

# BENARES HOTELS LIMITED

CIN: L55101UP1971PLC003480

Corporate Office: Taj Palace, Sardar Patel Marg, New Delhi - 110021

Phone: 011 6650 3549/3704, 26110202 | Website: [www.benareshotelslimited.com](http://www.benareshotelslimited.com)

August 11, 2022

BSE Limited  
Corporate Relationship Department,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
**Scrip Code : 509438**

**Sub: Annual Report under Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

Dear Sir,

The 51<sup>st</sup> (Fifty First) Annual General Meeting (“AGM”) of the Company will be held on **Thursday, September 8, 2022 at 3.00 p.m. (IST) through Video Conferencing / Other Audio Visual Means.**

Pursuant to Regulation 34(1) of the SEBI Listing Regulations, please find attached herewith the Annual Report of the Company containing the Notice of the AGM for the Financial Year 2021-22, which is also being sent to the Members, who have registered their e-mail addresses with the Company/Depositories, through electronic mode. However, physical copies of the same will be sent to those Members who request for the same.

The Annual Report containing the Notice is also available on the website of the Company at <https://www.benareshotelslimited.com/en-in/AGM-2022/>.

You are requested to kindly take the same on record.

Thanking you.

Yours faithfully,  
for **Benares Hotels Limited**



**Vanika Mahajan**  
**Company Secretary**

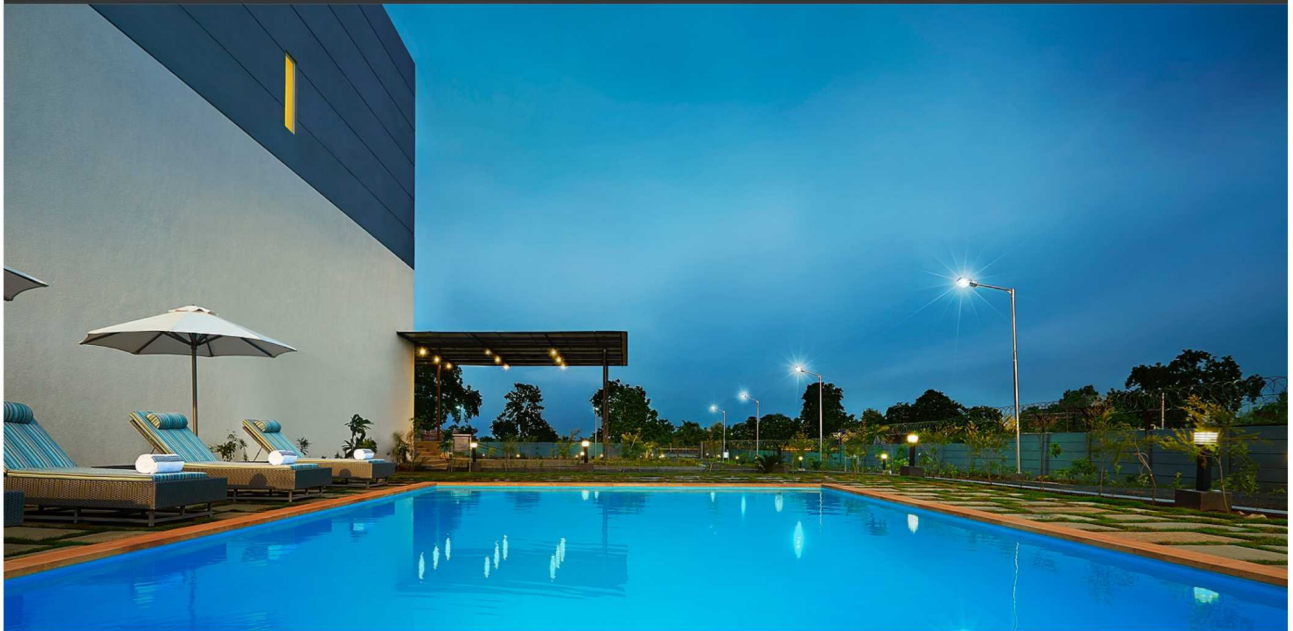
A photograph of a luxurious hotel lobby. A large, ornate crystal chandelier hangs from a vaulted ceiling with gold leaf accents. Below it, a beige sofa is arranged around a glass coffee table with a tea set. In the background, a dark wood display cabinet with glass doors holds various decorative items. The scene is framed by a large, multi-layered white architectural border.

**BENARES HOTELS LIMITED**  
51<sup>st</sup> ANNUAL REPORT 2021-2022

Taj Ganges, Varanasi



Taj Ganges, Varanasi



The Gateway Hotel Balaghat Road, Gondia

## **Corporate Information**

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### **Board of Directors**

DR. ANANT NARAIN SINGH  
(Chairman)

PUNEET CHHATWAL

RUKMANI DEVI

ROHIT KHOSLA

MOIZ MIYAJIWALA

PUNEET RAMAN

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### **Company Secretary**

Vanika Mahajan

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### **Auditors**

PKF Sridhar & Santhanam, LLP  
Chartered Accountants

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### **Registered Office**

Nadesar Palace Compound,  
Varanasi - 221 002  
Phone: 0542-6660001  
CIN-L55101UP1971PLC003480  
Website: [www.benareshotelslimited.com](http://www.benareshotelslimited.com)  
Email : [investor@tajhotels.com](mailto:investor@tajhotels.com)

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### **Registrar and Share Transfer Agent**

Link Intime India Pvt. Ltd.  
(Unit: Benares Hotels Limited)  
Noble Heights, 1st Floor,  
Plot No. NH 2, LSC,  
C-1 Block, Near Savitri Market, Janakpuri,  
New Delhi-110058  
Phone: 011 4941 1000  
Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

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**BENARES HOTELS LIMITED**  
Fifty First Annual Report 2021-22

<b>HIGHLIGHTS</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>₹ Lakh</b>	<b>₹ Lakh</b>
<b>Gross Revenue</b>	<b>4,993.84</b>	2480.88
<b>Profit Before Tax</b>	<b>770.83</b>	-696.85
<b>Profit After Tax</b>	<b>565.28</b>	-522.86
<b>Total Comprehensive Income</b>	<b>560.23</b>	-510.32
<b>Retained Earnings</b>	<b>7,653.69</b>	7093.46
<b>Total Assets</b>	<b>9,508.25</b>	9089.45
<b>Net Worth</b>	<b>7,783.69</b>	7223.46
<b>Borrowings</b>	—	550.00
<b>Debt: Equity Ratio</b>	—	0.08:1
<b>Net Worth Per Equity Share (₹ 10/- Each)</b>	<b>₹ 598.75</b>	₹ 555.65
<b>Earnings Per Equity Share (₹ 10/- Each)</b>	<b>₹ 43.48</b>	₹ -40.22
<b>Profit before Tax Ratio to Turnover</b>	<b>15.44%</b>	-28.09%



# BENARES HOTELS LIMITED

## Fifty First Annual Report 2021-22

### Notice to the Members

Notice is hereby given that the Fifty First (51st) Annual General Meeting of BENARES HOTELS LIMITED will be held on Thursday, September 8, 2022 at 3.00 p.m. IST through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Board of Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares for the Financial Year ended March 31, 2022.
3. To appoint a Director in place of Mr. Rohit Khosla (DIN: 07163135), who retires by rotation and, being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

##### 4. Commission to Directors

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules there under (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as “the Act”), a sum not exceeding three percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the company for each year for a period of five years commencing 1st April, 2021.”

#### NOTES

1. In view of the ongoing threat posed by the COVID-19 pandemic, the Ministry of

Corporate Affairs ('MCA') vide its circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (SEBI Circulars') has permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the 51st AGM of the Company is being conducted through VC/OAVM on Thursday, September 8, 2022 at 3.00 P.M. (IST). The deemed venue for the 51st AGM shall be the Registered Office of the Company at Nadesar Palace Compound, Varanasi 221002.

2. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM,



ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

3. Corporate Members and Institutional Investors intending to appoint their authorized representatives pursuant to Section 113 of the Companies Act, 2013 ('the Act'), to attend the AGM through VC or OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at investor@tajhotels.com with a copy marked to evoting@nsdl.co.in.
4. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, the matters of Special Business as appearing at Item No. 4 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
7. The Explanatory Statement pursuant to Section 102 of the Act setting out the material facts concerning the business under Item No. 4 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings ('SS-2') issued by the Institute of the Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at this AGM are also annexed. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of

participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without restriction on account of first come first serve principle.

9. The Annual Report including the Notice of the AGM for the FY 2021-22 is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participants ('DPs') unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report to those Members who request the same at investor@tajhotels.com mentioning their Folio No. / DP ID and Client ID. The Notice convening the 51st AGM has been uploaded on the website of the Company at <https://www.benareshotelslimited.com/en-in/AGM-2022/> and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

#### 10. Book Closure and Dividend:

**The Company has fixed Thursday, September 1, 2022 as the 'Record Date' for determining entitlement of Members to final dividend for the Financial Year ended March 31, 2022, if approved at the AGM.**

**The Register of Members and the Share Transfer Books of the Company will be closed from Friday, September 2, 2022 to Friday, September 9, 2022; (both days inclusive) for the entitlement of dividend for financial year ended March 31, 2022, if approved at the AGM. The dividend of Rs. 10 per equity share of Rs. 10 each (100 %), if declared at the AGM, will be paid subject to deduction of tax at source ("TDS") on or after Monday, September 19, 2022 as under:**

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- (a) To all the Beneficial Owners as at the end of the day on Thursday, September 1, 2022 as per the list of beneficial owners to be furnished by the NSDL and Central Depository Services (India) Limited ('CDSL') in respect of the shares held in electronic form; and
- (b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on Thursday, September 1, 2022.

11. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, Permanent Account Number ('PAN'), Category as per the IT Act with their DPs or in case shares are held in physical form, with the Company / Link Intime India Private Limited ('RTA') by sending documents at its e-mail ID [vinay.kumar@linkintime.co.in](mailto:vinay.kumar@linkintime.co.in) or update the same by visiting the link : <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before Friday, August 19, 2022 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication/documents on the tax determination / deduction shall be considered post 11:59 PM (IST) of Friday, August 19, 2022. For the detailed process, please click here: <https://www.benareshotelslimited.com/en-in/AGM-2022/>.

A communication providing information and detailed instructions with respect to tax on the dividend for the financial year ended March 31, 2022 is being sent separately to the Members of the Company.

12. At the 47th AGM held on August 24, 2018, the Members approved appointment of PKF Sridhar and Santhanam LLP, Chartered Accountants (Firm Registration No.

003990S/S200018) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 52nd AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the 51st AGM.

13. Shares held in Electronic Form: Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

14. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members.

15. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, all requests for transfer of securities shall be processed only if the securities are held in dematerialized form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization since physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI. Members can contact

Company's RTA at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) for assistance in this regard.

**16. Transfer of Unclaimed / Unpaid dividend and Shares to the Investor Education and Protection Fund (IEPF):**

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividends remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account are liable to be transferred to the Investor Education Protection Fund Authority (IEPFA).

In pursuance of this, the dividends remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended March 31, 2014 have already been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website at [www.benareshotelslimited.com](http://www.benareshotelslimited.com) and on the website of the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

It may be noted that unclaimed dividends for the financial year 2014-15 declared on August 21, 2015 is due to be transferred to the IEPF by September 27, 2022. The same can, however, be claimed by the Members latest by the end of August 31, 2022. Members who have not encashed the dividend warrant(s) from the financial year ended March 31, 2015 may forward their claims to the Company's RTA before they are due to be transferred to the IEPF, details of which are given in the Corporate Governance Report.

Further, in accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat Account of the IEPFA. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2014 and remained unpaid or unclaimed were transferred to the IEPF.

The Company has sent notices to all such Members in this regard and thereafter transferred the shares to the IEPF during Financial Year 2021-22. The details of such shares transferred is available on the Company's website at [www.benareshotelslimited.com](http://www.benareshotelslimited.com).

The Members, whose unclaimed dividends or shares have been transferred to IEPF, may claim the same after complying with the procedure prescribed under the IEPF Rules, by making an application to the IEPF Authority, in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

**17. Updation of PAN and other details:**

SEBI vide Circular dated November 3, 2021 and December 14, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at <https://www.benareshotelslimited.com/en-in/investor-forms/>. PAN details are to be compulsorily linked to Aadhaar by March 31, 2023 or any other date specified by Central Board of Direct Taxes. Folios wherein any of the above cited documents / details are not available, on or after April 1, 2023, shall be frozen as per the aforesaid circular.

Effective from January 1, 2022, any service requests/ complaints received from a Member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar.

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination. Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at <https://www.benareshotelslimited.com/en-in/investor-forms/> to furnish the above mentioned details.

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18. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at delhi@linkintime.co.in in case the shares are held in physical form, in the prescribed form, pursuant to the SEBI Circular dated November 3, 2021. Changes intimated to the DP will then be automatically reflected in the Company's records.
19. Members may please note that SEBI vide its Circular dated January 25, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.
- Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the 'Investors Services' section.
20. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14. The said form can be downloaded from the Company's website at <https://www.benareshotelslimited.com/en-in/investor-forms/>. Members are requested to submit the said form to their DP in case the shares are held by them in electronic form and to the RTA at delhi@linkintime.co.in in case the shares are held in physical form, quoting your folio no.
21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
23. During the 51st AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, by writing to the Company at investor@tajhotels.com. Other relevant documents for inspection will be available electronically, without any fee, from the date of circulation of the Notice of AGM up to the date of AGM. Members seeking to inspect such documents can send an e-mail to investor@tajhotels.com stating their DP / Client ID or Folio Nos.
24. Those Shareholders who have not registered their e-mail addresses are required to send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user id and password for e-Voting for the resolutions set out in this Notice:
- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
  - In case shares are held in demat mode, please provide DPID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or



copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

25. Process and manner for remote e-Voting before/ during the AGM:

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, SS-2 and Regulation 44 of the SEBI Listing Regulations, as amended, and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system before as well as during the AGM will be provided by NSDL.
- ii. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Thursday, September 1, 2022 may cast their vote by remote e-Voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The remote e-Voting period commences on

Monday, September 5, 2022 at 9.00 a.m. (IST) and ends on Wednesday, September 7, 2022 at 5.00 p.m. (IST). Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and remote e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Thursday, September 1, 2022.

- iii. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, i.e. Thursday, September 1, 2022, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- iv. Members will be provided with the facility for voting through remote e-voting system during the AGM and Members participating at the AGM, who have not already cast their vote by remote e Voting, will be eligible to exercise their right to vote at the end of discussion on such resolutions upon announcement by the Chairman. The remote e-voting module shall be disabled by NSDL for voting 15 minutes after the conclusion of the meeting. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-Voting.
- v. Mr. Arvind Kohli, Practising Company Secretary, FCS No. 4434, COP No. 2818 has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting before and during the AGM in a fair and transparent manner.

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- vi. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes cast through remote e-Voting before/during the AGM), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange on which the Company's shares are listed, NSDL, and RTA and will also be displayed on the Company's website at <https://www.benareshotelslimited.com/en-in/AGM-2022/>  
The result will also be displayed at the registered office of the company.
26. The instructions for members for attending the AGM through VC/OAVM are as under :-
- i. The Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast through the NSDL e-Voting system. Members may access the same by following the steps mentioned below for 'Access to NSDL e-Voting system'. The link for VC/OAVM will be available in 'Member login' where the EVEN of Company will be displayed. After successful login, the Members will be able to see the link of 'VC/ OAVM link' placed under the tab 'Join Meeting' against the name of the Company. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman.
  - ii. Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
  - iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at this AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's e-mail address at [investor@tajhotels.com](mailto:investor@tajhotels.com) before 5.00 p.m. (IST) on Monday, September 5, 2022. Such queries will be appropriately responded by the Company.
  - iv. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investor@tajhotels.com](mailto:investor@tajhotels.com) between Monday, August 29, 2022 (9:00 a.m. IST) and Monday, September 5, 2022 (5:00 p.m. IST).
  - v. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on toll free nos. :- 1800 1020 990 and 1800 22 44 30 or contact Mr. Amit Vishal, AVP-NSDL or Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- The instructions for remote e-voting before/during the AGM are as under:**
- The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:
- Step 1: Access to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of the Circular issued by the SEBI dated 9th December 2020, in relation to e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store         </div> <div style="text-align: center;">  Google Play         </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

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Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login Method	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section.



3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 120324 then user ID is 120324001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

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8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

#### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for Members**

- i) Institutional/ Corporate Shareholders (i.e. other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to investor@tajhotels.com, with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
- ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

#### **General Guidelines for Members**

- iii) In case of any queries /grievances pertaining to remote e-Voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available in the download section of www.evoting.nsdl.com or call on the toll-free numbers: 1800 1020 990 /1800 224 430 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for e-Voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in.

Varanasi, April 19, 2022

By order of the Board of Directors

#### **Registered office:**

Nadesar Palace Compound,  
Varanasi - 221 002  
CIN: L55101UP1971PLC003480  
Tel.: 0542 6660001  
E-mail: investor@tajhotels.com  
Website: www.benareshotelslimited.com

**Vanika Mahajan**  
**Company Secretary**  
**A.C.S. No.: 34515**

## EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), given hereunder sets out all material facts relating to the resolutions mentioned in Item No. 4 of the accompanying Notice dated April 19, 2022.

### Item No.4

Section 197 of the Act permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of Members. Regulation 17(6)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 authorises the Board of Directors to recommend all fees and compensation, if any, to Non-Executive Directors, including Independent Directors and shall require approval of Members in general meeting.

At the Annual General Meeting held on 12th August, 2016, the shareholders had passed a Special Resolution approving the payment of commission to the Directors equivalent to an amount not exceeding 3% per annum of the net profits of the Company for a period of five years commencing from April 01, 2016.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that remuneration not exceeding three percent per annum of the net profits of the Company calculated in accordance with provisions of the Act, be continued to be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee and approval by the Board of Directors of the Company, for a further period of five years w.e.f. April 01, 2021, subject to the approval of the shareholders at the Annual General Meeting. Such payment will be in addition to the sitting fees for attending Board/ Committee meetings.

The Board commends the Resolution at Item No.4 of the accompanying Notice for approval by the Members of the Company.

All the Directors of the company are concerned or interested in the resolution mentioned in Item No. 4 of the notice to the extent of amount that may be received by them.

By order of the Board of Directors

**Vanika Mahajan**  
**Company Secretary**  
**A.C.S. No.: 34515**

Varanasi, April 19, 2022

**Registered office:**

Nadesar Palace Compound,

Varanasi - 221 002

CIN: L55101UP1971PLC003480

Tel.: 0542 6660001

E-mail: investor@tajhotels.com

Website: www.benareshotelslimited.com

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**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT  
AT THE ENSUING ANNUAL GENERAL MEETING OF THE COMPANY**

[Pursuant to the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and Secretarial Standard-2 on General Meetings]

<b>Name of Director</b>	<b>Mr. Rohit Khosla</b>
DIN	07163135
Designation	Non-Executive Director
Age	55
Date of First Appointment on the Board	May 7, 2015
Experience & Expertise in specific functional areas/brief resume	<p>Mr. Khosla is a Hospitality industry veteran, with an experience of over three decades.</p> <p>Mr. Khosla has been felicitated with numerous industry awards including the Young Hotel General Manager in 2006 by the Federation of Hotel &amp; Restaurant Associations of India (FHRAI), General Manager of the Year in 2006 by ITM Institute of Hotel Management &amp; DNA and International Achiever of the Year award by PATWA at ITB Berlin, Germany in 2019.</p> <p>Mr. Khosla is the member of the Executive Committee of the Hotel Association of India (HAI) and SKAL, Chairman of Tata Network Forum North, member of the CII National Committee and WTTCII and served as the past Chairman CII Northern Tourism Regional Committee.</p>
Qualifications	<ul style="list-style-type: none"> <li>- Post Graduate Diploma in Hotel Administration</li> <li>- Management Diploma in Hotel Management</li> </ul>
Terms and Conditions of appointment/ re-appointment Details of Remuneration sought to be paid	<p>Liable to retire by rotation</p> <p>NA</p>
Listed entities in which the director has resigned in the past three years	<b>Nil</b>
Directorships in other companies (Other than Foreign companies)	<p><b>Unlisted public Companies</b></p> <ul style="list-style-type: none"> <li>• Piem Hotels Limited</li> <li>• Taj Safaris Limited</li> <li>• Northern India Hotels Limited</li> <li>• United Hotels Limited</li> <li>• Taj Enterprises Limited</li> </ul>
Membership/ Chairpersonship of Committees in other companies	<p><b>Audit Committee Member</b></p> <ul style="list-style-type: none"> <li>• Taj Safaris Limited</li> <li>• United Hotels Limited</li> </ul> <p><b>Nomination and Remuneration Committee Member</b></p> <ul style="list-style-type: none"> <li>• None</li> </ul> <p><b>Stakeholders Relationship Committee</b></p> <ul style="list-style-type: none"> <li>• None</li> </ul>



## BOARD'S REPORT TO THE MEMBERS

The Directors hereby present the Fifty First Annual Report of BENARES HOTELS LIMITED ("*BHL*" or "*the Company*") along with the Audited Financial Statements for the Financial Year ended March 31, 2022.

### OPERATING AND FINANCIAL RESULTS

	(₹ Lakhs) <u>2021-22</u>	(₹ Lakhs) <u>2020-21</u>
Income .....	4,994	2,481
Gross Profit for the year .....	1,472	96
Less: Depreciation .....	636	693
Less: Interest.....	65	100
Profit before tax .....	771	-697
Less: Provision for Tax:		
- Current Tax .....	21	—
- Deferred Tax .....	184	-174
- Provision of tax of earlier years ( Net ) .....	—	—
Profits after Taxes .....	565	-523
Add: Other Comprehensive Income (Net of Taxes).....	-5	13
Total Comprehensive Income.....	560	-510
Add: Balance brought forward from previous year .....	4,925	5,533
Changes in accounting policy - Transition impact of Ind AS 116.....	—	—
Balance available for appropriations .....	5,486	5,023
Less: Dividend Paid .....	—	-98
Less: Tax on Dividend .....	—	—
Less: Amount transferred to General Reserve .....	—	—
<b>Balance Carried forward.....</b>	<b>5,486</b>	<b>4,925</b>

### COMPANY'S OPERATIONS AND PERFORMANCE

The business has been impacted during the period on account of COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdowns in several states in India. However, in the subsequent periods, the Company witnessed positive recovery of demand.

The Total Income for the year ended 31st March, 2022 stood at Rs. 4,994 lakhs as compared to Rs. 2,481 Lakhs in previous year and the Gross Operating Profit (EBIDTA) stood at Rs. 1,472 Lakhs as compared to Rs. 96 Lakhs in previous year.

The profit before Tax for the year was at Rs. 771 Lakhs as compared to loss before tax of Rs. 697 lakhs for the previous year. The profit after Tax for the year was at Rs. 565 lakhs as compared to Loss after Tax of Rs. 523 lakhs for the previous year.

### DIVIDEND

Based on the performance of the Company and keeping in view of the increase in the revenue of the Company, the Board recommended a dividend @100% i.e. ₹ 10 per fully paid Equity share on 13,00,000 Equity shares of face value ₹ 10 each, for the year ended March 31, 2022 (Previous year Dividend was NIL).

The dividend on Equity Shares is subject to the approval of the Shareholders at the Annual General Meeting ('AGM') scheduled to be held on Thursday, September 08, 2022. The dividend once approved by the Shareholders will be paid on and after Thursday, September 15, 2022.

The dividend on Equity Shares if approved by the Members, would involve a cash outflow of Rs. 130 lakhs and shall be paid out of current year's profits of the Company.

### HOLDING, SUBSIDIARY COMPANIES

The Indian Hotels Company Limited (IHCL) is the ultimate Holding Company of BHL. The Company does not have any subsidiary company.

# **BENARES HOTELS LIMITED**

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### **DIRECTORS**

In accordance of the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company, Mr. Rohit Khosla (DIN 07163135), Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment. A resolution seeking Shareholders' approval for his re-appointment forms part of the Notice.

In terms of Section 149 of the Act, and Regulation 16(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) Mrs. Rukmani Devi, Mr. Moiz Miyajiwala and Mr. Puneet Raman are the Independent Directors of the Company as on March 31, 2022.

The Board of Directors at its meeting held on October 14, 2021, approved the proposal to re-appoint, Mr. Moiz Miyajiwala as an Independent Director, based on the recommendations of Nomination and Remuneration Committee (NRC), for a further period of five (5) years upon the expiry of his current term on January 23, 2022, subject to the Members approval, by way of Special Resolution as required under the provisions of the Companies Act, 2013. Member's approval in this regard has been sought by way of a postal ballot through remote e-voting.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

The Independent Directors of the Company have confirmed that they have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (as amended). Some of the Independent Directors of the Company cleared the proficiency self-assessment test and some of the Independent Directors of the Company possess the requisite experience and hence shall not be required to pass the online proficiency self-assessment test as per the proviso to Rule 6(4) of the aforesaid rules.

During the year under report, there was no change in the composition of Directors of the Company.

During the year under review, the Non Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee and general meeting of the Company.

### **KEY MANAGERIAL PERSONNEL**

In terms of Section 203 of the Act, your Company has Mr. Vivek Sharma as the Chief Executive Officer (CEO), Mr. Harish Kumar as the Chief Financial Officer (CFO) and Ms. Vanika Mahajan as the Company Secretary of the Company, as the Key Managerial Personnel of the Company, as on March 31, 2022.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company has an ongoing familiarization programme for the Independent Directors with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. All the Board members of the Company are afforded every opportunity to familiarize themselves with the Company, statutory changes impacting the Company, its Management and its operations and all the information /documents sought by them is/are shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. The details of the familiarization programme for Independent Directors are disclosed on the Company's website under the weblink:

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/independent-directors/Familiarization%20Programme%20-%20BHL.pdf>

### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR**

During the year under review, four (4) Board Meetings were held and the intervening gap between the meetings did not exceed the period of one hundred and twenty days, the details of which are given in the Corporate Governance Report, which is a part of this report.

### **STATUTORY AUDITORS**

At the 47th AGM held on August 24, 2018, the Members approved the appointment of PKF Sridhar & Santhanam LLP, Chartered Accountants (Firm Registration No. 003990S/S200018), as the Statutory Auditors of the Company to hold office for a period of five consecutive years, from the conclusion of the 47th AGM till the conclusion of the 52nd AGM of the Company to be held in the year 2023. subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM.

The report of the Statutory Auditors along with the Notes to Schedules forms part of this Annual Report and contains an unmodified opinion without any qualification, reservation, disclaimer or adverse remarks.

The Statutory Auditors of the Company have not reported any fraud as specified in Section 143 (12) of the Act.

### **SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of the Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed D. S. Associates, Company Secretaries, to undertake the Secretarial Audit of your Company for the financial year 2021-22. The secretarial audit report is attached to this Report as Annexure 1. The report does not contain any qualifications, reservation, disclaimers or adverse remarks.

### **COST AUDIT**

Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

### **ANNUAL RETURN**

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of Chapter VII, Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for the Financial Year 2021-22 is uploaded on the website of the Company and can be assessed at <https://www.benareshotelslimited.com/en-in/AGM-2022/>

### **AUDIT AND RISK MANAGEMENT COMMITTEE AND VIGIL MECHANISM**

The Company has an Audit and Risk Management Committee with Mr. Moiz Miyajiwala, Mrs. Rukmani Devi and Mr. Rohit Khosla as its members. During the year under report, there was no change in the constitution of the Committee.

The Company has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. The details of the policy have been disclosed in the Corporate Governance Report, which forms a part of the Annual Report and is also available on

[https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Whistle\\_Blower%20Revised.pdf](https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Whistle_Blower%20Revised.pdf)

### **CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE**

The Company has the Corporate Social Responsibility (CSR) and Sustainability Committee of the Board with Dr. Anant Narain Singh, Mrs. Rukmani Devi and Mr. Rohit Khosla as the members of the Committee. During the year under report, there was no change in the constitution of the Committee.

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The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure 2 of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021. For other details regarding the CSR and Sustainability Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/BHL-CSR-POLICY-2021-2022.pdf>

### **NOMINATION AND REMUNERATION COMMITTEE**

The Company has a Nomination and Remuneration Committee (NRC) of the Board with Mr. Moiz Miyajiwala, Dr. Anant Narain Singh and Mrs. Rukmani Devi as the members of the Committee. During the year under report, there was no change in the constitution of the Committee.

The Company has a policy relating to the payment of remuneration for the directors, KMPs and other senior employees pursuant to the provisions of section 178(3) and SEBI Listing Regulations. The key features of the said policy are:

- Overall remuneration (sitting fees and Commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company;
- Overall remuneration practices should be consistent with recognized best practices
- Within the parameters prescribed under the law, the payment of sitting fees and commission will be recommended by NRC and approved by the Board.
- The aggregate commission payable to the Directors will be recommended by NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The quantum of commission for each director shall be recommended by NRC to the Board based upon the outcome of the evaluation process drive by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by the Directors other than in meetings.

It is affirmed that the remuneration paid to Directors, KMPs and all other employees is as per the Remuneration policy of your Company. The Remuneration policy for Directors, KMPs and other employees is uploaded on the website of your Company at

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/policies/remuneration.pdf>

### **DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH Act)**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the POSH Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the POSH Act and the same is available on the Company's website at

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/policies/BHL-POSH-Policy-Final.pdf>

During the financial year 2021-22 the Company has not received any complaint on sexual harassment. No case remains pending as on March 31, 2022.

### **PARTICULARS OF EMPLOYEES**

The Company had no employees during the year who were in receipt of remuneration aggregating to:

- A) Not less than Rs. 102.00 lakhs for the year, if employed throughout the financial year,  
Or
- B) Not less than Rs. 8.50 lakhs per month, if employed for part of the financial year.

## **INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The information required under Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in Annexure 3.

### **BUSINESS OVERVIEW**

An analysis of the Business and Financial Results are given in the Management Discussion and Analysis, which forms a part of the Annual Report.

### **FINANCE COST**

Finance cost for the year ended 31st March 2022 was Rs. 64.80 lakhs (Previous year Rs. 99.70 Lakhs). Breakup of the total interest cost of Rs. 64.81 lakhs is as follows:

Interest expenses on borrowings:	Rs. 28.75 lakhs
Interest on lease liability:	Rs. 36.06 lakhs

**DEPRECIATION Rs. 636.32 Lakhs (PY - Rs. 693.45 Lakhs)**

### **LOANS, GUARANTEES AND INVESTMENTS MADE UNDER SECTION 186**

The Company has not given any loans or guarantees nor has made any investments under Section 186 of the Act during the year under review.

### **BORROWINGS**

The Company has repaid all the borrowings (Inter Corporate Deposits) during the year and the borrowings are NIL as on 31st Mar 2022. (PY Rs. 550 Lakhs)

### **CAPITAL EXPENDITURE**

During FY 2021-22, the capital expenditure incurred was Rs. 34.74 Lakhs (PY Rs. 28.73 Lakhs).

### **DEPOSITS FROM PUBLIC**

The Company has not accepted and / or renewed any deposits from public covered under Chapter V of the Act and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company has revised the policy on Related Party Transactions to include changes based on Companies (Meetings of Board and its Powers) Amendment Rules, 2021 and SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2022 and the revised policy was approved by the Board at its meeting held on April 19, 2022 and the same can be accessed on the Company's website at

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Related-Party-Transaction-Policy.pdf>

During the year under review, all Related Party Transactions that were entered into were in the Ordinary Course of Business and at Arms' Length Basis. All transactions entered into with related parties were approved by the Audit and Risk Management Committee.

None of the transactions with related parties are material in nature or fall under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company for the FY 2021-2022 and hence the same is not provided.



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### **CORPORATE GOVERNANCE**

As required by SEBI Listing Regulations, the report for the year 2021-22 on Management Discussion and Analysis; and Corporate Governance along with the Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance norms as stipulated in Regulation 34 read along with Schedule V of the SEBI Listing Regulations forms part of the Annual Report.

### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS**

The Company has complied with the provision of Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit and Risk Management Committee, the Board is of the opinion that the Company' internal financial controls were adequate and effective during the financial year 2021-2022.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as 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 that period;
- c) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The ongoing impact of COVID-19 on the Company's financial statements has been given in Note 2(e) of the notes to financial statements for the year ended March 31, 2022.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, no significant material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

### **RISK MANAGEMENT POLICY**

The Audit and Risk Management Committee is responsible for monitoring and reviewing the Enterprise Risk Management process and ensuring its effectiveness. The Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed



through mitigating actions on a continuous basis. The details of the Committee and its term of reference are set out in the Corporate Governance Report.

Your Company has a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, to identify and evaluate business risks and opportunities for mitigation of the same on a continuous basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance your Company's competitive advantage. The risk management framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

The framework enables risks to be appropriately rated and graded in accordance with their potential impact and likelihood. The two key components of risks are the probability (likelihood) of occurrence and the impact (consequence) of occurrence, if the risk occurs. Risk is analyzed by combining estimates of probability and impact in the context of existing control measures.

The key business risks identified by the Company and its mitigation plans are as under:

S.No.	Risk that matter	Type of Risk	Mitigants
1	Geo-political risk & economic recession	Macro economic	Awareness and scanning of environment - strategic initiatives
2	Business interruption on account of natural calamities, Acts of God, riots & strikes, terrorism and pandemic	Operational, Macro economic	R.E.S.E.T initiatives for the pandemic
3	Inflation increase due to fuel prices	Macro economic	Development of alternate energy sources, suppliers and equipment
4	Cyber vulnerabilities	Strategic, Reputation	<ul style="list-style-type: none"> <li>• Cyber Risk assessment conducted</li> <li>• Remedial action carried out</li> </ul>
5	Land, water & atmospheric pollution	Macro economic	Adherence to the various norms and alternate measures to reduce release of pollutants
6	Abuse of social media and other media by guest / staff / stakeholders	Reputation	<ul style="list-style-type: none"> <li>• Continuous monitoring of comments in social media and timely responses provided</li> <li>• All-inclusive sustainable business model, involving all stakeholders CSR connect</li> </ul>
7	Data governance, including quality of data	Strategic	<ul style="list-style-type: none"> <li>• Data warehousing and Analytics</li> </ul>
8	Talent acquisition / development	Strategic, Operational	<ul style="list-style-type: none"> <li>• Career &amp; Succession Planning process</li> <li>• Focused development of talent</li> <li>• Partnership with global business schools</li> <li>• Cadre building programmes</li> </ul>
9	Impact of climate change	Macro-economic	<ul style="list-style-type: none"> <li>• Continuous scanning of the environment</li> <li>• Use of renewable / alternate energy</li> </ul>

**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [PURSUANT TO COMPANIES (ACCOUNTS) RULES, 2014]**

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**CONSERVATION OF ENERGY:** The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. In this direction, the Company has installed 178 kwp Solar Power Plant at its Gateway Hotel, Gondia (in addition to 256 kwp plant installed in July 2019 and 244kwp installed in Oct 2020 at Taj Ganges, Varanasi). This will help to reduce the carbon footprint by 178 Tonnes annually. The Company is in process to further enhance the capacity.

**TECHNOLOGY ABSORPTION:** There is no material information on technology absorption to be furnished. The Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:** In terms of the provisions of Section 134(3)(m) of the Act, read with Rule 8(3)(C) of The Companies (Accounts) Rules, 2014, the foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows is furnished below:

	2021-22 Rs. Lakhs	2020-21 Rs. Lakhs
<b>a) Value of Imports</b>		
Stores, Supplies and Spare Parts for Machinery	0	0
Value of Imports (CIF) Capital Imports	0	0
<b>b) Expenditure in Foreign Currency</b>		
Professional and Consultancy Fees	0	0
Other Expenditure in Foreign Currency	24.18	25.91
<b>c) Earnings in Foreign Currency</b>		
Earnings in Foreign Exchange	266.49	64.64

#### PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there were no proceedings that were filed by the Company or against the Company, which are pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other Courts.

#### VALUATION

During the year under review, there were no instances of onetime settlement with any Banks or Financial Institutions.

#### INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit and Risk Management Committee of the Board.

The Internal Auditors monitors and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. All significant audit observations and corrective actions suggested are presented to the Audit and Risk Management Committee of the Board for review. The internal financial controls as laid down are adequate and were operating effectively during the year under review.

The Board's Audit and Risk Management Committee oversees the adequacy of the internal control environment through periodic reviews of audit findings and by monitoring implementation of internal audit recommendations through compliance reports. In addition, as required under Section 143 of the Act, the Statutory Auditors have evaluated and expressed an opinion on the Company's internal financial controls over financial reporting based on the audit for the FY 2021-22. In their opinion, the Company has, in all material respects, adequate internal controls over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2022.

## **COMMITTEES OF THE BOARD**

- a. Audit and Risk Management Committee
- b. Nomination and Remuneration Committee
- c. Corporate Social Responsibility and Sustainability Committee
- d. Stakeholders' Relationship Committee

During the year under review, all recommendations of the Committees were approved by the Board. The details including the composition of the committees, attendance at the meetings and terms of reference are included in the Corporate Governance Report, which forms a part of the Annual Report.

## **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, Degree of fulfilment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.); Effectiveness of board processes, information and functioning, etc. Extent of co-ordination and cohesiveness between the Board and its Committees; and Quality of relationship between Board Members and the Management.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Non-Executive Directors.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the Board Meeting that followed the meeting of the Independent Directors and meeting of NRC, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## **ACKNOWLEDGMENT**

The Directors thank the Company's customers, vendors and investors for their continuous support.

The Directors appreciate and value the contribution made by all our employees and their families.

On behalf of the Board of Directors

**Dr. Anant Narain Singh**  
**Chairman**  
(DIN: 00114728)

Place : Varanasi  
Date : 19th April, 2022

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**Annexure 1**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To**

**The Members**

**Benares Hotels Limited**

**(CIN: L55101UP1971PLC003480)**

Hotel Taj Ganges Nadesar Palace Compound

Varanasi-221002, Uttar Pradesh

Sir/Madam

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Benares Hotels Limited** (hereinafter called 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 on 31st March, 2022 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 on **31st March, 2022** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- iv. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - c. SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time
- v. Other laws as applicable specifically to the Company as follows:
  - The Legal Metrology Act, 2009 and rules made thereunder;
  - Food Safety and Standards Act, 2006 and rules made thereunder;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Ministry of Corporate Affairs.
- (ii) The Listing Agreement entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (Except in cases where the meeting is held on shorter notice) 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.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes.

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.

We further report that during the audit period the company has:

- I. Re-appointed Mr. Moiz Miyajiwala (DIN: 00026258) as an independent director of the company for further 05 (Five) years w.e.f. January 24, 2022 vide resolution passed through postal ballot dated November 25, 2021.

**For D.S. Associates  
Company Secretaries**

**Dhawal Kant Singh  
Partner  
M. No.: F8687  
C P No.: 7347  
UDIN: F008687D000127839**

Place : New Delhi  
Date : 19th April, 2022



**BENARES HOTELS LIMITED**  
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To,

**The Members,**  
**Benares Hotels Limited**  
(CIN: L55101UP1971PLC003480)  
**Hotel Taj Ganges Nadesar Palace Compound**  
**Varanasi-221002, Uttar Pradesh**

Sir,

Our report of even date 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 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 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For D.S. Associates**  
**Company Secretaries**

**Dhawal Kant Singh**  
**Partner**  
M. No.: F8687  
C P No.: 7347

Place: New Delhi  
Date: 19th April, 2022

## Annexure 2

### Annual Report On Corporate Social Responsibility Activities

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 1. A brief outline of the Corporate Social Responsibility (CSR) policy of the Company

This policy sets out the Company's commitment & approach towards Corporate Social Responsibility based on our legacy of 'Giving back to Society'. The Company is committed to the Tata Group Purpose of improving the quality of life of the communities we serve through the CSR theme of 'Building Sustainable Livelihoods'. The company endeavors to facilitate livelihood opportunities & socio-cultural development in areas of its operations.

The Company intends to be a significant contributor to CSR initiatives in India by devising and implementing social improvement projects for the benefit of underprivileged communities, towns and villages.

The Corporate social Responsibility (CSR) Policy of the Company, as approved by the Board of directors is available on the Company's website [www.benareshotelslimited.com](http://www.benareshotelslimited.com)

#### 2. The composition of CSR and Sustainability committee:

S.No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Anant Narain Singh Chairman	Non-Executive, Non- Independent Director	2	2
2.	Mrs. Rukmani Devi	Non-Executive, Independent Director	2	2
3.	Mr. Rohit Khosla	Non-Executive, Non Independent Director	2	2

#### 3. Provide the Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

- Composition of the CSR committee shared above and is available on the Company's website on:  
<https://www.benareshotelslimited.com/en-in/corporate-profile/>
- CSR policy:  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/BHL-CSR-POLICY-2021-2022.pdf>
- CSR projects:  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/CSR-Project-2021-22.pdf>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

#### 5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial Year, if any:

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Cr)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

#### 6. Average net profit of the company as per section 135(5): ₹ 645.48 lakhs

#### 7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 12.91 lakhs

- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

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(c) Amount required to be set off for the financial year, if any: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 12.91 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In ₹ Lakhs)	Amount Unspent (in ₹ Crores)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 12.91 lakhs	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S.No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	State	Dis-trict	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No).	Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year: -

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S.No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹ Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR Registration number
1.	Cleanliness program at Varanasi Ganga Ghats	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water Sch VII (iv)	Yes	Uttar Pradesh	Varanasi	3.00	Trough Partner	Ganga Seva Nidhi	CSR00016134
2.	Donation into Taj Public Service Welfare Trust, Mumbai	Disaster management Sch VII (xii)	Yes	Maha-rashtra	Mumbai	4.95	Trough Partner	Taj Public Welfare Trust	CSR00000540

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S.No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹ Crore)	Mode of implementation Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR Registration number
3.	Building Livelihood Skills-Training of girls under “Varanasi Handloom Weavers Training Programme”	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. Sch VII (ii)	Yes	Uttar Pradesh	Varanasi	4.72	Trough Partner	Human Welfare Association	CSR00003997
	<b>Total</b>					<b>12.67</b>			

(d) Amount spent in Administrative Overheads: ₹ 0.24 Lakhs

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the financial Year (8b+8c+8d+8e): ₹ 12.91 Lakhs

(g) Excess amount for set off, if any: ₹ Nil

S.No.	Particulars	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the company as per section 135 (5)	12.91
(ii)	Total amount spent for the financial Year	12.91
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

S.No.	Preceding financial Year.	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the Reporting financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): financial year(s):

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S.No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial Year (in ₹)	Cumulative amount spent at the end of reporting financial Year (in ₹)	Status of the project- Completed/ Ongoing.
NIL								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**

- (a) Date of creation or acquisition of the capital asset(s): None
- (b) Amount of CSR spent for creation or acquisition of capital asset: NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**

Sd/-  
**Rukmani Devi**  
Independent Director  
Member, CSR and Sustainability Committee  
(DIN: 00552831)

Sd/-  
**Dr. Anant Narain Singh**  
Chairman, Board, Chairman,  
CSR and Sustainability Committee  
(DIN: 00114728)

Place : Varanasi  
Date : 19th April, 2022



### Annexure 3

#### Information under Section 197 of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Particulars of Disclosures																												
The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2021-22.	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%;">1.</td><td style="width: 85%;">Dr. A. N. Singh</td><td style="width: 10%;">0.76 : 1</td></tr> <tr><td>2.</td><td>Mr. Puneet Chhatwal</td><td>N.A</td></tr> <tr><td>3.</td><td>Mrs. Rukmani Devi</td><td>1.10 : 1</td></tr> <tr><td>4.</td><td>Mr. Rohit Khosla</td><td>N.A.</td></tr> <tr><td>5.</td><td>Mr. Moiz Miyajiwala</td><td>0.85: 1</td></tr> <tr><td>6.</td><td>Mr. Puneet Raman</td><td>0.34:1</td></tr> </table>	1.	Dr. A. N. Singh	0.76 : 1	2.	Mr. Puneet Chhatwal	N.A	3.	Mrs. Rukmani Devi	1.10 : 1	4.	Mr. Rohit Khosla	N.A.	5.	Mr. Moiz Miyajiwala	0.85: 1	6.	Mr. Puneet Raman	0.34:1									
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5.	Mr. Moiz Miyajiwala	0.85: 1																										
6.	Mr. Puneet Raman	0.34:1																										
<p>The percentage increase/ (decrease) in remuneration of each Director*, Chief Financial Officer etc. in the financial year</p> <p>*Directors are entitled to get Commission on the net profit of the Company and the sitting fee for attending the Board Meetings.</p>	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%;">1.</td><td style="width: 85%;">Dr. A. N. Singh</td><td style="width: 10%;">-83%</td></tr> <tr><td>2.</td><td>Mr. Puneet Chhatwal</td><td>N.A.</td></tr> <tr><td>3.</td><td>Mrs. Rukmani Devi</td><td>-72%</td></tr> <tr><td>4.</td><td>Mr. Rohit Khosla</td><td>N.A.</td></tr> <tr><td>5.</td><td>Mr. Moiz Miyajiwala</td><td>-82%</td></tr> <tr><td>6.</td><td>Mr. Puneet Raman</td><td>-74%</td></tr> <tr><td>7.</td><td>Mr. Vivek Sharma (CEO)</td><td>96%*</td></tr> <tr><td>8.</td><td>Mr. Harish Kumar (CFO)</td><td>0%</td></tr> <tr><td>9.</td><td>Ms. Vanika Mahajan (CS)</td><td>0%</td></tr> </table> <p>*In FY 2020-21, he joined from Aug 2020 and hence figures are not comparable.</p>	1.	Dr. A. N. Singh	-83%	2.	Mr. Puneet Chhatwal	N.A.	3.	Mrs. Rukmani Devi	-72%	4.	Mr. Rohit Khosla	N.A.	5.	Mr. Moiz Miyajiwala	-82%	6.	Mr. Puneet Raman	-74%	7.	Mr. Vivek Sharma (CEO)	96%*	8.	Mr. Harish Kumar (CFO)	0%	9.	Ms. Vanika Mahajan (CS)	0%
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The percentage increase (decrease) in the median remuneration of employees in the financial year	(1.5)%																											
The number of permanent employees on the rolls of company for the year 2021-22.	154																											
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in the remuneration of KMPs is 5.9%. while the average percentile decrease in the salaries of employees other than KMPs is 1.5%																											

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Place : Varanasi  
Date : 19th April, 2022

**Dr. Anant Narain Singh**  
Chairman

## **Management Discussion and Analysis**

### **Economic Environment and Industry Insight**

This was the second year since COVID-19 was initially declared a global pandemic resulting in major disruption in the global economy. The financial year 2021-22 started on a devastating note with the delta variant spreading like wildfire around the globe. Governments across the world continued to issue global travel advisories, continued suspension of non-essential visas and international flights. The delta variant instilled a global fear across all continents as being the most lethal variant and lead to renewal of Lockdowns, prohibition against mass gatherings, cancellation of sporting and cultural events, and then with closure of offices and educational institutions, renewal of restrictions for inter-state transport, railways, and other measures to enforce lockdowns in their respective nations and states. The entire year saw renewal of restrictions implemented in a regulated environment.

The pandemic and the consequent restrictions continued to have severe impact on the tourism industry in the first financial quarter of 2021 -22 and wiped out entire gains made in the last quarter of 2020-2021. It had impact on most industries and sectors, leading to a steep decline in the gross domestic product (GDP) of most countries. However, in the subsequent period, on account of reduction in the covid cases and mass vaccinations and consequent relaxation in the restrictions demand boosted.

### **Global Economic**

In consequence of the delta Variant and renewed restrictions across globe and later resurgence of economic activity, the global economy expanded by 5.9% in 2021 as compared to a contraction of 6.9% in 2020. The Indian economy is expected to grow by 9% in 2021

Mass vaccinations ensured that the basic economic activity continued and Lockdowns were limited.

Elevated inflation is expected to persist for longer than envisioned with ongoing supply chain disruptions and high-energy prices continuing in 2022. Assuming inflation expectations stay well anchored; inflation should gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds. (Source: IMF, World Economic Outlook, April 2022).

### **Indian Economic and Hospitality Scenario**

India's economy expanded 5.4 percent year-on-year in the last quarter of 2021, following an upwardly revised 8.5 percent advance in the previous period and below market expectations of 6 percent. It was a fifth straight quarter of expansion, driven by the festive season boost to consumer demand, policy support, and rapid fall in coronavirus cases. By sectors, service activity growth was supported by increases in trade, hotels, transport & communication (6.1%); financial, real estate & professional services (4.6%); and public administration, defense & other services (16.8%). In addition, output rose for manufacturing (0.2%); mining & quarrying (8.8%); utilities (3.7%); construction (2.8%) and agriculture (2.6%). Considering the full 2021/22 fiscal year, the economy expanded 8.2 percent, compared with a 9.2 percent growth projected in the first advance estimates.

### **Sources - Ministry of Statistics and Programme Implementation (MOSPI)**

#### **Review of the Business**

The hotels continue to operate, though with restriction on opening of Pool, Gym, Spa and Limited number of persons allowed for banquet gatherings throughout the year. The business has gradually improved across all hotels. The overall demand of the hospitality services were severely impacted during the Delta wave, which was prevalent from end of March 2021 until end of June 2021. This resulted in a complete wash off business in Q1. The recovery though was very quick and the occupancies of room fully recovered by Q3. The Omicron variant again had a disruption of 15 days of business in the 1st half of January but again the recovery was quick and we were able to beat the budgeted Q4 figures. The recovery was mainly driven by domestic leisure tourism, weddings, domestic, business travel.

The restrictions to operate various facilities at hotels (like Bar, Banquet, Swimming Pool, Gym and SPA etc.) keeps changing as per the Covid norms announced by the Government.

The company has taken a series of actions focused on health & safety of our employees & customers like 100% vaccination of all employees, and continued focus on sanitization, social distancing, mandatory mask wearing,

thermal check at the gate, use of Aarogya Setu App and maintaining proper hygiene at work place. The company has allowed for the work from home facility to its associates during Q1 keeping the Delta wave and its impact on lives in mind, have online meetings, and operating with limited work force, ensuring adequate liquidity and cost optimization measures. Cash Conservations measures have also included deferral of discretionary spending & Capex, unless absolutely required. Further, the company is ensuring compliances of all the guidelines and directives issued by Central and State Government and local authorities from time to time.

### **Financial Performance**

The business of the company has been severely impacted during the first Quarter on account of the Delta Variant of COVID-19. The Company witnessed softer revenues due to severe restrictions on travelling and social gatherings and limited economic activity during the first quarter of the year. During the second Quarter, the Company witnessed signs of recovery of demand and in 2nd half the company consolidated the business on basis of a strong demand

The Total Income for the year ended 31st March, 2022 stood at Rs. 4,994 lakhs as compared to Rs. 2,481 Lakhs in previous year and the Gross Operating Profit (EBIDTA) stood at Rs. 1,472 Lakhs as compared to Rs. 96 Lakhs in previous year.

The profit before Tax for the year was at Rs. 771 Lakhs as compared to loss before tax of Rs. 697 lakhs for the previous year. The profit after Tax for the year was at Rs. 565 lakhs as compared to Loss after Tax of Rs. 523 lakhs for the previous year.

### **Internal control systems and their adequacy**

Your Company has in place an adequate system of internal controls, with documented procedures covering all functions in the hotel operating units. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

Adequate internal control measures are in the form of various policies & procedures issued by the Management covering all critical and important activities viz. Revenue Management, Hotel Operations, Purchase, Finance, Human Resources, Safety, etc. These policies & procedures are updated from time to time and compliance is monitored continuously. The Company continues its efforts to align all its processes and controls with global best practices.

The internal audit process through the Taj group unique 'Taj Positive Assurance Model' is an objective methodology of providing a positive assurance based on the audits of operating units. It is a convergence of Process Framework, Risk & Control Matrix and a Scoring Matrix. A framework developed for each functional area is identified on the basis of an assessment of risk and control as also providing a score, allowing the unit to identify and mitigate high- risk areas.

The Audit committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them.

The Statutory Auditors of your Company report that your company has adequate internal controls over financial reporting.

### **Certifications and Awards**

Your Company has been participating in the globally recognized 'EarthCheck' benchmarking and certification system. Earth Check certifications are a result of extensive assessments and audits by Independent Environmental Assessors' - mapping indicators ranging from energy & water consumption, waste management to sensitivity exhibited vis-à-vis social and cultural dimensions in all areas of hotel operations. The Company has been certified Earth Check 'Platinum' for Taj Ganges, Varanasi after successfully retaining the gold category for consecutive five years.

### **Workforce**

Total manpower employed by the company was 199 as on March 31st 2022 as compared to 187 as on March 31st 2021.

## **Corporate Governance Report**

### **Company's Philosophy on Corporate Governance**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors, our environment and the society at large.

As a Company with a strong sense of values and commitment, we believe that profitability must go hand in hand with a sense of responsibility towards all the stakeholders. The Company's philosophy envisages the protection and interest enhancement for all the stakeholders, creditors, customers, employees, suppliers and society. The Company seeks to focus on enhancement of long - term value creation for all stakeholders without compromising on integrity, social obligations and regulatory compliances. The Company continues to maintain steadfast commitment to ethics and code of conduct adhered by the company and endeavors to maximize the Shareholder value while safeguarding and promising the interest of other stakeholders. The Company complies with legal and regulatory requirements and meet environmental and local community needs with the highest standards of integrity, transparency and accountability which are the integral part of the Corporate Governance Policy.

At the Benares Hotels Limited ('BHL'), we believe that a strong corporate ethical culture and effective governance practices are the cornerstones of business sustainability. Our corporate governance framework ensures effective engagement with our stakeholders and helps us evolve with changing times

We embed the highest standards of governance in our operations, striving to manage our affairs in a fair and transparent manner and create long-term value for all stakeholders. Our focus is not only to follow corporate governance guidelines, but best practices as well.

The Company has adopted a Code of Conduct for its employees. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors (NED) which includes Code of Conduct for Independent Directors suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act'). The Company's corporate governance philosophy has been further strengthened through the Company's Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ('Insider Trading Code').

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

The Company's Governance Guidelines cover aspects related to composition and role of the Board and its Committees, Chairman and Directors, Board diversity, Director's term and retirement age. It also covers aspects relating to nomination, appointment, induction and development of Directors, Directors' remuneration, Board effectiveness review and mandates of Board Committees.

### **Board of Directors:**

The Company believes that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. At BHL, the Board is the apex decision-making body and hence, fully responsible for the strategic growth and development of our business as well as defining our strategic priorities. Driven on the principles of ethics and accountability, the Board strives to work in best interest of the Company and its stakeholders. It provides strategic direction, leadership and guidance to the Company's management as also monitors the performance of the Company with the objectives of creating long term value for the Company's stakeholders.

### **Size and Composition of the Board**

BHL believes that Board diversity is the breadth of perspective, not the mere inclusion of various traits that will benefit the organization. A diverse Board will enhance the quality of decisions made by the Board by utilizing the

different skills, qualification, experience, knowledge, etc. of the Board necessary for achieving sustainable and balance development. Diversity of skills, background and personal strengths are important drivers of a board's effectiveness.

1. As on March 31, 2022, the Company's Board of Directors comprises six Non-Executive Directors (NEDs), three out of whom are Independent Directors of which one is a Woman Director. Hence, the Board of Directors comprises Non-Executive, Independent Directors, as well as a Woman Director and half of the Board of Directors comprises Independent Directors, with the Chairman being a Promoter & Non - executive Director. The Composition of the Board is in Conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act and Rules framed thereunder.
2. None of the Directors on the Board holds directorships in more than twenty companies, which includes ten public companies. None of the Directors on the Board hold directorships in more than seven listed entities. None of the Independent Directors of the Company serve as Independent Directors in more than seven listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other.
3. Independent Director are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of Independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended.
4. The Company has complied with the provisions with respect to appointment and term of Independent Directors which are consistent with the Act and the Listing Regulations. The Independent Directors on the Board of the Company, upon appointment, are given a formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities, time commitment, code of conduct, etc. The terms and conditions of appointment / re-appointment are disclosed on the website  
[https://www.benareshotelshlimited.com/content/dam/thrp/benareshotelshlimited/documents/independent-directors/ID-Appointment-Letter\\_final-template.pdf](https://www.benareshotelshlimited.com/content/dam/thrp/benareshotelshlimited/documents/independent-directors/ID-Appointment-Letter_final-template.pdf)  
 None of the Independent Directors have resigned before the expiry of their respective tenures during the year under review.
5. During the year under review, the Board of Directors of the Company met four times and the period gap between any two meetings did not exceed one hundred and twenty days. The dates of the Board Meetings held during each quarter are as follows:

No.	Date of Meeting	For the quarter
1	April 26, 2021	April to June
2	July 30, 2021	July to September
3	October 14, 2021	October to December
4	January 28, 2022	January to March

The necessary quorum was present for all the meetings.

6. During FY 2021-22, one meeting of the Independent Directors was held on March 23, 2022. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a



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whole and Chairman of the Company, taking into account the views of Non-Executive Directors. They also assessed the quality, quantity, timeliness and adequacy of information between the Company's management and the Board.

7. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ('AGM'), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairpersonships / Memberships held by them in other public limited companies (excluding directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act) as on March 31, 2022 are given herein below. Further, none of them is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee only have been considered as per Regulation 26(1)(b) of the SEBI Listing Regulations.

#### Board of Directors

Name of the Director	Category	Remuneration paid (Rs.)			No. of Directorships in other public companies		No of Committee positions held in other public companies		No. of Board Meetings attended during FY 2021-22	Whether attended last AGM held on 03.09.2021 (Yes/No)
		Salary & Perks 2021-2022	Sitting Fees 2021-2022	Commission 2020-21	Chair-person	Member	Chair-person	Member		
Dr. Anant Narain Singh	Promoter Non-executive	NA	2,70,000	-	1	-	-	-	4	Yes
Mrs. Rukmani Devi	Independent Non-executive	NA	3,90,000	-	-	-	-	-	4	Yes
Mr. Rohit Khosla	Promoter Non-executive	NA	NA	-	4	1	2	-	4	Yes
Mr. Moiz Miyajiwala	Independent Non-executive	NA	3,00,000	-	-	2	1	-	4	Yes
Mr. Puneet Chhatwal	Promoter Non-executive	NA	NA	-	4	2	-	2	4	Yes
Mr. Puneet Raman	Independent Non-executive	NA	1,20,000	-	-	-	-	-	4	Yes

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by Ministry Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI'), the 50th AGM and all Board Meetings in FY 2021-22 were held through video-conferencing

#### Details of Directorships in other Listed Entities

Name and Category of the Director	Details of Directorships of other Listed Entities and Category of Directorship	
Mr. Puneet Chhatwal Non-Executive, Non-Independent	The Indian Hotels Company Limited	Managing Director & Chief Executive Officer
	Oriental Hotels Limited	Non-Executive Director
	Taj GVK Hotels and Resorts Limited	Non-Executive Director
Mr. Moiz Miyajiwala Non-Executive, Independent	Transpact Enterprises Limited	Non-Executive Director

No other Director holds any Directorship in any other Listed Entity.

8. During Financial Year 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

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9. The Board periodically reviews the compliance reports of all laws applicable to the Company.
10. Being a subsidiary of Tata Group Company, the Company has adopted the Tata Code of Conduct ('TCOC'), which clearly articulates the ethical principles and desired behaviours. The TCOC requires the Tata companies and employees to act with professionalism, honesty and integrity and to preserve the human rights of every individual and the community. The principles of the TCOC apply to all our dealings with our business partners who are encouraged to adhere to similar standards. The TCOC covers various subjects like equal opportunity employer, dignity & respect, human rights, prohibition of bribery & corruption, gifts and hospitality, conflict of interest, financial reporting and records among others. The TCOC is augmented by a number of policies that help strengthen governance practices at the Company and the same is available on the Company's website at  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/TATA-Code-of-Conduct.pdf>  
 All Senior Management of the Company have affirmed compliance with the TCOC.
11. In addition to the above, the Company has also adopted a Code of Conduct for its NED's and Independent Directors ("Code"). All NED's and Independent Directors have affirmed compliance with the said Code for the financial year ended March 31, 2022 and the above code is displayed on the Company's website under the weblink  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/policies/BHL-Code-of-Conduct-for-NED.pdf>  
 The Annual Report of the Company contains a Certificate duly signed by the Chairman confirming adherence to the Codes of Conduct.
12. The Company has Company's Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ('Insider Trading Code') and the same is available on the Company's website at  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/policies/Revised%20%20TCOC%20for%20PIT%20%20CoCDP%20-%20Final.pdf>

#### 13. Key Skills, Expertise and Competencies of the Board

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. These Directors are nominated based on well-defined selection criteria. The Nomination and Remuneration Committee ('NRC') considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board of Directors have, based on the recommendations of the NRC, identified the following core key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Name and Category of the Director	Finance	Strategy/ Business Leadership	Governance/ Regulatory and Risk	Sales & Marketing	Hospitality	Agriculture
Dr. Anant Narain Singh	—	✓	✓	—	✓	✓
Mr. Puneet Chhatwal	✓	✓	—	✓	✓	—
Mrs. Rukmani Devi	✓	✓	✓	—	✓	—
Mr. Rohit Khosla	✓	✓	—	✓	✓	—
Mr. Moiz Miyajiwala	✓	✓	✓	—	—	—
Mr. Puneet Raman	✓	✓	✓	✓	—	—

#### 14. Familiarization Programmes for Directors

The Details pertaining to Familiarization Programmes are included in the Director's Report, which forms part of the Annual Report. The Details are also disclosed on the Company's website at

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/independent-directors/Familiarization%20Programme%20-%20BHL.pdf>

# BENARES HOTELS LIMITED

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### COMMITTEES OF THE BOARD:

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. During the year under review, all recommendations of the Committees were approved by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

The Committees constituted by the Board of Directors of the Company are as under:

#### I. Audit and Risk Management Committee:

Committee is constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. The broad terms of reference are as under:

- i. Reviewing with management the quarterly/annual financial statements before submission to the Board for approval, with particular reference to:-
  - Matters required to be included in the Directors Responsibility Statement as provided under Section 134(5) of the Act are included in the Board's Report in terms of clause (c) of sub section 3 of Section 134 of the Act
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on exercise of judgment by the Management.
  - Qualifications in the draft audit report.
  - Significant adjustments made in the financial statements, arising out of audit findings.
  - The going concern assumptions
  - Compliance with Accounting Standards
  - Disclosure on any related party transactions.
  - Compliance with Listing and other legal requirements relating to financial statements.
- ii. Oversight the financial reporting process.
- iii. Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control systems.
- iv. Discussion with internal auditors on any significant findings and follow-up thereon.
- v. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- vi. Discussion with external/statutory auditors before the audit commences, nature and scope of audit, as well as have post-audit discussion to ascertain any area of concern.
- vii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- viii. Review and monitor the Auditor's independence & performance and effectiveness of audit process.
- ix. Approve policies in relation to the implementation of the Insider Trading Code and to supervise the implementation of the same.
  - x. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
  - xi. Examination of the financial statement and auditors' report thereon.
  - xii. Approval or any subsequent modification of transactions of the company with related parties
  - xiii. Scrutiny of Inter corporate loans and investments
  - xiv. Valuation of undertakings or assets of the company, wherever it is necessary
  - xv. Evaluation of the internal financial controls and risk management systems
- xvi. Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate

- xvii. To frame and review the policies in relation to the implementation of the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices ('Insider Trading Code') and to supervise implementation of the same
- xviii. Monitoring the end use of funds raised through public offers and related matters
- xix. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

Although not mandatory, your Company has combined Risk Management with Audit Committee as a measure of good governance to frame, implement and monitor the risk management plan of the Company. The Committee has a Risk Management Policy, lays down a vigorous and active process for identification and mitigation of risks. The Committee reviews and monitors the risk management and mitigation plan from time to time.

In addition to the terms of reference of the Audit Committee, the terms of reference of the Risk Management Committee inter-alia, include the following:

- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management
- Review and approve the Enterprise Risk Management (ERM) framework
- Review the Company's risk appetite and strategy relating to key risks, including market risk, cyber security risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks

The Company's Audit & Risk Management Committee comprises Mr. Moiz Miyajiwala - Chairman, Mrs. Rukmani Devi and Mr. Rohit Khosla, Members. Each member of the Committee has the relevant experience in the field of Finance, accounting and hoteliering, with the Chairman being a Chartered Accountant. During the year under review, the Committee met four times and the gap between any two meetings did not exceed 120 days. Necessary quorum was present for all the Meetings. The details of the Audit Committee as well as the number of meetings held and attendance there at during the year are as under:-

Sl.No.	MEMBERS	ATTENDANCE AT AUDIT COMMITTEE MEETINGS HELD ON			
		26.04.2021	30.07.2021	14.10.2021	28.01.2022
1	Mr. Moiz Miyajiwala (Chairman) (Non-Executive, Independent Director)	✓	✓	✓	✓
2	Mrs. Rukmani Devi (Non-Executive, Independent Director)	✓	✓	✓	✓
3	Mr. Rohit Khosla (Non-Executive, Non-Independent Director)	✓	✓	✓	✓

Committee invites such of the executives as it considers appropriate, representatives of the Statutory Auditors and Internal Auditors, to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee.

Mr. Harish Kumar, CFO, is the Compliance Officer, to ensure compliance and effective implementation of the Insider Trading Code.

Quarterly Reports are placed before the Committee Meetings relating to the Insider Trading Code.

The previous AGM of the Company was held on September 3, 2021 and was attended by Mr. Moiz Miyajiwala, the Chairperson of the Audit Committee.

## 2. Nomination & Remuneration Committee:

Committee is constituted in line with the provisions of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, comprising Mr. Moiz Miyajiwala - Chairman, Dr. Anant Narain Singh and Mrs. Rukmani Devi, Members.

The details of the Committee as well as the number of meetings held and attendance there at during the year are as under:-

Sl.No.	MEMBERS	ATTENDANCE AT NOMINATION & REMUNERATION MEETINGS HELD ON		
		30.07.2021	14.10.2021	23.03.2022
1	Mr. Moiz Miyajiwala (Non-Executive, Independent Director)	✓	✓	✓
2	Dr. Anant Narain Singh (Non-Executive, Non-Independent Director)	✓	✓	✓
3	Mrs. Rukmani Devi (Non-Executive, Independent Director)	✓	✓	✓

Three Nomination and Remuneration Committee (NRC) Meetings were held during the year under review. The necessary quorum was present at all the Meetings.

The broad terms of reference of NRC inter-alia, include the following:

- To identify persons who are qualified to become directors and who are appointed in senior management
- Recommend to the Board the setup and composition of the Board and its committees.
- Recommend to the Board the appointment or re-appointment of directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Recommend to the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board the remuneration policy for Directors, Key Managerial Personnel as well as the other employees.

The Company does not have any Employee Stock Option Scheme.

The previous AGM of the Company was held on September 3, 2021 and was attended by Mr. Moiz Miyajiwala, the Chairperson of the Nomination and Remuneration Committee

#### **Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

#### **Remuneration Policy**

Pursuant to Section 178(2) and (3) of the Act, the Company has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees based on the recommendations of the Committee. The Policy envisages payment of remuneration according to qualification, experience. The Company's remuneration strategy is market driven and aims at attracting and retaining high caliber talent. Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The policy also recommended the criteria for determining qualifications, positive attributes and independence of a director and identified persons who are qualified to become director and who may be appointed in senior management in accordance with the criteria laid down and recommended their appointment and carried out evaluation of every director's performance.

As per the Company's policy, NED's of the Company are paid, in addition to commission, sitting fees at the rate of Rs. 30,000 per meeting for attending meetings of the Board and meetings of committees of the Board. The Company also pays commission to the Non-Executive Directors within the ceiling of three percent of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and distributed amongst the Non-Executive Directors based on the Board evaluation process, considering criteria



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such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at the meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. The Remuneration policy is available on <https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/policies/remuneration.pdf>

### Details of remuneration of other Key Managerial Personnel

Name of Key Managerial Personnel	Designation	Gross Salary	Commission	Stock option/Sweat equity	Others	Total Amount
Mr. Vivek Sharma	CEO	41,33,010	-	-	2,21,827	43,54,837
Mr. Harish Kumar	CFO	19,83,484	-	-	84,367	20,67,851
Ms. Vanika Mahajan	CS	11,10,257	-	-	12,655	11,22,912

### 3. Stakeholders Relationship Committee (SRC):

Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act comprises Dr. Anant Narain Singh - Chairman, Mr. Rohit Khosla and Mrs. Rukmani Devi, Members.

The broad terms of reference are as under:

- Consider and resolve the grievances of security holders.
- Consider and approve issue of share certificates, transfer and transmission of securities, etc.

The Committee met once on January 28, 2022 during the period under review and was attended by all the members. Dr. Anant Narain Singh, Non-Executive Director, heads the Committee. Ms. Vanika Mahajan, Company Secretary acts as the Compliance Officer to the Committee.

Details of Investor complaints and Compliance Officer are provided below in the Report.

The previous AGM of the Company was held on September 3, 2021 and was attended by Dr. Anant Narain Singh, the Chairperson of the Stakeholders' Relationship Committee.

### SRC - other details

#### a. Name, designation and address of compliance officer

<b>Compliance Officer</b>	<b>: Ms. Vanika Mahajan</b>
	<b>Company Secretary</b>
Address:	Benares Hotels Ltd. Corporate Office, Taj Palace, Sardar Patel Marg, New Delhi 110 021
Phone	: 011-6650 3704
E-mail	: vanika.mahajan@ihcltata.com

#### b. Details of complaints received and resolved during the financial year 2021-22

Complaints received	Pending as on March 31, 2022
3	Nil

### 4. Corporate Social Responsibility Committee (CSR) and Sustainability Committee:

Committee is constituted in line with the provisions of Section 135 of the Act and is in accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules 2021. The Committee has also been bestowed upon the responsibility towards Sustainability and is now known as CSR and Sustainability Committee comprising Dr. Anant Narain Singh - Chairman, Mrs. Rukmani Devi and Mr. Rohit Khosla, Members. The broad terms of reference of the CSR Committee are as under:

- Formulate and recommend to the Board, the CSR Policy and monitor it from time to time.
- Formulate and recommend to the Board, an Annual Action Plan for the Company and have an oversight on its implementation.
- To recommend the amount of expenditure to be incurred on CSR activities.

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- Review activities with regard to the Sustainability initiatives of the Company.

The details of the Committee as well as the number of meetings held and attendance there at during the year are as under:-

Sl.No.	MEMBERS	ATTENDANCE AT CSR AND SUSTAINABILITY COMMITTEE MEETINGS HELD ON	
		26.04.2021	30.07.2021
1	Dr. Anant Narain Singh (Non-Executive, Non-Independent Director)	✓	✓
2	Mrs. Rukmani Devi (Non-Executive, Independent Director)	✓	✓
3	Mr. Rohit Khosla (Non-Executive, Non-Independent Director)	✓	✓

The necessary quorum was present for the meeting.

The CSR Policy is available on the Company's website at

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/BHL-CSR-POLICY-2021-2022.pdf>

#### OTHER DISCLOSURES:

##### Remuneration to Statutory Auditors

PKF Sridhar and Santhanam LLP, Chartered Accountants (Registration No. 003990S/S200018) have been appointed as the Statutory Auditors of the Company. As required under Regulation 34 read with Part C of the Schedule V of the SEBI Listing Regulations, the Total Fees paid by the Company to the statutory auditor is as under:

Particulars	Fees (Rs. Lakhs)
Services as Statutory Auditors (including quarterly audits)	5.00
Tax Audit	1.50
Other Services	0.25
Reimbursement of Expenses	0.48

##### Prevention of Sexual Harassment

The Details of Complaints received and resolved during the year are mentioned in the Director's Report, which forms part of the Annual Report. The policy has been disclosed on the website of the Company under the link

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/policies/BHL-POSH-Policy-Final.pdf>

##### Transfer of unclaimed / unpaid amount to the Investor Educations and Protection Fund:

Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividend, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF')

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website [www.benareshotelslimited.com](http://www.benareshotelslimited.com).

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a copy of the same, duly signed to the Company at investor@tajhotels.com along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

The following table gives information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

Financial Year	Date of Declaration of Dividend	Proposed Date of Transfer to IEPF*
2014-15	21.08.2015	27.09.2022
2015-16	12.08.2016	18.09.2023
2016-17	03.08.2017	09.09.2024
2017-18	24.08.2018	30.09.2025
2018-19	30.08.2019	06.10.2026
2019-20	29.09.2020	04.11.2027
2020-21**	—	—

\* Indicative dates, actual dates may vary

\*\* Company did not declare dividend in the year 2020-21

The Company has transferred an amount of Rs. 9,69,600 to IEPF of the Central Government during the financial year 2021-22.

The company has transferred 1,490 Equity Shares to the IEPF authority during the FY 2021-22.

**Details of equity shares of the Company held by the Non-Executive Directors as on March 31, 2022, are as under:**

Dr. Anant Narain Singh	-	24000
Mr. Puneet Raman	-	4500
Mrs. Rukmani Devi	-	1106

**Details on General Meetings:**

Location, date and time of the General Meetings held in the last 3 years are as under:

Location	Date	Time	Special Resolution Passed
Video Conferencing ('VC')/ Other Audio Visual Means ( 'OAVM' )	September 3, 2021	3.00 p.m.	—
	September 29, 2020	3.00 p.m.	- Appointment of Mr. Puneet Raman as an Independent Director - Re-appointment of Mrs. Rukmani Devi as an Independent Director
Registered office at Nadesar Palace Compound, Varanasi 221 002	August 30, 2019	3.00 p.m.	—

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The special resolutions were passed in the Annual General Meetings of the company with requisite majority.

Pursuant to Sections 108, 110 and other applicable provisions, if any, of the Act, (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the Rules), Regulation 44 of the SEBI Listing Regulations, Secretarial Standard-2 on General Meetings (the 'SS-2'), read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and General Circular No. 10/2021 dated June 23, 2021 issued by the Ministry of Corporate Affairs ('MCA Circulars') and other applicable laws and regulations, as amended from time to time, the Company provided the remote e-Voting facility to its Members, to enable them to cast their votes electronically. The remote e-voting period commenced on Wednesday, October 27, 2021 at (9:00 a.m. IST) and ended on Thursday, November 25, 2021 at (5:00 p.m. IST). The cut-off date for the same was October 20, 2021. Ms. Vanika Mahajan, Company Secretary was authorised to accept, acknowledge and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the SS-2 on General Meetings. Accordingly, the Scrutinizer, after the completion of scrutiny, submitted his report to Ms. Mahajan and the consolidated results of the voting by postal ballot were announced on November 26, 2021. The results were also displayed at the Registered Office of the Company and on the Company's website at

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/bhl-postal-ballot/BHL-PB-VR-SR-Revised.pdf> besides being communicated to BSE Limited ('BSE') and NSDL.

The Company had sought the approval of the shareholders by way of a special resolution through notice of postal ballot dated October 14, 2021 for approval of re-appointment of Mr. Moiz Miyajiwala as an Independent Director for a period of five years, which was duly passed and the results of which were announced on November 26, 2021. M/S Arvind Kohli and Associates, Practicing Company Secretaries, was appointed as the scrutinizer to scrutinize the postal ballot process exercise.

### Details of voting pattern

Special Resolution	Votes in favour of the resolution			Votes against the resolution			Invalid Votes		
	No. of members voted through electronic voting systems	No. of Valid votes cast (shares)	% of total number of valid votes cast	No. of members voted through electronic voting systems	No. of Valid votes cast (shares)	% of total number of valid votes cast	Total number of members whose votes were declared invalid	Total no. of invalid votes cast (shares)	% of total number of invalid votes cast
Re-appointment of Mr. Moiz Miyajiwala as Independent Director	60	756817	99.94	5	421	0.06	Nil	Nil	Nil

No extraordinary general meeting of the members was held during Financial Year 2021-22. Currently, none of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

### Investor Relations:

Investor Relations at BHL serves as a bridge for two way communication of information and insights between the Company and the investment community. On one hand, this seamless channel of communication enables the investment community to be aware of the Company's business activities, strategy and prospects and allows them to make an informed judgement about the Company. On the other hand, the Company receives invaluable inputs and feedback from the investor community which are given due consideration and factored into future plans and strategies.

### Means of Communication:

BHL recognises communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Quarterly, half-yearly and annual financial results of the Company are published in leading English and vernacular newspapers viz. Financial Express and Hindustan. Additionally, the results and other important information are also periodically updated on the Company's website viz. [www.benareshotelslimited.com](http://www.benareshotelslimited.com). Statutory notices are published in Financial Express and Hindustan.

The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through BSE Listing Centre for dissemination on the BSE website.

The Company's website is a comprehensive reference on its leadership, management, policies, corporate governance and investor relations. On the website, Members can access the details of the Board, the Committees, Policies, Board committee Charters, financial information, statutory filings, shareholding information, details of unclaimed dividend and shares transferred / liable to be transferred to IEPF etc. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

In line with the MCA and SEBI Circulars, electronic copies of the Annual Reports for financial year 2021-22 are being sent by e-mail to the Members who had registered their e-mail ids with the Company/Depository Participants unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report to those Members who request the same at [investor@tajhotels.com](mailto:investor@tajhotels.com) mentioning their Folio No. / DP ID and Client ID. The Annual Report is also available on the Company's website at [www.benareshotelslimited.com](http://www.benareshotelslimited.com).

**Electronic Communication** - The Company had during Financial Year 2021-22 sent various communications including Annual Reports by email to those shareholders whose email addresses were registered with the Company / Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

**Scores:** A centralized web based complaints redress system 'Scores' which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

**Web-based Query Redressal System:** Members may utilise the facility extended by Link Intime India Private Limited, the Registrar and Transfer Agent of the Company for redressal of queries, by visiting their website [www.linkintime.co.in](http://www.linkintime.co.in).

#### **Disclosures:**

- i. The Company has adopted the revised policy on Related Party Transactions pursuant to the amendments made vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021. The same is approved by the Board and is uploaded on the website of the Company.

There are no material Related Party Transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the Financial Year were in the ordinary course of business and at Arms' length basis and were approved by the Audit Committee.

The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant Related Party Transactions which have potential conflict with the interest of the Company at large.

The Policy for dealing with Related Party Transactions has been uploaded on the Company's website at the following link:

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Related-Party-Transaction-Policy.pdf>

- ii. The Company follows Indian Accounting Standards (IND AS) issued by the Ministry of Corporate Affairs in the preparation of its Financial Statements.



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- iii. The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India / Statutory Authorities on all matters relating to capital markets, during the last three years. No penalties or strictures have been imposed by them on the Company.
- iv. The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the website of the Company under the link  
[https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Whistle\\_Blower%20Revised.pdf](https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Whistle_Blower%20Revised.pdf)
- v. The Company has a Policy on Determination of Materiality for Disclosures. The policy has been disclosed on the website of the Company under the link  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Materiality-policy.pdf>
- vi. The Company has a Policy on Archival and Preservation of Documents. The policy has been disclosed on the website of the Company under the link  
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Preservation-of-Documents.pdf>

#### **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations:**

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

#### **Disclosures of commodity price risks or foreign exchange risks and commodity hedging activities specified under Schedule V (C) 10(g) to the SEBI Listing Regulations:**

The Company does not deal in commodities and hence the disclosure pursuant to the same is not required to be given. The Company has a portfolio of foreign currency debt and derivatives in respect of which it faces exposure to fluctuations in currency. Net derivatives exposures are kept within overall limits approved by the Board.

The details of foreign exchange exposures as on March 31, 2022 are disclosed in notes to the Financial Statements.

#### **Certifications**

In terms of Regulation 17(8) of the Listing Regulations, the CEO and CFO have issued a certificate to the Board with regard to the propriety of the Financial Statements and other matters stated in the said regulation, for the Financial Year 2021-22.

A certificate has been received from Practising Company Secretary Arvind Kohli & Associates, that none of the Directors on the Board of the Company has 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 statutory authority. The same is annexed to this Report as Annexure I.

A compliance certificate on the requirements of Corporate Governance has been received from the Practising Company Secretary, which is annexed to this Report as Annexure II.

#### **Discretionary requirements under Schedule II Part E of the SEBI Listing Regulations:**

1. **Audit Report:** For the financial year 2021-22, the Auditors have expressed an unmodified opinion on the financial statements of the Company. The Company continues to adopt best practices to ensure a regime of unmodified financial statements.
2. **Reporting of Internal Auditor:** The Internal Auditors of the Company report to the Audit Committee of the Company, to ensure independence of the Internal Audit function.



## GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

**Date and Time** : Thursday, September 8, 2022 at 3.00 p.m. (IST)

**Venue** : The Company is conducting meeting through VC/OAVM pursuant to the MCA General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs ('MCA Circulars') and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, details of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

**Registered Office** : Nadesar Palace Compound, Varanasi 221 002

**Telephone No.** : 91-542 - 666 0001

**Facsimile No.** : 0542 - 2250 1343

**Website** : www.benareshotelslimited.com

**E-mail** : investor@tajhotels.com

### Tentative Financial Calendar for Financial Year 2022-23

Financial reporting for:

- Quarter ending 30th June, 2022 on or before August 14, 2022
- Quarter ending 30th September, 2022 on or before November 15, 2022
- Quarter ending 31st December, 2022 on or before February 15, 2023
- Quarter ending 31st March, 2023 on or before May 30, 2023

**Financial Year and year ending** : 2021-22 and March 31, 2022

Dividend Payment: The dividend, if approved, shall be paid/credited on or after Monday, September 19, 2022.

The register of members and the share transfer books will remain closed from Friday, September 2, 2022 to September 9, 2022 (both days inclusive).

### Listing on Stock Exchanges

➤ Equity Shares : BSE Ltd.  
P.J. Towers, Dalal Street,  
Mumbai 400 001

**Corporate Identification No.(CIN)** : L55101UP1971PLC003480

**ISIN NO.:** : INE664D01019

**Stock Code:** : 509438

Listing fees as applicable have been paid.

### Market Price Data:

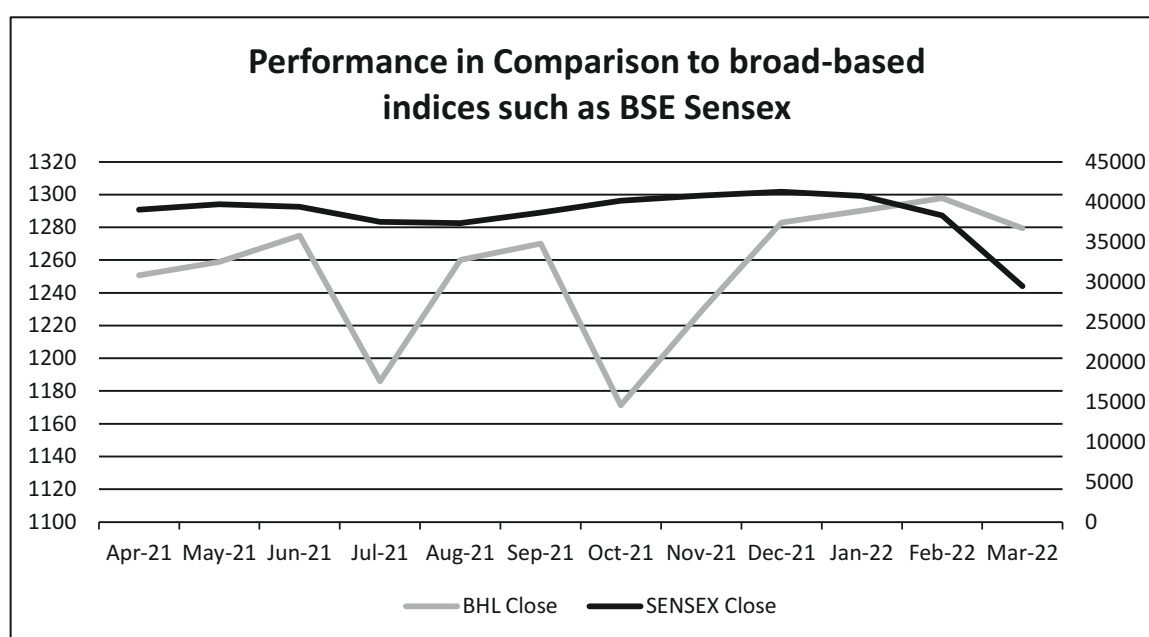
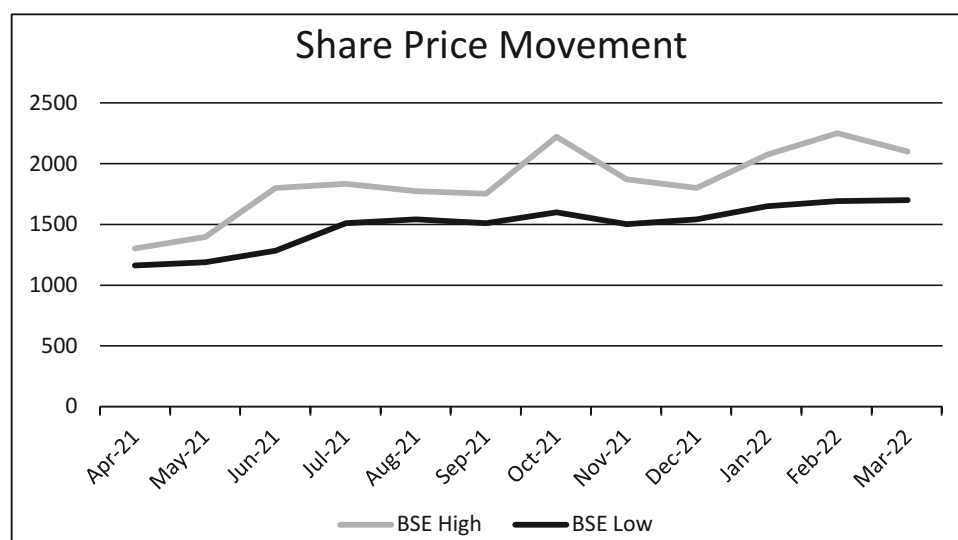
High/Low market price of the Company's shares and performance in comparison to Sensex Indices on BSE Limited, during the financial year 2021-22 as furnished below:-

Months	BSE High	BSE Low
April 2021	1301.95	1163.15
May 2021	1397	1190
June 2021	1800.40	1283.15

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Months	BSE High	BSE Low
July 2021	1835.40	1510
August 2021	1775	1541.50
September 2021	1753.95	1511
October 2021	2223	1601
November 2021	1872	1503
December 2021	1800	1543
January 2022	2074.80	1650
February 2022	2250	1691
March 2022	2100	1700



**Category of Shareholding as on March 31, 2022**

Category of Shareholders	No. of Shares held	% to Paid up capital
Promoters	813435	62.57
Directors & their Relatives	26808	2.06
Resident Individuals & HUF	413372	31.80
Non-Resident Indians	4069	0.31
Clearing Member	362	0.03
Corporate Bodies	18466	1.42
IEPF	23488	1.81
<b>TOTAL</b>	<b>1300000</b>	<b>100.00</b>

**Distribution of equity shareholding as on March 31, 2022**

Number of shares	Holding	Percentage to Issued Capital	Number of Shareholders	Percentage to Total Shareholders
1 - 500	160923	12.38	4423	97.79
501 - 1000	25885	1.99	35	0.77
1001 - 2000	32374	2.49	24	0.53
2001 - 3000	17226	1.33	7	0.15
3001 - 4000	17727	1.36	5	0.11
4001 - 5000	9500	0.73	2	0.04
5001 - 10000	76930	5.92	11	0.24
10001 - above	959435	73.80	16	0.35
<b>TOTAL</b>	<b>1300000</b>	<b>100.00</b>	<b>4523</b>	<b>100.00</b>

**Top ten equity shareholders of the Company as on March 31, 2022:**

S.No.	Name of Shareholder	Total Number of Equity Shares	Total Shareholding as % of total number of equity shares
1.	The Indian Hotels Company Limited	643825	49.53
2.	Piem Hotels Limited	54063	4.16
3.	All India Kashiraj Trust	30000	2.31
4.	Aditya Deorah	29060	2.24
5.	Anant Narain Singh	24000	1.85
6.	IEPF Authority	23488	1.81
7.	Vinodchandra Mansukhlal Parekh	20567	1.58
8.	Brajraj Singh	20000	1.54
9.	Arjun Ramani	18798	1.45
10.	Maharaj Kumari Vishnupriya	18000	1.38

# BENARES HOTELS LIMITED

## Fifty First Annual Report 2021-22

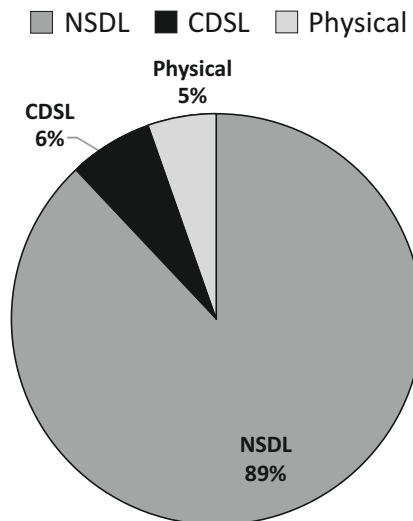
### Secretarial Audit

In terms of Section 204 of the Companies Act, 2013 the secretarial audit of the Company for the year 2021-22 has been carried out by the Secretarial Auditor appointed by the Company. The report of the Secretarial Auditor forms part of the Board's Report.

### Dematerialization of Shares & Liquidity

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing approximately 95 percent of the Company's equity share capital are dematerialized as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE664D01019. The Members whose shares are in physical form are requested to dematerialise their shares and update their bank account and email addresses with the depository.

### STATUS ON DEMATERALISED SHARES



**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity:** The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

### Location of Hotels:

Taj Ganges & Taj Nadesar Palace, Varanasi and  
The Gateway Hotel, Gondia

### Investor Correspondence

For any queries, investors are requested to get in touch with the Company's share department at the following address :

### Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.

(Unit: Benares Hotels Limited)

Noble Heights, 1st Floor, Plot No. NH 2, LSC,

C-1 Block, Near Savitri Market, Janakpuri,

New Delhi-110058

Phone: 011 4941 1000

Fax: +91 11 4141 0591

Designated e-mail address for Investor Services: delhi@linkintime.co.in

Website: <https://www.linkintime.co.in/>

OR

**Company**

Benares Hotels Ltd.

C/o Corporate Office

Taj Palace,

S P Marg, New Delhi 110 021

Phone: 011-66503549

Email: investor@tajhotels.com

**Place for acceptance of Documents:** Documents will be accepted at the above addresses between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays).

**Share Transfer System:**

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

**Reconciliation of Share Capital Audit**

In keeping with the requirement of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC / FITTC/ Cir- 16/2002 dated December 31, 2002, a qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. This has been disclosed on the website of the Company under the link

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/board-meeting/BHL-Recon-31.03.2022.pdf>

**Report on Corporate Governance**

The Company regularly submits to the Stock Exchange, within the prescribed period, quarterly reports on Corporate Governance electronically through the online portal of the BSE Limited. A certificate from a practising Company Secretary on Corporate Governance is attached as an annexure to this Report.

**Declaration by the Chairman on behalf of the Board of Directors regarding adherence to the CODE OF CONDUCT as specified in SEBI (Listing Obligations and Listing Requirements) Regulations, 2015**

In accordance with SEBI Listing Regulations, I hereby confirm that, all the members of the Board of Directors and Senior Management personnel have affirmed compliance with Codes of Conduct, as applicable to them, in respect of the Financial Year ended March 31, 2022.

**For Benares Hotels Limited**

**Dr. Anant Narain Singh**  
Chairman  
(DIN 00114728)

Place : Varanasi

Date : 19th April, 2022

**BENARES HOTELS LIMITED**  
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**Annexure I**

**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**  
**BENARES HOTELS LIMITED**  
**Nadesar Palace Compound**  
**VARANASI - 221002**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Benares Hotels Limited having CIN L55101UP1971PLC003480 and having registered office at Nadesar Palace Compound, Varanasi 221002 (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](http://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 ending on 31st March, 2022 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.

S.No.	Name of Director	DIN	Date of Appointment in Company
1.	Dr. Anant Narain Singh	00114728	31/01/2001
2.	Smt. Rukmini Devi	00552831	27/06/1988
3.	Mr. Moiz Miyajiwala	00026258	24/01/2017
4.	Mr. Rohit Khosla	07163135	07/05/2015
5.	Mr. Puneet Chhatwal	07624616	10/05/2018
6.	Mr. Puneet Raman	00341221	17/09/2018

Ensuring the eligibility of 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 on these 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.

**Arvind Kohli & Associates**  
**Company Secretaries**

Place: Gurugram  
Date: April 11, 2022

**Arvind Kohli**  
**Proprietor**  
**FCS 4434, CP 2818**  
**UDIN: F004434D000064362**



**Annexure II**  
**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON**  
**CORPORATE GOVERNANCE**

**To**

**The Members of Benares Hotels Limited (CIN: L55101UP1971PLC003480)**

We have examined the compliance of regulations of Corporate Governance by Benares Hotels Limited for the year ended 31st March, 2022, as stipulated in regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) and Paragraphs C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

**For D.S. Associates**  
**Company Secretaries**

**Dhawal Kant Singh**  
**Partner**  
**CP No.: 7347**  
**M No. F8687**

**UDIN: F008687D000127850**

Place: New Delhi  
Date: April 19, 2022

# BENARES HOTELS LIMITED

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### Independent Auditors' Report

#### TO THE MEMBERS OF BENARES HOTELS LIMITED

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of Benares Hotels Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Description	Our Response
<p>Impairment assessment of Property, Plant and Equipment (PPE) of one hotel unit.</p>	<p>In view of the continuing operating losses made by one hotel unit and due to significant management and auditor judgement involved in impairment testing, we identified this matter as a Key Audit Matter.</p> <p>At the end of each year, management reviews the carrying amount of the assets to determine if there is any indication of impairment loss. If any such indication exists, management assesses the recoverable amount of those assets.</p> <p>Management also carries out a valuation of the hotel building once in three years. The estimation of the recoverable amount of the assets at the unit involves management judgements and is dependent on certain assumptions and significant inputs including market capitalization rates and estimated revenue per available room, which are affected by expected future market or economic conditions of the hospitality industry.</p>	<p>Our audit procedures in relation to impairment testing of the unit were:</p> <ul style="list-style-type: none"> <li>• Understanding the management's and those charged with governance (TCWG)'s process for estimating the recoverable amount of the assets</li> <li>• Evaluating the reasonableness of the assumptions, judgements, projected cash flows and key inputs considered by the management by comparing those estimates with market data and company specific information available and also the impact of Covid-19 pandemic.</li> <li>• Evaluating the historical accuracy of the management's assessment by comparing the past estimates to the current year actual performance of the company.</li> <li>• Reading the valuation report and validating key assumptions used in the valuation and rationale for those assumptions.</li> </ul>

Our tests did not reveal any material exceptions.

### **Information Other than the Financial Statements and Auditors' Report Thereon**

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report and Management Discussion and Analysis of the Financial Performance but does not include the financial statements and our auditors' report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the 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.

### **Responsibilities of the Management and Those Charged with Governance for Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 with reference to the financial statements 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 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 auditors' report to the related disclosures in the financial statements or,

# BENARES HOTELS LIMITED

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if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements. Refer Note No. 30 of the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or

- indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c) Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. a) The company has not declared any final dividend during the previous year and any interim dividend during the current year and hence compliance to Section 123 of the Act is not applicable.
- b) Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
3. With respect to the matter to be included in the Auditors’ Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018

**R. Suriyanarayanan**  
Partner  
Membership No. 201402  
UDIN: 22201402AHJNQC3193

Place of Signature: Mumbai  
Dated: 19th April, 2022



## BENARES HOTELS LIMITED

### Fifty First Annual Report 2021-22

#### Annexure-A to Independent Auditors' Report

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Benares Hotels Limited ("the Company") on the financial statements as of and for the year ended 31 March 2022.

- i (a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, discrepancies noticed were not material and have been dealt with appropriately in the books of account.

According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at Balance Sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as leasehold lands / buildings under property, plant & equipment / right of use assets in the financial statements, the lease agreements are in the name of the Company.

- (c) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence paragraph 3(i)(d) of the Order is not applicable to the Company.
- (d) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder and hence paragraph 3(i)(e) of the Order is not applicable to the Company.
- ii (a) Based on our audit procedures & according to the information and explanation given to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In our opinion, the discrepancies noticed on verification between the physical stocks and the book records are not more than not 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts.
- (b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a bank on the basis of security of current assets. However, the sanctioned terms do not provide for filing Quarterly returns or statements with the bank. No working capital limits were sanctioned by financial institution. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. Based on our audit procedures & according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv Based on our audit procedures & according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the



Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.

- v Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees'

state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount demanded (INR in lakhs)	Amount Paid (INR in lakhs)	Period to which amount relates	Forum where dispute is Pending
U.P. Trade Tax Act	Demand	15.88	5.00	FY 2006-07	Ist Appellate Authority, UP VAT
U.P. Trade Tax Act	Demand	20.39	5.00	FY 2007-08	Ist Appellate Authority, UP VAT
Luxury Tax	Demand	1.21	—	FY 2009-10 to FY 2013-14	Assessing Officer

- viii Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- ix (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so

## **BENARES HOTELS LIMITED**

### **Fifty First Annual Report 2021-22**

- diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.
- x (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.
- xii The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.
- xiii Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).
- xiv (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors for the period under audit.
- xv On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
  - (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
  - (d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Companies (CICs) in the Group (basis definition of “Companies in the Group” as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.
- xvii Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due. Also refer note no. 43 of the financial statements in this regard.
- xx (a) Based on our audit procedures and according to the information and explanations given to us, in respect of other than ongoing projects, the Company having spent the required amount, there is no amount pending to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to transfer unspent amount under sub-section (5) of section 135 of the Companies Act, pursuant to ongoing project to special account in compliance with provision of sub-section (6) of section 135. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

**R. Suriyanarayanan**

Partner

Membership No. 201402

UDIN: 22201402AHJNQC3193

Place: Mumbai

Date: 19th April 2022

# BENARES HOTELS LIMITED

## Fifty First Annual Report 2021-22

### Annexure-B to Independent Auditors' Report

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

**Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls with reference to financial statements of **Benares Hotels Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, 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 with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal control with reference to financial statements criteria established by the

#### **For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

#### **R. Suriyanarayanan**

Partner

Membership No. 201402

UDIN: 22201402AHJNQ3193

Place: Mumbai

Date: 19th April 2022

## Balance Sheet as at 31st March, 2022

	Note	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment .....	4	7,638.28	8,222.44
Right of Use Assets .....	6	121.11	124.14
Capital work-in-progress .....	4	22.77	10.52
Other Intangible assets.....	5	39.43	53.83
		<u>7,821.59</u>	<u>8,410.93</u>
Financial assets .....			
Other financial assets .....	7	516.10	35.55
Advance income tax (net).....		98.03	59.29
Other non-current assets .....	8	44.14	70.55
		<u>8,479.86</u>	<u>8,576.32</u>
<b>Current Assets</b>			
Inventories.....	9	80.08	82.31
Financial assets			
Trade receivables.....	10	138.56	78.22
Cash and cash equivalents.....	11	73.98	122.88
Bank balances other than cash and cash equivalents .....	12	584.55	45.07
Other financial assets .....	7	75.92	68.76
Other current assets .....	8	75.30	115.89
		<u>1028.39</u>	<u>513.13</u>
<b>Total .....</b>		<u><b>9,508.25</b></u>	<u><b>9,089.45</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital.....	13	130.00	130.00
Other equity .....	14	7,653.69	7,093.46
<b>Total Equity .....</b>		<u><b>7,783.69</b></u>	<u><b>7,223.46</b></u>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities .....	15	363.70	356.54
Provisions .....	16	26.66	30.48
Deferred tax liabilities (net).....	17	576.14	392.04
		<u>966.50</u>	<u>779.06</u>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings .....	18	—	550.00
Trade payables .....	19		
- Due to micro and small enterprises.....		31.36	13.17
- Due to others .....		268.08	163.80
Other financial liabilities .....	20	202.64	171.71
Other current liabilities.....	21	221.30	176.50
Provisions .....	16	34.68	11.75
		<u>758.06</u>	<u>1,086.93</u>
<b>Total .....</b>		<u><b>9,508.25</b></u>	<u><b>9,089.45</b></u>
Summary of Significant Accounting Policies	3		

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No. 003990S/S200018

**R. Suriyanarayanan**  
Partner  
Membership No.: 201402

Date : 19th April, 2022  
Place: Mumbai

For and on behalf of the Board  
**Dr. Anant Narain Singh**  
Chairman  
DIN: 00114728

**Vivek Sharma**  
Chief Executive Officer

**Harish Kumar**  
Chief Financial Officer  
ICAI M.No. 534449

**Rohit Khosla**  
Director  
DIN: 07163135

**Vanika Mahajan**  
Company Secretary  
ICSI M.No. ACS34515

Date : 19th April, 2022  
Place: Varanasi



**BENARES HOTELS LIMITED**  
Fifty First Annual Report 2021-22

**Statement of Profit and Loss for the Year Ended March 31, 2022**

	Note	March 31 2022 ₹ Lakhs	March 31 2021 ₹ Lakhs
<b>Income</b>			
1. Revenue from Operations .....	22	4,983.96	2,423.85
2. Other Income .....	23	9.88	57.03
<b>Total Income</b> .....		<u>4,993.84</u>	<u>2,480.88</u>
<b>Expenses</b>			
1. Food and beverages consumed .....	24	445.58	275.25
2. Employee benefit expense and payment to contractors .....	25	949.90	799.42
3. Finance costs .....	26	64.81	99.70
4. Depreciation and amortisation expense .....	4/5/6	636.32	693.45
5. Other operating and general expenses .....	27	2,126.40	1,309.91
<b>Total Expenses</b> .....		<u>4,223.01</u>	<u>3,177.73</u>
<b>Profit/(Loss) before exceptional items and tax</b>		770.83	(696.85)
<b>Exceptional items</b> .....		—	—
<b>Profit/(Loss) before tax</b> .....		770.83	(696.85)
<b>Tax expenses</b>			
Current Tax .....	28	21.45	—
Deferred Tax .....	28	184.10	(173.99)
<b>Total</b> .....		<u>205.55</u>	<u>(173.99)</u>
<b>Profit/(Loss) after tax</b> .....		565.28	(522.86)
<b>Other comprehensive income, net of tax</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of defined benefit obligation .....		(5.05)	12.54
Less: Income tax expense .....	28	—	—
<b>Other comprehensive income for the year, net of tax</b> .....		<u>(5.05)</u>	<u>12.54</u>
<b>Total Comprehensive Income for the Year</b> .....		<u>560.23</u>	<u>(510.32)</u>
<b>Earnings Per Share</b>			
Basic - (₹) .....	35	43.48	(40.22)
Diluted - (₹) .....		43.48	(40.22)
Face Value per Ordinary Share - (₹) .....		10.00	10.00
Summary of Significant Accounting Policies .....	3		

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No. 003990S/S200018

**R. Suriyanarayanan**  
Partner  
Membership No.: 201402

Date : 19th April, 2022  
Place: Mumbai

For and on behalf of the Board

**Dr. Anant Narain Singh**  
Chairman  
DIN: 00114728

**Vivek Sharma**  
Chief Executive Officer

**Harish Kumar**  
Chief Financial Officer  
ICAI M.No. 534449

**Rohit Khosla**  
Director  
DIN: 07163135

**Vanika Mahajan**  
Company Secretary  
ICSI M.No. ACS34515

Date : 19th April, 2022  
Place: Varanasi



## Cash Flow Statement for the Year Ended March 31, 2022

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
<b>Cash Flow From Operating Activities</b>		
Net Profit Before Tax .....	770.83	(696.85)
<b>Adjustments For :</b>		
Depreciation and Amortisation .....	633.30	690.42
Depreciation on Right of Use Assets .....	3.03	3.02
Finance Cost .....	28.75	64.37
Interest on lease liability .....	36.06	35.33
Provision for Doubtful Debts net of bad debts.....	(11.05)	36.02
(Gain)/ Loss on sale of assets .....	—	0.01
Interest Income .....	(9.25)	(45.32)
Lease Liability written back.....	—	(7.01)
Provision for Employee Benefits .....	(5.05)	12.54
	675.79	789.38
<b>Cash Operating Profit Before Working Capital Changes.....</b>	<b>1,446.62</b>	<b>92.53</b>
<b>Adjustments for:</b>		
Trade Receivables.....	(49.27)	318.63
Inventories .....	2.23	23.05
Non Current - Other financial Asset .....	—	(11.60)
Other Non-current Assets.....	10.53	35.73
Current-Other Financial Assets .....	(3.44)	78.15
Other current assets .....	40.59	56.68
Trade Payables .....	122.47	(388.36)
Current Liabilities -Other Financial Liabilities.....	89.35	(93.13)
Other Liabilities & Provisions .....	19.09	(32.70)
	231.55	(13.55)
Cash Generated from Operating Activities.....	1,678.17	78.98
Direct Taxes Paid - net .....	(60.19)	127.93
<b>Net Cash From Operating Activities (A).....</b>	<b>1,617.98</b>	<b>206.91</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets .....	(38.72)	(135.00)
Sale of Property, Plant and Equipment .....	—	—
Interest Received .....	5.54	45.35
Bank Balances not considered as Cash and Cash Equivalents .....	(1,020.04)	6.13
<b>Net Cash Used in Investing Activities (B) .....</b>	<b>(1,053.22)</b>	<b>(83.52)</b>
<b>Cash Flow From Financing Activities*</b>		
Interest Paid .....	(34.74)	(63.69)
Payment of lease liabilities and interest .....	(28.90)	(21.04)
Proceeds from short-term borrowing.....	—	500.00
Repayment of short-term borrowing.....	(550.00)	(500.00)
Dividend Paid (Including tax on dividend) .....	—	(97.50)
<b>Net Cash Used in Financing Activities (C) .....</b>	<b>(613.64)</b>	<b>(182.23)</b>
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C) .....	(48.88)	(58.84)
Cash and Cash Equivalents - Opening (Refer Note 11) .....	122.88	181.72
Cash and Cash Equivalents - Closing (Refer Note 11) .....	74.00	122.88

\*Refer foot note under Borrowings (Note 18) for Net Debt Reconciliation.

As per our Report of even date attached

For and on behalf of the Board

**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No. 003990S/S200018

**Dr. Anant Narain Singh**  
Chairman  
DIN: 00114728

**Rohit Khosla**  
Director  
DIN: 07163135

**R. Suriyanarayanan**  
Partner  
Membership No.: 201402

**Vivek Sharma**  
Chief Executive Officer

**Vanika Mahajan**  
Company Secretary  
ICSI M.No. ACS34515

Date : 19th April, 2022  
Place: Mumbai

**Harish Kumar**  
Chief Financial Officer  
ICAI M.No. 534449

Date : 19th April, 2022  
Place: Varanasi

**BENARES HOTELS LIMITED**  
Fifty First Annual Report 2021-22

Statement of Changes in Equity as at 31st March, 2022

₹ Lakhs

Particulars	Equity Share Capital Subscribed	Reserves and Surplus			Grand Total
		Capital Reserve	General Reserve	Retained Earnings	
<b>Balance as at April 1, 2020</b>	130.00	0.86	2,167.22	5,533.20	7,831.28
Changes in accounting policy / prior period errors	—	—	—	—	—
<b>Balance at the beginning of the reporting period</b>	<b>130.00</b>	<b>0.86</b>	<b>2,167.22</b>	<b>5,533.20</b>	<b>7,831.28</b>
Profit for the year ended March 31, 2021	—	—	—	(522.86)	(522.86)
Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings (Not reclassified to P&L))	—	—	—	12.54	12.54
<b>Total Comprehensive Income for the year ended March 31, 2021</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(510.32)</b>	<b>(510.32)</b>
Dividends	—	—	—	(97.50)	(97.50)
Tax on Dividend	—	—	—	0.00	0.00
<b>Balance as at March 31, 2021</b>	<b>130.00</b>	<b>0.86</b>	<b>2,167.22</b>	<b>4,925.38</b>	<b>7,223.46</b>
<b>Balance at April 1, 2021</b>	130.00	0.86	2,167.22	4,925.38	7,223.46
Changes in accounting policy/ prior period errors	—	—	—	—	—
<b>Restated balance at the beginning of the reporting period</b>	<b>130.00</b>	<b>0.86</b>	<b>2,167.22</b>	<b>4,925.38</b>	<b>7,223.46</b>
Profit for the year ended March 31, 2022	—	—	—	565.28	565.28
Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings (Not reclassified to P&L))	—	—	—	(5.05)	(5.05)
Total Comprehensive Income for the year ended March 31, 2022	—	—	—	560.23	560.23
<b>Dividends</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Tax on Dividend	—	—	—	—	—
<b>Balance as at March 31, 2022</b>	<b>130.00</b>	<b>0.86</b>	<b>2,167.22</b>	<b>5,485.61</b>	<b>7,783.69</b>

As per our Report of even date attached  
For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm Registration No. 003990S/S200018

**R. Suriyanarayanan**  
Partner  
Membership No.: 201402

Date : 19th April, 2022  
Place: Mumbai

For and on behalf of the Board

**Dr. Anant Narain Singh**  
Chairman  
DIN: 00114728

**Vivek Sharma**  
Chief Executive Officer

**Harish Kumar**  
Chief Financial Officer  
ICAI M.No. 534449

**Rohit Khosla**  
Director  
DIN: 07163135

**Vanika Mahajan**  
Company Secretary  
ICSI M.No. ACS34515

Date : 19th April, 2022  
Place: Varanasi

# Notes to Financial Statements for the year ended March 31, 2022

## Note 1: Corporate Information

Benares Hotels Limited (“BHL” or the “Company”), is a listed public limited company incorporated in 1971. The Company operates its hotels, viz. Taj Ganges and Taj Nadesar Palace in Varanasi and The Gateway Hotel Balaghat Road, Gondia in Maharashtra. In May, 2011, the Company became a subsidiary of The Indian Hotels Company Limited, a company promoted by Tata Sons Private Limited.

The financial statements were approved by the Board of Directors and authorised for issue on 19th April 2022.

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## Note 2: Application of New Indian Accounting Standards

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparation of these Financial Statements.

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## Note 3: Significant Accounting Policies

### (a) Statement of compliance:

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) issued under section 133 of the Companies Act, 2013 and notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) issued under Section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

### (b) Recent Accounting Pronouncements:

#### New amended standards and interpretation

The following Accounting Standards have been modified on miscellaneous issues with effect from 18th June 2021. Such changes include clarification/guidance on:

- i. Ind AS 107 Financial Instruments: Disclosures - Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company’s progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.
- ii. Ind AS 109 Financial Instruments - Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.
- iii. Ind AS 116 Leases - Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till 30th June, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.
- iv. Ind AS 102 Share based payments - Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.
- iv. Ind AS 103 Business Combination - Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards
- vi. Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

## Notes to Financial Statements for the year ended March 31, 2022

None of the amendments except for Ind AS 116 has any material impact on the financial statements for the current year. For impact of Ind AS 116, refer note 23 Other Income wherein Rs. Nil (PY Rs. 7.01 lakhs) recognised towards lease rent waiver.

### **Changes in Schedule III Division II of Companies Act, 2013 notified and adopted by the Company:**

On 24th March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 to be effective from 1st April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### **In Balance Sheet:**

- i) Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.
- ii) Certain additional disclosures in the statement of changes in equity.
- iii) Specified format for disclosure of shareholding of promoters.
- iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi) Specific disclosure under regulatory such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and Advances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami property held, relationship with struck-off companies, financial ratios, etc.

#### **In Statement of Profit and Loss**

- i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head "additional information" in the notes forming part of financial statements.

The amendments are extensive, and the Company has given effect to them as required by law in the current year financial statements to the extent applicable.

### **(c) Standards issued but not yet effective:**

The following Accounting Standards have been modified on miscellaneous issues with effect from 1st April 2022. Such changes include clarification/guidance on:

- i) Ind AS 103 Business Combination - Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).
- ii) Ind AS 109 Financial Instruments - Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).
- iii) Ind AS 16 Property, Plant and Equipment (PPE) - Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.
- iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - Illustrative guidance provided on the cost of fulfilling a contract - incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognizing impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

## Notes to Financial Statements for the year ended March 31, 2022

- v) Ind AS 41 Agriculture - The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair Value Measurement.

None of these amendments is expected to have any material impact on the financial statements of the Company.

### (d) Basis of preparation and presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value i.e. Defined Benefit Plans at the end of each reporting period, as explained in the accounting policies below.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

#### **Fair value measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

### (e) Critical accounting estimates and judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Useful lives of property, plant and equipment and intangible assets:** The Company has with the help of group technical assessment estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to



## Notes to Financial Statements for the year ended March 31, 2022

calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charge in the statement of profit or loss.

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.

- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- **Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Impact of global health pandemic COVID-19**

The Company has considered all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19



## Notes to Financial Statements for the year ended March 31, 2022

may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

The business has been impacted during the period on account of COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdowns in several states in India. Also, there was a third wave in the month of January 2022, resulting in restrictions in some states, which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the company has witnessed recovery in both leisure and business segments in all the other months.

The Company has adequate funds at its disposal and the management has secured financing in the previous year to prevent disruption of the operating cash flows and to enable the Company to meet its debts and obligations as they fall due. Accordingly, the company considers the use of going concern assumption, for the preparation of financial statements of the Company be appropriate.

### (f) Revenue recognition:

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

#### Revenue from operations

##### Rooms, Food and Beverage & Banquets:

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

##### Space and shop rentals:

Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

##### Other Allied services:

In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.

##### Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

##### Dividend

Dividend income is recognised when the Company's right to receive the amount is established. Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, food and beverages and allied services relating to hotel operations.

### (g) Employee Benefits (other than for persons engaged through contractors):

#### i. Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up by the respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognises such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Company.

## Notes to Financial Statements for the year ended March 31, 2022

### ii. **Gratuity Fund**

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

### iii. **Compensated Absences**

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

### iv. **Short Term Obligations**

The costs of all short-term employee 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 during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

### (h) **Property, Plant and Equipment:**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation made at the group level, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives.

## Notes to Financial Statements for the year ended March 31, 2022

The estimated useful lives of the depreciable assets are as follows:

<b>Class of Assets</b>	<b>Estimated Useful Life</b>
Improvement to the buildings	15 years
Plant and Equipment	10 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices Computers, Laptops etc	6 years
Operating supplies (issued on opening of a new hotel property)	2 to 3 years
Assets costing less than ₹ 5000	4 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital work in progress represents projects under which the property, plant and equipments are not yet ready for their intended use and are carried at cost determined as aforesaid.

### (i) Intangible Assets:

Intangible assets include cost of acquired software and designs, and cost incurred for development of the Company's website and certain contract acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. Internally developed intangibles are capitalised if, and only if, all the following criteria can be demonstrated:

- i) the technical feasibility and Company's intention and ability of completing the project;
- ii) the probability that the project will generate future economic benefits;
- iii) the availability of adequate technical, financial and other resources to complete the project; and
- iv) the ability to measure the development expenditure reliably.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed and impairment evaluations are carried out at least once a year. The estimated useful life used for amortising intangible assets is as under:

<b>Class of Assets</b>	<b>Estimated Useful Life</b>
Website Development Cost	5 years
Software and Licences	6 years
Service and Operating Rights	10 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

### (j) Impairment of assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed 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 carrying amount exceeds its recoverable amount.

## Notes to Financial Statements for the year ended March 31, 2022

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

### **(k) Foreign Currency Translation:**

The functional currency of the Company is Indian rupee.

#### **Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **Subsequent Recognition**

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

### **(l) Non-current assets held for sale:**

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable and expected to be completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

### **(m) Assets taken on lease:**

#### **The Company as a lessee:**

On inception of a contract, Company assesses whether it contains a lease. A contract contains a lease when it 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 through 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 recognizes 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

## Notes to Financial Statements for the year ended March 31, 2022

leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

Lease liabilities are re-measured 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 and any lease modification.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as follows in the Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and
- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities

Refer Note No. 29 of the Financial Statement for details.

### (n) Inventories:

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Inventory cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.



## Notes to Financial Statements for the year ended March 31, 2022

**(o) Government Grants:**

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

**(p) Income Taxes:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**i. Current tax:**

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

**ii. Deferred tax :**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**(q) Accounting for Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the non current provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.



## Notes to Financial Statements for the year ended March 31, 2022

Contingent liabilities are recognized 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 are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

### (r) **Borrowing Costs:**

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

### (s) **Cash and Cash Equivalents (for the purpose of cash flow statements):**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### (t) **Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

### (u) **Earnings Per Share:**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### (v) **Segment Reporting:**

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

## Notes to Financial Statements for the year ended March 31, 2022

Since the Company's business consists of its hotel operations only, no separate information for segment-wise disclosures is given.

### (w) Financial Instruments:

#### Financial Assets:

##### *Classification*

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### *Initial Recognition and measurement:*

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### *Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

##### *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## Notes to Financial Statements for the year ended March 31, 2022

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### *Impairment of financial assets*

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

### **Financial Liabilities**

#### *Classification*

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

#### *Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.*

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

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## Notes to Financial Statements for the year ended March 31, 2022

### *Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

## Notes to Financial Statements for the year ended March 31, 2022

### Note 4: Property, Plant and Equipment (Owned, unless otherwise stated)

₹ Lakhs

	Freehold Land	Buildings Refer Foot-note (i)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital work in progress Refer footnote (ii)
<b>Cost</b>								
At April 1, 2020	13.05	4,948.97	3,902.46	1,717.03	97.97	0.12	10,679.60	4.02
Additions	-	-	7.93	1.99	15.35	-	25.27	31.77
Less: Disposals	-	-	33.26	10.56	0.44	-	44.26	25.27
<b>At March 31, 2021</b>	<b>13.05</b>	<b>4,948.97</b>	<b>3,877.13</b>	<b>1,708.46</b>	<b>112.88</b>	<b>0.12</b>	<b>10,660.61</b>	<b>10.52</b>
Additions	-	-	20.48	0.43	11.02	-	31.93	44.18
Less: Disposals	-	-	-	-	1.90	-	1.90	31.93
<b>At March 31, 2022</b>	<b>13.05</b>	<b>4,948.97</b>	<b>3,897.61</b>	<b>1,708.88</b>	<b>122.00</b>	<b>0.12</b>	<b>10,690.64</b>	<b>22.77</b>
<b>Depreciation</b>								
At April 1, 2020	-	458.78	931.89	345.65	76.74	-	1,813.06	-
Add: Charge for the year	-	184.33	306.92	163.37	14.74	-	669.36	-
Less: Disposals	-	-	33.26	10.55	0.44	-	44.25	-
<b>At March 31, 2021</b>	<b>-</b>	<b>643.11</b>	<b>1,205.55</b>	<b>498.47</b>	<b>91.04</b>	<b>-</b>	<b>2,438.17</b>	<b>-</b>
Add: Charge for the year	-	184.33	264.42	155.58	11.76	-	616.09	-
Less: Disposals	-	-	-	-	1.90	-	1.90	-
<b>At March 31, 2022</b>	<b>-</b>	<b>827.44</b>	<b>1,469.96</b>	<b>654.06</b>	<b>100.90</b>	<b>-</b>	<b>3,052.36</b>	<b>-</b>
<b>Net Block</b>								
<b>At March 31, 2021</b>	<b>13.05</b>	<b>4,305.86</b>	<b>2,671.58</b>	<b>1,209.98</b>	<b>21.84</b>	<b>0.12</b>	<b>8,222.44</b>	<b>10.52</b>
<b>At March 31, 2022</b>	<b>13.05</b>	<b>4,121.53</b>	<b>2,427.65</b>	<b>1,054.83</b>	<b>21.10</b>	<b>0.12</b>	<b>7,638.28</b>	<b>22.77</b>

#### Footnotes :

- (i) Gross block includes:  
Buildings constructed on leasehold land - INR 1,889.52 lakhs (previous year - INR 1,889.52 lakhs)
- (ii) Capital Work in Progress Ageing Schedule:

#### As on 31st Mar 2022

₹ Lakhs

Particulars	Less than 1 year	1-2 year	2- 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Other Capex	10.95	-	-	-	10.95
(iii) Projects temporarily suspended	1.55	6.71	-	3.56	11.82
<b>Total</b>	<b>12.50</b>	<b>6.71</b>	<b>-</b>	<b>3.56</b>	<b>22.77</b>

#### As on 31st Mar 2021

Particulars	Less than 1 year	1-2 year	2- 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Other Capex	-	0.25	-	-	0.25
(iii) Projects temporarily suspended	6.71	-	-	3.56	10.27
<b>Total</b>	<b>6.71</b>	<b>0.25</b>	<b>-</b>	<b>3.56</b>	<b>10.52</b>

Other Capex represents routine capex, brought outs, etc

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Notes to Financial Statements for the year ended March 31, 2022

Note 5: Intangible Assets (Acquired) - Softwares & Rights

₹ Lakhs

Cost		Amortisation		Net Block	
At April 1, 2020	175.14	At April 1, 2020	103.70	At March 31, 2021	<u>53.83</u>
Additions	3.46	Charge for the year	21.06	At March 31, 2022	<u>39.43</u>
Less: Disposals	<u>3.20</u>	Disposals	<u>3.20</u>		
<b>At March 31, 2021</b>	<b><u>175.40</u></b>	<b>At March 31, 2021</b>	<b><u>121.56</u></b>		
Additions	2.81	Charge for the year	17.21		
Adjustments	-	Disposals	-		
Less: Disposals	<u>-</u>	<b>At March 31, 2022</b>	<b><u>138.77</u></b>		
<b>At March 31, 2022</b>	<b><u>178.21</u></b>				

Note 6: Rights of Use Assets

	₹ Lakhs	Total ₹ Lakhs
<b>Building</b>		
<b>Gross Block at Cost</b>		
At April 1, 2020 .....	130.19	130.19
Additions .....	-	-
Deductions for the year .....	<u>-</u>	<u>-</u>
<b>As at March, 2021 .....</b>	<b><u>130.19</u></b>	<b><u>130.19</u></b>
Additions .....	-	-
Deductions for the year .....	<u>-</u>	<u>-</u>
<b>As at March, 2022 .....</b>	<b><u>130.19</u></b>	<b><u>130.19</u></b>
<b>Depreciation</b>		
At April 1, 2020.....	3.02	3.02
Charge for the year .....	3.03	3.03
Deductions for the year .....	<u>-</u>	<u>-</u>
<b>As at March, 2021.....</b>	<b><u>6.05</u></b>	<b><u>6.05</u></b>
Charge for the year .....	3.04	3.04
Deductions for the year .....	<u>-</u>	<u>-</u>
<b>As at March, 2022 .....</b>	<b><u>9.08</u></b>	<b><u>9.08</u></b>
<b>Net Block</b>		
<b>As at March, 2021 .....</b>	<b><u>124.14</u></b>	<b><u>124.14</u></b>
<b>As at March, 2022 .....</b>	<b><u>121.11</u></b>	<b><u>121.11</u></b>



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Notes to Financial Statements for the year ended March 31, 2022

**Note 7: Other Financial Assets**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
(Unsecured, considered good unless stated otherwise)		
<b>A) Non Current:</b>		
<b>Deposits with Public Bodies and Others at amortised costs</b>		
Public Bodies and Others.....	23.96	23.96
Deposits with Banks* .....	492.14	11.59
	<u>516.10</u>	<u>35.55</u>
*includes FDRs having maturity less than 12 months of INR Rs. 12.13 Lakhs (PY - INR Rs. 11.59 Lakhs) which are under lien for issuance of Bank Guarantees.		
<b>B) Current</b>		
<b>Deposits with Public Bodies and Others</b>		
Others .....	0.95	0.95
	<u>0.95</u>	<u>0.95</u>
<b>Other advances</b>		
Considered good* .....	26.48	13.90
<b>Interest receivable</b>		
Bank Deposits.....	3.77	0.05
	<u>3.77</u>	<u>0.05</u>
<b>On Current Account dues :</b>		
Related Parties (Refer Note 32) .....	28.37	20.12
Others.....	16.35	33.74
	<u>44.72</u>	<u>53.86</u>
<b>Total</b> .....	<u>75.92</u>	<u>68.76</u>
*For related party balances refer Note 32.		

**Note 8: Other Assets**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
(Unsecured, considered good unless stated otherwise)		
<b>A) Non Current</b>		
Capital Advances.....	1.02	16.91
Prepaid Expenses .....	7.82	1.02
Export incentive receivable .....	25.30	42.62
(Refer Foot Note below)		
Deposits with Government Authorities .....	10.00	10.00
<b>Total</b> .....	<u>44.14</u>	<u>70.55</u>
<b>Foot Note: Export incentive receivable</b>		
Opening balance .....	42.62	77.95
Add: SEIS accrued during the year .....	—	0.27
Less: Sale proceeds/ used during the year .....	17.32	35.60
<b>Closing balance</b> .....	<u>25.30</u>	<u>42.62</u>
<b>B) Current</b>		
Prepaid Expenses .....	53.55	45.74
Indirect tax recoverable .....	11.22	50.12
Advance to Suppliers .....	10.24	19.66
Advance to Employees .....	0.29	0.37
<b>Total</b> .....	<u>75.30</u>	<u>115.89</u>

## Notes to Financial Statements for the year ended March 31, 2022

### Note 9: Inventories (At lower of cost and net realisable value)

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Food and Beverages .....	34.68	44.47
Stores and Operating Supplies.....	45.40	37.84
	<u>80.08</u>	<u>82.31</u>

### Note 10: Trade and Other Receivables

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
<b>(Unsecured)</b>		
Considered good*.....	138.56	78.22
Balance having significant increase in credit risk .....	—	—
Credit impaired .....	67.92	78.97
<b>Total</b> .....	<u>206.48</u>	<u>157.19</u>
<b>Less : Provision for impairment (refer foot note - 1)</b> .....	<u>67.92</u>	<u>78.97</u>
	<u>138.56</u>	<u>78.22</u>

\*For related party balances refer Note. 32.

#### Footnote:

##### i) Provision for impairment

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
<b>Opening Balance</b> .....	78.97	42.95
Add: Provision during the year .....	—	36.02
	<u>78.97</u>	<u>78.97</u>
Less: Bad Debts written off against past provisions .....	—	—
Less: Reversal of provision no longer required .....	11.05	—
<b>Closing Balance</b> .....	<u>67.92</u>	<u>78.97</u>

(2) Please refer Note No. 41 for Trade Receivable ageing schedule.

### Note 11: Cash and Cash Equivalents

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Cash on hand .....	3.55	4.03
Balances with bank in current account .....	70.43	68.85
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months) .....	—	50.00
	<u>73.98</u>	<u>122.88</u>

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Notes to Financial Statements for the year ended March 31, 2022

**Note 12 : Bank Balances Other Than Cash and Cash Equivalents**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Other Balances with banks</b>		
Call and Short-term deposit accounts* .....	1,042.40	—
Earmarked balances .....	<u>34.29</u>	<u>45.07</u>
	<u>1,076.69</u>	<u>45.07</u>
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date and other Earmarked/Margin Money/Pledged deposits classified as Non-Current .....	<u>492.14</u>	—
	<u>584.55</u>	<u>45.07</u>

\*Includes FDRs having maturity less than 12 months of INR Nil lakhs (PY - INR Nil lakhs) which are under lien for issuance of Bank Guarantees.

**Note 13 : Share Capital**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Authorised Share Capital</b>		
Ordinary Shares		
15,00,000 (Previous Year- 15,00,000)		
Ordinary Shares of ₹ 10/- each .....	<u>150.00</u>	<u>150.00</u>
	<u>150.00</u>	<u>150.00</u>
<b>Issued Share Capital</b>		
13,00,000 (Previous Year- 13,00,000)		
Ordinary Shares of ₹ 10/- each .....	<u>130.00</u>	<u>130.00</u>
	<u>130.00</u>	<u>130.00</u>
<b>Subscribed and Paid Up</b>		
13,00,000 (Previous Year- 13,00,000)		
Ordinary Shares of ₹ 10/- each .....	<u>130.00</u>	<u>130.00</u>
	<u>130.00</u>	<u>130.00</u>

**Footnotes:**

- (1) The company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote for each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of the liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the shareholding.
- (2) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh Issue	Closing Balance
<b>Ordinary shares</b>			
<b>Year ended 31-03-2022</b>			
- Number of shares .....	13.00	—	13.00
- Amount (Rupees) .....	130.00	—	130.00
<b>Year ended 31-03-2021</b>			
- Number of shares .....	13.00	—	13.00
- Amount (Rupees) .....	130.00	—	130.00

## Notes to Financial Statements for the year ended March 31, 2022

### Note 13 : Share Capital (Contd.)

#### 3) Ordinary Shares with voting rights held by Holding Company along with its Subsidiaries & Associates Companies

Name of the Company	No. of Shares March 31, 2022	No. of Shares March 31, 2021
<b>Holding Company</b>		
The Indian Hotels Company Limited .....	643,825	643,825
<b>Subsidiaries of Holding Company</b>		
Piem Hotels Limited.....	54,063	54,063
Northern India Hotels Limited.....	150	150
<b>Associate of Holding Company</b>		
Oriental Hotels Limited .....	50	50
<b>(4) Shareholders holding more than 5% shares in the Company :</b>		
The Indian Hotels Company Limited.....	643,825	643,825
% of Holding .....	49.53%	49.53%

(5) Aggregate number and class of shares allotted as fully paid-up in previous year pursuant to contracts without payment being received in cash, bonus shares and shares bought back for a period of 5 years immediately preceding the balance sheet date NIL (previous year NIL).

#### (6) Details of Promoter Shareholding

S.No.	Name of Promoter	Number of Equity Shares Held at 31st March 2022	% of Total Number of Equity Shares	Number of Equity Shares Held at 31st March 2021	% of Total Number of Equity Shares	% of Change During the Year
1	Anant Narain Singh	24,000	1.85%	24,000	1.85%	Nil
2	Maharaj Kumari Vishnupriya	18,000	1.38%	18,000	1.38%	Nil
3	M K Krishna Priya	17,550	1.35%	17,550	1.35%	Nil
4	Maharaj Kumari Hari Priya	17,550	1.35%	17,550	1.35%	Nil
5	Anamika Kunwar	7,197	0.55%	7,197	0.55%	Nil
6	All India Kashiraj Trust	30,000	2.31%	30,000	2.31%	Nil
7	Imlak Varanasi Developments Private Limited	1,050	0.08%	1,050	0.08%	Nil
8	The Indian Hotels Company Limited	6,43,825	49.53%	6,43,825	49.53%	Nil
9	Piem Hotels Limited	54,063	4.16%	54,063	4.16%	Nil
10	Northern India Hotels Limited	150	0.01%	150	0.01%	Nil
11	Oriental Hotels Limited	50	0.00%	50	0.00%	Nil
	<b>Total</b>	<b>8,13,435</b>	<b>62.57%</b>	<b>8,13,435</b>	<b>62.57%</b>	

## Notes to Financial Statements for the year ended March 31, 2022

### Note 14: Other Equity

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>A) Reserves &amp; Surplus</b>		
<b>Capital Reserve</b> .....	0.86	0.86
<b>General Reserve</b>		
Opening Balance.....	2,167.22	2,167.22
<b>Closing Balance</b> .....	<u>2,167.22</u>	<u>2,167.22</u>
<b>Retained Earnings</b>		
Opening Balance .....	4,925.38	5,533.20
Add: Current year profit/(loss) .....	565.28	(522.86)
Add: Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings) .....	(5.05)	12.54
Less : Final Dividend .....	—	(97.50)
Less : Tax on Dividend .....	—	—
<b>Closing Retained Earnings</b> .....	<u>5,485.61</u>	<u>4,925.38</u>
<b>Total</b> .....	<u>7,635.69</u>	<u>7,093.46</u>

### Note 15: Lease Liabilities

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Net Current</b>		
Lease liabilities .....	<u>363.70</u>	<u>356.54</u>
<b>Total</b> .....	<u>363.70</u>	<u>356.54</u>

### Note 16: Provisions

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>A) Non Current Provisions</b>		
<b>Employee Benefit Obligation (Non-current)</b>		
Compensated absences .....	<u>26.66</u>	<u>30.48</u>
	<u>26.66</u>	<u>30.48</u>
<b>B) Current Provisions</b>		
<b>Employee Benefit Obligation (Current)</b>		
Compensated absences .....	3.48	5.36
Gratuity (Refer Note 33) .....	31.20	6.39
<b>Total</b> .....	<u>34.68</u>	<u>11.75</u>

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Notes to Financial Statements for the year ended March 31, 2022

**Note 17: Deferred Tax Liabilities (Net)**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Deferred Tax Liabilities:</b>		
Property, Plant and Equipment & Intangible Assets.....	668.20	664.06
<b>Total (A)</b> .....	<b>668.20</b>	<b>664.06</b>
<b>Deferred Tax Assets:</b>		
Provision for Employee Benefits .....	6.22	9.73
OCI- Defined Benefit Obligations .....	—	—
Provision for doubtful debts .....	17.09	19.87
Unused tax losses .....	—	179.70
Ind AS 116 impact.....	61.05	58.49
Others .....	7.70	4.23
<b>Total (B)</b> .....	<b>92.06</b>	<b>272.02</b>
<b>Net Deferred Tax Liabilities (A-B)</b> .....	<b>576.14</b>	<b>392.04</b>

**Note 18: Borrowings**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Short term borrowings</b>		
<b>Short Term Borrowings from Related Parties</b>		
Secured .....	—	—
Unsecured @ 9% .....	—	555.99
<b>Total Short term borrowings</b> .....	<b>—</b>	<b>555.99</b>
Less: Interest accrued (included in Note 20) .....	—	5.99
<b>Total Borrowings</b> .....	<b>—</b>	<b>550.00</b>
(Refer foot note below)	<b>—</b>	<b>550.00</b>

**Foot Note - 1**

The company has been sanctioned with a Overdraft/ Working Capital Demand facility in current year of INR 1000 lakhs by Axis Bank. The facility carries interest @ 8.80% p.a. at the year end (MCLR 1 Year plus 125 basis points) and secured against exclusive charge on the entire current and movable assets of the company, both present and future. Further, negative lien on the fixed and immovable assets of the company. The balance outstanding at the end of period is INR Nil (PY Nil).

**Foot Note: 2**

**Financial liabilities**

**Net debt reconciliation**

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>a) Net debt</b>		
Cash and cash equivalents .....	74.00	122.88
Current Investment .....	—	—
Short Term Borrowings .....	—	(550.00)
Long term Borrowings (Including Current portion) .....	—	—
<b>Net (debt)/ Cash &amp; Cash Equivalents</b> .....	<b>74.00</b>	<b>(427.12)</b>
<b>b) Other financial liability</b>		
Unclaimed Deposits/Interest.....	—	—
Derivative.....	—	—
Interest Accrued .....	—	(5.99)
<b>Total Other Financial Liability</b> .....	<b>—</b>	<b>(5.99)</b>
<b>Grand Total</b> .....	<b>74.00</b>	<b>(433.11)</b>



## Notes to Financial Statements for the year ended March 31, 2022

### Note 18: Borrowings (Contd.)

Particulars	Accrued during the Year		Paid during the Year	
	31st Mar 2022	31st Mar 2021	31st Mar 2022	31st Mar 2021
<b>Interest Expenses</b>				
On long term borrowings	-	-	-	-
On short term borrowings	28.75	64.37	34.74	63.69
FV Changes for Derivatives (i.e. IRS)	-	-	-	-
Other Interest costs	-	-	-	-
<b>Total</b>	<b>28.75</b>	<b>64.37</b>	<b>34.74</b>	<b>63.69</b>

Particulars	Other Assets		Borrowings	Total Net Borrowings	Other Financial Liability	Grand Total
	Cash and Cash Equivalents	Current Investment	Short Term Borrowings		Interest Accrued	
<b>Net (debt)/ Cash &amp; Cash Equivalents as at 1st April 2020</b>	<b>181.72</b>	-	<b>(550.00)</b>	<b>(368.28)</b>	<b>(5.31)</b>	<b>(373.59)</b>
<b>Cash Flows</b>						
Increase/(Decrease) in cash and cash equivalents	(58.84)	-	-	(58.84)	-	(58.84)
Borrowings	-	-	(500.00)	(500.00)	-	(500.00)
Repayment	-	-	500.00	500.00	-	500.00
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	-	-	-	(64.37)	(64.37)
Interest paid	-	-	-	-	63.69	63.69
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31st March 2021</b>	<b>122.88</b>	-	<b>(550.00)</b>	<b>(427.12)</b>	<b>(5.99)</b>	<b>(433.11)</b>
<b>Net (debt)/ Cash &amp; Cash Equivalents as at 1st April 2021</b>	<b>122.88</b>	-	<b>(550.00)</b>	<b>(427.12)</b>	<b>(5.99)</b>	<b>(433.11)</b>
<b>Cash Flows</b>						
Increase/(Decrease) in cash and cash equivalents	(48.88)	-	-	(48.88)	-	(48.88)
Borrowings	-	-	-	-	-	-
Repayment	-	-	550.00	550.00	-	550.00
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	-	-	-	(28.75)	(28.75)
Interest paid	-	-	-	-	34.74	34.74
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31st March 2022</b>	<b>74.00</b>	-	-	<b>74.00</b>	-	<b>74.00</b>

### Note 19: Trade Payables

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Micro and Small Enterprises (Refer Footnote - 1).....	31.36	13.17
Vendor Payables (Refer Footnote - 2) .....	125.74	78.06
Accrued expenses and others .....	142.34	85.74
	<u>299.44</u>	<u>176.97</u>

#### Footnotes:

- (1) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. Refer Note 34 for disclosures relating to Micro and Small Enterprises.
- (2) For related party balances refer Note 32.
- (3) Please refer Note 42 for ageing schedule of trade payables.

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Notes to Financial Statements for the year ended March 31, 2022

**Note 20: Other Financial Liabilities**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Current financial liabilities</b>		
<b>Payables on Current Account dues :</b>		
Related Parties* .....	2.24	3.37
Others .....	2.59	3.94
<b>Total</b> .....	<b>4.83</b>	<b>7.31</b>
*For related party balances refer Note 32.		
<b>Deposits from others</b>		
Unsecured .....	30.40	28.15
<b>Total</b> .....	<b>30.40</b>	<b>28.15</b>
Interest accrued but not due on borrowings .....	—	5.99
Creditors for capital expenditure .....	28.22	35.85
Unclaimed dividend (Refer Foot Note -1) .....	34.29	45.07
Employee related liabilities .....	98.54	37.24
Others .....	6.36	12.10
<b>Grand Total</b> .....	<b>202.64</b>	<b>171.71</b>

**Foot Note:**

1) A sum of INR 9.70 lakhs (PY INR 6.44 lakhs) due for transfer to the Investor Education and Protection Fund during the year has been transferred and there are no dues in this respect which have remained unpaid as at the Balance Sheet date.

**Note 21: Other Current Liabilities**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Current</b>		
Advances collected from customers .....	182.96	155.95
Statutory dues .....	38.34	20.55
<b>Total</b> .....	<b>221.30</b>	<b>176.50</b>

**Note 22: Revenue From Operations**

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Room Income, Food, Restaurants and Banquet Income .....	4,758.29	2,282.07
Shop rentals .....	49.73	54.67
Others .....	175.94	87.11
<b>Total</b> .....	<b>4,983.96</b>	<b>2,423.85</b>

## Notes to Financial Statements for the year ended March 31, 2022

### Note 23: Other Income

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Interest Income from financial assets at amortised cost</b>		
Inter-corporate deposits		
Deposits with banks .....	7.29	3.03
Others .....	1.96	—
Interest on income tax refunds .....	—	42.29
<b>Total</b> .....	<u>9.25</u>	<u>45.32</u>
Exchange Gain (Net) .....	0.17	—
Others .....	0.46	11.71
<b>Grand Total</b> .....	<u><u>9.88</u></u>	<u><u>57.03</u></u>

### Note 24: Food and Beverages Consumed

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Opening Stock .....	44.47	60.08
Add: Purchases.....	435.79	259.64
	<u>480.26</u>	<u>319.72</u>
Less: Closing Stock .....	34.68	44.47
Food and Beverage Consumed .....	<u><u>445.58</u></u>	<u><u>275.25</u></u>

### Note 25: Employee Benefit Expense and Payment to Contractors

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Salaries, Wages, Bonus etc.....	522.72	441.41
Company's Contribution to Provident and Other Funds .....	45.22	47.47
Reimbursement of Expenses on Personnel Deputed to the Company .....	227.43	234.17
Payment to Contractors .....	63.10	33.86
Staff Welfare Expenses .....	91.43	42.51
<b>Total</b> .....	<u><u>949.90</u></u>	<u><u>799.42</u></u>

### Note 26: Finance Costs

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Interest Expense at effective interest rate on borrowings.....	28.75	64.37
Interest on Lease Liability .....	36.06	35.33
<b>Total</b> .....	<u><u>64.81</u></u>	<u><u>99.70</u></u>

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Notes to Financial Statements for the year ended March 31, 2022

Note 27: Other Operating and General Expenses

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
<b>(i) Operating expenses consist of the following :</b>		
Linen and Room Supplies .....	87.51	42.46
Catering Supplies.....	49.03	20.72
Other Supplies.....	6.13	1.88
Fuel, Power and Light [Refer footnote (i)] .....	410.70	297.84
Repairs to Buildings.....	44.85	21.33
Repairs to Machinery.....	108.16	67.93
Repairs to Others.....	9.84	3.10
Garden Expenses.....	24.15	17.59
Linen and Uniform Washing and Laundry Expenses .....	59.70	32.67
Payment to Orchestra Artistes and Security Charges .....	22.45	11.13
Guest Transportation .....	55.10	26.80
Travel Agents' Commission .....	100.34	53.44
Discount to Collecting Agents .....	50.28	25.52
Other Operating Expenses .....	82.34	39.97
<b>Total .....</b>	<b><u>1,110.58</u></b>	<b><u>662.38</u></b>
<b>(ii) General expenses consist of the following :</b>		
Rent .....	16.08	15.93
Licence Fees .....	6.88	4.30
Rates and Taxes.....	106.20	104.11
Insurance.....	29.89	32.62
Advertising and Publicity.....	171.27	99.50
Management Fee Expenses .....	336.69	88.10
Reimbursable Fees Expenses- Corporate Services and CRS/ CIS .....	98.68	46.86
Printing and Stationery.....	11.23	7.75
Passage and Travelling .....	9.53	9.61
Provision for Doubtful Debts/ Bad debts written off (Refer Note 10).....	(11.05)	36.02
Expenditure on Corporate Social Responsibility [Refer footnote (ii)] .....	12.91	22.82
Professional Fees .....	24.40	24.77
Outsourced Support Services .....	35.78	43.16
Loss of sale of Fixed Assets (Net) .....	—	0.01
Payment made to Statutory Auditors [Refer Footnote (iii)] .....	7.23	6.87
Director' Fees and Commission .....	33.55	9.89
Other Expenses .....	126.55	95.21
<b>Total .....</b>	<b><u>1,015.82</u></b>	<b><u>647.53</u></b>
<b>Grand Total .....</b>	<b><u>2,126.40</u></b>	<b><u>1,309.91</u></b>

## Notes to Financial Statements for the year ended March 31, 2022

### Note 27: Other Operating and General Expenses (Contd.)

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Footnotes:</b>		
<b>(i) Expenditure recovered from other parties :</b>		
Fuel, Power and Light .....	6.61	4.28
<b>Total</b> .....	<b>6.61</b>	<b>4.28</b>
<b>(ii) Corporate Social Responsibility Expenditure</b>		
Amount required to be spent as per Section 135 of the Act .....	12.91	22.75
<b>Amount spent during the year on:</b>		
(i) Construction/acquisition of an asset .....	—	—
(ii) On purposes other than (i) above .....	12.91	22.82
<b>(iii) Payment made to Statutory Auditors:</b>		
As auditors .....	5.00	5.00
As tax auditors .....	1.50	1.50
For other services - net* .....	0.25	0.03
For reimbursement of expenses .....	0.48	0.35
<b>Total</b> .....	<b>7.23</b>	<b>6.87</b>

\*Excess provision of INR 0.48 lakhs reversed in previous year.

### Note 28: Tax Disclosures

#### i) Income Tax recognised in Profit & Loss:

Particulars	March 31, 2022	March 31, 2021
<b>Current Tax</b>		
In respect of the current year .....	21.45	—
In respect of earlier years		
Resulting from reversal of provision for tax for earlier years .....	—	—
Other demands and tax paid for earlier years .....	—	—
	<b>21.45</b>	<b>—</b>
<b>Deferred Tax</b>		
In respect of the current year .....	175.80	(173.99)
In respect of earlier year .....	8.30	—
Total deferred tax expense/(benefit) .....	<b>184.10</b>	<b>(173.99)</b>
<b>Total tax expense recognised in the current year</b> .....	<b>205.55</b>	<b>(173.99)</b>

#### ii) Reconciliation of tax expense with the effective tax:

Particulars	March 31, 2022	March 31, 2021
Profit before tax from continuing operations (a) .....	770.83	(696.85)
Income tax rate as applicable (b) .....	25.1680%	25.1680%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)] .....	194.00	(175.38)
<b>Permanent tax differences due to:</b>		
Effect of expenses that are not deductible in determining taxable profit .....	3.25	5.74
Others .....	—	—
<b>Deferred Tax reversal</b>		
Net Impact of the change in the tax rates .....	—	—
Adjustment to Opening Deferred Tax .....	8.30	(4.35)
<b>Total tax expense recognised in the current year</b> .....	<b>205.55</b>	<b>(173.99)</b>

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Notes to Financial Statements for the year ended March 31, 2022

Note 28: Tax Disclosures (Contd.)

iii) Income Tax recognised in other comprehensive Income:

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
<b>Deferred Tax/Income Tax</b>		
(a) Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation .....	—	—
	—	—

iv) Reconciliation of deferred Tax Asset and Deferred Tax Liability

₹ Lakhs

March 31, 2022	Opening Balance	Recognised in retained Earning	Recognised in profit or loss - CY impact	Recognised in other Comprehensive income	Closing balance
<b>Deferred tax liabilities/ assets in relation to:</b>					
Property, Plant and equipment & Intangible Assets	664.06	—	4.14	—	668.20
Provision for Employee Benefits .....	(9.73)	—	3.51	—	(6.22)
Provisions for Defined benefit obligations .....	—	—	—	—	—
Provision for doubtful debts .....	(19.87)	—	2.78	—	(17.09)
Ind AS 116 impact .....	(58.49)	—	(2.56)	—	(61.05)
Unused business losses .....	(179.70)	—	179.70	—	—
Others (Expenses disallowed to be allowed in future) .....	(4.23)	—	(3.47)	—	(7.70)
<b>Total Deferred Tax Liability .....</b>	<b>392.04</b>	<b>—</b>	<b>184.10</b>	<b>—</b>	<b>576.14</b>

₹ Lakhs

March 31, 2021	Opening Balance	Recognised in retained Earning	Recognised in profit or loss - CY impact	Recognised in other Comprehensive income	Closing balance
<b>Deferred tax liabilities/ assets in relation to:</b>					
Property, Plant and equipment & Intangible Assets	653.19	—	10.87	—	664.06
Provision for Employee Benefits .....	(10.95)	—	1.22	—	(9.73)
Provisions for Defined benefit obligations .....	—	—	—	—	—
Provision for doubtful debts .....	(10.81)	—	(9.06)	—	(19.87)
Ind AS 116 impact .....	(55.86)	—	(2.64)	—	(58.49)
Unused business losses .....	—	—	(179.70)	—	(179.70)
Others (Expenses disallowed to be allowed in future) .....	(9.55)	—	5.32	—	(4.23)
<b>Total Deferred Tax Liability .....</b>	<b>566.03</b>	<b>—</b>	<b>(173.99)</b>	<b>—</b>	<b>392.04</b>



## Notes to Financial Statements for the year ended March 31, 2022

### Note 29: Lease

The Company has taken land and immovable properties on lease which are generally long term in nature with varying terms, escalation clauses and renewal rights expiring within forty one to sixty years. On renewal, the terms of the leases are renegotiated.

Amount in ₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Increase in depreciation expense relating to the depreciation of new right-of-use assets recognised .....	3.04	3.03
Decrease in Rent expense relating to previous operating leases .....	28.90	28.05
Increase in Financial expenses relating to the interest expense on additional lease liabilities recognised .....	36.06	35.33
Increase in net cash from operating activities and decrease in financing activities by the same amount, representing repayments of principal and interest on the recognised lease liabilities .....	28.90	21.04

As at 31st March 2022	March 31, 2022	March 31, 2021
Right-of-use assets recognised and presented separately in Company statement of financial position (Refer Note 6).....	121.11	124.14
Lease liabilities recognised and presented separately in Company statement of financial position (Refer Note 15) .....	363.70	356.54
Net deferred tax assets increased on account of deferred tax impact of the changes in assets and liabilities (Refer Note 28).....	61.05	58.49
Net effect of these adjustments increased Company's net liabilities by	181.53	173.90

Ind AS 116 related Other Disclosures	March 31, 2022	March 31, 2021
<b>1. Total lease liabilities are analysed as follows:</b>		
<b>Denominated in the following currencies:</b>		
Indian Rupees .....	363.70	356.54
Other Currencies .....	—	—
Current .....	—	—
Non-current .....	363.70	356.54
<b>Total .....</b>	<b>363.70</b>	<b>356.54</b>
<b>2. Amounts recognised in profit or loss</b>		
The following amounts were recognised as in profit and loss in the year:		
Depreciation of right-of-use assets .....	3.04	3.03
Expense relating to variable lease payments .....	6.88	4.30
Expense relating to short-term leases and low-value assets .....	—	—
Interest on lease liabilities .....	36.06	35.33
Gain on lease modification .....	—	—
Variable lease payments/ payments for short-term leases .....	16.08	15.93
<b>Total recognised in Statement of Profit &amp; Loss .....</b>	<b>62.06</b>	<b>58.59</b>

Variable lease payments are payable under certain of Company's hotel leases and arise where Company is committed to making additional lease payments that are contingent on the performance of the hotels.

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Notes to Financial Statements for the year ended March 31, 2022

**Note 29: Lease (Contd.)**

**3. Exposure to future cash flows:**

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

<b>Maturity analysis:</b>	<b>₹ Lakhs</b>	<b>₹ Lakhs</b>
Less than 1 year.....	29.75	28.90
Between 1 and 2 years.....	30.60	29.75
Between 2 and 5 years.....	94.35	91.80
More than 5 years.....	1,697.08	1,730.23
<b>Total.....</b>	<b>1,851.78</b>	<b>1,880.68</b>

**Note 30: Contingencies and Commitments**

**Contingent Liabilities (To the Extent Not Provided For):**

**a) On account of other disputes in respect of:**

- i. Sales tax - ₹ 36.27 Lakhs (previous year - ₹ 36.27 Lakhs)
- ii. Others - ₹ 1.21 Lakhs (previous year - ₹ 1.21 Lakhs)

**b) Others**

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

- (i) plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;
- (ii) the proceedings are in early stages;
- (iii) there is uncertainty as to the outcome of pending appeals or motions or negotiations;
- (iv) there are significant factual issues to be resolved; and/or there are novel legal issues presented.

The Company's management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Company's financial statements, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

**Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for is ₹ 9.70 Lakhs (Previous year ₹ 23.34 Lakhs).

**Note 31: Segment Reporting**

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Ind AS108 - 'Operating Segments' (Ind AS-108). There is no geographical segment to be reported since all the operations are undertaken in India.

# Notes to Financial Statements for the year ended March 31, 2022

## Note 32: Related Party Disclosures

### 32(a) Related party transactions

#### Details of related parties:

(i) **Holding Company**

The Indian Hotels Company Limited (IHCL)

(Tata Sons Private Limited has substantial interest in The Indian Hotels Company Limited)

(ii) **Fellow subsidiaries**

KTC Hotels Limited

United Hotels Limited

Roots Corporation Limited

Piem Hotels Limited

Taj Trade and Transport Company Limited

Inditravel Limited

Northern India Hotels Limited

Taj Enterprises Limited

Luthria & Lalchandani Hotel & Properties Pvt. Ltd.

Skydeck Properties and Developers Private Limited

Sheena Investments Private Limited

ELEL Hotels & Investments Limited

Ideal Ice Limited

Taj SATS Air Catering Limited

Taj Madras Flight Kitchen Private Limited

Genness Hospitality Private Limited

Qurio Hospitality Private Limited

Taj International Hotels (H.K) Limited

IHOCO BV

St. James Court Hotels Limited

Taj International Hotels Limited

IHMS LLC

IHMS LLC - San Francisco

IHMS LLC - USA

PIEM International Hotels (H.K) Limited

BAHC 5

United Overseas Holdings Inc.

IHMS Hotels (SA) (Proprietary) Limited

Goodhope Palace Hotels (Proprietary) Limited

(iii) **Directors who held the office during the year and previous year:**

Dr. Anant Narain Singh, Chairman

Mr. Rohit Khosla, Non Executive Director

Mr. Moiz Miyajiwala, Non Executive Director & Independent Director#

Mrs. Rukmani Devi, Non Executive & Independent Director#

Mr. Puneet Chhatwal, Non Executive Director

Mr. Puneet Raman, Non Executive Director & Independent Director#

# Independent directors are included as related parties for the purpose of Indian Accounting Standards (Ind AS 24- Related Party Transactions) only. They are not related under the Companies Act, 2013.

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Notes to Financial Statements for the year ended March 31, 2022

**Note 32: Related Party Disclosures (Contd.)**

- (iv) **Key Management Personnel (KMP) for current and previous year:**  
Mr. Vijay Partap Shrikent (Chief Executive Officer) #  
Mr. Vivek Sharma (Chief Executive Officer) #  
Mr. Harish Kumar (Chief Financial Officer)  
Ms. Vanika Mahajan (Company Secretary)  
# For part of the previous year
- (v) **Firms/ Corporation in which Directors are interested with whom transactions were carried out during the current and previous year**  
Maharaja Prabhu Narain Physical Cultural Trust  
Aditya Dairies Private Limited  
Anant Electric Lamp Works Private Limited  
Imlak Varanasi Developments Private Limited  
All India Kashiraj Trust
- (vi) **Relatives of the Directors with whom transactions were carried out during the current and previous year:**  
Anamika Kumwar  
MK Krishna Priya  
MK Vishnupriya  
MK Hari Priya  
Raghubir Singh Gohil  
Rama Raman  
Shanti Raman  
Renu Raman  
Mukta Raman  
Navneet Raman
- (vii) **Subsidiary, JV & Associates of the Entities having Significant influence with whom transactions were carried out during the current and previous year**  
Taj GVK Hotels and Resorts Limited  
TAL Maldives Resorts Private Limited  
Taj Kerala Hotels and Resorts Limited  
Taj Sats Air Catering Limited  
Oriental Hotels Limited  
Tata Consultancy Services Limited  
Tata Teleservices Limited  
Tata Communications Limited  
Tata Play Limited (Formerly known as Tata Sky Limited)  
Tata SIA Airlines Limited  
Tata Capital Limited  
Tata Capital Financial Services Limited  
Tata AIG General Insurance Company Limited  
Tata AIA Life Insurance Company Limited  
TRIL Infopark Limited  
Taj Karnataka Hotels and Resorts Limited  
Tata Medical & Diagnostics Limited
- (viii) **Others**  
Hotel Taj Ganges Employee Gratuity Trust

## Notes to Financial Statements for the year ended March 31, 2022

## Note 32: Related Party Disclosures:

S.No.	Particulars	Holding Company		Fellow subsidiaries, JV, Associates of the Holding company & Entity with significant influence or their subsidiaries/JV		Key Management Personnel (KMP)		Entities in which Directors are interested/ Relatives of Directors		Directors		Others	
		31 Mar. 22	31 Mar. 21	31 Mar. 22	31 Mar. 21	31 Mar. 22	31 Mar. 21	31 Mar. 22	31 Mar. 21	31 Mar. 22	31 Mar. 21	31 Mar. 22	31 Mar. 21
		Terms and conditions of transactions with related parties: Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.											
<b>32 (b) Details of related party transactions during the year ended 31 March, 2022 and balances outstanding as at 31 March, 2022:</b>													
₹ Lakhs													
	<b>Transactions during the year:</b>												
1	ICD received during the year	-	-	-	250.00	-	-	-	-	-	-	-	-
2	Repayment of ICD received during the year	-	-	550.00	250.00	-	-	-	-	-	-	-	-
3	Interest Expense on ICD	-	-	28.75	62.01	-	-	-	-	-	-	-	-
4	KMP remuneration (Foot Note - 1)	-	-	-	-	72.27	68.27	-	-	-	-	-	-
5	Other Reimbursement to KMPs	-	-	-	-	3.19	0.16	-	-	-	-	-	-
6	Director Sitting Fees	-	-	-	-	-	-	-	-	10.80	9.90	-	-
7	Director Commission in cash basis	-	-	-	-	-	-	-	-	-	40.94	-	-
8	License Fees expenses paid/accrued	-	-	-	-	-	-	14.45	10.52	14.45	10.52	-	-
9	License Fee Waiver	-	-	-	-	-	-	-	3.51	-	3.51	-	-
10	Management Fees expenses paid/accrued	335.37	88.10	1.33	-	-	-	-	-	-	-	-	-
11	Fees paid for other services/accrued	222.03	105.44	47.83	49.97	-	-	0.24	0.24	-	-	-	-
12	Deputed Staff Expense at cost - including KMP remuneration	80.06	110.13	100.86	85.12	-	-	-	-	-	-	-	-
13	Deputed Staff Expense Recovered	77.28	106.77	82.56	67.50	-	-	-	-	-	-	-	-
14	Other Reimbursable Expense at cost	81.53	87.42	0.05	0.36	-	-	-	-	-	-	-	-
15	Other Operating Income- Rooms (including tax)	-	-	5.25	6.30	-	-	-	-	-	-	-	-
16	Other Income Earned/ Recoveries made	6.99	5.72	3.19	0.52	-	-	-	-	-	-	-	-
17	Dividend Paid	-	48.29	-	4.07	-	-	-	8.34	-	2.22	-	-
18	Contribution to Gratuity Trust on Cash Basis	-	-	-	-	-	-	-	-	-	-	6.39	31.45
<b>Balances outstanding at the end of the year:</b>													
1	Borrowings	-	-	-	550.00	-	-	-	-	-	-	-	-
2	Current Account Receivable	26.73	14.15	1.64	5.96	-	-	-	-	-	-	-	-
3	Trade Payables	44.00	29.08	0.74	4.62	-	-	-	-	-	-	-	-
4	Trade Receivables	-	-	1.16	1.25	-	-	-	-	-	-	-	-
5	Current Account Payables	-	-	2.24	3.37	-	-	-	-	-	-	-	-
6	Other Advances	-	-	0.41	-	-	-	-	-	-	-	-	-
6	Interest Payable	-	-	-	5.99	-	-	-	-	-	-	-	-

Foot Note: 1. KMP Remunerations paid as reimbursement to IHCL/Plem Hotels.

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Notes to Financial Statements for the year ended March 31, 2022

**Note 32: Related Party Disclosures (Contd.)**

**32 (c) Details of material transactions with related party during the year ended 31 March, 2022 and balances outstanding as at 31 March, 2022:**

S. No.	Entities	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
	<b>Material transactions during the year</b>		
1	<b>The Indian Hotels Company Limited (IHCL)</b>		
	i Management and operating Fees .....	335.37	88.10
	ii Fee for other Services .....	222.03	105.44
	iii Deputed Staff Expense at cost - incl. KMP remuneration .....	80.06	110.13
	iv Deputed Staff Expense Recovered.....	77.28	106.77
	v Other Income Earned/Recoveries made.....	6.99	5.72
	vi Other reimbursable expense at cost .....	81.53	87.42
	vii Dividend Paid .....	—	48.29
	<b>Fellow Subsidiary company</b>		
2	<b>United Hotels Limited</b>		
	i ICD Received .....	—	250.00
	ii. ICD Repayment Made.....	550.00	250.00
	iii Interest Expense .....	28.75	62.01
	iv Deputed Staff Expense at cost .....	10.38	9.48
3	<b>KMP Remuneration - paid as reimbursement to IHCL</b>		
	i Vijay Partap Shrikent .....	—	19.51
	ii Vivek Sharma.....	41.33	21.11
	iii Vanika Mahajan .....	11.10	9.93
	iv Harish Kumar .....	19.83	17.72
	<b>Balances outstanding at the end of the year:</b>		
	<b>The Indian Hotels Company Limited (IHCL)</b>		
	i Trade Payables .....	44.00	29.08
	ii Receivable on Current account dues .....	26.73	14.15
	iii. Other Advances.....	—	—
2	<b>United Hotels Limited</b>		
	i Borrowings - Inter Corporate Deposit (ICD) .....	—	550.00
	ii Interest Expense payable .....	—	5.99
	iii Payable on Current account dues .....	0.90	0.78



## Notes to Financial Statements for the year ended March 31, 2022

### Note 33: Employee Benefits

- (a) The Company has recognised the following expenses as defined contribution plan under the head “Company’s Contribution to Provident Fund and Other Funds”(net of recoveries) :

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Provident Fund .....	34.26	35.49

- (b) The Company operates post retirement defined benefit plans as follows :-  
Funded : Post Retirement Gratuity

- (c) Defined Benefit Plans (Gratuity) As per Actuarial Valuation on March 31, 2022 :-

- (i) Amount to be recognized in Balance Sheet and movement in net liability

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Present Value of Funded Obligations .....	245.93	233.01
Fair Value of Plan Assets .....	214.73	226.62
Net (asset)/Liability - Current .....	31.20	6.39

- (ii) Expenses recognized in the Statement of Profit & Loss

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Current Service Cost .....	17.31	17.51
Interest on Net Defined Benefit Liability .....	(0.24)	1.43
<b>Total</b> .....	<u>17.07</u>	<u>18.94</u>

- (iii) Amount recorded in Other Comprehensive Income

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Changes in financial assumptions .....	1.00	(2.41)
Changes in demographic assumptions .....	—	—
Experience Adjustments .....	—	(11.12)
Actual return on plan assets less interest on plan assets .....	4.05	0.99
<b>Total</b> .....	<u>5.05</u>	<u>(12.54)</u>

- (iv) Reconciliation of Net Liability/ Asset

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Opening Net Benefit Liability.....	6.39	31.45
Expense charged to profit and loss .....	17.07	18.93
Amount recognized outside profit and loss .....	5.05	(12.54)
Employer Contribution .....	(6.39)	(31.45)
Impact of liability assumed or (settled)* .....	9.08	—
<b>Closing Net Defined Benefit Liability/ (Asset) - Current</b> .....	<u>31.20</u>	<u>6.39</u>

\* On account of inter group transfer

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Notes to Financial Statements for the year ended March 31, 2022

**Note 33: Employee Benefits (Contd.)**

**(v) Reconciliation of Defined Benefit Obligation**

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Opening Defined Benefit Obligation .....	233.01	228.75
Current Service Cost .....	17.31	17.51
Past Service Cost .....	—	—
Interest on defined benefit obligation .....	14.62	14.55
Actuarial Losses / (Gain) arising from change in financial assumptions .....	—	(2.41)
Actuarial Losses / (Gain) arising from change in demographic assumptions .....	—	—
Actuarial Losses / (Gain) arising on account of .... experience adjustments .....	1.00	(11.12)
Benefits Paid .....	(29.09)	(14.27)
Liabilities assumed/ (settled)* .....	9.08	—
Closing Defined Benefit Obligation .....	<u>245.93</u>	<u>233.01</u>

\*On account of business combination or inter group transfer

**(vi) Reconciliation of Fair Value of Plan Assets**

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Opening Fair Value of Plan Assets .....	226.62	197.30
Employer Contribution .....	6.39	31.45
Interest on plan assets .....	14.86	13.13
Re-measurements due to Actual return on plan assets less interest .....	(4.05)	(0.99)
Benefits Paid .....	(29.09)	(14.27)
Liabilities assumed / (settled)* .....	—	—
Closing Fair Value of Plan Assets .....	<u>214.73</u>	<u>226.62</u>

\*On account of business combination or inter group transfer

**(vii) Description of Plan Assets**

	March 31, 2022	March 31, 2021
Government of India Securities .....	0%	0%
Corporate Bonds .....	0%	0%
Special Deposit Scheme .....	4%	4%
Equity .....	0%	0%
Others - Bank FDR .....	96%	96%
<b>Grand Total</b> .....	<b>100%</b>	<b>100%</b>

**(viii) Actuarial Assumptions**

	March 31, 2022	March 31, 2021
Discount rate (p.a.) .....	6.80%	6.80%
Salary Escalation Rate (p.a.) .....	Staff- 5.00%	Staff- 5.00%
	Executive- 4.00%	Executive- 4.00%

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations. Further, Mortality has been assumed as per the published notes under the Indian Assured Lives Mortality (2006-08) Ult table Change in Benefit Obligation.

## Notes to Financial Statements for the year ended March 31, 2022

### Note 33: Employee Benefits (Contd.)

#### (ix) Maturity Profile

Maturity Profile	Amount in ₹ lakhs
Expected benefits for year 1 .....	33.63
Expected benefits for year 2 .....	47.81
Expected benefits for year 3 .....	20.26
Expected benefits for year 4 .....	22.43
Expected benefits for year 5 .....	18.16
Expected benefits for year 6 .....	32.14
Expected benefits for year 7 .....	32.61
Expected benefits for year 8 .....	7.13
Expected benefits for year 9 .....	13.16
Expected benefits for year 10 & above.....	202.58

The weighted average duration to the payment of these cash flows is 6.92 years.

#### (x) Effect of Change in Key Assumptions Year Ended 31st March 2022

Particulars	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO .....	- 3.16%	3.43%
Impact of decrease in 50 bps on DBO .....	3.37%	- 3.24%

The expected contribution for the next year is ₹ 20 lakhs.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

Information disclosed above is to the extent provided by actuary.

#### Exposure to Risks:

These plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to government security yields prevailing as at the Balance Sheet date. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has made investments in special deposit schemes of banks & FDRs. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate to invest funds in the bank FDRs.

**Interest risk:** A decrease in the Government Securities (G-Sec Bonds) interest rate will increase the plan liability.

**Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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Notes to Financial Statements for the year ended March 31, 2022

**Other Regulatory Matters**

**Note 34: Disclosures Required Under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	31st March 2022	31st, March 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	31.36	13.17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	—	—
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	—	—
(iv) The amount of interest due & payable for the year	—	—
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	—	—
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	—	—

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 35: Earnings Per Share (EPS)**

Earnings Per Share is calculated in accordance with Ind AS 33 – ‘Earnings Per Share’ prescribed under Section 133 of the Companies Act, 2013.

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Profit/ (Loss) after tax (₹) .....	565.28	(522.86)
Number of Ordinary (Equity) Shares in lakhs .....	13.00	13.00
Weighted Average Number of Ordinary (Equity) Shares in lakhs:		
Considered in calculation of Basic EPS .....	13.00	13.00
Considered in calculation of Diluted EPS.....	13.00	13.00
Face Value per Ordinary (Equity) Share (₹) .....	10.00	10.00
Earnings Per Share (₹):		
Basic .....	43.48	(40.22)
Diluted .....	43.48	(40.22)

## Notes to Financial Statements for the year ended March 31, 2022

### Note 36: Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed.

#### Financial assets and liabilities

The carrying value of financial instruments by categories under the most relevant method i.e. amortised cost is as follows:

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Financial assets:</b>		
Cash and cash equivalents .....	73.98	122.88
Bank Balances other than Cash & Cash Equivalents .....	584.55	45.07
Trade Receivables .....	138.56	78.22
Loans & Advances .....	—	—
Other financial assets - Non Current .....	516.10	35.55
Other financial assets - Current .....	75.92	68.76
<b>Total .....</b>	<b>1,389.11</b>	<b>350.48</b>
<b>Financial liabilities:</b>		
Borrowings .....	—	550.00
Lease Liabilities - Non Current .....	363.70	356.54
Lease Liabilities - Current .....	—	—
Trade Payables .....	299.44	176.97
Other financial liabilities - Non Current .....	—	—
Other financial liabilities - Current .....	202.64	171.71
<b>Total .....</b>	<b>865.78</b>	<b>1,255.22</b>

#### Fair value of Financial Instruments measured at amortised cost :

The management considers that the carrying amount of assets and liabilities recognised at amortised cost in financial statements is approximate to their fair value.

### Note 37: Financial Risk Management

#### (a) Financial Risk Management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

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## Notes to Financial Statements for the year ended March 31, 2022

### Note 37: Financial Risk Management (Contd.)

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

#### (c) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. During the year, following provisions for doubtful debts has been made (reversed):

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Opening provision for impairment.....	78.97	42.95
Add: Provision made during the year .....	—	36.02
Less: Credit impaired Debts written off against past provisions .....	—	—
Less: Reversal of provision no longer required .....	11.05	—
<b>Closing provision for doubtful debts .....</b>	<b>67.92</b>	<b>78.97</b>

#### Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
No of Customers who owed more than 10% of the Total receivables	1	3
Contribution of Customers in owing more than 10% of Total receivables .....	14%	45%

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not requires the company to track changes in credit risk, rather it recognises impairment loss allowance based on life time expected credit loss at each balance sheet date, since its initial recognition.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low.

#### (d) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.



## Notes to Financial Statements for the year ended March 31, 2022

### Note 37: Financial Risk Management (Contd.)

#### (e) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

Particulars	Interest rate % ₹ Lakhs	Due in 1st year ₹ Lakhs
<b>Year ended 31 March, 2022</b>		
United Hotels Limited .....	9%	—
<b>Total</b> .....		—
<b>Year ended 31 March, 2021</b> .....		
United Hotels Limited .....	9%	<b>550.00</b>
<b>Total</b> .....		<b>550.00</b>

#### Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>Expiring within one year:</b>		
Working Capital Demand Loan (WC DL) and Bank overdraft .....	<b>1,000.00</b>	1,000.00
Expiring beyond one year .....	—	—
<b>Total</b> .....	<b>1,000.00</b>	1,000.00

The WC DL/Bank overdraft facilities may be drawn at any time by the Company.

#### (f) Other Risk Impact of Covid 19

The Company has assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The impact of COVID--19 may be different from that estimated on the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Financial assets of INR 658.53 lakhs as at March 31, 2022 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks which carry a very low credit risk.

Other Financial assets of INR 592.02.31 lakhs as at March 31, 2022 carried at amortised cost which mainly includes long term FDRs, receivables from group companies and deposit made with public bodies and other where the Company has assessed the counterparty credit risk and does not expect any losses.

Trade receivables (net) of INR 138.56 lakhs as at March 31, 2022 are carried at amortised cost. The Company expects to recover these outstanding in due course albeit with some delay due to the current situation. Basis our internal assessment, the impairment allowance of INR 67.92 lakhs existing as at March 31, 2022 is considered adequate.

Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2022.

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**Notes to Financial Statements for the year ended March 31, 2022**

**Note 38:**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	₹ Lakhs				
Contractual Maturity of Financial Liabilities:	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due from 6th year onwards	Total
<b>Year ended 31 March 2022</b>					
Borrowings (for renewal)	—	—	—	—	—
Trade and other payables	299.44	—	—	—	299.44
Lease Liabilities	29.75	30.60	94.35	1,697.08	1,851.78
Other financial liabilities - Non Current	—	—	—	—	—
Other financial liabilities - Current	202.64	—	—	—	202.64
<b>Year ended 31 March 2021</b>					
Borrowings (for renewal)	550.00	—	—	—	550.00
Lease Liabilities	28.90	29.75	91.80	1,730.23	1,880.68
Trade and other payables	176.97	—	—	—	176.97
Other financial liabilities - Non Current	—	—	—	—	—
Other financial liabilities - Current	171.71	—	—	—	171.71

**Note 39: Guarantees Given**

Bank Guarantees of ₹ 9.25 lakhs (PY - ₹ 9.25 lakhs) have been given by the company to various government authorities & other parties. These guarantees were issued against the Fixed Deposits of ₹ 12.13 lakhs made with the bank.

**Note 40: Disclosure Pursuant To Ind As 115**

Particulars	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
<b>1. Contract with customers</b>		
Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
<b>Income from operations</b>		
a) Room Income, Food & Beverages and Banquets .....	4,758.29	2,282.07
b) Shop Rentals .....	49.73	54.67
c) Others .....	175.94	86.84
<b>Total Income from operations</b> .....	<u>4,983.96</u>	<u>2,423.58</u>
<b>Other operating revenue</b>		
a) Export Incentive .....	—	0.27
b) Other revenue .....	—	—
	<u>—</u>	<u>0.27</u>
<b>Total Revenue from operations</b> .....	<u>4,983.96</u>	<u>2,423.85</u>
<b>2 Impairment losses recognised on trade receivable during the year:</b>	(11.05)	36.02

## Notes to Financial Statements for the year ended March 31, 2022

### Note 40: Disclosure Pursuant To Ind As 115 (Contd.)

#### Disaggregate Revenue

The following table presents company revenue disaggregated by type of revenue stream and by reportable segment (Refer Note 31 for Segment Reporting):

#### Revenue based on geography

India .....	4,983.96	2,423.85
Overseas .....	—	—

#### Revenue based on product and services

a) Room Income .....	2,633.44	1,125.15
b) Food & Beverages and Banquets .....	2,124.85	1156.92
c) Shop Rentals .....	49.73	54.67
d) Others revenue from contract with customers .....	175.94	86.84

#### Other operating revenue

a) Export Incentive .....	—	0.27
b) Other revenue .....	—	—

- 4 The Company derives its revenue from the transfer of goods and services over time in its major service lines. This is consistent with the revenue information that is disclosed for each **reportable segment** under Ind AS 108. (Refer Note 31 for Segment Disclosure).

### 5 Contract balances

The following tables present information about trade receivables, contract assets, and deferred revenue:

Trade Receivables .....	138.56	78.22
Deferred Revenue .....	—	—
Advance Collections.....	182.96	155.95

#### Advance Collections, Deposits from Customer

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/Banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services. Refer Note No. 3 on significant accounting policies for details of performance obligation and revenue recognition.

	₹ Lakhs	₹ Lakhs
At 01st April .....	155.95	148.95
At 31st March.....	182.96	155.95

#### Analysed as:

Current .....	182.96	155.95
Non-current .....	—	—

Revenue recognised during the period that was included in the opening balance of Customer Advances amounted to INR 155.95 Lakhs (PY - INR 148.95 Lakhs)

## Notes to Financial Statements for the year ended March 31, 2022

### Note 41: Trade Receivable Ageing Schedule

As on 31st March 2022

₹ Lakhs

Particulars	Unbilled	Less than 6 months	6 months - year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	18.83	108.56	11.17	-	-	-	138.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	30.10	15.29	14.20	59.59
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	8.33	8.33
<b>Total</b>	<b>18.83</b>	<b>108.56</b>	<b>11.17</b>	<b>30.10</b>	<b>15.29</b>	<b>22.53</b>	<b>206.48</b>

As on 31st March 2021

₹ Lakhs

Particulars	Unbilled	Less than 6 months	6 months - year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	11.78	65.37	1.07	-	-	-	78.22
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	18.82	28.02	15.80	8.00	70.64
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	8.33	8.33
<b>Total</b>	<b>11.78</b>	<b>65.37</b>	<b>19.89</b>	<b>28.02</b>	<b>15.80</b>	<b>16.33</b>	<b>157.19</b>

\* The above aging schedules have been prepared on the basis of transactions dates.

### Note 42: Trade Payable Ageing Schedule

As on 31st March 2022

₹ Lakhs

Particulars	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	31.36	-	-	-	31.36
(ii) Others	142.34	108.63	1.13	9.11	6.87	268.08
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>142.34</b>	<b>139.99</b>	<b>1.13</b>	<b>9.11</b>	<b>6.87</b>	<b>299.44</b>

As on 31st March 2021

₹ Lakhs

Particulars	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	13.17	-	-	-	13.17
(ii) Others	85.74	61.28	9.79	6.09	0.90	163.80
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>85.74</b>	<b>74.45</b>	<b>9.79</b>	<b>6.09</b>	<b>0.90</b>	<b>176.97</b>

\* The above aging schedules have been prepared on the basis of transactions dates.

**BENARES HOTELS LIMITED**  
Fifty First Annual Report 2021-22

**Notes to Financial Statements for the year ended March 31, 2022**

**Note 43: Ratio**

S.No.	Ratio	In Times/%	Numerator	Denominator	Current Year	Previous Year	Variance
a)	Current Ratio	in times	Current Assets	Current Liabilities excluding current maturities of long term borrowings	1.36	0.47	187%
b)	Debt - Equity	in times	Non - Current Borrowings + Current Borrowings	Total Equity	0	0.08	(100%)
c)	Debt Service Coverage	in times	Profit before tax+ interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt]	30.22	1.08	2698%
d)	Return on Equity	in %	Profit/(Loss) after tax	Average Total Equity	8%	-7%	-208%
e)	Inventory Turnover	-	NA	NA	NA	NA	
f)	Trade Receivable Turnover	in times	Revenue from operations	*Average Trade Receivables	45.98	9.49	385%
g)	Trade Payable Turnover	in times	Depreciation - Interest-	*Trade Payables	10.80	4.27	153%
h)	Net Capital Turnover	in times	Net Sales	* Working Capital i.e (Avg Current Assets - Avg Current Liabilities)	-32.85	-4.11	699%
i)	Net Profit Ratio	in%	Profit/(Loss) after tax	Total Income	11%	-21%	-154%
j)	Return on capital employed	in%	EBIT	*Avg Equity + Avg Debt + Avg Leases	10%	-7%	-243%
k)	Return of Investment	in%	NA	NA	NA	NA	NA

\* Average = (Opening + Closing)/2

**Foot Notes:**

- (1) The ratios have improved in the current year vis a vis last year mainly on account of relaxation in lockdown and lifting of restrictions by the Govt. of India for hospitality sector
- (2) As the Company is primarily engaged in hospitality sector (Service Industry), Inventory turnover ratio and Return on Investment ratio are not applicable to the Company.

**Note 44: Other Statutory Information:**

- (i) The company has not obtained any terms loans
- (ii) The company does not have any Benami property, where any proceedings has been initiated or pending against the company for holding any benami property.
- (iii) The company does not have any transaction with struck off companies.
- (iv) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (vi) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**BENARES HOTELS LIMITED**  
Fifty First Annual Report 2021-22

## Notes to Financial Statements for the year ended March 31, 2022

### Note 44: Other Statutory Information (Contd.):

- (vii) The company has not received any fund from any person(s) or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (viii) The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provision of the Income Tax Act, 1961).

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**Note 45:** e no financial liabilities and assets that are set off as at 31st March 2022 and 31st March 2021.

There are no financial liabilities and assets that are set off as at 31st March 2022 and 31st March 2021.

### Note 46: Dividends

The Company has not declared any dividend in fiscal 2021 towards dividend for fiscal 2020.

The dividends declared by Benares Hotels Limited are in Indian Rupees and are based on the profits available for distribution as reported in the statutory financial statements of Benares Hotels Limited. Subsequent to March 31, 2022, the Board of Directors of Benares Hotels Limited have proposed a dividend of ₹ 130 Lakhs (₹ 10.00 per share) in respect of fiscal 2022. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 130 lakhs.

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### Note 47: Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern through a judicious mix for short term and long term sources. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and Current Investment.

The Company has borrowings of ₹ Nil lakhs (previous year: ₹ 550.00 lakhs) and Net Debts of ₹ Nil lakhs (previous year: ₹ 433.11 lakhs) as at the end of the reporting period. Accordingly, the Company has Nil gearing ratio (Net Debt/ Total Equity) as at 31- Mar -2022 and 0.06 as at 31- Mar -2021.

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### Note 48: Others:

The date of implementation of the Code on Social Security, 2020 ('the Code') relating to employee benefits is yet to be notified by the Government and when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The Company will assess the impact of the Code and give effect in the financial statements when the Code and Rules there under are notified.

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### Note 49:

The disclosure required to be made in terms of Schedule V of SEBI (Listing Obligation And Disclosure Requirement) 2015 is not applicable to the company.

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#### As per our Report of even date attached

**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No. 003990S/S200018

**R. Suriyanarayanan**  
Partner  
Membership No.: 201402  
Date : 19th April, 2022  
Place: Mumbai

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#### For and on behalf of the Board

**Dr. Anant Narain Singh**  
Chairman  
DIN: 00114728

**Vivek Sharma**  
Chief Executive Officer

**Harish Kumar**  
Chief Financial Officer  
ICAI M.No. 534449

**Rohit Khosla**  
Director  
DIN: 07163135

**Vanika Mahajan**  
Company Secretary  
ICSI M.No. ACS34515  
Date : 19th April, 2022  
Place: Varanasi



# FINANCIAL STATISTICS

(Rs./Lakhs)

YEAR	CAPITAL ACCOUNTS							REVENUE ACCOUNTS									
	Capital	Reserves & Surplus	Borrowing	Deferred Taxes	Fixed Assets		Investments	Gross Revenue	Expenditure (Including Interest)	Depreciation	Profit Before Extraord. Items & Taxes	Taxes	Profit After Taxes	Net Transfer to Reserves	Dividend	Tax on Dividend	Rate of Dividend %
					Gross Block	Net Block											
1989-90	130.00	28.54	223.51		354.89	233.57	—	293.01	222.09	18.93	51.99	3.10	48.89	38.49	10.40		8%
1990-91	130.00	44.85	218.63		502.44	363.19	—	285.11	237.94	20.47	26.70	—	26.70	16.30	10.40		8%
1991-92	130.00	125.83	181.95		528.47	360.75	—	421.79	286.34	28.46	106.99	—	106.99	80.99	26.00		20%
1992-93	130.00	181.24	145.70		572.99	375.23	—	421.09	309.84	30.52	80.73	(0.67)	81.40	55.40	26.00		20%
1993-94	130.00	231.84	101.98		617.92	389.34	—	462.66	343.17	32.89	86.60	10.00	76.60	50.60	26.00		20%
1994-95	130.00	284.46	79.46		639.16	377.10	—	516.45	382.22	34.11	100.12	8.50	91.62	52.82	39.00		30%
1995-96	130.00	427.78	48.94		689.27	390.25	—	755.19	498.42	36.95	219.82	18.00	201.82	143.34	58.50		45%
1996-97	130.00	616.01	9.88		740.91	487.35	—	904.31	595.56	33.73	275.02	35.50	239.52	188.23	78.00	7.80	60%
1997-98	130.00	781.67	9.74		785.85	498.88	—	985.31	688.39	35.96	280.96	29.50	251.46	165.66	78.00	7.80	60%
1998-99	130.00	981.38	9.74		985.85	661.34	—	1,083.29	716.74	46.65	319.89	33.60	286.29	199.71	78.00	8.58	60%
1999-00	130.00	1,161.94	9.74		1,032.95	661.53	—	1,105.09	730.40	48.19	326.50	37.71	288.78	180.56	97.50	10.73	75%
2000-01	130.00	1,313.88	12.97		1,123.18	706.71	—	1,252.47	870.50	47.09	334.88	54.00	280.88	151.94	117.00	11.93	90%
2001-02	130.00	1,106.06	12.97	141.16	1,282.28	812.41	—	936.29	776.22	55.17	104.90	32.50	72.40	(25.10)	97.50	—	75%
2002-03	130.00	1,124.68	12.97	145.08	1,411.13	876.48	—	1,104.34	857.04	64.77	182.54	53.92	128.62	18.62	97.50	12.49	75%
2003-04	130.00	1,188.07	12.97	152.81	1,530.16	929.83	—	1,298.42	957.70	67.29	273.44	92.73	180.71	63.39	104.00	13.33	80%
2004-05	130.00	1,334.76	14.26	145.75	1,518.08	919.67	100.45	1,532.17	1,046.88	72.16	413.13	140.44	272.69	146.69	110.50	15.50	85%
2005-06	130.00	1,497.84	14.26	146.71	1,759.20	1,112.36	105.19	1,574.94	1,071.05	67.56	436.33	147.25	289.08	163.08	110.50	15.50	85%
2006-07	130.00	1,732.48	22.97	153.78	2,141.70	1,468.78	111.50	1,943.33	1,269.77	86.66	586.90	200.17	386.73	234.64	130.00	22.09	100%
2007-08	130.00	1,990.41	22.97	164.09	2,323.36	1,548.51	—	2,168.87	1,397.41	101.93	669.52	229.08	440.45	257.93	156.00	26.51	120%
2008-09	130.00	2,182.89	25.27	175.62	3,331.83	2,469.11	—	2,018.78	1,417.40	109.56	491.81	170.05	321.76	192.48	110.50	18.77	85%
2009-10	130.00	2,362.78	30.58	205.33	3,534.63	2,522.04	—	2,347.19	1,635.69	153.20	588.30	181.34	376.96	179.89	169.00	28.07	130%
2010-11	130.00	2,656.11	30.58	231.32	3,769.96	2,674.02	—	2,773.17	1,879.79	160.04	733.35	242.89	490.46	293.39	169.00	28.07	130%
2011-12	130.00	3,033.66	—	249.27	4,228.85	2,978.46	—	3,519.50	2,387.20	170.72	961.58	342.35	619.23	377.49	208.00	33.74	160%
2012-13	130.00	3,587.08	—	234.31	4,401.84	3,108.90	—	3,984.62	2,550.28	180.51	1,253.83	396.22	857.61	553.42	260.00	44.13	200%
2013-14	130.00	4,180.88	—	245.64	5,238.53	3,646.59	—	4,411.88	2,845.90	190.28	1,375.70	477.71	897.99	593.80	260.00	44.19	200%
2014-15	130.00	4,790.57	—	303.41	6,310.67	4,459.55	—	4,824.06	3,131.04	267.23	1,425.78	503.15	922.67	609.69	260.00	52.93	200%
2015-16	130.00	5,306.20	—	841.59	6,673.21	4,605.92	—	5,100.20	3,547.16	266.46	1,286.57	458.01	828.56	515.63	260.00	52.93	200%
2016-17	130.00	5,986.25	—	730.39	4,835.11	4,104.14	—	5,113.62	3,575.43	464.85	1,073.34	391.65	681.69	680.05	195.00	39.70	150%
2017-18	130.00	6,400.92	500.00	573.80	6,322.13	5,398.62	—	4,827.52	3,625.36	417.31	784.85	136.56	648.29	414.67	195.00	40.08	150%
2018-19	130.00	7,040.24	500.00	648.52	9,444.25	8,144.66	—	6,038.80	4,298.20	522.88	1,217.72	345.43	872.29	639.32	195.00	40.10	150%
2019-20	130.00	7,701.28	550.00	566.03	10,854.74	8,973.97	—	6,383.70	4,395.93	638.10	1,349.67	288.47	1,061.20	813.81	97.50	—	75%
2020-21	130.00	7,093.46	550.00	392.04	10,836.01	8,276.27	—	2,480.88	2,484.28	693.45	-696.85	-173.99	-522.86	-607.82	—	—	—
2021-22	130.00	7,653.69	—	576.14	10,868.85	7,677.71	—	4,993.84	3,586.69	636.32	770.83	205.55	565.28	560.23	130.00	—	100%



Taj Nadesar Palace, Varanasi

**BENARES HOTELS LIMITED**

Nadesar Palace Compound,  
Varanasi - 221 002, INDIA

[www.benareshotelslimited.com](http://www.benareshotelslimited.com)