91	610.29
(b) Deferred tax		
Decrease/(increase) in deferred tax assets	171.38	(262.72)
(Decrease)/increase in deferred tax liabilities	(537.70)	160.64
	(366.32)	(102.08)
Add/(Less) : Recognised in other comprehensive income	2.70	(4.55)
Total deferred tax expense/(benefit)	(363.62)	(106.63)
Total tax expense	(153.71)	503.66
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit before income tax expense	1,090.96	1,637.04
Tax at the rate of 25.168% (2019 - 34.944%)	274.57	572.05
Tax effect of amounts which are not deductible in calculating taxable income:		
Corporate social responsibility expenditure	6.91	10.94
Provision for impairment in value of investments	40.62	-
Interest on MSME	-	0.01
Expenses related to exempted income	1.01	1.40
Donations	-	0.09
Others	0.09	-
	48.63	12.44
Adjustments related to property, plant and equipments:		
Adjustment on account of depreciable & leased assets	4.61	20.91
	4.61	20.91
Tax effect of amounts which are not taxable in calculating taxable income:		
Profit on sale of property, plant and equipment	-	(34.38)
Dividend	(39.46)	(52.24)
	(39.46)	(86.62)
Other differences		
Impact of decrease in tax rate on deferred tax	(448.37)	-
Impact of difference in tax rate on foreign dividend	(5.69)	(24.83)
Impact of difference in tax rate and method on gains arising on fair value of Investments	0.53	0.28
	(453.53)	(24.55)
Income tax expense related to prior periods	11.47	9.43
Income tax expense as per Income Tax	(153.71)	503.66

Notes :

- On September 20, 2019, vide Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provided domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 1, 2019 subject to certain conditions. The Company elected to exercise the option and provision for income tax for the year ended March 31, 2020 and measurement of deferred tax liabilities has accordingly been done considering the reduced rate prescribed in the said section.
- Effective April 1, 2019, the Company has adopted Appendix C to Ind AS 12 – Income taxes retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effect on account of initial application of this amendment is Nil. The effect of adoption of this amendment in the current year is also Nil.

Notes to Accounts — Contd.

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FAIR VALUE MEASUREMENTS

Financial instruments by category

	As at March 31, 2020		As at March 31, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
– Equity instruments - Other than Investments in subsidiaries, associates and joint ventures	1.40	-	3.58	-
– Government securities	-	0.29	-	0.27
Advances towards equity shares	-	1,361.93	-	1,361.93
Trade receivables	-	1,906.58	-	2,249.20
Cash and cash equivalents	-	51.96	-	58.28
Other bank balance	-	33.18	-	32.75
Other receivables	-	27.95	-	19.81
Security deposits	-	469.42	-	423.53
Total financial assets	1.40	3,851.31	3.58	4,145.77
Financial liabilities				
Borrowings	-	4,150.99	-	4,710.92
Security deposits	-	147.06	-	113.19
Lease liabilities	-	1,180.25	-	87.56
Lease rent equalisation	-	-	-	10.29
Trade payables	-	1,704.41	-	1,958.06
Liability for capital assets	-	89.74	-	133.45
Others	-	48.73	-	37.33
Total financial liabilities	-	7,321.18	-	7,050.80

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at March 31, 2020		As at March 31, 2019	
	Level 1	Level 3	Level 1	Level 3
Financial Investments at FVPL				
Investment in equity shares (Note 8)				
Tourism Finance Corporation of India Limited	0.85	-	2.98	-
Green Infra Wind Generation Limited	-	0.13	-	0.18
ReNew Wind Energy (Karnataka) Pvt. Ltd.	-	0.42	-	0.42
Total financial assets	0.85	0.55	2.98	0.60

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

Notes to Accounts — Contd.

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FAIR VALUE MEASUREMENTS – Contd.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

(iv) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Investment in Green Infra Wind Generation Limited and ReNew Wind Energy (Karnataka) Pvt. Ltd. are made pursuant to the contract for procuring electricity supply at the hotels units. Investment in said companies is not usually traded in market. Considering the terms of the electricity supply contract and best information available in the market, cost of investment is considered as fair value of the investments.
- For the investment in Golden Jubilee Hotels Private Limited (GJHPL), the management was of the view that carrying value of the investment is representative of its fair value as on April 1, 2015. As on April 1, 2015, no indicators of impairment was existing. However, during the financial year 2015-16, due to the non-payment of bank borrowings and other obligation, petition for the winding up has been filed by the creditors and lenders of the GJHPL. Considering the financial position of the GJHPL and legal proceedings initiated by lenders, the management has fully provided for the investment in GJHPL as on March 31, 2016.

(v) Reconciliation of financial assets measured at fair value using significant unobservable inputs (level 3)

	Rupees Million Unquoted Equity Investments
As at April 1, 2018	0.60
Acquisition/Disposal	-
As at March 31, 2019	0.60
Acquisition/Disposal	(0.05)
As at March 31, 2020	0.55

Notes to Accounts — Contd.

41 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. Company's Treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Market risk

(i) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognized assets or liabilities denominated in a currency that is not the Company's functional currency (INR).

The exposure of the Company to foreign currency risk is not significant. However, this is closely monitored by the Management to decide on the requirement of hedging. The position of foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

Currency	Rupees Million	
	Receivables	Payables
March 31, 2020		
EURO	0.27	2.04
US Dollar (USD)	72.54	29.05
Swedish Kroner (SEK)	-	0.22
Singapore Dollar (SGD)	-	0.21
Australian Dollar (AUD)	6.58	-
Hong Kong Dollar (HKD)	-	0.62
UAE Dirham (AED)	1.84	0.19
Great Britain Pound (GBP)	1.75	11.81
Net exposure to foreign currency risk	82.98	44.14
March 31, 2019		
EURO	1.51	2.09
US Dollar (USD)	45.56	10.29
Australian Dollar (AUD)	24.21	-
Hong Kong Dollar (HKD)	-	-
UAE Dirham (AED)	1.38	-
Great Britain Pound (GBP)	1.41	4.94
Net exposure to foreign currency risk	74.07	17.32

Notes to Accounts — Contd.

41 FINANCIAL RISK MANAGEMENT – Contd.

Sensitivity

If INR is depreciated or appreciated by 5% vis-a-vis foreign currency, the impact thereof on the profit and loss of the Company are given below:

	Impact on profit *	
	March 31, 2020	March 31, 2019
EURO sensitivity		
INR/EURO Increases by 5% (March 31, 2019 - 5%)	(0.09)	(0.03)
INR/EURO Decreases by 5% (March 31, 2019 - 5%)	0.09	0.03
USD sensitivity		
INR/USD Increases by 5% (March 31, 2019 - 5%)	2.17	1.76
INR/USD Decreases by 5% (March 31, 2019 - 5%)	(2.17)	(1.76)
SEK sensitivity		
INR/SEK Increases by 5% (March 31, 2019 - 5%)	(0.01)	-
INR/SEK Decreases by 5% (March 31, 2019 - 5%)	0.01	-
SGD sensitivity		
INR/SGD Increases by 5% (March 31, 2019 - 5%)	(0.01)	-
INR/SGD Decreases by 5% (March 31, 2019 - 5%)	0.01	-
AUD sensitivity		
INR/AUD Increases by 5% (March 31, 2019 - 5%)	0.33	1.21
INR/AUD Decreases by 5% (March 31, 2019 - 5%)	(0.33)	(1.21)
HKD		
INR/HKD Increases by 5% (March 31, 2019 - 5%)	(0.03)	-
INR/HKD Decreases by 5% (March 31, 2019 - 5%)	0.03	-
AED sensitivity		
INR/AED Increases by 5% (March 31, 2019 - 5%)	0.08	0.07
INR/AED Decreases by 5% (March 31, 2019 - 5%)	(0.08)	(0.07)
GBP sensitivity		
INR/GBP Increases by 5% (March 31, 2019 - 5%)	(0.50)	(0.18)
INR/GBP Decreases by 5% (March 31, 2019 - 5%)	0.50	0.18

* Holding all other variables constant

(ii) Interest rate risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period depends on the mix of fixed rate and floating rate of the borrowings and the expected movement of market interest rate. The status of borrowings in terms of fixed rate and floating rate are as follows:

	Rupees Million	
	March 31, 2020	March 31, 2019
Variable rate borrowings	2,680.99	3,960.92
Fixed rate borrowings	1,470.00	750.00
Total borrowings	4,150.99	4,710.92

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

	Weighted average interest rate	Balance	% of total loans
31-Mar-20			
Bank loans, Cash Credit	8.75%	2,680.99	65%
31-Mar-19			
Bank loans, Cash Credit	8.67%	3,960.92	84%

Notes to Accounts — Contd.

41 FINANCIAL RISK MANAGEMENT – Contd.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Rupees Million	
	Impact on profit	
	March 31, 2020	March 31, 2019
Interest rates – increase by 50 basis points (50 bps)	(13.40)	(19.80)
Interest rates – decrease by 50 basis points (50 bps)	13.40	19.80

(iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the Company in equity securities and classified in the balance sheet as at fair value through profit or loss (note 8). However, company does not have a practice of investing in market equity securities with a view to earn fair value changes gain. As per the company policies, whenever any investment is made by the company in equity securities, the same is made either with some strategic objective or as a part of contractual arrangement.

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the company.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the company does not allow any credit period and therefore, is not exposed to any credit risk.

The company does not have any derivative transaction and therefore is not exposed to any credit risk on account of derivatives.

Reconciliation of loss allowance provision – Trade receivables

	Rupees Million
Loss allowance on April 1, 2018	184.34
Changes in loss allowance	814.82
Loss allowance on March 31, 2019	999.16
Changes in loss allowance	(105.17)
Loss allowance on March 31, 2020	893.99

(C) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows:

	March 31, 2020	March 31, 2019
Floating rate		
Expiring within one year (cash credit facilities)		
HSBC Cash Credit/WCTL Facility	72.24	80.83
UBI Cash Credit Facility	613.71	732.56
ICICI Cash Credit Facility	65.00	389.11
ICICI Short Term Facility	1,000.00	-
Federal Bank Short Term Facility	750.00	1,000.00
HDFC Cash Credit Facility	133.77	300.86
	2,634.72	2,503.36

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

Notes to Accounts — Contd.

41 FINANCIAL RISK MANAGEMENT – Contd.

(ii) Maturities of financial liabilities

The table below analyses the company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

	Rupees Million			
	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2020				
Borrowings	2,542.60	2,139.61	26.68	4,708.89
Lease liabilities	127.56	444.79	1,734.49	2,306.84
Trade payables	1,704.41	-	-	1,704.41
Security Deposits	69.18	98.92	0.47	168.57
Other financial liabilities	125.02	-	-	125.02
Total non-derivative liabilities	4,568.77	2,683.32	1,761.64	9,013.73
March 31, 2019				
Borrowings	2,897.32	2,498.83	-	5,396.15
Obligations under lease	37.20	57.64	119.54	214.38
Trade payables	1,958.06	-	-	1,958.06
Security Deposits	35.35	98.76	2.81	136.92
Other financial liabilities	170.78	-	-	170.78
Lease Rent Equalisation	0.85	1.42	8.02	10.29
Total non-derivative liabilities	5,099.56	2,656.65	130.37	7,886.58

(D) Capital management

Risk management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The company's strategy is to maintain a gearing ratio within 30%. The gearing ratios were as follows:

	Rupees Million	
	March 31, 2020	March 31, 2019
Net debt *	4,099.03	4,652.64
Total equity	29,192.31	28,550.90
Net debt to equity ratio	14%	16%

* Net debt represents borrowings less cash and cash equivalents computed as follows:

Term loan from bank	2,285.71	2,464.28
Cash credit from banks	395.28	496.64
Short term loan from banks	1,470.00	1,750.00
Less: Cash and cash equivalents	(51.96)	(58.28)
Net debt	4,099.03	4,652.64

Notes to Accounts — Contd.

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(i) **Defined benefit plans**

a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The Company operates a gratuity plan through the "EIH Employees' Gratuity Fund". Gratuity plan is a funded plan and the Company through Gratuity Trust makes contributions of funds to Life Insurance Corporation of India..

b) Leave Encashment

As per the policy of the company, obligations on account of encashment of accumulated leave of an employee is settled only on separation of the employee. Such liability is recognised on the basis of actuarial valuation following Projected Unit Credit Method. It is an unfunded plan.

(ii) **Defined contribution plans**

The company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(iii) **Movement of defined benefit obligation and fair value of plan assets :**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Rupees Million			
	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2018	648.43	474.03	174.40	274.45
Current service cost	40.35	-	40.35	48.23
Interest expense/(income)	46.18	37.54	8.64	18.90
Total amount recognised in profit or loss	86.53	37.54	48.99	67.13
Remeasurements				
Loss due to experience	18.55	-	18.55	(17.27)
Loss due to change in financial assumptions	8.35	-	8.35	4.24
Return on plan assets (greater)/less than discount rate	-	0.25	(0.25)	-
Total amount recognised in other comprehensive income	26.90	0.25	26.65	(13.03)
Employer contributions	-	121.60	(121.60)	-
Benefit payments	(81.62)	(81.62)	-	(51.47)
March 31, 2019	680.24	551.80	128.44	277.08
April 1, 2019	680.24	551.80	128.44	277.08
Current service cost	41.68	-	41.68	50.52
Interest expense/(income)	47.32	40.28	7.04	18.56
Total amount recognised in profit or loss	89.00	40.28	48.72	69.08
Remeasurements				
Loss due to experience	4.67	-	4.67	(8.36)
Loss due to change in demographic assumptions	14.28	-	14.28	16.38
Loss due to change in financial assumptions	1.46	-	1.46	2.69
Total amount recognised in other comprehensive income	20.41	-	20.41	10.71
Employer contributions	-	66.55	(66.55)	-
Benefit payments	(81.64)	(81.64)	-	(52.55)
March 31, 2020	708.01	576.99	131.02	304.32

Notes to Accounts — Contd.

(iv) **Post-Employment benefits**

The significant actuarial assumptions were as follows:

	March 31, 2020	March 31, 2019
Discount rate	6.50%	7.40%
Salary growth rate	Year 2021 - 0%, thereafter 5%	5.00%
Mortality	Indian assured lives mortality (2006-08) (modified) Ultimate	Indian assured lives mortality (2006-08) (modified) Ultimate
Withdrawal Rate	Age less than 30 years: Management - 20% Non Management - 30% Age Greater than 30 years - 5%	2.00%

(v) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Gratuity						
Discount rate	1%	1%	(33.96)	(39.72)	37.83	45.08
Salary growth rate	1%	1%	31.86	45.74	(29.15)	(40.96)
Leave Encashment						
Discount rate	1%	1%	(16.56)	(19.98)	18.75	23.27
Salary growth rate	1%	1%	16.22	23.61	(14.60)	(20.59)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

Sensitivities due to Demographic and Investment are not material and hence the impact of change due to these is not disclosed

(vi) **The major categories of plan assets are as follows:**

	March 31, 2020		March 31, 2019	
	Unquoted	in %	Unquoted	in %
Investment funds with LIC of India *	576.99	100%	551.80	100%
Total	576.99	100%	551.80	100%

* Gratuity trust pays contribution to LIC which in turn invests the amount in various instruments. As it is done by LIC in totality basis along with contributions from other participants, the Company wise investment in planned assets - category / class wise is not available.

(vii) **Risk exposure**

The defined benefit obligations have the under mentioned risk exposures :

Interest rate risk : The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Investment risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. LIC of India primarily invests in debt instruments such as Government securities and highly rated corporate bonds wherein the risk of downward fluctuation in value is minimal.

Notes to Accounts — Contd.

(viii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan during the year ending March 31, 2021 is INR 131.01 million (March 31, 2020-INR 128.44 million).

The weighted average duration of the defined benefit obligation is 7 years (2019 - 7 years) in case of Gratuity and 8 years (2019- 8 years) in case of Leave encashment.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

	Rupees Million						
	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years	Total
March 31, 2020							
Defined benefit obligation							
Gratuity	114.37	91.16	114.61	85.58	89.20	403.66	898.58
Leave encashment	62.10	47.29	53.23	44.23	43.54	200.01	450.40
Total	176.47	138.45	167.84	129.81	132.74	603.67	1,348.98
March 31, 2019							
Gratuity	69.48	87.80	75.32	104.24	73.44	415.22	825.50
Leave encashment	34.34	30.63	30.96	43.69	33.04	195.18	367.84
Total	103.82	118.43	106.28	147.93	106.48	610.40	1,193.34

Notes to Accounts — Contd.

RELATED PARTY TRANSACTIONS

43 (a) List of Related Parties

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below

Key Management Personnel of the company and close member of Key Management Personnel of the company	Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the current and previous year
Mr. P.R.S. Oberoi	Oberoi Hotels Private Limited
Mr. S.S. Mukherji	Oberoi Holdings Private Limited
Mr. Vikram Oberoi	Oberoi Investments Private Limited
Mr. Arjun Oberoi	Oberoi Buildings and Investments Private Limited
Ms. Nita M. Ambani	Oberoi Plaza Private Limited
Ms. Chhavi Rajawat	Bombay Plaza Private Limited
Mr. Manoj Harjivandas Modi	Oberoi International LLP
Mr. Rajeev Gupta	Oberoi Lutyens Private Limited
Mr. S.K. Dasgupta (ceased to be a Director from 29th March, 2019)	Silhouette Beauty Parlour (Upto March 31, 2019)
Mr. Anil K. Nehru	Ceres Hospitality Private Limited
Mr. Sudipto Sarkar	
Mr. L. Ganesh	Enterprises which are post employment benefit plan for the benefit of employees
Mr. Sanjay Gopal Bhatnagar (effective August 27, 2019)	
Mr. Biswajit Mitra (Chief Financial Officer upto Sep 30, 2018)	EIH Employees' Gratuity Fund
Mr. Kallol Kundu (Chief Financial Officer effective Oct 1, 2018)	EIH Executive Superannuation Scheme
Mr. S.N. Sridhar	
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)	
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji)	
Subsidiaries	Associates & Joint Ventures
Mumtaz Hotels Limited	(a) Associates
Mashobra Resort Limited	EIH Associated Hotels Limited
Oberoi Kerala Hotels and Resorts Limited	Mercury Travels Limited (Upto Aug 7, 2018)
EIH International Ltd	La Roseraie De L'atlas
EIH Flight Services Limited	Usmart Education Limited (w.e.f. July 31, 2018)
EIH Holdings Ltd	(b) Joint Ventures
EIH Investments N.V.	Mercury Car Rentals Private Limited
EIH Management Services B.V. (Liquidated during 2019-20)	Oberoi Mauritius Ltd
PT Widja Putra Karya	(c) Subsidiary of Associate
PT Waka Oberoi Indonesia	Usmart Education Limited (Upto July 30, 2018)
PT Astina Graha Ubud	(d) Subsidiary of Joint Venture
	Island Resort Ltd

Notes to Accounts — Contd.

43 (b) Transactions with Related Parties for the year ended 31st March, 2020

NATURE OF TRANSACTIONS	Rupees Million									
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
PURCHASES										
Purchase of Goods & Services										
Mercury Car Rentals Private Limited	-	-	115.91	113.88	-	-	-	-	-	-
Mercury Travels Limited	-	-	-	15.05	-	-	-	-	-	-
Mashobra Resort Limited	0.36	1.62	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	1.77	0.92	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	13.28	11.59	-	-	-	-	-	-
Island Resort Ltd	-	-	1.29	3.09	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	-	0.11	0.29	-	-	-	-
Oberoi International LLP	-	-	-	-	3.21	1.50	-	-	-	-
PT Waka Oberoi Indonesia	0.99	-	-	-	-	-	-	-	-	-
PT Widja Putra Karya	1.81	-	-	-	-	-	-	-	-	-
Total	4.93	2.54	130.48	143.61	3.32	1.79	-	-	-	-
Purchase of Fixed Assets										
Mumtaz Hotels Limited	0.01	-	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	0.01	-	-	-	-	-	-
Total	0.01	-	-	0.01	-	-	-	-	-	-
EXPENSES										
Rent										
Oberoi Kerala Hotels & Resorts Limited	0.87	0.81	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	1.41	1.36	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	-	0.36	0.36	-	-	-	-
Ms. Natasha Oberoi, D/o Mr. P.R.S. Oberoi	-	-	-	-	-	-	0.41	0.41	-	-
Total	0.87	0.81	1.41	1.36	0.36	0.36	0.41	0.41	-	-
Royalty										
Oberoi Hotels Pvt Ltd	-	-	-	-	144.76	160.90	-	-	-	-
Total	-	-	-	-	144.76	160.90	-	-	-	-
Short-term employee benefits										
Mr. P.R.S. Oberoi	-	-	-	-	-	-	28.25	33.02	-	-
Mr. S.S. Mukherji	-	-	-	-	-	-	29.40	32.94	-	-
Mr. V.S. Oberoi	-	-	-	-	-	-	32.04	33.77	-	-
Mr. A.S. Oberoi	-	-	-	-	-	-	28.96	31.29	-	-
Mr. Biswajit Mitra	-	-	-	-	-	-	-	15.75	-	-
Mr. Kallol Kundu	-	-	-	-	-	-	13.89	10.57	-	-
Mr. S N Sridhar	-	-	-	-	-	-	8.25	6.88	-	-
Ms. Priyanka Mukherjee, D/o Mr. S.S. Mukherji	-	-	-	-	-	-	-	2.27	-	-
Total	-	-	-	-	-	-	140.79	166.49	-	-
Post-employment benefits										
Mr. V.S. Oberoi	-	-	-	-	-	-	1.45	2.07	-	-
Mr. A.S. Oberoi	-	-	-	-	-	-	1.76	2.03	-	-
Mr. Kallol Kundu	-	-	-	-	-	-	1.03	0.40	-	-
Ms. Priyanka Mukherjee, D/o Mr. S.S. Mukherji	-	-	-	-	-	-	-	0.13	-	-
Total	-	-	-	-	-	-	4.24	4.63	-	-
Directors' sitting fees										
Mrs. Nita M. Ambani	-	-	-	-	-	-	0.20	0.30	-	-
Mr. Manoj Harjivandas Modi	-	-	-	-	-	-	0.20	0.25	-	-
Mr. Rajeev Gupta	-	-	-	-	-	-	0.15	0.90	-	-
Mr. S.K. Dasgupta	-	-	-	-	-	-	-	1.35	-	-
Mr. Anil K. Nehru	-	-	-	-	-	-	1.20	0.90	-	-
Mr. Sudipto Sarkar	-	-	-	-	-	-	0.45	0.40	-	-
Mr. L. Ganesh	-	-	-	-	-	-	0.60	0.75	-	-
Ms. Chhavi Rajawat	-	-	-	-	-	-	0.10	0.25	-	-
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	-	-	0.10	-	-	-
Total	-	-	-	-	-	-	3.00	5.10	-	-
Total Key management personnel compensation	-	-	-	-	-	-	148.03	176.22	-	-

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	Rupees Million									
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
SALES										
Sale of Goods and Services										
Mercury Car Rentals Private Limited	-	-	18.68	16.03	-	-	-	-	-	-
Mercury Travels limited	-	-	-	4.17	-	-	-	-	-	-
Mashobra Resort Limited	37.92	37.94	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	105.06	83.33	-	-	-	-	-	-	-	-
PT Waka Oberoi Indonesia	0.52	0.11	-	-	-	-	-	-	-	-
PT Widja Putra Karya	1.18	0.38	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	334.09	347.55	-	-	-	-	-	-
Island Resort Ltd	-	-	1.75	14.75	-	-	-	-	-	-
La Roseraie De L'atlas	-	-	7.70	-	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	-	14.05	12.18	-	-	-	-
Oberoi Lutyens Private Limited	-	-	-	-	-	0.01	-	-	-	-
Silhouette Beauty Salon	-	-	-	-	-	-	-	0.82	-	-
Ceres Hospitality Private Limited	-	-	-	-	-	-	-	0.10	-	-
Oberoi International LLP	-	-	-	-	-	0.02	-	-	-	-
Total	144.68	121.76	362.22	382.50	14.05	12.21	-	0.92	-	-
Sale of Fixed Assets										
ElH Associated Hotels Limited	-	-	0.99	3.30	-	-	-	-	-	-
Total	-	-	0.99	3.30	-	-	-	-	-	-
INCOME										
License Agreement										
Mercury Car Rentals Private Limited	-	-	1.07	1.26	-	-	-	-	-	-
Mercury Travels Limited	-	-	-	1.79	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	0.49	0.49	-	-	-	-	-	-
Oberoi Holdings Pvt Ltd	-	-	-	-	1.42	1.43	-	-	-	-
Oberoi Investments Pvt Ltd	-	-	-	-	0.61	0.73	-	-	-	-
Oberoi Bldgs & Investments Pvt Ltd	-	-	-	-	1.71	1.80	-	-	-	-
Oberoi Plaza Pvt Ltd	-	-	-	-	3.05	3.26	-	-	-	-
Bombay Plaza Pvt Ltd	-	-	-	-	1.98	2.33	-	-	-	-
Silhouette Beauty Salon	-	-	-	-	-	-	-	10.15	-	-
Total	-	-	1.56	3.54	8.77	9.55	-	10.15	-	-
Management Contract										
Mumtaz Hotels Limited	92.15	99.42	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	165.52	185.37	-	-	-	-	-	-
La Roseraie De L'atlas	-	-	2.41	-	-	-	-	-	-	-
Total	92.15	99.42	167.93	185.37	-	-	-	-	-	-
Dividend Received										
Mercury Car Rentals Private Limited	-	-	13.34	6.06	-	-	-	-	-	-
Mumtaz Hotels Limited	92.93	92.93	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	50.47	50.47	-	-	-	-	-	-
ElH International Ltd	71.00	142.15	-	-	-	-	-	-	-	-
Total	163.93	235.08	63.81	56.53	-	-	-	-	-	-
PAYMENTS										
Investment in Equity Shares										
ElH International Ltd	-	681.10	-	-	-	-	-	-	-	-
Mercury Car Rentals Private Limited	-	-	-	40.00	-	-	-	-	-	-
Usmart Education Limited *	-	-	-	-	-	-	-	-	-	-
Total	-	681.10	-	40.00	-	-	-	-	-	-

* Investment in Usmart Education Limited is INR Nil (2019 - INR 251)

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	Rupees Million									
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Refund of Collections to Related Party										
Mercury Travels Limited	-	-	-	0.07	-	-	-	-	-	-
Mashobra Resort Limited	-	0.30	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	0.62	2.35	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	16.18	4.89	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	-	-	0.30	-	-	-	-
Total	0.62	2.65	16.18	4.96	-	0.30	-	-	-	-
Expenses reimbursed to Related Party										
Mercury Travels Limited	-	-	-	1.71	-	-	-	-	-	-
Mashobra Resort Limited	0.84	1.81	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	4.92	0.23	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	10.32	7.03	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	-	0.97	0.17	-	-	-	-
Total	5.76	2.04	10.32	8.74	0.97	0.17	-	-	-	-
Security Deposit										
Oberoi Kerala Hotels & Resorts Limited	0.07	0.15	-	-	-	-	-	-	-	-
Total	0.07	0.15	-	-	-	-	-	-	-	-
RECEIPTS										
Sale of Equity Shares										
ElH Associated Hotels Limited	-	-	0.05	-	-	-	-	-	-	-
Total	-	-	0.05	-	-	-	-	-	-	-
Recovery of Collections by Related Party										
Mashobra Resort Limited	0.73	0.37	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	0.20	2.03	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	3.47	4.02	-	-	-	-	-	-
Total	0.93	2.40	3.47	4.02	-	-	-	-	-	-
Expenses Reimbursed by Related Party										
Mercury Car Rentals Private Limited	-	-	1.30	1.87	-	-	-	-	-	-
Mercury Travels Limited	-	-	-	-	-	-	-	-	-	-
Mashobra Resort Limited	0.66	0.94	-	-	-	-	-	-	-	-
Island Resort Ltd	-	-	-	-	-	-	-	-	-	-
PT Waka Oberoi Indonesia	-	-	-	-	-	-	-	-	-	-
PT Widja Putra Karya	-	-	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	3.01	3.79	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	27.22	12.10	-	-	-	-	-	-
La Roseraie De L'atlas	-	-	8.76	-	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	-	1.85	1.20	-	-	-	-
Total	3.67	4.73	37.28	13.97	1.85	1.20	-	-	-	-
Contribution of Gratuity Fund										
ElH Employee's Gratuity Fund	-	-	-	-	-	-	-	-	66.55	121.60
Total	-	-	-	-	-	-	-	-	66.55	121.60
Refund of Gratuity										
ElH Employee's Gratuity Fund	-	-	-	-	-	-	-	-	81.64	81.62
Total	-	-	-	-	-	-	-	-	81.64	81.62

Notes to Accounts — Contd.

Outstanding Balances as on 31st March, 2020

NATURE OF OUTSTANDING	Rupees Million							
	Subsidiaries		Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/Relative of Key Management Personnel	
	2020	2019	2020	2019	2020	2019	2020	2019
PAYABLES								
For Goods & Services								
Mercury Car Rentals Private Limited	-	-	15.64	15.35	-	-	-	-
Mashobra Resort Limited	0.39	0.98	-	-	-	-	-	-
Mumtaz Hotels Limited	1.07	0.09	-	-	-	-	-	-
Oberoi Kerala Hotels and Resorts Limited	0.02	0.02	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	17.81	5.85	-	-	-	-
PT Waka Oberoi Indonesia	0.02	-	-	-	-	-	-	-
PT Widja Putra Karya	0.13	-	-	-	-	-	-	-
Island Resort Ltd	-	-	0.16	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	0.07	-	-	-
Oberoi International LLP	-	-	-	-	0.86	0.52	-	-
Mr. V.S. Oberoi	-	-	-	-	-	-	0.04	-
Mrs. Nita M. Ambani	-	-	-	-	-	-	0.05	-
Mr. Manoj Harjivandas Modi	-	-	-	-	-	-	0.05	-
Mr. Anil K. Nehru	-	-	-	-	-	-	0.13	-
Mr. Sudipto Sarkar	-	-	-	-	-	-	0.09	-
Mr. L. Ganesh	-	-	-	-	-	-	0.13	-
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	-	-	0.07	-
Total	1.63	1.09	33.61	21.20	0.93	0.52	0.56	-
Royalty								
Oberoi Hotels Private Limited	-	-	-	-	33.47	42.31	-	-
Total	-	-	-	-	33.47	42.31	-	-
Security Deposit								
Bombay Plaza Private Limited	-	-	-	-	0.50	0.50	-	-
Total	-	-	-	-	0.50	0.50	-	-
Other Payable								
ElH Associated Hotels Limited	-	-	5.05	-	-	-	-	-
Total	-	-	5.05	-	-	-	-	-
ADVANCES AND RECEIVABLES								
For Goods & Services								
Mercury Car Rentals Private Limited	-	-	3.12	2.94	-	-	-	-
Mashobra Resort Limited	4.52	1.73	-	-	-	-	-	-
Mumtaz Hotels Limited	16.02	12.18	-	-	-	-	-	-
PT Waka Oberoi Indonesia	0.16	-	-	-	-	-	-	-
PT Widja Putra Karya	0.08	-	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	72.29	31.37	-	-	-	-
Island Resort Ltd	-	-	0.81	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	3.30	0.58	-	-
Bombay Plaza Pvt Ltd	-	-	-	-	0.10	0.08	-	-
La Roseaie De L'atlas	-	-	26.18	-	-	-	-	-
Silhouette Beauty Salon	-	-	-	-	-	-	-	1.77
Total	20.78	13.91	102.40	34.31	3.40	0.66	-	1.77
Advance against Equity Shares								
Mashobra Resort Limited	1,361.93	1,361.93	-	-	-	-	-	-
Total	1,361.93	1,361.93	-	-	-	-	-	-
Management Contract								
Mumtaz Hotels Limited	33.74	37.70	-	-	-	-	-	-
ElH Associated Hotels Limited	-	-	93.17	63.90	-	-	-	-
Total	33.74	37.70	93.17	63.90	-	-	-	-
Security Deposit								
Oberoi Kerala Hotels and Resorts Limited	3.32	3.25	-	-	-	-	-	-
Total	3.32	3.25	-	-	-	-	-	-
OUTSTANDING FINANCIAL FACILITIES								
Against Corporate Guarantees								
ElH Flight Services Limited, Mauritius	701.10	755.55	-	-	-	-	-	-
Total	701.10	755.55	-	-	-	-	-	-

Notes to Accounts — Contd.

44 Contingent liabilities

The company had contingent liabilities at March 31, 2020 in respect of:

(a) Claims against the Company pending appellate/judicial decisions not acknowledged as debts :

	Rupees Million	
	March 31, 2020	March 31, 2019
i. Value Added Tax	37.36	40.38
ii. Income-tax	280.50	291.84
iii. Service Tax	15.89	91.64
iv. Property Tax	236.43	216.91
v. Customs Duty	429.66	429.66
vi. Luxury Tax	3.50	3.50
vii. Others	7.05	6.62

The matters listed above are in the nature of statutory dues, namely, Property Tax, Value Added Tax, Income Tax, Service Tax, Customs Duty, Luxury Tax and other claims, all of which are under litigation, the outcome of which would depend on the merits of facts and law at an uncertain future date. The amounts shown in the items above represent the best possible estimates arrived at, are on the basis of currently available information. The Company engages reputed professional advisors to protect its interests, and cases that are disputed by the company are those where the management has been advised that it has strong legal positions. Hence, the outcomes of the above matters are not envisaged to have any material adverse impact on the Company's financial position.

(b) Guarantees :

- i. Guarantees given to Banks & Financial Institutions for INR 701.10 million (2019- INR 755.55 million) against financial facilities availed by the subsidiary company.
- ii. Counter guarantees issued to banks and remaining outstanding INR 15.66 million (2019- INR 15.66 million).

- 45 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

46 Commitments

(i) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	Rupees Million	
	March 31, 2020	March 31, 2019
Property, plant and equipment	294.83	673.16

(ii) Investment commitments in subsidiary and joint venture companies - INR Nil (2019-INR Nil).

Notes to Accounts — Contd.

47 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method by recognizing a lease liability at the date of initial application at the present value of the remaining lease payments, discounted using the company’s incremental borrowing rate and recognizing a right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of the financial statements for the year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of ‘Right of Use’ asset of INR 3,338.01 million from leases that were earlier classified as operating lease and ‘Right of Use’ asset of INR 677.02 million from leases that were earlier classified as finance lease aggregating to total ‘Right of Use’ asset of INR 4,015.03 million and a lease liability of INR 1,100.12 million from leases that were earlier classified as operating lease and lease liability of INR 87.56 million from leases that were earlier classified as finance lease aggregating to total lease liability of INR 1,187.68 million. Further the effect of this adoption has also resulted in the following as on 1 April 2019:

- Property, plant and equipment decreased by INR 677.02 million
- Deferred tax liabilities (net) increased by INR 3.60 million
- Prepayments decreased by INR 2,237.89 million
- Borrowings and other financial liabilities decreased by INR 62.92 million and INR 34.93 million respectively

The cumulative effect of applying the standard resulted in INR 6.69 million (net of tax) being credited to retained earnings as on transition date.

The nature of expenses in respect of operating leases has changed from lease rent to depreciation and amortisation on right-of-use asset and finance cost for interest accrued on lease liability. Consequently, Finance Costs and Depreciation for the year ended March 31, 2020, are higher by INR 90.97 million and INR 125.02 million respectively and Other Expenses are lower by INR 134.72 million as a result of which, Profit before tax is lower by INR 81.27 million

Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at 1st April 2019
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

The difference between the operating lease obligation disclosed as of March 31, 2019 under Ind AS 17 disclosed under Note 46 of the financial statements for the year ended March 31, 2019 and the value of the lease liability as of April 1, 2019 is primarily on account of following reasons :

	Rupees Million
Operating lease commitments disclosed as at 31 March 2019	3,359.14
Less: Commitment for arrangement not qualified as lease under Ind AS 116	1,161.24
Operating lease commitments considered for discounting under Ind AS 116	2,197.90
Discounted using the company’s incremental borrowing rate at the date of initial application	1,099.24
Add: finance lease liabilities recognised as at March 31, 2019	87.56
Add/(less): contracts reassessed as lease contracts	0.88
Lease liability recognised as at 1 April 2019	1,187.68
of which are:	
Current lease liabilities	107.29
Non-current lease liabilities	1,080.39
	1,187.68

Notes to Accounts — Contd.

47 Leases – Contd.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.00% based on the remaining lease term.

Amount recognised in profit and loss account

The statement of profit and loss shows the following amount relating to leases for the year ended March 31, 2020

Particulars	Rupees Million
Depreciation charge for the right-of-use assets	
Land leases	129.59
Building leases	0.64
Vehicle Leases	25.22
	155.45
Interest Expense (included in finance costs)	107.35
Expense relating to short-term leases (included in other expenses)	214.06
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	1.14
Expense relating to variable lease payments not included in lease liabilities	Nil

The total cash outflows for leases for the year ended March 31, 2020 was INR 109.69 million

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	Category of ROU Asset			Rupees Million
	Land leases	Building	Vehicle Leases	Total
Balance as of April 1, 2019	-	-	-	-
* Reclassified on account of adoption of Ind AS 116	3,959.61	0.88	54.54	4,015.03
Additions	-	1.19	14.42	15.61
Sales / Adjustments during the year	-	-	0.80	0.80
Depreciation	129.59	0.64	25.22	155.45
Balance as of March 31, 2020	3,830.02	1.43	42.94	3,874.39

* In the previous year, the Company only recognised lease assets and lease liabilities in relation to leases that were classified as finance leases under Ind AS 17, Leases. The assets were presented in property, plant and equipment and the liabilities as part of the Company's borrowings and other financial liabilities.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	Rupees Million
Current lease liabilities	31.82
Non-current lease liabilities	1,148.43
Total	1,180.25

Notes to Accounts — Contd.

47 Leases – Contd.

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Rupees Million
Balance as of April 1, 2019	-
* Reclassified on account of adoption of Ind AS 116	1,187.68
Additions	15.61
Finance cost accrued during the year	86.65
Sales / Adjustments during the year	-
Payment of Lease liabilities	109.69
Balance as of March 31, 2020	1,180.25

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	Rupees Million
Less than one year	127.56
One to five years	444.79
More than five years	1,734.49
Total	2,306.84

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Non-cancellable operating leases - As a Lessor

The Company gives shops located at various hotels on operating lease arrangements. These leases are generally cancellable in nature and may generally be terminated by either party by serving notice. Some shops have been given under non-cancellable operating lease, for which the future minimum lease payments recoverable by the company are as under :-

	March 31, 2020	March 31, 2019
Minimum lease payments in relation to non-cancellable operating leases are receivable as follows:		
Within one year	257.96	213.63
Later than one year but not later than five years	996.45	379.12
Later than five years	697.91	31.83
Contingent rents recognized as an income in the Statement of Profit and Loss for the year.	Nil	Nil

48 Segment reporting

There are no reportable segments other than hotels as per Ind AS 108, "Operating Segment".

The Company does not have transactions of more than 10% of total revenue with any single external customer.

Notes to Accounts — Contd.

49 Earnings per Equity share

	March 31, 2020 INR	March 31, 2019 INR
(a) Basic earnings per share	2.18	1.98
(b) Diluted earnings per share	2.18	1.98
(c) Reconciliations of earnings used in calculating earnings per share		
	March 31, 2020 Rupees Million	March 31, 2019 Rupees Million
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	1,244.67	1,133.38
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	1,244.67	1,133.38
(d) Weighted average number of shares used as the denominator		
	March 31, 2020 Number of shares	March 31, 2019 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	571,569,414	571,569,414
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	571,569,414	571,569,414

50 Reconciliation of Liabilities arising from financing activities

	As at March 31, 2020	Cash flows	Non cash changes	Rupees Million As at March 31, 2019
Non-current borrowings	2,285.71	(178.57)	(87.56)	2,551.84
Current borrowings	1,865.28	(381.36)	-	2,246.64
Total Liabilities from Financing Activities	4,150.99	(559.93)	(87.56)	4,798.48

Notes to Accounts — Contd.

- 51 In previous year, the Company had adopted Ind AS 115, Revenue from contract with customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of 1st April 2018. Application of this standard resulted into reduction in opening reserves amounting to INR 112.14 million net of tax (Gross amount - INR 172.36 million) and impact on the previous year income statement amounting to INR 34.82 million net of tax respectively.

52 **Disclosure on Contract balances :**

a) Trade receivable

A trade receivable is recorded when the Company has an unconditional right to receive payment. In respect of revenue from rooms, food and beverages and other services invoice is typically issued as the related performance obligations are satisfied as described in note 1(b) and refer note 13.

b) Advance from Customers

Advance from Customers is recognised when payment is received before the related performance obligation is satisfied.

Rupees Million

Particulars	As at March 31, 2020	As at March 31, 2019
As at the beginning of the year	463.28	310.31
Recognised as revenue during the year	440.27	292.85
As at the end of the year	327.16	463.28

c) Deferred Revenue

Deferred Revenue is recognised when invoice is raised before the related performance obligation is satisfied.

Particulars	Belvedere Membership		Loyalty program	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(i) As at the beginning of the year	24.38	-	146.72	56.16
(ii) Revenue recognised during the year out of (i) above	24.38	-	27.90	29.38
(iii) Adjustment of revenue recognised in previous year on account of IndAS 115 (refer note 51)	-	84.63	-	87.73
(iv) Revenue recognised during the year out of (iii) above	-	84.63	-	40.55
(v) Revenue recognised during the year out of previous year figure of INR 87.73 Million mentioned in (iii) above	-	-	47.16	-
(vi) As at the end of the year	-	24.38	149.08	146.72

- 53 The Company has a non-current investment in ElH Flight Services Limited (ElHFSL), Mauritius, a wholly owned subsidiary of the company in the business of airline catering and airport lounge, amounting to INR 1,184.88 Million. As at 31st March 2020 ElHFSL total liabilities exceeded total assets, resulting in a shareholder's deficit of INR 156.52 Million.

The Company performed an impairment assessment and concluded that the carrying amount as at March 31, 2020 exceeded the recoverable amount and accordingly, the Company recognised an impairment loss of INR 161.40 Million in the Statement of Profit and Loss which has been recognised under "Exceptional items" (Refer Note 38).

The company is of the view that the operations of its subsidiary ElHFSL represent a single cash-generating unit (CGU). The recoverable amount of the CGU was determined by value-in-use using discounted value of projected future cash flows for a period of five years approved by the Board of Directors and a long term growth rate (estimated based on the country and passenger growth rate) was used to extrapolate cash flows beyond the five years period covered by the projections. The future cash flows consider potential risks given the current economic environment (COVID-19 Pandemic) and key assumptions, such as volume forecasts and margins. The discount rate was based on the weighted average cost of capital comprising the risk free rate based on 10 year yield of Government of Mauritius bonds and a market participant risk premium and an additional risk premium to factor in the risk of achieving the projections.

Based on the above, Management estimates that the overall recoverable amount of the CGU is INR 1,023.4 Million against a carrying cost of INR 1,184.8 Million.

Notes to Accounts — *Contd.*

54 Impact of COVID-19 on Business Operations

The World Health Organization declared the COVID-19 outbreak as a pandemic on 11th March 2020, leading to series of measures by countries across the world to contain the spread of the virus. India responded by imposing a nationwide lockdown on 24th March 2020. The process of lifting of lockdown in various states has since started in phases, effective 1st June, 2020, guided by the decision of individual states. During a major part of this period, hotel and flight operations were mandated to remain non-operational, which affected business at our hotels and other operations across India. Similar restrictions in other countries affected business at our hotels from various international markets.

The Management's priority in dealing with the exceptional challenges posed by COVID-19 has been to ensure the safety of its guests and employees, support suppliers, keep the supply chain operational for essential supplies.

The consequence of the COVID-19 outbreak on the Company's business for the financial year ended 31st March, 2020 is limited, as business was impacted only in the latter half of March 2020. Several cost rationalisation measures have been initiated subsequent to the year end and are being monitored.

The Management does not foresee any stress on liquidity, as it has access to sanctioned borrowing facilities for working capital requirements, worth INR 4,500 Million, of which INR 2,634.7 Million was unutilized as on 31st March, 2020. Our bankers have sanctioned additional unsecured short term limit of INR 1,000 million, taking the total short term borrowing facility to INR 5,500 Million.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Management has considered the impact from a prolonged lock-down situation; travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown, guests postponing their discretionary spending, continued restrictions on the number of domestic and international flights, internal and external information available up to the date of approval of these financial statements including credit reports and economic forecasts.

The Management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investment property, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company as on 31st March, 2020 and has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, expects to recover the carrying amounts of these assets. The impact of COVID-19 may be different from that estimated on the date of approval of these financial statements and the Management will continue to closely monitor any material changes to future economic conditions.

With respect to business in financial year ending 31st March, 2021, the impact on revenue could come from a prolonged lock-down situation, travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown and guests postponing their discretionary spending.

Domestic airlines have commenced operations from 25th May, 2020 with one-third capacity approved by the Government which is expected to gradually increase over the months going forward, and the timing of commencement of international airlines is yet to be announced by the Government. Hotels in most locations have been allowed to resume operations effective 8th June, 2020, with the balance expecting to open by 1st July 2020.

Based on enquiries received, assessments performed and analysis of market trends, the Management expects demand to gradually pick for Domestic leisure and business travel, social events within prescribed norms, and limited international travel once international airlines are allowed to commence operations.

The printing press of the Company received special permission from the Government to operate amidst the lockdown from 1st May, 2020 as it supports essential services like banks, pharmaceuticals and food.

The revised projections for financial year ending 31st March, 2021 have been prepared taking into account best estimates based on these factors and other variables, although a clearer picture shall emerge only in due course.

55 The financial statements were authorised for issue by the Board of Directors on 26th June, 2020.

For and on behalf of the Board

SUDIPTO SAKRAR
Chairman - Audit Committee
(DIN No. :00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

Place : Mumbai
Date : 26th June, 2020

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

EIH Limited
CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To
The Members of ElH Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ElH Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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 the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

Material uncertainty related to Going Concern of a Subsidiary Company

With regard to one of the subsidiaries, i.e. EIH Flight Services Limited (EIHFSL), Mauritius, the other audit, as referred to in the Other Matters section below, has in their audit report dated May 06, 2020 on the subsidiary's financial statements for the year ended March 31, 2020 reported a material uncertainty related to going concern, as EIHFSL has incurred a net loss of INR 34.03 million during the year ended March 31, 2020 and, as of that date, has a shareholder's deficit of INR 156.52 million and its total liabilities exceeded total assets. These events or conditions, along with other matters as set forth in Note 54, indicate that a material uncertainty exists that may cast significant doubt on the EIHFSL's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
1	Impairment of Goodwill relating to EIH International Limited (EIL) EIL, a subsidiary, is audited by component auditors. Note 4B, of the consolidated financial statements includes goodwill amounting to INR 3,577.84 million pertaining to EIL. As detailed in the above note, Management has carried out a valuation considering various factors and assumptions through an external specialist, and concluded that the recoverable value of goodwill was higher than the carrying value. Due to the multitude of factors and assumptions involved in determining the forecasted revenues/ cash flows and discount rate in the projection period, significant judgments are required to estimate the recoverable value. Hence this is considered as a key audit matter	Principal audit procedures performed: • We have understood and tested the design, implementation and operating effectiveness of the management controls over the assessment and conclusion over the impairment evaluation with regard to the goodwill arising from consolidation. • We had discussions with the component auditors in regard to the impairment evaluation of goodwill pertaining to EIL. Also, we have sent out referral instructions to the component auditors and evaluated the responses received from them. The procedures performed by the component auditors and which were evaluated by us are as follows: • Component audit team have received the external management specialist's valuation report of EIH International Limited (EIL), and considered as part of their impairment testing over the Goodwill and other assets of the EIL and evaluated the professional qualifications of the external specialist as regards their experience, competence and skill in developing the necessary valuation model.

1	Impairment of Goodwill relating to ElH International Limited (EIL)	Principal audit procedures performed: Contd. • Component audit team have assessed the reasonability of the underlying cash flow forecasts prepared by the Company's management and as considered by the external specialist in their valuation, and compared the same with the Company's internal budgets to assess if the assumptions and growth trends accurately reflect the current market conditions and business strategy. Component audit team have also evaluated how the historical budgeting inaccuracies have been taken into account in the forecasted cash flows. As part of this component audit team have held discussions with the President of International Operations and Vice President of International Finance and considered market data and industry forecasts, in assessing the reasonability of these figures. • Component audit team have also assessed the appropriateness of the assumptions used in the model such as discount rates and terminal growth rates by comparing to third party sources. • The component audit team has tested the mathematical and clerical accuracy of the model to conclude that the model is accurately calculating the value in use using the appropriate methodology. • The component audit team have added additional consideration in light of the COVID 19 pandemic as to the impact on the valuation model, noting that the assumptions made in year 1 of the value in use model, do not have a material impact on the headroom of the model. The audit team's sensitivity analysis considered a slower return to industry 'normality' than that adopted by management, noting that significant headroom remains in the impairment assessment.
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Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' report including annexures to the Directors' Report, Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint ventures and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group (and of its associates and joint ventures) are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets of INR 8942.38 million as at March 31, 2020, total revenues of INR 1243.45 million and net cash out flows amounting to INR 369.43 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of INR 147.28 million for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of 2 associates and 1 joint venture, whose financial statements have not been audited by us. 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, joint ventures and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.
- (b) The Parent's management was able to perform year end physical verification of inventories, only at certain units prior to the year end. We were able to physically observe the physical stock verification at one unit before the year end. On account of COVID-19 related lockdown restrictions, physical verification of inventories was performed by the management at certain units subsequent to the year end. We were not able to physically observe the stock verification. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence. Our report is not modified in respect of this matter

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associates and joint ventures referred to in the Other Matters section above 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, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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, as amended 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 litigations on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 44 to the Consolidated Financial Statements.
 - ii) The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts. Refer Note 41 to the Consolidated Financial Statements.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India. Refer Note 53 to the Consolidated Financial Statements.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Place: New Delhi
Date: June 26, 2020

Manjula Banerji
Partner
Membership No. 086423
(UDIN: 20086423AAAAAH5798)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of ElH Limited (hereinafter referred to as “Parent”) and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint ventures, 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 respective 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 (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 internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, 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 internal financial controls system over financial reporting of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India.

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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies 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, 2020, based on "the criteria for internal financial control over financial reporting established by the respective 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 report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3 subsidiary companies, 2 associate companies and 1 joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: New Delhi
Date: June 26, 2020

Manjula Banerji
Partner
Membership No. 086423
(UDIN: 20086423AAAAAH5798)

Balance Sheet as at March 31, 2020

	Notes	As at March 31, 2020	Rupees Million As at March 31, 2019
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	4A	20,822.65	21,700.84
RIGHT-OF- USE- ASSET	4A	4,380.90	-
CAPITAL WORK-IN-PROGRESS		1,304.41	786.11
GOODWILL ON CONSOLIDATION	4B	3,701.05	3,398.75
OTHER INTANGIBLE ASSETS	4A	80.09	75.58
INVESTMENT PROPERTY	4A	1,084.83	1,106.88
FINANCIAL ASSETS			
(i) Investments Accounted For Using Equity Method	6	3,812.45	3,440.10
(ii) Other Investments	5	392.92	362.02
(iii) Other non-current Financial Assets	7	455.07	407.33
TAX ASSETS (Net)	8	618.15	787.21
DEFERRED TAX ASSETS (Net)	9	98.31	98.57
OTHER NON-CURRENT ASSETS	10	1,495.80	3,675.59
TOTAL NON-CURRENT ASSETS		38,246.63	35,838.98
CURRENT ASSETS			
INVENTORIES	11	609.55	597.85
FINANCIAL ASSETS			
(i) Investments	12	384.47	481.99
(ii) Trade receivables	13	2,057.27	2,480.58
(iii) Cash and cash equivalents	14	678.76	984.12
(iv) Other bank balances	15	1,612.30	1,425.83
(v) Other current financial assets	16	76.59	66.69
OTHER CURRENT ASSETS	17	853.75	642.03
TOTAL CURRENT ASSETS		6,272.69	6,679.09
TOTAL ASSETS		44,519.32	42,518.07
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	18	1,143.14	1,143.14
OTHER EQUITY	19	30,222.30	28,790.80
EQUITY ATTRIBUTABLE TO OWNERS OF EIH LTD		31,365.44	29,933.94
NON CONTROLLING INTEREST		997.31	886.17
TOTAL EQUITY		32,362.75	30,820.11
LIABILITIES			
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	20	2,337.51	2,751.23
(ii) Lease liabilities		1,672.24	-
(iii) Other Non Current Financial Liabilities	21	319.14	311.96
PROVISIONS - NON-CURRENT	22	330.81	251.03
OTHER NON-CURRENT LIABILITIES	23	11.22	21.54
DEFERRED TAX LIABILITIES (Net)	24	1,477.90	1,848.30
TOTAL NON-CURRENT LIABILITIES		6,148.82	5,184.06
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	25	1,874.14	2,246.57
(ii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	26A	15.32	0.95
Total outstanding dues of creditors other than micro enterprises and small enterprises	26B	2,062.37	2,298.18
(iii) Lease liabilities		41.17	-
(iv) Other Current Financial Liabilities	27	842.63	761.56
TAX LIABILITIES (Net)	28	-	17.22
PROVISIONS - CURRENT	29	191.55	240.97
OTHER CURRENT LIABILITIES	30	980.57	948.45
TOTAL CURRENT LIABILITIES		6,007.75	6,513.90
TOTAL LIABILITIES		12,156.57	11,697.96
TOTAL EQUITY AND LIABILITIES		44,519.32	42,518.07

See accompanying notes to the Financial Statements

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

MANJULA BANERJI
Partner

SUDIPTO SAKRAR
Chairman - Audit Committee
(DIN No. :00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : New Delhi
Date : 26th June, 2020

Place : Mumbai
Date : 26th June, 2020

Statement of Profit and Loss for the year ended March 31, 2020

	Notes	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
REVENUE FROM OPERATIONS	31	15,962.53	18,108.20
OTHER INCOME	32	784.41	687.87
TOTAL INCOME		16,746.94	18,796.07
EXPENSES			
CONSUMPTION OF PROVISIONS, WINES & OTHERS	33	1,994.16	2,444.84
EMPLOYEE BENEFITS EXPENSE	34	4,692.18	4,806.93
FINANCE COSTS	35	556.05	504.41
DEPRECIATION AND AMORTISATION EXPENSE	36	1,464.61	1,325.57
OTHER EXPENSES	37	6,373.62	6,797.25
TOTAL EXPENSES		15,080.62	15,879.00
PROFIT BEFORE EXCEPTIONAL ITEMS, SHARE OF NET PROFITS OF INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD AND TAX SHARE OF NET PROFIT/(LOSS) OF ASSOCIATES AND JOINT VENTURES ACCOUNTED FOR USING EQUITY METHOD		1,666.32	2,917.07
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		1,664.88	3,040.03
EXCEPTIONAL ITEMS - PROFIT / (LOSS)	38	(4.67)	(730.66)
PROFIT BEFORE TAX		1,660.21	2,309.37
TAX EXPENSE			
CURRENT TAX	39	372.39	862.25
DEFERRED TAX	39	(363.61)	(42.45)
PROFIT FOR THE YEAR		1,651.43	1,489.57
OTHER COMPREHENSIVE INCOME / (LOSS)			
A ITEMS THAT MAY NOT BE RECLASSIFIED TO PROFIT OR LOSS			
– Share of other comprehensive income of associate and joint ventures accounted for using the equity method		(3.35)	0.52
– Recycling of foreign currency translation reserve		(28.06)	-
– Remeasurement of Defined benefit obligations		(31.14)	(16.42)
– Tax relating to these items		9.71	5.01
		(52.84)	(10.89)
B ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS			
– Exchange differences on translation of foreign operations		603.66	(5.43)
		603.66	(5.43)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR, NET OF TAX		550.82	(16.32)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,202.25	1,473.25
PROFIT ATTRIBUTABLE TO:			
– Owners of ElH Limited		1,488.17	1,315.41
– Non-controlling interests		163.26	174.16
OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
– Owners of ElH Limited		540.99	(13.02)
– Non-controlling interests		9.83	(3.30)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
– Owners of ElH Limited		2,029.16	1,302.39
– Non-controlling interests		173.09	170.86
EARNINGS PER EQUITY SHARE (IN INR) FACE VALUE INR 2			
(1) Basic		2.60	2.30
(2) Diluted		2.60	2.30

See accompanying notes to the Financial Statements

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

SUDIPTO SAKRAR
Chairman - Audit Committee
(DIN No. :00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

MANJULA BANERJI
Partner

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : New Delhi
Date : 26th June, 2020

Place : Mumbai
Date : 26th June, 2020

Statement of Consolidated Cash Flows for the year ended March 31, 2020

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
Cash Flow From Operating Activities		
Profit before tax	1,660.21	2,309.37
Adjustments for		
Share of Profit of Associate and Joint Venture	1.44	(122.96)
Depreciation and amortisation expense	1,464.61	1,325.57
Effect of Exchange Rate Difference	50.42	103.38
(Gain)/loss on disposal of property, plant and equipment (net)	47.19	2.67
Bad Debts & Advances Written Off	0.88	41.30
Provision for doubtful debts / advances	24.32	856.67
Rental Income from Investment Properties	(170.56)	(88.01)
Fair value changes on equity investments measured at fair value through profit or loss	2.13	0.84
Provisions/Liabilities written back	(29.39)	(49.50)
(Gain)/loss on sale of investment	-	(116.83)
Dividend income classified as investing cash flows	(19.54)	(20.01)
Interest income classified as investing cash flows	(250.74)	(200.22)
Finance costs	556.05	504.41
Change in operating assets and liabilities		-
(Increase)/Decrease in trade receivables	397.39	(1,125.59)
(Increase)/Decrease in inventories	(10.93)	(84.56)
Increase/(Decrease) in trade payables	(196.38)	417.53
(Increase)/ Decrease in other current / non-current financial assets	(19.77)	(81.63)
(Increase)/Decrease in other current / non-current assets	(177.71)	15.23
Increase/(Decrease) in employee benefit obligations	(8.30)	(55.51)
Increase/(Decrease) in other current / non-current financial liabilities	37.94	37.59
Increase/(Decrease) in other current / non-current liabilities	18.17	37.89
Cash generated from operations	3,377.43	3,707.63
Income taxes paid (net of refund)	(207.07)	(883.07)
Net cash inflow from operating activities	3,170.36	2,824.56
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(1,745.63)	(1,572.91)
Payments for investment property	(4.07)	-
Payments for intangible assets	(45.33)	(26.71)
Purchase of Investments	(521.84)	(897.70)
Sale of Investments	352.55	181.94
Rental Income from Investment Properties	170.56	88.01
Proceeds from sale of property, plant and equipment	88.17	20.77
Changes in Other bank balances	(182.53)	(338.64)
Dividends received	68.16	56.57
Interest received	186.38	164.75
Net cash outflow from investing activities	(1,633.58)	(2,323.92)

Statement of Consolidated Cash Flow

For the year ended March 31, 2020 — *Contd.*

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings		
Non-Current Borrowings	250.00	0.26
Current Borrowings	8.86	847.31
Repayment of borrowings		
Non-Current Borrowings	(472.49)	(438.81)
Current Borrowings	(381.36)	(4.25)
Refund of given loan to related parties	-	633.76
Interest paid	(430.09)	(505.43)
Repayment of lease liabilities	(133.89)	-
Dividends paid	(579.08)	(584.75)
Tax on Dividend	(104.09)	(137.58)
Net cash outflow from financing activities	(1,842.14)	(189.49)
Net increase / (decrease) in cash and cash equivalents	(305.36)	311.15
Cash and cash equivalents at the beginning of the financial year	984.12	672.97
Cash and cash equivalents at end of the year	678.76	984.12

Note :

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows"

See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

MANJULA BANERJI
Partner

Place : New Delhi
Date : 26th June, 2020

For and on behalf of the Board

SUDIPTO SAKRAR
Chairman - Audit Committee
(DIN No. :00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : Mumbai
Date : 26th June, 2020

Statement of changes in Equity
for the Year ended March 31, 2020

Rupees Million									
A. Equity share capital									
As at April 1, 2018									
Changes in equity share capital during the year									
As at March 31, 2019									
Changes in equity share capital during the year									
As at March 31, 2020									
B. Other equity									
	Reserves and surplus					Other Reserves	Total other equity	Non-Controlling Interest	Rupees Million Total
	Capital Redemption Reserve	Capital Reserve	Securities premium	General Reserve	Retained earnings (Surplus)				
Balance as at April 1, 2018	1,024.21	25.95	12,373.41	9,384.83	4,910.16	(33.78)	27,684.78	701.47	28,386.25
Adjustment of discontinuance of Mercury Travels Limited	-	-	-	-	0.68	-	0.68	-	0.68
Adjustment to opening balance due to change in Minority Interest	-	-	-	-	(82.46)	-	(82.46)	82.46	-
Adjustment for new IndAS	-	-	-	-	(112.04)	-	(112.04)	-	(112.04)
Profit for the year	-	-	-	-	1,315.41	-	1,315.41	174.16	1,489.57
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	(13.02)	-	(13.02)	(3.30)	(16.32)
Currency translation difference on foreign operations	-	-	-	-	-	617.59	617.59	14.52	632.11
	-	-	-	-	<u>1,108.57</u>	<u>617.59</u>	<u>1,726.16</u>	<u>267.84</u>	<u>1,994.00</u>
Allocations/Appropriations:									
Final dividend paid for the year 2017-18	-	-	-	-	(514.41)	-	(514.41)	(70.40)	(584.81)
Deferred tax liability on proposed dividend	-	-	-	-	-	-	-	(12.74)	(12.74)
Dividend distribution tax	-	-	-	-	(105.73)	-	(105.73)	-	(105.73)
	-	-	-	-	<u>(620.14)</u>	-	<u>(620.14)</u>	<u>(83.14)</u>	<u>(703.28)</u>
Balance as at March 31, 2019	<u>1,024.21</u>	<u>25.95</u>	<u>12,373.41</u>	<u>9,384.83</u>	<u>5,398.59</u>	<u>583.81</u>	<u>28,790.80</u>	<u>886.17</u>	<u>29,676.97</u>
Balance at April 1, 2019	<u>1,024.21</u>	<u>25.95</u>	<u>12,373.41</u>	<u>9,384.83</u>	<u>5,398.59</u>	<u>583.81</u>	<u>28,790.80</u>	<u>886.17</u>	<u>29,676.97</u>
Adjustment for new IndAS	-	-	-	-	8.09	-	8.09	-	8.09
Profit for the year	-	-	-	-	1,488.17	-	1,488.17	163.26	1,651.43
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	(52.53)	-	(52.53)	(0.31)	(52.84)
Currency translation difference on foreign operations	-	-	-	-	-	593.52	593.52	10.14	603.66
	-	-	-	-	<u>1,443.73</u>	<u>593.52</u>	<u>2,037.25</u>	<u>173.09</u>	<u>2,210.34</u>
Allocations/Appropriations:									
Final dividend paid for the year 2018-19	-	-	-	-	(514.41)	-	(514.41)	(61.95)	(576.36)
Reversal of deferred tax liability on proposed dividend created in previous year	-	-	-	-	-	-	-	12.74	12.74
Dividend distribution tax	-	-	-	-	(91.34)	-	(91.34)	(12.74)	(104.08)
	-	-	-	-	<u>(605.75)</u>	-	<u>(605.75)</u>	<u>(61.95)</u>	<u>(667.70)</u>
Balance as at March 31, 2020	<u>1,024.21</u>	<u>25.95</u>	<u>12,373.41</u>	<u>9,384.83</u>	<u>6,236.57</u>	<u>1,177.33</u>	<u>30,222.30</u>	<u>997.31</u>	<u>31,219.61</u>

See accompanying notes to the Financial Statements

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

SUDIPTO SARKAR
Chairman - Audit Committee
(DIN No. : 00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

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Director and Chief Executive Officer
(DIN No.: 00052014)

MANJULA BANERJI
Partner

KALLOLKUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary

Place : New Delhi
Date : 26th June, 2020

Place : Mumbai
Date : 26th June, 2020

Notes to Accounts

General Information

ElH Limited is a Company limited by shares, incorporated and domiciled in India having its Registered Office at 4, Mangoe Lane, Kolkata-700 001. The Company is primarily engaged in owning and managing premium luxury hotels and cruisers under the luxury 'Oberoi' and 'Trident' brands. The Group is also engaged in flight catering, airport restaurants, project management and corporate air charters.

The Consolidated financial statements relate to ElH Limited ('the Company'), its subsidiary companies, jointly controlled entities and associates as referred in Note 50 (collectively referred as "the Group").

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements of ElH Limited. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as a going concern on accrual basis.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- equity investments in entities other than subsidiary, joint ventures and associate which are measured at fair value;
- defined benefit plans – plan assets measured at fair value
- customer loyalty programs

(iii) Use of estimates

In preparing the Financial Statements in conformity with accounting principles generally accepted in India, Management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of Financial Statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control.

This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS in Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures.

Notes to Accounts — *Contd.*

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 6 below.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

c) Revenue recognition

- (i) Performance obligation in contract with customers are met throughout the stay of guest in the hotel or on rendering of services and sale of goods.
- (ii) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, Goods & Service Tax and amounts collected on behalf of third parties.
- (iii) Interest income from debt instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
- (iv) Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Notes to Accounts — *Contd.*

Timing of revenue recognition from major business activities

- Hospitality Services: Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable.
- Sale of printed material: Revenue from sale of printed and other materials is recognised when the significant risks and rewards of ownership of the materials have been passed on to the buyer which usually coincides with the dispatch of materials.
- Others: Revenue from Shop License Fee, Management and Marketing Fee included under “Other Services” is recognised on accrual basis as per terms of the contract.
- Revenue in respect of customer loyalty are recognized when loyalty points are redeemed by the customers or on its expiry.

d) Foreign currencies

(i) Presentation Currency

This Financial Statement is presented in INR which is the Functional Currency of the Group.

(ii) Transactions and balances

Effective April 1, 2018, the Group has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment is insignificant.

Sales made in any currency other than the functional currency of the Group are converted at the prevailing applicable exchange rate. Gain/Loss arising out of fluctuations in exchange rate is accounted for on realization or translation into the reporting currency of the corresponding receivables at the year end.

Payments made in foreign currency including for acquiring investments are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

Revenue expenditure of all the overseas sales offices are converted at the average exchange rate for the year. Assets and liabilities other than non-monetary assets are converted at the exchange rate prevailing at the close of the accounting year and Fixed Assets are converted at the month-end exchange rate of the month of acquisition.

Foreign currency loans covered by forward contracts are realigned at the forward contract rates, while those not covered by forward contracts are realigned at the rates ruling at the year end. The differences on realignment is accounted for in the Statement of Profit and Loss.

(iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the dosing rate.

e) Income tax

Current income tax is recognized based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company has adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments

Notes to Accounts — *Contd.*

f) **Deferred Tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future income tax liability is adjusted and is recognised as deferred tax asset in the Balance Sheet.

g) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") of the respective entities.

h) **Leases**

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparative information as at and for the year ended March 31, 2019 has not been restated. The impact of adoption of the standard on financial statements of the Company has been disclosed in the notes to accounts.

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to certain leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities have been measured at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate as of 1 April 2019.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

As a lessee :

The Company's lease asset classes primarily consist of leases for land, building and vehicle leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Notes to Accounts — Contd.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company applies the practical expedient by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability.

As a lessor :

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

i) **Impairment of tangible and intangible assets**

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

j) **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

k) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

l) **Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined based on Cumulative Weighted Average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Unserviceable/damaged/discarded stocks and shortages are charged to the statement of Profit and Loss.

m) **Investments and other financial assets**

(i) **Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Notes to Accounts — *Contd.*

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss

(b) Equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain / (losses) in the statement of profit and loss.

(iii) Impairment of financial assets

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses

Dividend income: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Notes to Accounts — *Contd.*

n) Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

o) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than land and the hotel buildings is provided on 'Straight Line Method' based on useful life.

The hotel buildings are depreciated equally over the balance useful life ascertained by independent technical expert, which ranges between 23 years and 55 years with effect from March 31, 2019 and the total useful life of the buildings are higher than those specified by Schedule II to the Companies Act; 2013. The management believes that the balance useful lives so assessed best represent the periods over which the hotel buildings are expected to be in use. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

p) Intangible assets

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Other Intangible Assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its Intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

q) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Notes to Accounts — *Contd.*

s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

t) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Group are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

u) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Group operates the following post-employment schemes:

Gratuity obligations –

Maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Leave encashment on termination of service –

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Provident Fund –

The Group pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Notes to Accounts — *Contd.*

v) Dividends

Liability is created for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity.

w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity shareholders of the Group
- by the weighted average number of equity shares outstanding during the financial year,

(ii) Diluted earnings per share

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

x) Government grants/incentives

Government grants/incentives that the Group is entitled to on fulfilment of certain conditions, but are available to the Group only on completion of some other conditions, are recognized as income at fair value on completion of such other conditions.

Grants/incentives that the Group is entitled to unconditionally on fulfilment of certain conditions, such grants are recognized at fair value as income when there is reasonable assurance that the grant will be received.

y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

Notes to Accounts — *Contd.*

2 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2020

3 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Detailed information about each of these estimates or judgements is included in relevant notes together with information about the basis of calculation for each impacted line item in the financial statements.

A. Significant estimates :

i) Useful Life of Hotel Buildings

EIH Limited, Mumtaz Hotels Limited and Mashobra Resort Limited have adopted useful life of fixed assets as stipulated by Schedule II to the Companies Act 2013 except for the hotel buildings for computing depreciation. In the case of the hotel buildings of these companies, due to superior structural condition, management decided to assess the balance useful life by independent technical expert. As per the certificates of the technical expert, the balance useful life of the hotel buildings ranges between 23 years and 55 years with effect from March 31, 2020 and the total useful life of the buildings are higher than those specified by Schedule II to the Companies Act, 2013. The carrying amount of the hotel building is being depreciated over its residual life.

ii) Recognition of Revenue (customer loyalty programs)

The group is running certain customer loyalty programs for which revenue is being deferred on the basis of total loyalty points/ complimentary nights outstanding. As required by Ind AS 18, while calculating fair value of the loyalty points/ complimentary nights, expected lapses are also considered by the group (loyalty points/ complimentary nights which will not be redeemed by the customers). On the basis of past trend, a significant portion of the loyalty points/ complimentary nights has been estimated to be lapsed. Estimated lapse ratio is periodically evaluated by the group and in case there is any change in the trend, the deferred revenue is adjusted accordingly. The fair value of loyalty points/ complimentary nights is calculated on the basis of relative benefit passed on to the customers.

B. Judgements :

i) Advance towards Equity Shares

In the case of Mashobra Resort Limited ("MRL"), several disputes with the Government of Himachal Pradesh, the joint venture partner, were referred by the High Court of Himachal Pradesh on 17th December, 2003 to an arbitral tribunal consisting of a single arbitrator whose award has been challenged by both the EIH Ltd. and MRL, amongst others. The operation of the arbitration award was stayed pending substantive hearing of the applications by the High Court. Consequently, the status quo ante of the entire matter was restored to the position as on 17th December, 2003 and the hotel is being operated by MRL accordingly. EIH Ltd. vide its letter dated 4th April, 2012 requested MRL to account for the entire amount of INR 1,361.93 Million provided to MRL upto 31st March, 2012 as 'Advance Towards Equity', including INR 130.00 Million being the opening balance of 'Advance Towards Equity'. In view of the above, EIH Ltd. has shown the said amount of INR 1,361.93 Million as 'Advance Towards Equity' under Other non-current financial assets in its books of account.

The High Court passed an order dated 25th February, 2016 which was made available to the Company in the month of May 2016. The Court has decided not to interfere with the order of the Arbitrator. EIH Ltd. amongst others, preferred an appeal before the Division Bench of the High Court of Himachal Pradesh. By an order dated 27th June, 2016 the Division Bench stayed the Single Judge Order dated 25th February, 2016 and directed the parties to maintain status quo till the matter is finally heard and disposed off. Final hearing is yet to commence.

ii) Claims, Provisions and Contingent Liabilities:

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

Notes to Accounts — Contd.

4A PROPERTY, PLANT AND EQUIPMENT

		Gross Carrying Amount					Accumulated Depreciation				Carrying Value as at March 31, 2019	
		As at April 1, 2018	Additions during the year	Less: Sales/ Adjustments during the year	Translation Adjustment	Balance as at March 31, 2019	As at April 1, 2018	For the Year	Less: Sales/ Adjustments	Translation Adjustment		Balance as at March 31, 2019
i) PROPERTY PLANT AND EQUIPMENT												
Freehold Land (including development cost)		2,108.11	-	-	-	36.26	2,144.37	-	-	-	-	2,144.37
Land under finance lease		641.88	-	-	-	-	641.88	14.55	4.85	-	-	622.48
Buildings		14,312.06	141.38	(2.00)	94.51	14,549.95	850.63	321.92	33.94	40.06	1,178.67	13,371.28
Office Equipment		36.55	6.77	5.81	0.36	37.87	9.87	6.08	5.53	0.36	10.78	27.09
Plant & Machinery		6,376.54	231.25	107.59	57.74	6,557.94	1,923.68	651.77	97.13	55.97	2,534.29	4,023.65
Furniture & Fittings		1,256.34	44.18	(14.91)	11.85	1,327.28	381.17	129.82	5.78	11.29	516.50	810.78
Vehicles		550.22	81.11	71.78	7.66	567.21	156.72	88.40	66.72	7.31	185.71	381.50
Vehicles under operating lease		139.38	-	119.11	-	20.27	58.33	3.52	47.76	-	14.09	6.18
Vehicles under Finance Lease		3.51	19.70	(102.12)	1.66	126.99	1.58	30.37	(33.47)	1.01	66.43	60.56
Boats		40.23	0.59	-	-	40.82	8.98	1.98	-	-	10.96	29.86
Aircrafts		319.29	-	-	-	319.29	72.15	24.05	-	-	96.20	223.09
TOTAL		25,784.11	524.98	185.26	210.04	26,333.87	3,477.66	1,262.76	223.39	116.00	4,633.03	21,700.84

Notes to Accounts — Contd.

4 A. PROPERTY, PLANT AND EQUIPMENT – Contd.

	Gross Carrying Amount					Accumulated Depreciation					Rupees Million				
	As at April 01, 2019	Reclas- sified on adoption of Ind AS 116	Adjusted Balance as at April 01, 2019	Additions during the year	Less: Sales/Ad- justments during the year	Transla- tion Ad- justment	Balance as at March 31, 2020	As at April 01, 2019	Reclas- sified on adoption of Ind AS 116	Adjusted Balance as at April 01, 2019	For the Year	Less: Sales / Adjust- ments	Transla- tion Ad- justment	Balance as at March 31, 2020	Carrying Value As at March 31, 2020
i) PROPERTY PLANT AND EQUIPMENT															
Freehold Land (including development cost)	2,144.37		2,144.37	-	-	31.60	2,175.97	-	-	-	-	-	-	-	2,175.97
Land under finance lease	641.88	(641.88)	-	-	-	-	-	19.40	(19.40)	-	-	-	-	-	-
Buildings	14,549.95		14,549.95	406.43	142.15	(5.60)	14,808.63	1,178.67	-	1,178.67	327.86	6.59	(35.45)	1,464.49	13,344.14
Office Equipment	37.87		37.87	5.21	0.35	-	42.73	10.78	-	10.78	7.10	0.17	-	17.71	25.02
Plant & Machinery	6,557.94		6,557.94	572.03	61.64	(48.25)	7,020.08	2,534.29	-	2,534.29	634.99	31.38	(46.92)	3,090.98	3,929.10
Furniture & Fittings	1,327.28		1,327.28	108.43	5.10	(11.30)	1,419.31	516.50	-	516.50	131.38	3.62	(9.87)	634.39	784.92
Vehicles	567.21		567.21	30.44	7.76	(9.84)	580.05	185.71	-	185.71	88.66	2.27	(9.42)	262.68	317.37
Vehicles under operating lease	20.27		20.27	-	-	-	20.27	14.09	-	14.09	3.53	-	-	17.62	2.65
Vehicles under Finance Lease	126.99	(126.99)	-	-	-	-	-	66.43	(66.43)	-	-	-	-	-	-
Boats	40.82	-	40.82	-	0.17	-	40.65	10.96	-	10.96	1.97	0.05	-	12.88	27.77
Aircrafts	319.29	-	319.29	20.27	5.85	-	333.71	96.20	-	96.20	25.35	3.55	-	118.00	215.71
TOTAL	26,333.87	(768.87)	25,565.00	1,142.81	223.02	(43.39)	26,441.40	4,633.03	(85.83)	4,547.20	1,220.84	47.63	(101.66)	5,618.75	20,822.65

A. Assets held as security

Refer note 20 & 25 for disclosure of assets held as security

B. Interest capitalised to qualifying assets

Refer note 35 for disclosure of amount capitalised to qualifying assets.

C. Contractual obligations

Refer to note 44(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

ii) RIGHT OF USE ASSETS

	Gross Carrying Amount					Accumulated Depreciation					Carrying Value As at March 31, 2020				
	As at April 01, 2019	Reclas- sified on adoption as of Ind AS 116	Adjusted Balance as at April 01, 2019	Additions during the year	Sales / Adjust- ments during the year	Transla- tion Ad- justment	Balance as at March 31, 2020	As at April 01, 2019	Reclas- sified on adoption as of Ind AS 116	Adjusted Balance as at April 01, 2019		For the Year	Less: Sales/ Adjust- ments	Transla- tion Ad- justment	Balance as at March 31, 2020
Land	-	4,535.95	4,535.95	-	-	(35.37)	4,500.58	-	19.40	19.40	146.74	-	(0.55)	165.59	4,334.99
Building	-	0.88	0.88	1.19	-	-	2.07	-	-	-	0.64	-	-	0.64	1.43
Vehicles	-	126.99	126.99	14.42	21.12	(1.37)	118.92	-	66.43	66.43	29.45	20.32	(1.12)	74.44	44.48
TOTAL	-	4,663.82	4,663.82	15.61	21.12	(36.74)	4,621.57	-	85.83	85.83	176.83	20.32	(1.67)	240.67	4,380.90

Notes to Accounts — Contd.

4A PROPERTY, PLANT AND EQUIPMENT - Contd...

iii) INTANGIBLE ASSETS

	Gross Carrying Amount						Accumulated Depreciation				Carrying Value as at March 31, 2019
	As at April 1, 2018	Additions during the year	Less: Sales/ Adjustments during the year	Translation Adjustment	Balance as at 31 March, 2019	As at April 1, 2018	For the Year	Less: Sales/ Adjustments	Translation Adjustment	As at March 31, 2019	
Computer Software	147.11	26.71	-	-	173.82	59.22	39.02	-	-	98.24	75.58
TOTAL	147.11	26.71	-	-	173.82	59.22	39.02	-	-	98.24	75.58

	Gross Carrying Amount						Accumulated Depreciation				Carrying Value as at March 31, 2020
	As at April 1, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Translation Adjustment	Balance as at 31 March, 2020	As at April 1, 2019	For the Year	Less: Sales/ Adjustments	Translation Adjustment	Balance as at March 31, 2020	
Computer Software	173.82	45.33	-	-	219.15	98.24	40.82	-	-	139.06	80.09
TOTAL	173.82	45.33	-	-	219.15	98.24	40.82	-	-	139.06	80.09

Intangible Assets are amortised on straight line basis over a period of 3 to 5 years

Notes to Accounts — Contd.

4A PROPERTY, PLANT AND EQUIPMENT - Contd...

iv) INVESTMENT PROPERTY

	Gross Carrying Amount						Accumulated Depreciation				Carrying Value	
	As at April 1, 2018	Additions during the year	Sales/ Adjustments during the year	Translation Adjustment	Balance as at 31 March, 2019	As at April 1, 2018	For the Year	Less: Sales/ Adjustments	Translation Adjustment	As at March 31, 2019	as at March 31, 2019	as at March 31, 2020
Buildings	-	989.66	-	-	989.66	-	14.43	-	-	14.43	975.23	
Plant & Equipment	-	141.01	-	-	141.01	-	9.36	-	-	9.36	131.65	
TOTAL	-	1,130.67	-	-	1,130.67	-	23.79	-	-	23.79	1,106.88	

	Gross Carrying Amount						Accumulated Depreciation				Carrying Value	
	As at April 1, 2019	Additions during the year	Sales/ Adjustments during the year	Translation Adjustment	Balance as at 31 March, 2020	As at April 1, 2019	For the Year	Less: Sales/ Adjustments	Translation Adjustment	As at March 31, 2020	as at March 31, 2020	as at March 31, 2020
Buildings	989.66	3.47			993.13	14.43	15.67			30.10	963.03	
Plant & Equipment	141.01	0.60			141.61	9.36	10.45			19.81	121.80	
TOTAL	1,130.67	4.07	-	-	1,134.74	23.79	26.12	-	-	49.91	1,084.83	

The assets relating to The Oberoi Corporate Tower, Gurgaon has been classified as Investment Property as per IndAS 40. The fair value of the same as assessed by the management is INR 2,491.73 million (P.Y. INR 1,726.60 million).

The rental income generated from Investment property is INR 170.56 million (P.Y. INR 88.01 million)

The expenses incurred by investment property are as follows :

- i) Directly relating to rental income - INR 77.64 million (2019: INR 73.39 million)
- ii) Not Directly relating to rental income - INR 30.42 million (2019: INR 26.22 million)

Notes to Accounts — Contd.

4B

GOODWILL ON CONSOLIDATION

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
Opening Balance	3,398.75	3,082.50
Add/(less): Foreign Exchange Translation Reserve	302.30	316.25
Closing Balance	3701.05	3,398.75

In case of ElH International Ltd

Goodwill acquired through business combinations is attributed to the hotel ownership, operation and management cash-generating unit (CGU) for impairment testing.

Hotel ownership, operation and management cash-generating unit

In 2020, the recoverable amount of the hotel ownership, operation and management CGU was determined using a value-in-use calculation based on cash flow projections and financial budgets approved by senior management.

The key assumptions used in the value-in-use calculation are the forecast earnings, management fees, sales and marketing fees receivable from the CGU, the discount rate applied to the projected cash flows and the growth rate assumption on the value-in-use calculation.

A range of discount rates were considered and applied to the cash flow projections, from 11% to 12.5% and cash flows beyond the five-year period were projected using a terminal growth rate ranging from 3.0% to 3.5%, which is consistent with the long-term average growth rate of the industry.

None of the scenarios tested resulted in an impairment of the carrying value of the assets of the CGU or the Group's intangible assets.

5

NON-CURRENT INVESTMENTS

A. Investments in equity instruments (fully paid)

(i) Quoted - (measured at Fair value through profit & loss)

25,000 (2019-25,000) Equity Shares of INR 10 each of Tourism Finance Corporation of India Limited	0.85	2.98
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(ii) Unquoted (measured at Fair value through profit & loss)

41,858,400 (2019-41,858,400) Equity Shares of INR 10 each of Golden Jubilee Hotels Private Limited	418.58	418.58
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Less: Provision for impairment in the value of Investments	(418.58)	(418.58)
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	-	-
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13,200 (2019-18,000) Equity Shares of INR 10 each of Green Infra Wind Generation Limited	0.13	0.18
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1,078,826 (2019-1,078,826) Equity Shares of Egyptian Pound 10 each of Tourism Investments Company at Sahl Hasheesh	391.23	358.17
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4,200 (2019- 4,200) Equity Shares of INR 10 each of ReNew Wind Energy (Karnataka) Pvt. Ltd.	0.42	0.42
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Total investments in equity instruments	392.63	361.75
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B. Investment in Government Securities

(Unquoted)

National Savings Certificate (lodged with Government Authorities as Security Deposit)	0.29	0.27
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Total investments in government securities	0.29	0.27
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Total non-current investments	392.92	362.02
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Aggregate carrying amount of quoted investments	0.85	2.98
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Aggregate Market value of quoted investments	0.85	2.98
--	------	------

Aggregate carrying amount of unquoted investments	810.65	777.62
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Aggregate amount of impairment in the value of investment	418.58	418.58
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Notes to Accounts — Contd.

6 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	As at March 31, 2020	Rupees Million As at March 31, 2019
(i) Quoted - In Associate entity		
11,215,118 (2019-11,215,118) Equity Shares of INR 10 each of ElH Associated Hotels Limited	1,453.04	1,373.55
(ii) Unquoted - In Associate entity		
11,552 (2019 - 9472) Equity Shares of USD 1 each of La Roseaie De L'Atlas	1,564.29	1,249.82
125,501 (2019 - 125,501) Equity Shares of INR 10 each of Usmart Education Limited fully paid*	-	-
(iii) Unquoted - In Joint Venture entity		
7,375,000 (2019- 7,375,000) Equity Shares of USD 1 each of Oberoi Mauritius Ltd	310.07	331.44
12,705,884 (2019 - 12,705,884) Equity Shares of INR 10 each of Mercury Car Rentals Private Limited	485.05	485.29
Total	3,812.45	3,440.10

*Usmart Education Limited (Usmart) has become an Associate of the Company during the previous year by virtue of acquisition of 25.10% shareholding at a cost of INR 251. The company's share in losses of Usmart is restricted to INR 251 pursuant to the requirements of Para 38 of IndAS 28 on Associates and Joint Ventures. The unrecognised share of losses of associate, for the current year and cumulatively is INR 0.79 million and INR 3.15 million respectively.

7 OTHER NON-CURRENT FINANCIAL ASSETS

Security Deposits	449.88	403.40
Long-term bank deposits	-	3.93
Other recoverable *	5.19	-
Total other non-current financial assets	455.07	407.33

* includes cost of land acquired by Uttar Pradesh Shashan Van Anubhag. The Company's claim for compensation is pending adjudication before the Additional District Judge, Agra, Uttar Pradesh.

8 TAX ASSETS - NET

Income Tax Asset (Net)

Opening balance	782.21	726.54
Add/(Less): Tax payable for the year	(378.83)	(798.57)
Add: Taxes paid	641.45	829.94
Add/(Less): Refund / adjustment for earlier years	(431.50)	24.15
Less: Adjustment for prior periods	(0.18)	0.15
Closing Balance	613.15	782.21

Wealth Tax Asset (Net)

Opening balance	5.00	5.00
Less: Tax payable for the year	-	-
Add: Taxes paid	-	-
Less: Adjustment for prior periods	-	-
Closing balance	5.00	5.00
Total tax assets	618.15	787.21

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
9		
DEFERRED TAX ASSETS - NET		
Deferred Tax Liabilities on account of :		
Depreciation	91.77	90.06
Total Deferred Tax Liabilities (A)	91.77	90.06
Deferred Tax Assets on account of :		
Unabsorbed Depreciation	17.34	41.47
Unabsorbed Carried Forward Loss	35.42	3.19
Accrued Expenses Deductible on Payment	2.40	1.20
Employee Benefit	15.67	14.85
MAT Credit Entitlement	99.82	127.82
Lease Liability	(0.40)	-
Interest Expense	1.58	-
Change in Tax Rates	18.23	-
Others	0.02	0.10
Total Deferred Tax Assets (B)	190.08	188.63
Deferred Tax Assets (Net B-A)	98.31	98.57

Movement in Deferred Tax Assets

	Rupees Million										
Movement in deferred tax assets	Un-absorbed Depreciation	Un-absorbed Carried Forward Loss	Accrued Expenses Deductible on Payment	Employee Benefit	Fair valuation of security deposit	MAT Credit Entitlement	Lease Liability	Interest Expense	Change in Tax Rates	Others	Total
As at April 2018	19.13	8.28	1.01	12.30	-	146.80	-	-	-	-	187.52
(Charged)/Credited:											
- to profit and loss	22.34	(5.09)	0.05	2.26	-	(18.98)	-	-	-	0.10	0.68
- to other comprehensive income	-	-	0.14	0.29	-	-	-	-	-	-	0.43
As at 31 March, 2019	41.47	3.19	1.20	14.85	-	127.82	-	-	-	0.10	188.63
(Charged)/Credited:											
- to profit and loss	(24.13)	32.23	0.97	0.78	-	(28.00)	(0.40)	1.58	18.23	(0.08)	1.18
- to other comprehensive income	-	-	0.23	0.04	-	-	-	-	-	-	0.27
As at 31 March, 2020	17.34	35.42	2.40	15.67	-	99.82	(0.40)	1.58	18.23	0.02	190.08

Movement in deferred tax liabilities	Depreciation	Deferred Revenue	Total
As at April 2018	87.87	-	87.87
(Charged)/Credited:			
- to profit and loss	2.19	-	2.19
- to other comprehensive income	-	-	-
As at 31 March, 2019	90.06	-	90.06
(Charged)/Credited:			
- to profit and loss	1.71	-	1.71
- to other comprehensive income	-	-	-
As at 31 March, 2020	91.77	-	91.77

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
10		
OTHER NON-CURRENT ASSETS		
Capital Advances	126.79	97.01
Prepaid Expenses	13.86	54.10
Other Advances recoverable considered good - unsecured	529.53	471.16
Other Advances recoverable which have significant increase in credit risk - unsecured	182.99	185.89
Less: Provision for doubtful advances	(182.99)	(185.89)
	-	-
Advances paid under protest	243.90	218.64
Services Exports Incentive	178.87	199.17
Prepaid rent relating to security deposits (assets)	402.85	663.27
Prepayments for lands on operating leases	-	1,972.24
Total other non-current assets	1,495.80	3,675.59

11		
INVENTORIES *		
Provisions, Wines & Others	293.29	298.81
Stores & Operating Supplies	315.27	299.04
Goods-in-transit (Operating Supplies)	0.99	-
Total inventories	609.55	597.85

*Inventories are valued at cost which is based on 'Cumulative Weighted Average Method' or net realisable value, whichever is lower.

The cost of inventories recognised as an expense during the year as consumption of provisions, wines & others INR 1,994.16 Million (2019: INR 2,444.84 Million)

Inventories as at 31.03.2020 is after a write-off amounting to INR 4.47 million owing to the lockdown situation arising due to the global pandemic COVID-19.

12		
INVESTMENTS		
Investment in Mutual Funds (Quoted)		
2,404,217.230 (2019 - 2,500,168.776) units of Aditya Birla Sun Life Liquid Fund - Daily Dividend - Direct Plan	240.89	250.62
27,722.584 (2019 - 26,618.248) units of Nippon India Liquid Fund- Daily Dividend option (formerly Reliance Liquid Fund - Daily Dividend Reinvestment)	42.38	40.71
66,200.060 (2019 - 124,670.735) units of Nippon India Liquid Fund- Direct plan Daily Dividend option (formerly Reliance Liquid Fund - Direct Daily Dividend Reinvestment)	101.20	190.66
Total Investments	384.47	481.99

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
13		
TRADE RECEIVABLES*		
Unsecured, considered good		
Receivable from related parties	199.52	104.18
Receivable from other than related parties	1,857.75	2,376.40
	<u>2,057.27</u>	<u>2,480.58</u>
Unsecured, which have significant increase in credit risk		
Receivable from other than related parties	894.06	999.37
Less: Provision for doubtful debts	(894.06)	(999.37)
	<u>-</u>	<u>-</u>
Total Trade Receivables	<u>2,057.27</u>	<u>2,480.58</u>
* Read with note 41(B) & 52(a)		
14		
CASH & CASH EQUIVALENTS		
Balances with Banks:		
- Current Accounts	613.73	933.67
Cash in hand	11.35	16.29
Cheques in hand	3.50	1.68
Fixed Deposits with original maturity of less than three months	50.18	32.48
Total cash and cash equivalents	<u>678.76</u>	<u>984.12</u>
15		
OTHER BANK BALANCES		
Margin Deposits	0.64	0.30
Unpaid Dividend Accounts	26.62	29.34
Fixed Deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date	706.25	631.54
Earmarked Balances*	878.79	764.65
Total cash and other bank balance	<u>1,612.30</u>	<u>1,425.83</u>
*Earmarked Balances represent the deposit maintained by Mashobra Resort Limited as per High Court Order dated 17th December, 2003.		
16		
OTHER CURRENT FINANCIAL ASSETS		
Interest Accrued on deposits	20.77	16.46
Other Receivables	25.16	17.25
Security Deposits	30.66	32.98
Total other current financial assets	<u>76.59</u>	<u>66.69</u>
17		
OTHER CURRENT ASSETS		
Prepaid Expenses	86.49	177.47
Prepayments for lands on operating leases	-	32.92
Prepaid rent relating to security deposits (assets)	33.09	40.24
Advances recoverable in cash or in kind or for value to be received	255.19	210.70
Service Exports Incentive	332.66	156.69
Balance with government authorities	146.32	24.01
Total other current assets	<u>853.75</u>	<u>642.03</u>

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
18 EQUITY SHARE CAPITAL		
AUTHORISED		
1,500,000,000 Equity Shares of INR 2 each (2019 -1,500,000,000)	3,000.00	3,000.00
	<u>3,000.00</u>	<u>3,000.00</u>
ISSUED, SUBSCRIBED & FULLY PAID UP		
571,569,414 Equity Shares of INR 2 each (2019 -571,569,414)	1,143.14	1,143.14
	<u>1,143.14</u>	<u>1,143.14</u>

(i) Reconciliation of equity share capital

	Number of shares	Equity share capital (par value)
As at April 1, 2018	571,569,414	1,143.14
Change during the year	-	-
As at March 31, 2019	571,569,414	1,143.14
Change during the year	-	-
As at March 31, 2020	<u>571,569,414</u>	<u>1,143.14</u>

(ii) Rights and preferences attached to equity shares :

The Parent Company has one class of equity shares having a par value of INR 2 per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend.

(iii) Details of Shareholders holding more than 5 percent shares in the Company :

	As at March 31			
	2020		2019	
	Number of Shares	% holding	Number of Shares	% holding
(1) Reliance Strategic Business Ventures Limited (2019 - Reliance Industrial Investments and Holdings Limited)	105,907,273	18.53	105,907,273	18.53
(2) ITC Limited	85,621,473	14.98	85,621,473	14.98
(3) Oberoi Hotels Private Limited	83,646,328	14.63	83,646,328	14.63
(4) Oberoi Holdings Private Limited	33,438,993	5.85	33,438,993	5.85

(iv) Dividends

	March 31, 2020	March 31, 2019
Final dividend for the year ended March 31, 2019 of INR 0.90, March 31, 2018 INR 0.90	514.41	514.41
Dividend Distribution Tax	91.34	105.74
Dividends not recognised at the end of the reporting period		
Liability for proposed dividend *	-	514.41
Dividend Distribution Tax on proposed dividend	-	57.42

* In view of lockdown and the present business conditions and to conserve cash and maintain liquidity for future, the Board of Directors of EIH Limited have decided not to recommend dividend for the Financial Year 2019-20. This is subject to the approval of the shareholders in the ensuing annual general meeting.

Notes to Accounts — Contd.

19

OTHER EQUITY

	As at March 31, 2020	Rupees Million As at March 31, 2019
A. RESERVES AND SURPLUS		
Capital Redemption Reserve	1,024.21	1,024.21
Capital Reserve	25.95	25.95
Securities Premium	12,373.41	12,373.41
General Reserve	9,384.83	9,384.83
Retained Earnings	6,236.57	5,398.59
Total reserves and surplus	29,044.97	28,206.99
B. OTHER COMPREHENSIVE INCOME		
Foreign Currency Translation Reserve	1,177.33	583.81
	1,177.33	583.81
Total Other Equity	30,222.30	28,790.80
(i) CAPITAL REDEMPTION RESERVE		
Opening Balance	1,024.21	1,024.21
Adjustment during the year	-	-
Closing Balance	1,024.21	1,024.21
(ii) CAPITAL RESERVE		
Opening Balance	25.95	25.95
Adjustment during the year	-	-
Closing Balance	25.95	25.95
(iii) SECURITIES PREMIUM		
Opening Balance	12,373.41	12,373.41
Adjustment during the year	-	-
Closing Balance	12,373.41	12,373.41
(iv) GENERAL RESERVE		
Opening Balance	9,384.83	9,384.83
Adjustment during the year	-	-
Closing Balance	9,384.83	9,384.83

Notes to Accounts — Contd.

	As at March 31, 2020	Rupees Million As at March 31, 2019
(v) RETAINED EARNINGS		
Opening Balance	5,398.59	4,910.16
Adjustment of discontinuance of Mercury Travels Limited	-	0.68
Adjustment to opening balance due to change in Non Controlling Interest	-	(82.46)
Adjustment for new IndAS	8.09	(112.04)
Add: Profit during the year as per Statement of Profit & Loss	1,488.17	1,315.41
Final dividend for the year	(514.41)	(514.41)
Dividend distribution tax	(91.34)	(105.73)
Other comprehensive income recognised directly in retained earnings		
- Remeasurements of defined benefit obligations, net of tax	(21.12)	(11.41)
- Recycling of foreign currency translation reserve	(28.06)	-
- Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(3.35)	(1.61)
Closing Balance	<u>6,236.57</u>	<u>5,398.59</u>
(vi) FOREIGN CURRENCY TRANSLATION RESERVE		
Opening Balance	583.81	(33.78)
Add/(Less): Currency Translation differences arising during the year	593.52	617.59
Closing Balance	<u>1,177.33</u>	<u>583.81</u>
	<u>30,222.30</u>	<u>28,790.80</u>

Nature and purpose of Reserves

(i) Capital Redemption Reserve

Capital Redemption Reserve represents the statutory reserve created by the company for the redemption of its preference share capital issued and redeemed under previous GAAP. The same can be utilised by the group for issuing fully paid bonus shares.

(ii) Capital Reserve

Capital reserve represents reserve created on business combination done under previous GAAP in cases where value of net assets acquired exceeds the fair value of the consideration transferred.

(iii) Securities Premium

This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(iv) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
20		
NON-CURRENT BORROWINGS - AT AMORTISED COST		
Term Loans from Banks		
Secured		
The Hong Kong & Shanghai Banking Corporation Limited (HSBC)	1,607.14	2,035.71
RBL Bank Limited (RBL)	225.00	-
State Bank of Mauritius	500.37	642.74
Unsecured Loans		
From Government Of Himachal Pradesh	5.00	5.00
Long Term maturities of Finance Lease Obligations:		
Secured		
Long Term maturity of Finance Lease Obligations- Vehicles	-	39.72
Unsecured		
Long Term maturity of Finance Lease Obligations- Land	-	28.06
Total Non-current borrowings	2,337.51	2,751.23
Current maturities of long-term debt (included in note 27)	549.61	475.15
Current maturities of finance lease obligations (included in note 27)	-	27.84

PARTICULARS OF TERM BORROWINGS :

1.) Security

Term loan from The Hong Kong & Shanghai Banking Corporation Limited (HSBC) relates to ElH Ltd., is secured by way of equitable mortgage by deposit of title deeds in respect of the Company's hotel in Delhi known as The Oberoi, New Delhi.

Term loan from RBL Bank Limited (RBL) relates to ElH Ltd., is secured by first pari passu charge by way of equitable mortgage on immovable fixed assets of the Company's hotel in Delhi known as The Oberoi, New Delhi. Process of creation of security is in progress.

Term Loan from State Bank of Mauritius relates to ElH Flight Services Ltd, Mauritius and is secured by charge on building of that company, floating charge on all assets of the company, assignment of leasehold rights on the leasehold land and a corporate guarantee of ElH limited.

The Finance Lease obligations are secured by hypothecation of vehicles taken under Lease.

2.) Terms of repayment and Interest rate :

- Term Loan From The Hong Kong & Shanghai Banking Corporation Limited (HSBC) is repayable in 28 quarterly installment of INR 107.14 Million starting from February 2018 and ending on November 2024 and carries interest which is linked to banks MCLR, presently effective rate is 8.90%
- Term loan from RBL is repayable in 20 quarterly installments of INR 12.50 Million starting from December 2020 and ending on September 2025 and carries interest which is linked to 12 month T-bill, presently effective rate is 8.50%
- Term Loan from State Bank of Mauritius carries interest at 1% below the SBM prime lending rate(which is currently at 5.85%) with an all-in rate of 4.85% per annum. Loan will be repayable within 6 years in 20 quarterly installments of starting from September 2019 and ending in June 2024 in amounts varying from 7,500,000 MUR to 23,750,000 MUR based on the financial year.
- The Finance Lease obligations are secured by hypothecation of vehicles taken under Lease. Repayments are done by equated monthly installments over 36 to 60 months.
- Unsecured borrowings from Government of Himachal Pradesh is repayable at the option of the group and group does not expect repayment in next one year period.

Notes to Accounts — Contd.

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
21		
OTHER NON-CURRENT FINANCIAL LIABILITIES		
Lease Rent Equalisation	-	9.48
Security Deposits	79.11	82.74
Advances from customers	240.03	219.74
Total Other Non-Current Financial Liabilities	319.14	311.96
22		
PROVISIONS - NON CURRENT		
Employee Benefit Obligation		
Gratuity 42 (i) (a)	1.42	1.36
Gratuity 42 (i) (b)	7.02	5.73
Leave Obligation 42 (i) (c)	252.15	170.31
Pension Benefits 42 (i) (d)	70.22	73.63
Total employee benefit obligations	330.81	251.03
23		
OTHER NON-CURRENT LIABILITIES		
Advance Rent	11.22	21.54
Total Other Non-Current Liabilities	11.22	21.54
24		
DEFERRED TAX LIABILITIES - NET		
Deferred Tax Liabilities on account of :		
Depreciation	1,756.66	2,312.33
Outside Basis Taxation	87.27	76.12
Fair Valuation of Security Deposit Liability	0.03	0.03
Restatement of Liability at Fair Value	0.41	0.32
Investment in Associate accounted for using the Equity method	58.45	58.45
Total deferred tax liabilities (A)	1,902.82	2,447.25
Deferred Tax Assets on account of :		
Statutory Expenses claimable on payment	77.41	96.36
Provision For Debts, Advances and Investments	271.07	414.16
Fair Valuation of Security Deposit-Assets	32.99	38.76
Loyalty and Membership fee -IndAS effect	0.01	25.01
Lease Rent Equalisation *	-	3.60
Others temporary differences	43.44	21.06
Total deferred tax assets (B)	424.92	598.95
Deferred Tax Liabilities - (Net - A-B)	1,477.90	1,848.30

* Deferred tax assets decreased by INR 3.60 million on account of transition to Ind AS 116 w.e.f. 01.04.2019

Notes to Accounts — Contd.

Movement in Deferred Tax Assets and Liability

	Rupees Million						
Movement in deferred tax assets	Statutory Expenses claimable on payment	Provision For Debts, Advances and Investments	Fair Valuation of Security Deposit-Assets	Liability for Lease Equalisation	Adjustments on account of IndAS 115	Others temporary differences	Total
As at March 31, 2018	89.32	129.56	31.33	3.83	-	21.56	275.60
IndAS P&L adjustment done through opening reserves	-	-	-	-	60.23	-	60.23
(Charged)/ Credited:							-
- to profit and loss	11.57	284.60	7.43	(0.23)	(35.22)	(0.50)	267.65
- to other comprehensive income	(4.53)	-	-	-	-	-	(4.53)
As at March 31, 2019	96.36	414.16	38.76	3.60	25.01	21.06	598.95
IndAS P&L adjustment done through opening reserves	-	-	-	(3.60)	-	-	(3.60)
(Charged)/ Credited:							
- to profit and loss	(21.81)	(143.09)	(5.77)	-	(25.00)	22.38	(173.29)
- to other comprehensive income	2.86	-	-	-	-	-	2.86
As at March 31, 2020	77.41	271.07	32.99	-	0.01	43.44	424.92

Movement in deferred tax liabilities	WDV of Depreciable Assets	Fair Valuation of Security Deposit	Restatement of liability at fair value	Fair Valuation of Equity Investment -MTL	Investment in Associates using Equity method	Outside Basis Taxation	Total
As at March 31, 2018	2,148.15	0.03	0.20	2.77	58.45	31.84	2,241.44
(Charged)/ Credited:							
- to profit and loss	164.18	-	0.12	(2.77)	-	44.28	205.81
- to other comprehensive income	-	-	-	-	-	-	-
- to Non Controlling Interest	-	-	-	-	-	-	-
As at March 31, 2019	2,312.33	0.03	0.32	-	58.45	76.12	2,447.25
(Charged)/ Credited:							
- to profit and loss	(555.67)	(0.00)	0.09	-	-	25.37	(530.21)
- to other comprehensive income	-	-	-	-	-	(1.48)	(1.48)
- to Non Controlling Interest	-	-	-	-	-	(12.74)	(12.74)
As at March 31, 2020	1,756.66	0.03	0.41	-	58.45	87.27	1,902.82

Notes to Accounts — Contd.

25 CURRENT BORROWINGS

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
SECURED - at amortised cost		
Short Term Loans From Banks		
The Hong Kong & Shanghai Banking Corporation Limited (HSBC)	180.00	-
ICICI Bank Limited (ICICI)	240.00	-
HDFC bank limited	300.00	-
Cash Credit From Banks		
United Bank Of India (UBI)	186.29	67.44
The Hong Kong & Shanghai Banking Corporation Limited (HSBC)	47.76	219.18
ICICI Bank Limited (ICICI)	95.00	10.81
HDFC bank limited	66.23	199.14
State Bank of Mauritius	8.86	-
UNSECURED - at amortised cost		
Short Term Loans From Banks		
ICICI Bank Limited (ICICI)	-	750.00
Federal Bank Limited	750.00	1,000.00
Total Current Borrowings	1,874.14	2,246.57

PARTICULARS OF SHORT TERM BORROWINGS :

1) Security

Short Term Loans and Cash Credit facilities from banks (other than cash credit from State Bank of Mauritius) related to EIH Ltd. and are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the company, both present and future, ranking pari passu.

Cash Credit with UBI is additionally secured by way of second charge in respect of the Company's hotel in Kolkata known as The Oberoi Grand.

Cash Credit from State Bank of Mauritius relates to EIH Flight Services Ltd, Mauritius and is secured by 1st rank floating charge for INR 25.00 million on all assets of EIH Flight Services Ltd, Mauritius and Corporate guarantee of INR 25.00 million given by EIH Flight Services Ltd, Mauritius shareholder

2) Terms of repayment and Interest rate :

Short term loan from HSBC for INR 180 Million is repayable on June 26, 2020 and carries Interest @ 8.20%

Short term loan from ICICI for INR 240 Million is repayable on September 04, 2020 and carries Interest @ 8.55%

Short term loan from HDFC for INR 300 Million is repayable on May 31, 2020 and carries Interest @ 8.05%

Cash Credit from UBI is repayable on demand and carries Interest at MCLR-Y + 0.55%

Cash Credit from HSBC is repayable on demand and carries Interest at overnight MCLR

Cash Credit from ICICI is repayable on demand and carries Interest at 6 months MCLR + 0.30%

Cash Credit from HDFC is repayable on demand and carries Interest at 1 year MCLR + 0.15%

Cash Credit from State Bank of Mauritius is repayable on demand and carries Interest at SBM PLR + 2.25%.

Short term loan from Federal bank limited INR 500 Million is repayable on September 18, 2020 and carries Interest @ 8.40%.

Short term loan from Federal bank limited INR 250 Million is repayable on March 20, 2021 and carries Interest @ 8.70%.

Notes to Accounts — Contd.

	As at March 31, 2020	Rupees Million As at March 31, 2019
26		
A. TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES		
(i) Principal amount remaining unpaid at the end of the year *	15.27	0.95
(ii) Interest due thereon remaining unpaid at the end of the year	0.01	-
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day.	-	0.44
(iv) The amount of interest due and payable for the year	0.05	0.03
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.05	-
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	-	-
(vii) Interest remaining disallowable as deductible expenditure under the Income Tax Act, 1961	-	-
Total [(i)+(v)]	15.32	0.95

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are based on information made available to the companies within the Group.

B. TRADE PAYABLES TO OTHER THAN MICRO AND SMALL ENTERPRISES		
Trade Payables	1,988.85	2,230.58
Trade Payables to related parties	73.52	67.60
Trade payables to other than micro and small enterprises	2,062.37	2,298.18

27		
OTHER CURRENT FINANCIAL LIABILITIES		
Current Maturities of Long Term Debt (refer note 20)	549.61	475.15
Current Maturities of Finance Lease Obligations (refer note 20)	-	27.84
Interest accrued but not due on borrowings	8.67	7.99
Unclaimed Dividend	26.62	29.34
Security Deposits	106.28	84.49
Other Payables		
- Liability for Capital Assets	138.00	135.94
- Lease Rent Equalisation	-	0.81
Payable to related parties	5.05	-
Other Liabilities	8.40	-
Total current financial liabilities	842.63	761.56

28		
TAX LIABILITIES - NET		
Income Tax Liabilities - Net	-	17.22
Total tax liabilities - Net	-	17.22

Notes to Accounts — *Contd.*

	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
29		
PROVISIONS		
Employee Benefit Obligation		
Gratuity	131.10	128.45
Leave Obligation	60.45	112.52
Total provisions	191.55	240.97
30		
OTHER CURRENT LIABILITIES		
Advance from Customer	345.14	487.28
Statutory and other dues	463.01	282.16
Advance Rent	23.34	7.91
Deferred Revenue	149.08	171.10
Total other current liabilities	980.57	948.45

Notes to Accounts — Contd.

	Rupees Million	
	Year ended March 31, 2020	Year ended March 31, 2019
31		
REVENUE FROM OPERATIONS		
Rooms	7,344.88	7,678.09
Food and Beverages	6,203.49	7,490.17
Other Services	1,975.03	2,483.78
Sale of Printed Materials	439.13	456.16
Total revenue from operations	15,962.53	18,108.20
32		
OTHER INCOME		
Interest Income :		
Interest income from financial assets at amortised cost	171.12	138.26
Interest income on Income Tax refund	79.63	61.96
Dividend Income :		
Dividend income from equity investments measured at fair value through profit or loss	19.54	20.01
Income on account of Services Exports Incentive	182.92	255.15
Others :		
Fair value changes on equity investments measured at fair value through profit or loss	-	0.01
Rental Income from Investment Property	170.56	88.01
Net foreign exchange gain	14.97	1.85
Provisions/ Liabilities Written Back	29.39	14.75
Miscellaneous Income	116.28	107.87
Total other income	784.41	687.87
33		
CONSUMPTION OF PROVISIONS, WINES & OTHERS		
Opening Stock	298.81	231.72
Add: Purchases	1,988.64	2,511.93
	2,287.45	2,743.65
Less: Closing Stock	293.29	298.81
Total Consumption of provisions, wines & others	1,994.16	2,444.84
34		
EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	4,033.01	4,139.57
Contribution to Provident fund and Other Funds	233.66	211.93
Staff Welfare Expenses	425.51	455.43
Total employee benefits expense	4,692.18	4,806.93

Notes to Accounts — Contd.

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
35		
FINANCE COSTS		
Interest Expense	436.64	483.72
Interest on obligations under finance leases	-	20.69
Interest on lease liabilities	130.05	-
	<u>566.69</u>	<u>504.41</u>
Less: Amount capitalised to qualifying assets	10.64	-
Total finance costs	<u>556.05</u>	<u>504.41</u>
36		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property, plant and equipment	1,220.84	1,262.76
Depreciation of Right of use asset	176.83	-
Amortisation of intangible assets	40.82	39.02
Depreciation of investment property	26.12	23.79
Total depreciation and amortisation expense	<u>1,464.61</u>	<u>1,325.57</u>
37		
OTHER EXPENSES		
Power & Fuel	1,159.49	1,246.52
Rent	384.65	464.70
Repairs and Maintenance:		
- Buildings	297.04	264.24
- Plant & Machinery	460.11	448.30
- Others	73.76	73.48
Insurance	76.22	63.90
Rates & Taxes	388.62	389.10
Expenses on Apartment & Board	230.23	281.29
Royalty	132.26	149.55
Advertisement, Publicity & Other Promotional Expenses	412.56	367.26
Commission to Travel Agents & others	497.98	513.84
Passage & Travelling	332.67	350.48
Postage, Telephone, etc.	84.17	90.32
Professional Charges	289.96	384.95
Linen, Uniform Washing & Laundry Expenses	53.68	58.85
Renewals & Replacement	155.95	155.40
Musical, Banquet & Kitchen Expenses	108.15	104.27
Auditors' Remuneration (Refer 37 (a))	40.94	34.08
Directors' Fees and Commission	82.43	100.29
Loss on fair valuation of Investment	2.33	0.84
Bad Debts & Advances Written Off	128.27	41.30
Less : Charged off against provisions	(127.39)	(34.75)
	0.88	6.55
CSR Expenses (Refer 37(b))	41.58	45.69
Expenses on Contracts for service	590.44	600.09
Provision for debts & advances with significant increase in credit risk	19.74	9.18
Loss on Sale/Discard of Property, Plant and Equipments (Net)	47.19	2.67
Airport Levy Expenses	121.37	272.41
Loss on exchange	-	19.09
Miscellaneous Expenses	289.22	299.91
Total other expenses	<u>6,373.62</u>	<u>6,797.25</u>

Notes to Accounts — Contd.

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
37		
OTHER EXPENSES – Contd.		
(a)		
Details of Auditors' remuneration		
As auditor:		
Audit fee	31.44	25.88
Review of special purpose financial information	0.20	
Tax audit fee	1.52	1.70
Reimbursement of expenses	1.22	1.22
In other capacity		
For Limited Review of Unaudited Financial Results	5.40	4.20
For verification of statement and other reports	1.16	1.08
Total payments to auditors	40.94	34.08
(b)		
Details Of CSR Expenditure		
SOS Children's Villages of India	23.98	24.78
Helpage India	7.00	7.00
Save the Children	5.45	-
Expenses for Swachh Bharat Abhiyan	0.86	4.16
Kailash Sathyarathi Children Foundation	-	5.55
Odisha Relief Fund	0.10	-
Repair work at school for visually impaired at Dhalli in the District of Shimla, Himachal Pradesh	1.79	2.38
Set up of Vocational Training Centre including teachers and teaching aids at the school for the Hearing and Visually impaired	1.84	1.82
Laundry machine for the school for the hearing and visually impaired at Dhalli, Shimla	0.56	-
Total CSR Expenditure	41.58	45.69
Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	40.37	41.45

38 **EXCEPTIONAL ITEMS : PROFIT/ (LOSS)**

Profit/(Loss) on sale of Investment in Mercury Travels Limited	-	116.83
Provision for Doubtful Debts	(4.67)	(847.49)
Total Exceptional Items	(4.67)	(730.66)

Exceptional Items include a) a one-off provision of INR 4.67 million (P.Y. INR 847.49 million) against receivable from a single customer in the flight catering business, due to uncertainty over business continuity of the referred customer and (b) C.Y. Nil (P.Y. Profit of INR 116.83 million on sale of investment in an associate).

Notes to Accounts — Contd.

	Year ended March 31, 2020	Rupees Million Year ended March 31, 2019
39		
TAX EXPENSE		
(a) Current tax		
Tax on profits for the year	360.79	852.97
Adjustments for prior periods	11.60	9.28
Total Current tax	372.39	862.25
(b) Deferred tax		
Decrease / (Increase) in deferred tax assets	189.59	(255.47)
(Decrease) / Increase in deferred tax liabilities	(529.77)	236.39
	(340.18)	(19.08)
Add: MAT credit utilised	(28.00)	(18.98)
Add : Recognised in OCI	4.57	(4.39)
Total deferred tax expense/(benefit)	(363.61)	(42.45)
Total tax expense	8.78	819.80
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit before income tax expense	1,660.21	2,309.37
Tax at the respective countries' tax rates	479.27	778.71
Tax effect of amounts which are not deductible in calculating taxable income:		
Corporate social responsibility expenditure	10.66	15.12
Interest on MSME	-	0.01
Expenses related to exempted income	1.01	6.23
Donations	0.10	0.08
Tax loss utilized	31.96	-
Others	1.01	(6.18)
	44.74	15.26
Adjustments related to property, plant and equipments:		
Depreciation adjustment on account of difference in WDV as per companies Act and Income tax Act	-	(0.02)
Adjustment on account of depreciable and leased assets	4.63	20.90
Impact of rate change in deferred tax	(15.54)	-
	(10.91)	20.88
Tax effect of amounts which are not taxable in calculating taxable income:		
Profit on sale of property	-	(34.38)
Dividend	(43.27)	(58.06)
Others	25.34	74.99
	(17.93)	(17.45)
Other differences		
Difference in tax rate on foreign dividend	(5.69)	(24.83)
Impact of decrease in tax rate on deferred tax	(448.37)	-
Impact of difference in tax rate and method on gains arising on fair value of Investments	0.53	0.22
Deferred tax assets not recognised	(22.64)	4.98
Deferred tax for earlier year	(10.12)	(12.34)
Difference in tax rate of subsidiaries	(11.70)	45.09
	(497.99)	13.12
Income tax expense related to prior periods	11.60	9.28
Income tax expense as per Income Tax	8.78	819.80

Effective April 1, 2019, companies within the Group has adopted Appendix C to Ind AS 12 – Income taxes retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effect on account of initial application of this amendment is Nil. The effect of adoption of this amendment in the current year is also Nil.

Notes to Accounts — Contd.

40

FAIR VALUE MEASUREMENTS

Financial instruments by category Rupees Million

	As at March 31, 2020		As at March 31, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
Equity instruments - Other than Investments in associates and joint ventures	777.10	-	843.74	-
Government securities	-	0.29	-	0.27
Trade Receivables	-	2,057.27	-	2,480.58
Cash and cash equivalents	-	678.76	-	984.12
Other bank balances	-	1,612.30	-	1,425.83
Other receivables	-	51.12	-	37.64
Security deposits	-	480.54	-	436.38
Total financial assets	777.10	4,880.28	843.74	5,364.82
Financial liabilities				
Borrowings	-	4,761.26	-	5,405.17
Security deposits	-	185.39	-	167.23
Finance Lease Obligations	-	-	-	95.62
Lease Rent equalisation	-	-	-	10.29
Lease Liabilities	-	1,713.41	-	-
Trade payables	-	2,077.69	-	2,299.13
Capital creditors	-	138.00	-	135.94
Others	-	288.77	-	257.07
Total financial liabilities	-	9,164.52	-	8,370.45

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at March 31, 2020		As at March 31, 2019	
	Level 1	Level 3	Level 1	Level 3
Financial Investments at FVPL				
Investment in Equity Shares of (Note 5)				
Tourism Finance Corporation of India Limited	0.85	-	2.98	-
Green Infra Wind Generation Limited	-	0.13	-	0.18
ReNew Wind Energy (Karnataka) Pvt. Ltd.	-	0.42	-	0.42
Tourism Investments Company at Sahl Hasheesh	-	391.23	-	358.17
Investment in Mutual fund of (Note 12)				
Aditya Birla Sun Life Liquid Fund	240.89	-	250.62	-
Nippon India Liquid Fund	101.20	-	190.66	-
Nippon India Liquid Fund	42.38	-	40.71	-
Total financial assets	385.32	391.78	484.97	358.77

Notes to Accounts — Contd.

(ii) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds, that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, etc.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

(iv) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Investment in Green Infra Wind Generation Limited and ReNew Wind Energy (Karnataka) Pvt. Ltd., are made pursuant to the contract for procuring electricity supply at the hotels units. Investment in said companies is not usually traded in market. Considering the terms of the electricity supply contract and best information available in the market, cost of investment is considered as fair value of the investments.
- For the investment in Golden Jubilee Hotels Private Limited (GJHPL), the management was of the view that carrying value of the investment is representative of its fair value as on April 01, 2015. As on April 01, 2015, no indicators of impairment was existing. However, during the financial year 2015-16, due to the non-payment of bank borrowings and other obligation, petition for the winding up has been filed by the creditors and lenders of the GJHPL. Considering the financial position of the GJHPL and legal proceedings initiated by lenders, the management has fully provided for the investment in GJHPL as on March 31, 2016.

(v) Reconciliation of financial assets measured at fair value using significant unobservable inputs (level 3)

	Rupees Million
As at March 31, 2018	324.19
Acquisitions	-
Gains/(losses) recognised in profit or loss	34.58
As at March 31, 2019	358.77
Acquisitions	-
Gains/(losses) recognised in profit or loss	33.01
As at March 31, 2020	391.78

Notes to Accounts — Contd.

41 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (i.e., currency risk, interest rate risk and market price risk), liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk.

The company's risk management is carried out by a treasury department under policies approved by the Board of Directors. Company Treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Market risk

(i) Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the respective companies' functional currency.

The exposure of the Group to foreign currency risk is not significant. However, this is closely monitored by the Management to decide on the requirement of hedging. The position of foreign currency exposure to the Group as at the end of the year expressed in INR are as follows :

Currency	Rupees Million	
	(Receivables)	(Payables)
March 31 2020		
US Dollar (USD)	74.88	32.73
EURO	3.73	2.12
Great Britain Pound (GBP)	1.75	11.81
Australian Dollar (AUD)	6.58	-
Mauritius Rupee (MUR)	51.69	1,030.59
UAE Dirham (AED)	1.84	0.19
Hongkong Dollar (HKD)	-	0.62
Swedish Kroner (SEK)	-	0.22
Singapore Dollar (SGD)	-	0.21
Net exposure to foreign currency risk	140.47	1,078.49
March 31 2019		
US Dollar (USD)	59.51	12.12
EURO	7.20	2.09
Great Britain Pound (GBP)	1.41	5.58
Australian Dollar (AUD)	24.21	-
Mauritius Rupee (MUR)	72.37	712.20
UAE Dirham (AED)	1.38	0.44
Net exposure to foreign currency risk	166.08	732.43

Notes to Accounts — Contd.

Sensitivity

If INR is depreciated or appreciated by 5% vis-a-vis foreign currency, the impact thereof on the profit and loss of the group are given below:

	Rupees Million	
	Impact on profit*	
	March 31 2020	March 31 2019
USD sensitivity		
INR/USD Increases by 5% (March 31 2019 - 5%)	2.11	2.37
INR/USD Decreases by 5% (March 31 2019 - 5%)	(2.11)	(2.37)
EURO sensitivity		
INR/EURO Increases by 5% (March 31 2019 - 5%)	0.08	0.26
INR/EURO Decreases by 5% (March 31 2019 - 5%)	(0.08)	(0.26)
GBP sensitivity		
INR/GBP Increases by 5% (March 31 2019 - 5%)	(0.50)	(0.21)
INR/GBP Decreases by 5% (March 31 2019 - 5%)	0.50	0.21
AED sensitivity		
INR/AED Increases by 5% (March 31 2019 - 5%)	0.08	0.05
INR/AED Decreases by 5% (March 31 2019 - 5%)	(0.08)	(0.05)
Mauritius Rupee sensitivity		
INR/MUR Increases by 5% (March 31 2019 - 5%)	(48.95)	(31.99)
INR/MUR Decreases by 5% (March 31 2019 - 5%)	48.95	31.99
AUD sensitivity		
INR/AUD Increases by 5% (March 31 2019 - 5%)	0.33	1.21
INR/AUD Decreases by 5% (March 31 2019 - 5%)	(0.33)	(1.21)
HKD sensitivity		
INR/HKD Increases by 5% (March 31 2019 - 5%)	(0.03)	-
INR/HKD Decreases by 5% (March 31 2019 - 5%)	0.03	-
SEK sensitivity		
INR/SEK Increases by 5% (March 31 2019 - 5%)	(0.01)	-
INR/SEK Decreases by 5% (March 31 2019 - 5%)	0.01	-
SGD sensitivity		
INR/SGD Increases by 5% (March 31 2019 - 5%)	(0.01)	-
INR/SGD Decreases by 5% (March 31 2019 - 5%)	0.01	-

* Holding all other variables constant

(ii) Interest rate risk

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period depends on the mix of fixed rate and floating rate of the borrowings and the expected movement of market interest rate. The status of borrowings in terms of fixed rate and floating rate are as follows:

Variable rate borrowings	3,286.26	4,650.17
Fixed rate borrowings	1,475.00	755.00
Total borrowings	4,761.26	5,405.17

As at the end of the reporting period, the group had the following variable rate borrowings outstanding:

	Weighted average interest rate	Balance	% of total loans
March 31, 2020			
Bank loans, Cash Credit	8.75%	3,286.26	69%
March 31, 2019			
Bank loans, Cash Credit	8.67%	4,650.17	86%

Notes to Accounts — Contd.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Rupees Million	
	Impact on profit*	
	March 31 2020	March 31 2019
Interest rates – increase by 50 basis points (50 bps) *	(16.43)	(23.25)
Interest rates – decrease by 50 basis points (50 bps) *	16.43	23.25

* Holding all other variables constant

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group in equity securities and classified in the balance sheet as at fair value through profit or loss (Note 5). However, Group does not have a practice of investing in equity securities with a view to earn fair value changes gain. As per the Group policies, whenever any investment is made by the Group company in equity securities, the same is made either with some strategic objective or as a part of contractual arrangement.

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the group.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Group companies has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Group companies do not allow any credit period and therefore, is not exposed to any credit risk.

The Group does not have any derivative transaction and therefore is not exposed to any credit risk on account of derivatives.

Reconciliation of loss allowance provision – Trade receivables

Loss allowance on March 31 2018	184.34
Changes in loss allowance	815.03
Loss allowance on March 31 2019	999.37
Changes in loss allowance	(105.31)
Loss allowance on March 31 2020	894.06

(C) Liquidity risk

The Group has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows:

	March 31 2020	March 31 2019
Floating rate		
Expiring within one year (cash credit facilities and bank overdraft)		
HSBC Cash Credit/WCTL Facility	72.24	80.82
UBI Cash Credit Facility	613.71	732.56
ICICI Cash Credit Facility	135.00	389.11
ICICI Short Term Facility	1,000.00	-
Federal Bank Short Term Facility	750.00	1,000.00
HDFC Cash Credit Facility	133.77	300.86
	2,704.72	2,503.35

The bank overdraft and cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

Notes to Accounts — Contd.

(ii) Maturities of financial liabilities

The table below analyses the group's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

	Rupees Million			
	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31 2020				
Borrowings	2,675.45	2,681.83	31.68	5,388.96
Lease Liabilities	145.40	518.05	2,496.49	3,159.94
Trade payables	2,077.69	-	-	2,077.69
Other financial liabilities	249.91	98.92	0.68	349.51
Total non-derivative liabilities	5,148.45	3,298.80	2,528.85	10,976.10
March 31 2019				
Borrowings	2,977.66	3,199.93	20.71	6,198.30
Obligations under finance lease	41.54	63.11	119.54	224.19
Trade payables	2,570.31	-	-	2,570.31
Other financial liabilities	230.30	100.19	12.06	342.55
Total non-derivative liabilities	5,819.81	3,363.23	152.31	9,335.35

(D) Capital management

(i) Risk management

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The group's strategy is to maintain a gearing ratio within 30%. The gearing ratios were as follows:

	Rupees Million	
	March 31 2020	March 31 2019
Net debt *	4,082.50	4,421.05
Total equity	32,362.75	30,820.11
Net debt to equity ratio	13%	14%

* Net debt represents borrowings less cash and cash equivalents computed as follows:

Term Loan from Bank	2,882.12	3,153.60
Loan from Others	5.00	5.00
Cash Credit From Banks	404.14	496.57
Short Term Loan From Banks	1,470.00	1,750.00
Less: cash and cash equivalents	(678.76)	(984.12)
Net debt	4,082.50	4,421.05

Notes to Accounts — Contd.

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(i) POST-EMPLOYMENT OBLIGATIONS

a) Gratuity (India)

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a funded plan and the group through Gratuity Trust makes contribution of funds to Life Insurance Corporation of India.

b) Gratuity (Mauritius)

The Group provides for gratuity for employees in Mauritius under the Employment Rights Act, 2008. The gratuity plan is an unfunded defined benefit plan.

c) Leave Obligation (India)

As per the policy of the company, leave obligations can be settled in cash only at the time of separation of employees with the group. The leave obligations cover the company's liability for earned leaves encashable at the time of termination/retirement of employees. It's a unfunded plan.

d) Pension Benefits

The pension benefit plan pertains to two of the foreign subsidiaries PT Waka Oberoi Indonesia and PT Widja Putra Karya.

(ii) DEFINED CONTRIBUTION PLANS

The company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Balance sheet amounts – Gratuity and Leave Obligations (India)- Note (i) (a) and (i) (c)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Rupees Million			
	Gratuity			Earned Leave
	Present value of obligation	Fair value of plan assets	Net amount	Present value for obligation towards Leave Encashment
April 1, 2018	649.73	474.03	175.70	279.51
Current service cost	40.76	-	40.76	49.24
Interest expense/(income)	46.26	37.55	8.71	19.25
Total amount recognised in profit or loss	87.02	37.55	49.47	68.49
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	18.55		18.55	(17.27)
(Gain)/loss from change in financial assumptions	8.36	-	8.36	4.26
Experience (gains)/losses	(0.01)	0.25	(0.26)	0.52
Total amount recognised in other comprehensive income	26.90	0.25	26.65	(12.49)
Employer contributions	-	121.58	(121.58)	-
Benefit payments	(82.05)	(81.62)	(0.43)	(52.68)
March 31, 2019	681.60	551.79	129.81	282.83
April 1, 2019	681.60	551.79	129.81	282.83
Current service cost	42.04	-	42.04	51.93
Interest expense/(income)	47.41	40.28	7.13	18.97
Total amount recognised in profit or loss	89.45	40.28	49.17	70.90

Notes to Accounts — Contd.

<i>Remeasurements</i>	Rupees Million			
(Gain)/loss from change in demographic assumptions	(0.13)	-	(0.13)	16.74
Experience (gains)/losses	4.53	-	4.53	(8.59)
(Gain)/loss from change in financial assumptions	15.97	-	15.97	4.02
Total amount recognised in other comprehensive income	20.37	-	20.37	12.17
Employer contributions	-	66.55	(66.55)	-
Benefit payments	(81.93)	(81.64)	(0.29)	(53.29)
March 31, 2020	709.49	576.98	132.51	312.61

(iii) POST EMPLOYMENT BENEFITS

The significant actuarial assumptions were as follows:

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.50% - 6.66%	7.40% - 7.69%
Salary growth rate	0%-5%	5%
Mortality	Indian assured lives mortality (2006-08) (modified) Ultimate	Indian assured lives mortality (2006-08) (modified) Ultimate
Withdrawal Rate	Age less than 30 years: Management - 20% Non Management - 30% Age Greater than 30 years - Upto 5%	2%-3%

(iv) SENSITIVITY ANALYSIS

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Gratuity						
Discount rate	1%	1%	(34.18)	(39.99)	38.10	45.43
Salary growth rate	1%	1%	32.12	46.10	(29.36)	(41.24)
Leave Encashment						
Discount rate	1%	1%	(17.43)	(19.98)	19.77	23.27
Salary growth rate	1%	1%	17.19	23.61	(15.45)	(20.59)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Sensitivities due to Demographic and Investment are not material and hence the impact of change due to these is not disclosed

(v) The major categories of plans assets are as follows:

	March 31, 2020		March 31, 2019	
	Unquoted	in %	Unquoted	in %
Investment funds with LIC of India*	576.98	100%	551.80	100%
Total	576.98		551.80	

* Gratuity trust pays contribution to LIC which in turn invests the amount in various instruments. As it is done by LIC in totality basis along with contributions from other participants, the Company wise investment in planned assets - category / class wise is not available.

Notes to Accounts — Contd.

(vi) Risk exposure

Through its defined benefit plans, The company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Investment risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. LIC of India primarily invests in debt instruments such as Government securities and highly rated corporate bonds wherein the risk of downward fluctuation in value is minimal.

(vii) Defined benefit liability and employer contributions

Expected contributions to post employment benefit plan for the year ending 31 March 2021 are INR 132.51 million.

The weighted average duration of the defined benefit obligation is between 7-25 years (2019 - 7 years) in case of Gratuity and between 7-18 years (2019- 8 years) in case of Leave encashment.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

							Rupees Million
Particulars	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years	Total
March 31, 2020							
Defined benefit obligation							
Gratuity	114.45	91.23	114.61	85.58	89.43	408.88	904.18
Leave Obligation	62.37	47.60	53.23	44.23	44.51	218.11	470.05
Total	176.82	138.83	167.84	129.81	133.94	626.99	1,374.23
March 31, 2019							
Defined benefit obligation							
Gratuity	69.49	87.81	75.32	104.24	73.48	424.88	835.22
Leave Obligation	34.37	30.68	30.96	43.69	33.20	219.29	392.19
Total	103.86	118.49	106.28	147.93	106.68	644.17	1,227.41

Balance sheet amounts – Gratuity (Mauritius)- Note (i) (b)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity Present value of obligation
April 1, 2018	4.50
Current service cost	0.96
Interest expense/(income)	0.26
Translation Adjustment	0.44
Total amount recognised in profit or loss	1.66
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	(0.09)
Experience (gains)/losses	(0.32)
Total amount recognised in other comprehensive income	(0.41)

Notes to Accounts — Contd.

	Rupees Million
Employer contributions	-
Benefit payments	-
March 31, 2019	5.75
April 1, 2019	5.75
Current service cost	0.73
Interest expense/(income)	0.32
Translation Adjustment	(0.46)
Total amount recognised in profit or loss	0.59
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	(0.12)
Experience (gains)/losses	(0.61)
Past Service cost	1.67
Total amount recognised in other comprehensive income	(0.94)
Employer contributions	-
Benefit payments	(0.26)
March 31, 2020	7.02

The net liability disclosed above relates to funded and unfunded plans are as follows:

	Gratuity	
	March 31, 2020	March 31, 2019
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Deficit of funded plan	-	-
Unfunded plans	7.02	5.73
Deficit of Employee Benefit Plans	7.02	5.73

(viii) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	March 31, 2020	March 31, 2019
Discount rate	5.30%	6.00%
Salary growth rate	2.60%	3.40%
Average Retirement Age	65 Years	65 years

(ix) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Gratuity						
Discount rate	1%	1%	1.51	1.14	1.21	1.04

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Notes to Accounts — Contd.

(x) Risk exposure

Through its defined benefit plans, The group is exposed to a number of risks, the most significant of which are detailed below:

Interest Risk: A decrease in the bond interest rate will increase the plan liability, however, this may be partially offset by a decrease in inflationary pressures on the salary increased.

Salary Risk: The Plan liability is calculated by reference to the future projected salaries of plan participants. As such an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

Balance sheet amounts – Pension Benefits (Indonesia)- Note (i) (d)

Rupees Million

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Pension Benefit Present value of obligation
April 1, 2018	63.36
Current service cost	4.77
Interest expense/(income)	4.34
Total amount recognised in profit or loss	9.11
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	(2.83)
Experience (gains)/losses	4.23
Translation Adjustment including translation at ElH India Console	4.46
Total amount recognised in other comprehensive income	5.86
Employer contributions	-
Benefit payments	(4.08)
March 31, 2019	74.25
April 1, 2019	74.25
Current service cost	6.01
Interest expense/(income)	4.77
Total amount recognised in profit or loss	10.78
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	0.76
Experience (gains)/losses	(1.39)
Translation Adjustment including translation at ElH India Console	(3.56)
Total amount recognised in other comprehensive income	(4.19)
Employer contributions	-
Benefit payments	(10.61)
March 31, 2020	70.22

Notes to Accounts — *Contd.*

(xi) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	Rupees Million	
	March 31, 2020	March 31, 2019
Discount rate	8.73%	8.54%
Salary growth rate	8% - 8.50%	8.00%
Mortality	TMI III	TMI III
Retirement Age	55 Years	55 Years
Disability Rate	5%-10% of Mortality table TMI III	10% of Mortality table TMI III

(xii) Sensitivity analysis (To be included for each defined benefit obligation)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount rate	1.00%	1.00%	(4.71)	(19.38)	5.42	4.72

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Notes to Accounts — Contd.

RELATED PARTY TRANSACTIONS

43(a)

LIST OF RELATED PARTIES

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below

Key Management Personnel of the company and close member of Key Management Personnel of the company	Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the current and previous year
Mr. P.R.S. Oberoi	Oberoi Hotels Private Limited
Mr. S.S. Mukherji	Oberoi Holdings Private Limited
Mr. Vikram Oberoi	Oberoi Investments Private Limited
Mr. Arjun Oberoi	Oberoi Buildings and Investments Private Limited
Ms. Nita M. Ambani	Oberoi Plaza Private Limited
Ms. Chhavi Rajawat	Bombay Plaza Private Limited
Mr. Manoj Harjivandas Modi	Oberoi International LLP
Mr. Rajeev Gupta	Oberoi Lutyens Private Limited
Mr. S.K. Dasgupta (ceased to be a Director from 29th March, 2019)	Silhouette Beauty Parlour (Upto March 31, 2019)
Mr. Anil K. Nehru	Ceres Hospitality Private Limited
Mr. Sudipto Sarkar	
Mr. L. Ganesh	Enterprises which are post employment benefit plan for the benefit of employees
Mr. Sanjay Gopal Bhatnagar (effective August 27, 2019)	ElH Employees' Gratuity Fund
Mr. Biswajit Mitra (Chief Financial Officer upto Sep 30,2018)	ElH Executive Superannuation Scheme
Mr. Kallol Kundu (Chief Financial Officer effective Oct 1,2018)	
Mr. S.N. Sridhar	
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)	
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji)	

Associates & Joint Ventures

(a) Associates

ElH Associated Hotels Limited
Mercury Travels Limited (Upto Aug 7, 2018)
La Roseaie De L'atlas
Usmart Education Limited (w.e.f July 31,2018)

(b) Joint Ventures

Mercury Car Rentals Private Limited
Oberoi Mauritius Ltd

(c) Subsidiary of Associate

Usmart Education Limited (Upto July 30, 2018)

(d) Subsidiary of Joint Venture

Island Resort Ltd

Notes to Accounts — Contd.

43 (b).

Transactions with Related Parties for the year ended 31st March, 2020

NATURE OF TRANSACTIONS	Rupees Million							
	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/ Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2020	2019	2020	2019	2020	2019	2020	2019
PURCHASES								
Purchase of Goods & Services								
Mercury Car Rentals Private Limited	122.49	120.31	-	-	-	-	-	-
Mercury Travels Limited	-	15.56	-	-	-	-	-	-
EIH Associated Hotels Limited	14.01	12.03	-	-	-	-	-	-
Island Resort Ltd	3.38	4.35	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	0.12	0.33	-	-	-	-
Oberoi International LLP	-	-	3.21	1.50	-	-	-	-
Total	139.88	152.25	3.33	1.83	-	-	-	-
Purchase of Fixed Assets								
EIH Associated Hotels Limited	-	0.01	-	-	-	-	-	-
Total	-	0.01	-	-	-	-	-	-
EXPENSES								
Rent								
EIH Associated Hotels Limited	1.41	1.36	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	0.36	0.36	-	-	-	-
Ms. Natasha Oberoi ,D/o Mr. P.R.S.Oberoi	-	-	-	-	0.41	0.41	-	-
Total	1.41	1.36	0.36	0.36	0.41	0.41	-	-
Royalty								
Oberoi Hotels Pvt Ltd	-	-	156.07	172.98	-	-	-	-
Total	-	-	156.07	172.98	-	-	-	-
Short-term employee benefits								
Mr. P.R.S. Oberoi	-	-	-	-	28.25	33.02	-	-
Mr. S.S. Mukherji	-	-	-	-	29.40	32.94	-	-
Mr. V.S.Oberoi	-	-	-	-	32.04	33.77	-	-
Mr. A.S. Oberoi	-	-	-	-	28.96	31.29	-	-
Mr. Biswajit Mitra	-	-	-	-	-	15.75	-	-
Mr. Kallol Kundu	-	-	-	-	13.89	10.57	-	-
Mr. S N Sridhar	-	-	-	-	8.25	6.88	-	-
Ms. Priyanka Mukherjee, D/o Mr.S.S. Mukherji	-	-	-	-	-	2.27	-	-
Total	-	-	-	-	140.79	166.49	-	-
Post-employment benefits								
Mr. V.S.Oberoi	-	-	-	-	1.45	2.07	-	-
Mr. A.S. Oberoi	-	-	-	-	1.76	2.03	-	-
Mr. Biswajit Mitra	-	-	-	-	-	-	-	-
Mr. Kallol Kundu	-	-	-	-	1.03	0.40	-	-
Ms. Priyanka Mukherjee, D/o Mr.S.S. Mukherji	-	-	-	-	-	0.13	-	-
Total	-	-	-	-	4.24	4.63	-	-

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	Rupees Million							
	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/ Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2020	2019	2020	2019	2020	2019	2020	2019
Directors' sitting fees								
Mr. P.R.S. Oberoi	-	-	-	-	0.08	0.16	-	-
Mr. V.S.Oberoi	-	-	-	-	0.48	0.32	-	-
Mr. A.S. Oberoi	-	-	-	-	0.16	0.32	-	-
Mrs. Nita M. Ambani	-	-	-	-	0.20	0.30	-	-
Mr. Manoj Harjivandas Modi	-	-	-	-	0.20	0.25	-	-
Mr. Rajeev Gupta	-	-	-	-	0.15	0.90	-	-
Mr. S.K. Dasgupta	-	-	-	-	-	1.35	-	-
Mr. Anil K. Nehru	-	-	-	-	1.20	0.90	-	-
Mr. Sudipto Sarkar	-	-	-	-	0.45	0.40	-	-
Mr. L. Ganesh	-	-	-	-	0.60	0.75	-	-
Ms. Chhavi Rajawat	-	-	-	-	0.18	0.25	-	-
Mr. S N Sridhar	-	-	-	-	0.12	0.16	-	-
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	0.10	-	-	-
Total	-	-	-	-	3.92	6.06	-	-
Total Key management personnel compensation	-	-	-	-	148.95	177.18	-	-
SALES								
Sale of Goods and Services								
Mercury Car Rentals Private Limited	19.24	16.03	-	-	-	-	-	-
Mercury Travels limited	-	4.64	-	-	-	-	-	-
ElH Associated Hotels Limited	334.87	352.81	-	-	-	-	-	-
La Rosario De L'alas	7.70	-	-	-	-	-	-	-
Island Resort Ltd	2.40	15.52	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	14.06	12.23	-	-	-	-
Oberoi Lutyens Private Limited	-	-	-	-	-	0.01	-	-
Silhouette Beauty Salon	-	-	-	-	-	0.82	-	-
Ceres Hospitality Private Limited	-	-	-	-	-	0.11	-	-
Oberoi International LLP	-	-	-	0.02	-	-	-	-
Total	364.21	389.00	14.06	12.25	-	0.94	-	-
Sale of Fixed Assets								
ElH Associated Hotels Limited	1.14	3.30	-	-	-	-	-	-
Total	1.14	3.30	-	-	-	-	-	-
INCOME								
License Agreement								
Mercury Car Rentals Private Limited	1.28	1.95	-	-	-	-	-	-
Mercury Travels Limited	-	1.79	-	-	-	-	-	-
ElH Associated Hotels Limited	1.54	1.95	-	-	-	-	-	-
Oberoi Holdings Pvt Ltd	-	-	1.42	1.43	-	-	-	-
Oberoi Investments Pvt Ltd	-	-	0.61	0.73	-	-	-	-
Oberoi Bldgs & Investments Pvt Ltd	-	-	1.71	1.80	-	-	-	-
Oberoi Plaza Pvt Ltd	-	-	3.05	3.26	-	-	-	-
Bombay Plaza Pvt Ltd	-	-	1.98	2.33	-	-	-	-
Silhouette Beauty Salon	-	-	-	-	-	10.15	-	-
Total	2.82	5.69	8.77	9.55	-	10.15	-	-

Notes to Accounts — Contd.

NATURE OF TRANSACTIONS	Rupees Million							
	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/ Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2020	2019	2020	2019	2020	2019	2020	2019
Management Contract								
ElH Associated Hotels Limited	165.52	185.37	-	-	-	-	-	-
La Rosario De L'alas	2.41	-	-	-	-	-	-	-
Island Resort Ltd	63.45	77.57	-	-	-	-	-	-
Total	231.38	262.94	-	-	-	-	-	-
Dividend Received								
Mercury Car Rentals Private Limited	13.34	6.06	-	-	-	-	-	-
ElH Associated Hotels Limited	50.47	50.47	-	-	-	-	-	-
Total	63.81	56.53	-	-	-	-	-	-
PAYMENTS								
Investment in Equity Shares								
Mercury Travels Limited	-	-	-	-	-	-	-	-
Mercury Car Rentals Private Limited	-	40.00	-	-	-	-	-	-
La Roseaie De L'atlas	282.03	897.91	-	-	-	-	-	-
Usmart Education Limited *	-	-	-	-	-	-	-	-
Total	282.03	937.91	-	-	-	-	-	-
Refund of Collections to Related Party								
Mercury Travels Limited	-	0.07	-	-	-	-	-	-
ElH Associated Hotels Limited	16.62	6.13	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	-	0.30	-	-	-	-
Total	16.62	6.20	-	0.30	-	-	-	-
Expenses reimbursed to Related Party								
Mercury Car Rentals Limited	0.01	1.71	-	-	-	-	-	-
Island Resort Ltd	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	14.83	7.74	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	0.97	0.44	-	-	-	-
Total	14.84	9.45	0.97	0.44	-	-	-	-
Advance to Related Party								
Island Resort Ltd	-	31.77	-	-	-	-	-	-
La Roseaie De L'atlas	282.03	3.84	-	-	-	-	-	-
Oberoi Mauritius Ltd	26.01	-	-	-	-	-	-	-
Total	308.04	35.61	-	-	-	-	-	-
RECEIPTS								
Sale of Equity Shares								
ElH Associated Hotels Limited	0.05	-	-	-	-	-	-	-
Total	0.05	-	-	-	-	-	-	-
Recovery of Collections by Related Party								
ElH Associated Hotels Limited	4.50	5.70	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	0.42	0.19	-	-	-	-
Total	4.50	5.70	0.42	0.19	-	-	-	-
Expenses Reimbursed by Related Party								
Mercury Car Rentals Private Limited	1.30	2.18	-	-	-	-	-	-
Mercury Travels Limited	-	-	-	-	-	-	-	-
ElH Associated Hotels Limited	31.12	14.51	-	-	-	-	-	-
Oberoi Hotels Pvt Ltd	-	-	1.86	1.20	-	-	-	-
La Roseaie De L'atlas	8.76	-	-	-	-	-	-	-
Total	41.18	16.69	1.86	1.20	-	-	-	-
Repayment of Advance to Related Party								
Island Resort Ltd	282.03	288.32	-	-	-	-	-	-
La Roseaie De L'atlas	-	349.28	-	-	-	-	-	-
Total	282.03	637.60	-	-	-	-	-	-
Contribution of Gratuity Fund								
ElH Employee's Gratuity Fund	-	-	-	-	-	-	66.55	121.60
Total	-	-	-	-	-	-	66.55	121.60
Refund of Gratuity								
ElH Employee's Gratuity Fund	-	-	-	-	-	-	81.64	81.62
Total	-	-	-	-	-	-	81.64	81.62

* Investment in Usmart Education Limited is INR 251

Notes to Accounts — Contd.

Outstanding Balances as on 31st March, 2020

NATURE OF OUTSTANDING	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/Relative of Key Management Personnel	
	2020	2019	2020	2019	2020	2019
PAYABLES						
For Goods & Services						
Mercury Car Rentals Private Limited	18.07	15.35	-	-	-	-
Mercury Travels Limited	-	-	-	-	-	-
EIH Associated Hotels Limited	18.42	5.85	-	-	-	-
Oberoi Hotels Private Limited	-	-	0.07	-	-	-
Oberoi International LLP	-	-	0.86	-	-	-
Island Resort Ltd	0.16	-	-	-	-	-
Mr. V.S.Oberoi	-	-	-	-	0.04	-
Mrs. Nita M. Ambani	-	-	-	-	0.05	-
Mr. Manoj Harjivandas Modi	-	-	-	-	0.05	-
Mr. Anil K. Nehru	-	-	-	-	0.13	-
Mr. Sudipto Sarkar	-	-	-	-	0.09	-
Mr. L. Ganesh	-	-	-	-	0.13	-
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	0.07	-
Total	36.65	21.20	0.93	-	0.56	-
Royalty						
Oberoi Hotels Private Limited	-	-	36.87	46.40	-	-
Total	-	-	36.87	46.40	-	-
Security Deposit						
Bombay Plaza Private Limited	-	-	0.50	0.50	-	-
Total	-	-	0.50	0.50	-	-
Other Payable						
EIH Associated Hotels Limited	5.05	-	-	-	-	-
Total	5.05	-	-	-	-	-
LOANS & ADVANCES AND RECEIVABLES						
For Goods & Services						
Mercury Car Rentals Private Limited	3.12	2.94	-	-	-	-
Mercury Travels Limited	-	-	-	-	-	-
EIH Associated Hotels Limited	72.84	31.52	-	-	-	-
Island Resort Ltd	0.81	3.49	-	-	-	-
La Roseaie De L'atlas	26.18	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	3.30	0.56	-	-
Bombay Plaza Private Limited	-	-	0.10	-	-	-
Silhouette Beauty Salon	-	-	-	-	-	1.77
Total	102.95	37.95	3.40	0.56	-	1.77
Management Contract						
EIH Associated Hotels Limited	93.17	63.90	-	-	-	-
Total	93.17	63.90	-	-	-	-
Advance to Related Party						
Oberoi Mauritius Ltd	498.79	-	-	-	-	-
La Roseaie De L'atlas	5.42	4.97	-	-	-	-
Island Resort Ltd	-	430.80	-	-	-	-
Total	504.21	435.77	-	-	-	-

Notes to Accounts — Contd.

44 (a) Contingent liabilities

The Group has contingent liabilities at 31 March 2020 in respect of:

(i) Claims against the Group pending appellate/judicial decision not acknowledged as debts:

	Rupees Million	
	March 31, 2020	March 31, 2019
i. Value Added Tax	37.36	40.38
ii. Income-tax	297.75	311.14
iii. Service Tax	15.89	97.80
iv. Property Tax	236.43	216.91
v. Customs Duty	429.66	429.66
vi. Luxury Tax	13.62	13.62
vii. Expenditure Tax	0.10	0.10
viii. Stamp Duty	10.23	10.23
ix. Sales tax	0.19	0.19
x. Others	7.05	6.62

The matters listed above are in the nature of statutory dues, namely, Property Tax, Value Added Tax, Income Tax, Service Tax, Customs Duty, Luxury Tax and other claims, all of which are under litigation, the outcome of which would depend on the merits of facts and law at an uncertain future date. The amounts shown in the items above represent the best possible estimates arrived at, are on the basis of currently available information. The Company engages reputed professional advisors to protect its interests, and cases that are disputed by the company are those where the management has been advised that it has strong legal positions. Hence, the outcomes of the above matters are not envisaged to have any material adverse impact on the company's financial position.

(ii) Guarantees:

	March 31, 2020	March 31, 2019
Counter guarantees issued to banks and remaining outstanding	36.98	38.68

44 (b) Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2020	March 31, 2019
Property, plant and equipment	349.87	758.94

45 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method by recognizing a lease liability at the date of initial application at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate and recognizing a right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of the financial statements for the year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of INR 3,894.95 million from leases that were earlier classified as operating lease and 'Right of Use' asset of INR 683.06 million from leases that were earlier classified as finance lease aggregating to total 'Right of Use' asset of INR 4,578.01 million and a lease liability of INR 1,627.71 million from leases that were earlier classified as operating lease and lease liability of INR 95.63 million from leases that were earlier classified as finance lease aggregating to total lease liability of INR 1,723.34 million. Further the effect of this adoption has also resulted in the following as on 1 April 2019:

- Property, plant and equipment decreased by INR 683.06 million
- Deferred tax liabilities (net) increased by INR 3.60 million
- Prepayments decreased by INR 2,267.24 million
- Borrowings and other financial liabilities decreased by INR 70.38 million and INR 35.54 million respectively.

The cumulative effect of applying the standard resulted in INR 6.69 million (net of tax) being credited to retained earnings as on transition date.

Notes to Accounts — Contd.

45 Leases – Contd.

The nature of expenses in respect of operating leases has changed from lease rent to depreciation and amortisation on right-of-use asset and finance cost for interest accrued on lease liability. Consequently, Finance Costs and Depreciation for the year ended March 31, 2020, are higher by INR 119.68 million and INR 142.17 million respectively and Other Expenses are lower by INR 135.40 million as a result of which, Profit before tax is lower by INR 126.45 million

Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

- (a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- (b) Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at 1st April 2019
- (c) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- (d) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- (e) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

The difference between the operating lease obligation disclosed as of March 31, 2019 under Ind AS 17 disclosed under Note 45 of the financial statements for the year ended March 31, 2019 and the value of the lease liability as of April 1, 2019 is primarily on account of following reasons :

	Rupees Million
Operating lease commitments disclosed as at 31 March 2019	3,359.14
Less: Commitment for arrangement not qualified as lease under Ind AS 116	1,161.24
Operating lease commitments considered for discounting under Ind AS 116	2,197.90
Discounted using the company's incremental borrowing rate at the date of initial application	1,099.24
Add: finance lease liabilities recognised as at March 31, 2019	89.22
Add/(less): contracts reassessed as lease contracts	534.88
Lease liability recognised as at 1 April 2019	1,723.34
of which are:	
Current lease liabilities	132.58
Non-current lease liabilities	1,590.76
	1,723.34

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.00% based on the remaining lease term.

Amount recognised in profit and loss account

The statement of profit and loss shows the following amount relating to leases for the year ended March 31, 2020

Particulars	Rupees Million
Depreciation charge for the right-of-use assets	
Land leases	146.74
Building leases	0.64
Vehicle Leases	29.45
	176.83
Interest Expense (included in finance costs)	136.62
Expense relating to short-term leases (included in other expenses)	222.06
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	1.30
Expense relating to variable lease payments not included in lease liabilities	Nil

The total cash flows for leases for the year ended March 31, 2020 was INR 133.89 million.

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Notes to Accounts — Contd.

45 Leases – Contd.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	Category of ROU Asset			Rupees Million
	Land leases	Building	Vehicle Leases	Total
Balance as of April 1, 2019	-	-	-	-
* Reclassified on account of adoption of Ind AS 116	4,516.55	0.88	60.58	4,578.01
Additions	-	1.19	14.42	15.61
Sales / Adjustments during the year	-	-	0.80	0.80
Translation adjustment	(34.82)		(0.27)	(35.09)
Depreciation	146.74	0.64	29.45	176.83
Balance as of March 31, 2020	4,334.99	1.43	44.48	4,380.90

* In the previous year, the Company only recognised lease assets and lease liabilities in relation to leases that were classified as finance leases under Ind AS 17, Leases. The assets were presented in property, plant and equipment and the liabilities as part of the Company's borrowings and other financial liabilities.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	Rupees Million
Current lease liabilities	41.16
Non-current lease liabilities	1,672.25
Total	1,713.41

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Rupees Million
Balance as of April 1, 2019	-
* Reclassified on account of adoption of Ind AS 116	1,723.34
Additions	15.61
Finance cost accrued during the period	115.82
Sales / Adjustments during the year	-
Translation adjustment	(7.31)
Payment of Lease liabilities	134.05
Balance as of March 31, 2020	1,713.41

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	Rupees Million
Less than one year	151.79
One to five years	565.31
More than five years	2,964.50
Total	3,681.60

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Non-cancellable operating leases - As a Lessor

The Company gives shops located at various hotels on operating lease arrangements. These leases are generally cancellable in nature and may generally be terminated by either party by serving notice. Some shops have been given under non-cancellable operating lease, for which the future minimum lease payments recoverable by the company are as under :-

	March 31, 2020	March 31, 2019
Minimum lease payments in relation to non-cancellable operating leases are receivable as follows:		
Within one year	257.96	213.63
Later than one year but not later than five years	996.45	379.12
Later than five years	697.91	31.83
Contingent rents recognized as an income in the Statement of Profit and Loss for the year.	Nil	Nil

Notes to Accounts — Contd.

46. Segment reporting

There are no reportable segments other than hotels as per Ind AS 108, "Operating Segment".

The Group does not have transactions of more than 10% of total revenue with any single external customer.

47(A) Earnings per Equity share

	Year ended March 31, 2020 INR	Year ended March 31, 2019 INR
(a) Basic earnings per share	2.60	2.30
(b) Diluted earnings per share	2.60	2.30
(c) Reconciliations of earnings used in calculating earnings per share		
	31 March 2020 Rupees Million	31 March 2019 Rupees Million
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	1,488.17	1,315.41
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	1,488.17	1,315.41
(d) Weighted average number of shares used as the denominator		
	31 March 2020 Number of shares	31 March 2019 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	571,569,414	571,569,414
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	571,569,414	571,569,414

47(B) Reconciliation of Liabilities arising from financing activities

	As at March 31, 2020	Cash flows	Non cash changes	As at March 31, 2019
Non-current borrowings	2,887.12	(222.49)	(144.61)	3,254.22
Current borrowings	1,874.14	(372.43)	-	2,246.57
Total Liabilities from Financing Activity	4,761.26	(594.92)	(144.61)	5,500.79

Notes to Accounts — Contd.

48. Interests in other entities

(a) Subsidiaries

The group's subsidiaries at March 31, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31,2020	March 31,2019	March 31,2020	March 31,2019	
Mashobra Resort Limited	India	78.79	78.79	21.21	21.21	Hotel Ownership
Mumtaz Hotels Ltd	India	60	60	40	40	Hotel Ownership
Oberoi Kerala Hotels & Resorts Ltd	India	80	80	20	20	Hotel Ownership
EIH International Ltd	British Virgin Island	100	100	0	0	Investment
EIH Flight Services Ltd	Mauritius	100	100	0	0	Flight Catering
EIH Holding Ltd	British Virgin Island	100	100	0	0	Hotel Investment And Management
PT Widja Putra Karya	Indonesia	70	70	30	30	Hotel Ownership
PT Waka Oberoi Indonesia	Indonesia	96.33	96.33	3.67	3.67	Hotel Ownership
EIH Investment N.V.	Netherlands Antilles	100	100	0	0	Investment And management
EIH Management Services B.V. *	Netherlands	100	100	0	0	Hotel Investment And Management
PT Astina Graha Ubud	Indonesia	60	60	40	40	Hotel development

*EIH Management Services B.V. has been liquidated in 19-20.

Notes to Accounts — Contd.

48. Interests in other entities
(b) Non-controlling interests (NCI)

Summarised balance sheet	Rupees Million											
	Mashobra Resort Ltd		Mumtaz Hotels Ltd		Oberoi Kerala Hotels & Resorts Ltd		PT Widja Putra Karya		PT Waka Oberoi Indonesia		PT Astina Graha Ubud	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current assets	1,518.63	1,322.26	788.66	873.48	2.31	2.02	85.39	93.67	24.62	29.58	-	-
Current liabilities	53.66	44.39	195.00	158.68	2.11	1.85	128.47	121.84	223.87	161.28	-	-
Net current assets	1,464.97	1,277.87	593.66	714.80	0.20	0.17	(43.08)	(28.17)	(199.25)	(131.70)	-	-
Non-current assets	524.72	546.22	1,004.97	767.36	20.33	20.33	430.04	242.28	264.64	250.03	475.43	435.26
Non-current liabilities	9.34	8.34	101.75	119.52	1.41	1.41	247.71	50.71	23.85	22.54	275.41	252.14
Net non-current assets	515.38	537.88	903.22	647.84	18.92	18.92	182.33	191.57	240.79	227.49	200.02	183.12
Net assets	1,980.35	1,815.75	1,496.88	1,362.64	19.12	19.09	139.25	163.40	41.54	95.79	200.02	183.12
Accumulated NCI	131.18	96.26	598.21	532.30	3.82	3.82	61.64	43.67	122.45	80.29	80.01	73.25

Summarised statement of profit & loss	Mashobra Resort Ltd		Mumtaz Hotels Ltd		Oberoi Kerala Hotels & Resorts Ltd		PT Widja Putra Karya		PT Waka Oberoi Indonesia		PT Astina Graha Ubud	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue	500.99	497.04	1,005.42	1,071.29	0.86	0.84	434.49	437.51	102.77	59.41	-	-
Profit for the year	165.16	170.79	321.43	337.72	0.02	0.09	2.84	(2.10)	(34.73)	15.38	-	-
Other comprehensive income	(0.56)	(0.33)	(0.47)	(0.06)	-	-	(38.27)	(7.69)	(23.39)	(2.80)	-	-
Total comprehensive income	164.60	170.46	320.96	337.66	0.02	0.09	(35.43)	(9.79)	(58.12)	12.58	-	-
Profit allocated to NCI	34.92	36.16	128.37	135.06	-	0.02	0.71	(2.94)	(1.42)	0.46	-	-
Dividends paid to NCI	-	-	74.69	74.69	-	-	-	8.39	-	-	-	-

Summarised Cash Flows	Mashobra Resort Ltd		Mumtaz Hotels Ltd		Oberoi Kerala Hotels & Resorts Ltd		PT Widja Putra Karya		PT Waka Oberoi Indonesia		PT Astina Graha Ubud	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Cash flows from operating activities	118.33	125.61	319.92	312.26	(0.51)	(0.68)	(21.97)	37.04	(14.88)	46.83	-	-
Cash flows from investing activities	(120.00)	(140.49)	(118.23)	(145.51)	0.74	0.70	(12.05)	(32.85)	(51.74)	(111.13)	-	-
Cash flows from financing activities	(1.16)	(1.40)	(187.33)	(187.42)	-	-	(0.71)	(27.96)	59.54	67.79	-	-
Net increase/ (decrease) in cash and cash equivalents	(2.83)	(16.28)	14.36	(20.67)	0.23	0.02	(34.73)	(23.77)	(7.09)	3.49	-	-

Notes to Accounts — Contd.

48. Interests in other entities

(c) Interests in associates and joint ventures

Name of entity	Place of business	owner-ship interest	Relation-ship	Accounting method	Rupees Million		
					Quoted fair value March 31, 2020	March 31, 2019	Carrying amount March 31, 2020
EIH Associated Hotels Ltd	India	36.81%	Associate	Equity Method	2,355.17	4,312.21	1,453.04
Mercury Car Rentals Pvt. Ltd	India	40%	Jointly Controlled Entity	Equity Method	-	-	485.05
Oberoi Mauritius Ltd*	British Virgin Islands	50%	Jointly Controlled Entity	Equity Method	-	-	310.07
La Roseate De L'Atlas*	Morocco	47.93%	Associate	Equity Method	-	-	1,564.29
Usmart Education Ltd**	India	25.10%	Associate	Equity Method	-	-	-
Total equity accounted investments					2,355.17	4,312.21	3,812.45
							3,440.10

Oberoi Mauritius Ltd, Island Resorts Limited, Usmart Education Ltd, La Roseate De L'Atlas & Mercury Car Rentals Pvt. Ltd are unlisted entities. Hence, No quoted price available.

* La Roseate De L'Atlas - The group has acquired a further holding of 1.93%.

**Usmart Education Ltd has become an Associate w.e.f. 31st July, 2018.

Commitments and contingent liabilities in respect of associates and joint ventures

	March 31, 2020	March 31, 2019
Commitments - joint ventures		
Commitment to provide funding for joint venture's capital commitments, if called	-	-
Commitments - Associates		
Commitment to provide funding for associates capital commitments, if called	-	-
Contingent liabilities - associates		
Share of contingent liabilities incurred jointly with other investors of the associate	75.42	89.41
Contingent liabilities relating to liabilities of the associate for which the group is severally liable	27.76	32.91
Contingent liabilities - joint ventures		
Share of joint venture's contingent liabilities in respect of a legal claim lodged against the entity	11.00	11.87
Total commitments and contingent liabilities	114.18	134.19

Notes to Accounts — Contd.

Summarised financial information for associates and joint ventures							Rupees Million	
Summarised balance sheet								
	EIH Associated Hotels Ltd		Mercury Car Rentals Pvt. Ltd		Oberoi Mauritius Ltd*		Usmart Education Ltd	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current assets								
Cash and cash equivalents	105.33	55.01	175.10	68.06	258.84	220.45	-	0.43
Other assets (excluding trade receivables)	1,042.54	851.49	478.80	610.21	63.52	61.84	0.47	0.56
Total current assets	1,147.87	906.50	653.90	678.27	322.36	282.29	0.47	0.99
Total non-current assets	3,075.10	2,784.56	5,286.73	5,273.00	701.25	1,604.66	0.14	0.23
Current liabilities								
Financial liabilities (excluding trade payables)	87.50	39.88	1,890.45	1,973.09	8.27	-	54.39	51.35
Other liabilities	59.14	54.07	98.35	83.46	44.47	-	0.33	0.02
Total current liabilities	146.64	93.95	1,988.80	2,056.55	52.74	-	54.72	51.37
Non-current liabilities								
Financial liabilities (excluding trade payables)	23.65	16.53	2,644.60	2,941.20	208.59	-	-	-
Other liabilities	363.93	385.91	262.97	88.96	78.83	-	-	-
Total non-current liabilities	387.58	402.44	2,907.57	3,030.16	287.42	-	-	-
Net assets	3,688.75	3,194.67	1,044.26	864.56	683.45	1,886.95	(54.11)	(50.15)

Reconciliation to carrying amounts								
	EIH Associated Hotels Ltd		Mercury Car Rentals Pvt. Ltd		Oberoi Mauritius Ltd*		Usmart Education Ltd	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening net assets	3,235.84	3,022.67	1,213.23	1,049.96	662.89	657.49	-	-
Additional Equity infused	-	-	-	100.00	-	-	-	-
Profit for the year	379.64	379.35	48.03	84.46	(97.42)	(65.40)	(3.15)	(9.39)
Other comprehensive income*	(2.20)	(1.14)	(8.44)	(2.85)	54.67	70.80	-	-
Dividends paid (including tax)	(165.29)	(165.04)	(40.21)	(18.34)	-	-	-	-
Closing net assets	3,447.99	3,235.84	1,212.61	1,213.23	620.14	662.89	(3.15)	(9.39)
Group's share in %	36.81%	36.81%	40%	40%	50%	50%	25.10%	25.10%
Group's share in INR	1,269.18	1,191.09	485.05	485.29	310.07	331.44	(0.79)	(2.36)
Goodwill	182.46	182.46	-	-	-	-	-	-
Impact on retained earnings on adoption of Ind AS 116	1.40	-	-	-	-	-	-	-
Carrying amount	1,453.04	1,373.55	485.05	485.29	310.07	331.44	(0.79)	(2.36)

* Includes Foreign currency translation adjustments

Notes to Accounts — Contd.

Summarised statement of profit and loss	EIH Associated Hotels Ltd		Mercury Car Rentals Pvt. Ltd		Oberoi Mauritius Ltd*		Usmart Education Ltd	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue	2,490.76	2,641.82	4,456.96	4,172.17	633.01	716.43	-	5.63
Interest income	22.29	95.18	5.42	56.55	37.18	46.83	-	-
Depreciation and amortisation	159.72	142.62	1,272.63	1,281.19	61.89	54.30	0.09	0.16
Interest expense	4.46	4.34	464.34	449.12	104.96	63.60	-	5.13
Income tax expense	50.37	204.08	149.68	39.70	2.88	9.15	-	0.17
Profit from continuing operations	2,298.50	2,385.96	2,575.73	2,458.71	500.46	636.20	(0.09)	0.17
Profit from discontinued operations	-	-	-	-	-	-	-	-
Profit for the year	379.64	379.35	48.03	84.46	(103.81)	(68.49)	(3.15)	(9.39)
Other comprehensive income	(2.20)	(1.14)	(8.44)	(2.85)	1.83	1.83	-	-
Total comprehensive income	377.44	378.21	39.59	81.61	(101.98)	(66.66)	(3.15)	(9.39)

* Oberoi Mauritius Ltd includes its 92.19% subsidiary company Island Resort Limited incorporated in Mauritius and is considered as jointly controlled entity by virtue of being jointly controlled entity of EIH International Ltd, a wholly owned subsidiary of EIH Limited.

Notes to Accounts — Contd.

**49(a) Annexure
Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures
Part "A": Subsidiaries

(Information in respect of each subsidiary with amounts in INR Million)

Sl. No.	Name of the subsidiary	1	2	3	4	5	6	7	8	9	Rupees Million		
											10	11	11
2	Mashobra Resort limited	Mumtaz Hotels Limited	Oberoi Kerala Resorts Limited	ElH International Limited	ElH Holdings Ltd	ElH Investments NV	ElH Management Services BV	PT Widja Putra Karya	PT Waka Oberoi Indonesia	PT Astina Graha Ubud	PT Astina Graha Ubud	ElH Flight Services Limited	ElH Flight Services Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Reporting currency as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A	N/A	N/A	US\$	US\$	US\$	Euro	US\$	US\$	US\$	Mauritian Rupees	Mauritian Rupees
5	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A	N/A	N/A	76.93	76.93	76.93	85.29	76.93	76.93	76.93	76.93	1.95
	– Closing rate	N/A	N/A	N/A	76.93	76.93	76.93	85.29	76.93	76.93	76.93	76.93	1.95
	– Average rate	N/A	N/A	N/A	70.88	70.88	70.88	78.85	70.88	70.88	70.88	70.88	1.92
6	Share capital	330.00	206.50	27.20	8,201.51	3,622.63	0.77	1.71	68.47	2,884.88	200.02	1,326.20	1,326.20
7	Reserves & surplus	288.42	1,290.38	(8.08)	(317.72)	390.80	(0.77)	(1.71)	71.54	(2,843.33)	-	(1,482.72)	(1,482.72)
8	Total assets	2,043.35	1,793.63	22.65	7,902.25	4,038.83	-	-	516.20	289.26	475.43	881.21	881.21
9	Total Liabilities	63.00	296.75	3.53	18.46	25.39	-	-	376.19	247.71	275.41	1,037.73	1,037.73
10	Investments	-	384.47	-	7,283.73	3,433.39	-	-	-	-	-	-	-
11	Turnover	500.99	1,005.42	0.86	91.43	175.07	-	-	434.49	102.77	-	490.68	490.68
12	Profit before taxation	235.15	408.09	0.11	85.05	56.70	17.72	(2.37)	(20.55)	(34.73)	-	(41.97)	(41.97)
13	Provision for taxation	69.99	86.66	0.09	-	12.05	-	-	(23.39)	(0.18)	-	(7.94)	(7.94)
14	Profit after taxation	165.16	321.43	0.02	85.05	44.65	17.72	(2.37)	2.84	(34.55)	-	(34.03)	(34.03)
15	Proposed Dividend including dividend distribution tax	-	-	-	-	-	-	-	-	-	-	-	-
16	% of shareholding	78.79%	60.00%	80.00%	100.00%	100.00%	100.00%	100.00%	70.00%	96.33%	60.00%	100.00%	100.00%

1. Names of subsidiaries which are yet to commence operations :

- Oberoi Kerala Hotels and Resorts Limited
- PT Astina Graha Ubud

2. Names of subsidiaries which have been liquidated or sold during the year :

- ElH Management Services B.V.

Notes to Accounts — Contd.

49(b) Annexure

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Rupees Million				
	ElH Associated Hotels Limited	Mercury Car Rentals Pvt Limited	Oberoi Mauritius Limited *	La Roseraie De L'Atlas**	Usmart Education Ltd***
1. Latest audited Balance Sheet Date	31.03.2020	31.03.2020	31.03.2020	31.12.2019	31.03.2020
2. Shares of Associate/Joint Ventures held by the company on the year end					
No.	11.22	12.71	7.38	0.01	0.13
Amount of Investment in Associates/ Joint Venture	1,010.72	348.25	567.36	1,734.81	-
Extent of Holding %	36.81%	40%	50%	47.93%	25.10%
3. Description of how there is significant influence	More than 20% Shareholding	N.A.	N.A.	More than 20% Shareholding	More than 20% Shareholding
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet	1,270.53	485.09	419.34	1,498.95	(14.37)
6. Profit / Loss for the year	379.64	48.03	(97.42)	(205.65)	(3.15)
i. Considered in Consolidation	139.75	19.21	(48.71)	(98.57)	-
ii. Not Considered in Consolidation	239.89	28.82	(48.71)	(107.08)	(3.15)

* Oberoi Mauritius Ltd includes its 92.19% subsidiary company Island Resort Limited incorporated in Mauritius and is considered as jointly controlled entity by virtue of being jointly controlled entity of ElH International Ltd, a wholly owned subsidiary of ElH Limited.

** La Roseraie De L'Atlas - The group has acquired a further holding of 1.93%.

***Usmart Education Ltd has become an Associate w.e.f. 31st July, 2018.

- Names of associates or joint ventures which are yet to commence operations : None
- Names of associates or joint ventures which have been liquidated or sold during the year : None

Notes to Accounts — Contd.

50. Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

Rupees Million								
Name of the entity	Share in Net Assets		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
Parent								
ElH Limited	76.66	24,808.59	71.35	1,178.34	103.52	570.23	79.40	1,748.56
Subsidiaries								
Indian								
1 Mumtaz Hotels Limited	2.78	898.67	12.84	211.97	(0.05)	(0.28)	9.61	211.69
2 Mashobra Resort limited	1.51	487.76	7.88	130.13	(0.08)	(0.44)	5.89	129.69
3 Oberoi Kerala Hotels & Resorts Limited	0.05	15.30	-	0.02	-	-	-	0.02
Foreign								
1 ElH Flight Services Limited Mauritius	(0.48)	(156.52)	(2.06)	(34.03)	0.13	0.73	(1.51)	(33.30)
2 ElH International Limited	2.04	658.78	0.85	13.98	3.94	21.68	1.62	35.66
3 ElH Holdings Limited	2.24	723.62	4.13	68.24	-	-	3.10	68.24
4 ElH Investments N.V.	-	-	(0.12)	(2.04)	-	-	(0.09)	(2.04)
5 ElH Management Services B.V.	-	-	(0.29)	(4.77)	-	(0.01)	(0.22)	(4.78)
6 PT Widja Putra Karya	0.24	78.03	0.32	5.24	(4.68)	(25.79)	(0.93)	(20.55)
7 PT Waka Oberoi Indonesia	(0.25)	(81.24)	(2.00)	(33.00)	(4.22)	(23.27)	(2.56)	(56.27)
8 PT Astina Graha Ubud	0.37	120.01	-	-	-	-	-	-
Minority Interests in all subsidiaries	3.08	997.31	9.89	163.26	1.78	9.83	7.86	173.09
Associate (Investment as per equity method)								
Indian								
ElH Associated Hotels Limited	4.49	1,453.04	5.59	92.27	(0.08)	(0.44)	4.17	91.83
Joint Ventures (investment as per equity method)								
Indian								
Mercury Car Rentals Pvt Ltd	1.50	485.05	0.55	9.10	(0.41)	(2.26)	0.31	6.85
Foreign								
1 La Rosaie De L'Atlas	4.83	1,564.29	(5.97)	(98.57)	-	-	(4.48)	(98.57)
2 Oberoi Mauritius Limited	0.96	310.07	(2.95)	(48.71)	0.15	0.84	(2.17)	(47.87)

- 51.** In previous year, the Company had adopted Ind AS 115, Revenue from contract with customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of 1st April 2018. Application of this standard resulted into reduction in opening reserves amounting to INR 112.14 million net of tax (Gross amount - INR 172.36 million) and impact on the previous year income statement amounting to INR 34.82 million net of tax respectively.

Notes to Accounts — Contd.

52. Disclosure on Contract balances :

a) Trade receivable

A trade receivable is recorded when the Company has an unconditional right to receive payment. In respect of revenue from rooms, food and beverages and other services invoice is typically issued as the related performance obligations are satisfied as described in note 1(c) (Refer Note 13).

b) Advance from Customers

Advance from Customers is recognised when payment is received before the related performance obligation is satisfied (Refer Note 30).

Particulars	Rupees Million	
	As at March 31, 2020	As at March 31, 2019
As at the beginning of the year	487.29	338.30
Recognised as revenue during the year	463.75	319.89
As at the end of the year	345.14	487.29

c) Deferred Revenue

Deferred Revenue is recognised when invoice is raised before the related performance obligation is satisfied (Refer Note 30).

Particulars	Belvedere Membership		Loyalty program	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(i) As at the beginning of the year	24.38	-	146.72	56.16
(ii) Revenue recognised during the year out of (i) above	24.38	-	27.90	29.38
(iii) Adjustment of revenue recognised in previous year on account of IndAS 115 (refer note 51)	-	84.63	-	87.73
(iv) Revenue recognised during the year out of (iii) above	-	84.63	-	40.55
(v) Revenue recognised during the year out of previous year figure of INR 87.73 Million mentioned in (iii) above	-	-	47.16	-
(vi) As at the end of the year	-	24.38	149.08	146.72

53. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by any of the Group Companies.

54. In case of EIH Flight Services Limited, Mauritius (EIHFS)

As at 31 March 2020, EIHFS was in a shareholder's deficit position of INR 156.52 million (2019 - INR 133.36 million), in a net current liability position of INR 131.62 million (2019 - INR 41.47 million) and for the year ended 31 March 2020, EIHFS has incurred a loss of INR 34.03 million (2019- Profit INR 0.08 million). EIHFS has a bank overdraft facility of INR 48.02 million to meet its day-to-day working capital requirements. At 31 March 2020, the overdraft balance was INR 8.86 million (2019 - INR Nil). EIHFS will need to make instalments payments on its borrowings, including interest INR 123.17 million by 31 March 2021. EIHFS has been in discussion with the bank to renegotiate the terms of the loans, including a capital moratorium. However, the final details are expected to be agreed once the confinement period is over. Nevertheless, due to the parent Company (EIH Limited) being the corporate guarantor in the Company's loan contract with the bank, the management of EIHFS is of the view that if they are unable to meet the loan repayment, they will be able to resort to the financial support of the parent. The management of EIHFS has also considered the implications of the global outbreak of the corona virus ("COVID-19") on its activities and financial performance. COVID-19 has raised a number of uncertainties due to the judgement required to estimate the extent to which this pandemic may persist and its related impact on international travel and viability of the Company's main clients, i.e. the airlines. While the management of EIHFS acknowledges that there is a certain degree of uncertainty surrounding COVID-19, the management of EIHFS is comfortable that the Company will continue into operations for at least the next twelve months and as such, the financial statements have been prepared on a going concern basis.

Notes to Accounts — *Contd.*

55. **Impact of COVID-19 on Business Operations**

The World Health Organization declared the COVID-19 outbreak as a pandemic on 11th March 2020, leading to series of measures by countries across the world to contain the spread of the virus. India responded by imposing a nationwide lockdown on 24th March 2020. The process of lifting of lockdown in various states has since started in phases, effective 1st June, 2020, guided by the decision of individual states. During a major part of this period, hotel and flight operations were mandated to remain non-operational, which affected business at our hotels and other operations across India. Similar restrictions in other countries affected business at our hotels from various international markets.

The Management's priority in dealing with the exceptional challenges posed by COVID-19 has been to ensure the safety of its guests and employees, support suppliers, keep the supply chain operational for essential supplies.

The consequence of the COVID-19 outbreak on the Group's business for the financial year ended 31st March, 2020 is limited, as business was impacted only in the latter half of March 2020. Several cost rationalisation measures have been initiated subsequent to the year end and are being monitored.

The Management does not foresee any stress on the Group's liquidity, as Companies within the Group either have access to sufficient unutilised sanctioned borrowing facilities for working capital requirements or have sufficient cash and cash equivalents and other bank balances as on 31st March, 2020, as the case may be.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Management has considered the impact from a prolonged lock-down situation; travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown, guests postponing their discretionary spending, continued restrictions on the number of domestic and international flights, internal and external information available up to the date of approval of these financial statements including credit reports and economic forecasts.

The Management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investment property, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Group as on 31st March, 2020 and has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, expects to recover the carrying amounts of these assets. The impact of COVID-19 may be different from that estimated on the date of approval of these financial statements and the Management will continue to closely monitor any material changes to future economic conditions.

With respect to business in financial year ending 31st March, 2021, the impact on revenue could come from a prolonged lock-down situation; travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown and guests postponing their discretionary spending.

Domestic airlines have commenced operations from 25th May, 2020 with one-third capacity approved by the Government which is expected to gradually increase over the months going forward, and the timing of commencement of international airlines is yet to be announced by the Government. Hotels in most locations have been allowed to resume operations effective 8th June, 2020, with the balance expecting to open by 1st July 2020.

Based on enquiries received, assessments performed and analysis of market trends, the Management expects demand to gradually pick for Domestic leisure and business travel, social events within prescribed norms, and limited international travel once international airlines are allowed to commence operations.

The printing press of the parent Company received special permission from the Government to operate amidst the lockdown from 1st May, 2020 as it supports essential services like banks, pharmaceuticals and food.

The revised projections for financial year ending 31st March, 2021 have been prepared taking into account best estimates based on these factors and other variables, although a clearer picture shall emerge only in due course.

56. The financial statements were authorised for issue by the Board of Directors on 26th June, 2020.

For and on behalf of the Board

SUDIPTO SARKAR
Chairman - Audit Committee
(DIN No. : 00048279)

ARJUN OBEROI
Managing Director - Development
(DIN No. : 00052106)

VIKRAM OBEROI
Managing Director and Chief Executive Officer
(DIN No. : 00052014)

Place : Mumbai
Date : 26th June, 2020

KALLOL KUNDU
Chief Financial Officer

S.N. SRIDHAR
Company Secretary



OBEROI HOTELS & RESORTS

INDIA

Agra	The Oberoi Amarvilās
Bengaluru	The Oberoi
Chandigarh	The Oberoi Sukhvilās
Gurgaon	The Oberoi
Jaipur	The Oberoi Rajvilās
Kolkata	The Oberoi Grand
Shimla in the Himalayas	Wildflower Hall
Mumbai	The Oberoi
New Delhi	The Oberoi
Ranthambhore	The Oberoi Vanyavilās
Shimla	The Oberoi Cecil
Udaipur	The Oberoi Udaivilās
Cochin	Motor Vessel Vrinda (A luxury backwater cruiser)

TRIDENT HOTELS

Agra	Trident
Bhubaneswar	Trident
Chennai	Trident
Cochin	Trident
Gurgaon	Trident
Hyderabad	Trident
Jaipur	Trident
Mumbai	Trident, Nariman Point Trident, Bandra Kurla
Udaipur	Trident

EGYPT

Sahl Hasheesh	The Oberoi
	The Oberoi Zahra Luxury Nile Cruiser
	The Oberoi Philae Luxury Nile Cruiser

INDONESIA

Bali	The Oberoi
Lombok	The Oberoi

MOROCCO

Marrakech	The Oberoi
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MAURITIUS

Mauritius	The Oberoi
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SAUDI ARABIA

Madina	Madina Oberoi
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UAE

Ajman	The Oberoi Beach Resort, Al Zorah
Dubai	The Oberoi

OTHER BUSINESS UNITS

Delhi	Maidens Hotel
Manesar, Gurgaon	Printing Press
Mumbai, Delhi, Kolkata and Chennai	Oberoi Flight Services
Mumbai	Oberoi Airport Services
	Luxury Car Hire and Car Leasing
	Aircraft Charters



PROJECTS UNDER DEVELOPMENT

INTERNATIONAL

Qatar	The Oberoi, Doha <i>Under construction</i>
Thailand	The Oberoi Koh Tan, Koh Samui <i>Awaiting Environmental approvals</i>
	Trident Koh Tan, Koh Samui <i>Awaiting Environmental approvals</i>
Nepal	The Oberoi, Kathmandu <i>Under planning</i>
	The Oberoi, Bardiya Wildlife Resort, Bardiya National Park <i>Under planning</i>

INDIA

Madhya Pradesh	The Oberoi Rajgarh Palace <i>Under construction</i>
	The Oberoi Vindhya Vilas Wildlife Resort, Bandhavgarh National Park <i>Under construction</i>
Bengaluru	The Oberoi <i>Pending approval of new planning guidelines</i>
Goa	The Oberoi <i>Awaiting environmental approvals</i>