

**ElH Limited**

A MEMBER OF THE OBEROI GROUP

CIN:L55101WB1949PLC017981

CORPORATE OFFICE: 7 SHAM NATH MARG, DELHI -110054, INDIA / TELEPHONE: +91-11-23890505/

WEBSITE: [WWW.EIHLTD.COM](http://WWW.EIHLTD.COM), email: isdho@oberoigroup.com11<sup>th</sup> August 2023

<b>The National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No. C/1, G Block Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 <b>Code: EIHOTEL</b>	<b>BSE Limited</b> Corporate Relationship Dept., 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001 <b>Code:500840</b>
---	--

**Sub: Disclosure of continuing event as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

This disclosure is being made pursuant to the amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 14<sup>th</sup> June 2023, which came into effect from 14<sup>th</sup> July 2023.

Pursuant to the said amendment, we hereby give the details of “pendency of any litigation(s) of dispute or the outcome thereof which may have an impact on the Company” including any continuing event or information which becomes material pursuant to notification of said amendments.

The brief details are given in annexure I and II to this letter.

You are requested to take the above information on records.

Thanking you,

Yours faithfully,  
**For ElH Limited**

**Lalit Kumar Sharma**  
**Company Secretary**

# EIH Limited

A MEMBER OF THE OBEROI GROUP

CIN:L55101WB1949PLC017981

CORPORATE OFFICE: 7 SHAM NATH MARG, DELHI -110054, INDIA / TELEPHONE: +91-11-23890505/

WEBSITE: [WWW.EIHLTD.COM](http://WWW.EIHLTD.COM), email: isdho@oberoigroup.com**Annexure - I**

Particulars	Details
Name of the opposing Party	Government of Himachal Pradesh
Court / Tribunal / Agency / where litigation is filed	Hon'ble High Court of Himachal Pradesh
Brief details of dispute / litigation	<p>The building of Mashobra Resort Limited ('MRL'), a subsidiary of the Company, is situated on land classified as freehold, as per the conveyance deed executed on 6th February 1997. This deed was a result of the Joint Venture Agreement ("the Agreement") dated 30th October 1995 between the Government of Himachal Pradesh and the Company, pursuant to which MRL was established for setting up and running the Hotel.</p> <p>Following alleged non-fulfillment of the Agreement's terms by the Company, the Government of Himachal Pradesh terminated the Agreement and sought consequential actions. The dispute was taken to arbitration before an arbitrator appointed by the Hon'ble High Court of Himachal Pradesh, and on 23rd July 2005, the Arbitral Award was issued, which required the execution of a lease deed for the land between MRL and the Government of Himachal Pradesh, along with other obligations.</p> <p>In response to the Arbitral Award, the Company and MRL contested it before the Single Judge and the Division Bench of the Hon'ble High Court of Himachal Pradesh. During this process, the enforcement of the award was suspended pending the outcome of the appeal. Ultimately, the Division Bench of the Hon'ble High Court of Himachal Pradesh confirmed the validity of the Arbitral Award in its order dated 13th October 2022.</p> <p>Based on legal advice, the Company and MRL were advised to comply with the directives of the Arbitral Award within a reasonable time after the Hon'ble High Court order on 13th October, 2022. Consequently, the Company expressed its intent to implement the Arbitral Award to the Government of Himachal Pradesh through a letter dated 18th October, 2022, and later filed an execution petition with the Hon'ble High Court of Himachal Pradesh on 28th March, 2023.</p> <p>To account for the expenses related to complying with the Arbitral Award,</p> <p>(i) in Statement of Standalone Financial Results</p> <p>the Company recognised a liability of Rs. 14.02 crores, including interest of Rs. 10.52 crores, based on the management's most reliable estimation. This corresponding expense was classified under "Exceptional items" in the standalone financial results for the year and quarter ended 31st March, 2023, respectively.</p> <p>The Company has recorded further expenses of Rs. 0.07 crores and Rs.</p>

# ElH Limited

A MEMBER OF THE OBEROI GROUP

CIN:L55101WB1949PLC017981

CORPORATE OFFICE: 7 SHAM NATH MARG, DELHI -110054, INDIA / TELEPHONE: +91-11-23890505/

WEBSITE: [WWW.EIHLTD.COM](http://WWW.EIHLTD.COM), email: [isdho@oberoigroup.com](mailto:isdho@oberoigroup.com)

	<p>0.63 crores which has been disclosed as finance costs in the standalone financial results for the quarter ended 30th June 2023 and quarter and year ended 31st March, 2023, respectively.</p> <p>(ii) in Statement of Consolidated Financial Results</p> <p>the Group recognised a liability of Rs. 82.78 crores, including interest of Rs. 51.39 crores, based on the management's most reliable estimation. This corresponding expense was classified under "Exceptional items" in the consolidated financial results for the year and quarter ended 31st March, 2023, respectively. Based on the Arbitral Award, the Company has recorded further expenses of (i) Rs. 0.50 crores and Rs. 1.00 crores under other expenses and (ii) Rs. 1.54 crores and Rs. 5.83 crores under finance costs, in the consolidated financial results for the quarter ended 30th June 2023 and year ended 31st March, 2023, respectively.</p> <p>The necessary accounting for the lease and cancellation of conveyance deed will be carried out upon the finalization of the terms of the lease and execution of the lease deed.</p> <p>Furthermore, due to changes in circumstances, the management reassessed the useful life of immovable assets located on the land parcel under consideration for lease terms finalization. As a result, an additional depreciation charge of Rs. 0.90 crores was recorded in the consolidated financial results for the year ended 31st March 2023.</p> <p>Additionally, in the quarter ended 30th June, 2023, the Company and MRL made a deposit of Rs. 14.73 crores (including interest of Rs. 11.23 crores) and Rs. 4.26 crores (including interest of Rs. 3.21 crores), respectively, with the Registrar General of High Court of Himachal Pradesh.</p> <p>During the quarter ended 30th June 2023, the Government of Himachal Pradesh submitted their objections to the execution petition before the Hon'ble High Court of Himachal Pradesh, seeking a sum as mentioned in the Arbitral Award along with certain additional sums towards interest totaling to Rs. 399.16 crores. The Company and MRL, based on judgments of the Hon'ble Supreme Court of India, supported by legal advice, have submitted their responses to such objections to the Hon'ble High Court of Himachal Pradesh, indicating the reasons as to why they believe that the computation of interest by the Government in their submission of objections is incorrect.</p> <p>Based on the legal opinion obtained by the Company, the management is of the view that no further outflow of economic resources is expected in respect of interest, beyond the sum of Rs. 58.76 crores which is already provided in the books of account as at 30th June 2023.</p> <p>As per the Arbitral Award, upon execution of the lease deed for the land and payment of the stipulated consideration, the Government of Himachal Pradesh is obligated to transfer all its shares to the Company. Consequently, the non-</p>
--	--

# ElH Limited

A MEMBER OF THE OBEROI GROUP

CIN:L55101WB1949PLC017981

CORPORATE OFFICE: 7 SHAM NATH MARG, DELHI -110054, INDIA / TELEPHONE: +91-11-23890505/

WEBSITE: [WWW.EIHLTD.COM](http://WWW.EIHLTD.COM), email: isdho@oberoigroup.com

	<p>controlling interest in MRL has been retained at Rs. 7.00 crores as at the year/quarter end and the balance amount of Rs. 14.83 crores was credited to other equity during the year ended 31st March, 2023.</p> <p>Regarding the pending registration of 57 out of 85 rooms under The Himachal Pradesh Registration of Tourist Trade Act, 1988, MRL retains 30% of the Room Revenue. These amounts, totaling Rs. 131.34 crores as of 30th June 2023, are held in fixed deposits and a current account with a Nationalized Bank, and have been included under other bank balances.</p> <p>The Company maintains the obligations recorded in the standalone and consolidated financial results is in accordance with the Arbitral Award and is of the view, based on legal opinion obtained, that further outflow of economic resources beyond the provision in the books of account as of 30th June 2023 is not expected Any further obligations, if arise, will be contingent upon the outcome of the execution petition filed before the Hon'ble High Court of Himachal Pradesh.</p>
Expected Financial implication, if any, due to compensation, penalty etc	Based on legal opinion obtained, further outflow of economic resources is not expected beyond the obligation recorded in the books of account for Rs. 98.64 crore as of 30th June 2023.
Quantum of Claims, if any	Rs. 399.16 crore

# EIH Limited

A MEMBER OF THE OBEROI GROUP

CIN:L55101WB1949PLC017981

CORPORATE OFFICE: 7 SHAM NATH MARG, DELHI -110054, INDIA / TELEPHONE: +91-11-23890505/

WEBSITE: [WWW.EIHLTD.COM](http://WWW.EIHLTD.COM), email: isdho@oberoigroup.com**Annexure - II**

Particulars	Details
Name of the opposing Party	The Commissioner of Customs (Import & General), New Delhi
Court / Tribunal / Agency / where litigation is filed	Hon'ble Supreme Court of India
Brief details of dispute / litigation	<p>The Company imported an Aircraft in the year 2007 and claimed exemption from duty under Notification No. 21/2002-Cus. dated 01.03.2002 as amended by Notification No. 61/2007 Cus. dated 03.05.2007 (hereinafter "Notification"). In compliance with the terms of Notification, Company furnished an Undertaking dated 22.05.2007, that the Aircraft would be used only for providing Non-Scheduled Air Transport Services (Passenger).</p> <p>The Commissioner of Customs (Import &amp; General), New Delhi ("CC, New Delhi") issued Show Cause Notice dated 27.06.2008 alleging that post import the Company had been using the Aircraft for private use under guise of Non-Scheduled Operator Permit (Passenger) to inter alia evade payment of customs duties.</p> <p>Aircraft was seized on 04.07.2008, and provisionally released upon Company furnishing the Bank Guarantee of Rs. 14,03,85,600/- dated 05.07.2008 and Bond for Rs. 56,15,42,299/-.</p> <p>EIH Limited received an Order from Hon'ble High Court of Delhi dated 31st January 2023 with respect to dismissal of the Company's appeal on exemption of customs duty on import of an aircraft. Accordingly, the Company recorded an obligation towards customs duty along with penalty amounting to Rs. 18.92 crores as per the demand order of the Commissioner of Customs, Central Excise and Central GST, New Delhi.</p> <p>The Company has preferred an appeal against the said order before the Hon'ble Supreme Court of India.</p>
Expected Financial implication, if any, due to compensation, penalty etc	<p>Nil</p> <p>Rs. 18.92 crores provided for in the financial results for the period ended March 31, 2023 under "Exceptional Items"</p>
Quantum of Claims, if any	Rs. 18.92 crores [provided for in the financial results for the period ended March 31, 2023 under "Exceptional Items"]