

EIH ASSOCIATED HOTELS LIMITED

CIN: L92490TN1983PLC009903

Delhi Office: 7, Sham Nath Marg, Delhi – 110 054, India/ Telephone: +91-11-2389 0505

Kolkata Office: 4, Mangoe Lane, Kolkata – 700 001, India/ Telephone: +91-33-2248 6751/53

Website: www.eihassociatedhotels.in

23rd June 2020

The National Stock Exchange of India Limited

Exchange Plaza, 5th floor, Plot # C/1, 'G' Block

Bandra Kurla Complex, Bandra (East)

Mumbai – 400 051

BSE Limited

Corporate Relations Department

1st Floor, New Trading Ring, Rotunda Building

Phiroze Jeejeebhoy Towers, Dalal Street, Fort

Mumbai – 400 001

Dear Sir/Madam,

Sub: Audited Financial Results for the financial year ended 31st March 2020

Scrip Code/Symbol: 523127 / EIHAHOTELS

Please refer to our intimation dated 17th June 2020 regarding holding of Board Meeting on 23rd June 2020 to *inter alia* approve the Audited Financial Statements/ Results for the Quarter and Financial Year ended 31st March 2020 and to recommend dividend, if any.

The Board of Directors at their meeting held today has approved the Audited Financial Results (“Financial Results”) of the Company for the Quarter and Financial Year ended 31st March 2020. We are enclosing herewith:

1. Financial Results of the Company in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and
2. Audit Report for the Audited Financial Results for the Financial Year ended 31st March 2020.

We further declare that, the Report of the Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the Quarter and Financial Year ended 31st March 2020.

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We further inform the following:

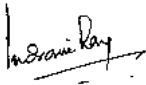
1. The Board has not recommended any Dividend for the Financial Year 2019-20
2. The Thirty-seventh Annual General Meeting (AGM) of the Company will be held through video-conference on 12th August 2020 in Chennai.
3. Register of Members and Share Transfer Books will remain closed from 5th August 2020 to 7th August 2020, both days inclusive, for the purpose of the AGM.

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

Thanking you

Yours faithfully,

EIH Associated Hotels Limited



Indrani Ray

Company Secretary

EIH Associated Hotels Limited

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2020

(Rs. in Lakhs)					
	3 months ended 31.03.2020 (REFER NOTE 6)	3 months ended 31.12.2019 (UNAUDITED)	3 months ended 31.03.2019 (REFER NOTE 6)	12 months ended 31.03.2020 (AUDITED)	12 months ended 31.03.2019 (AUDITED)
Income					
a) Revenue from operations	7,061.93	8,581.87	8,497.06	24,907.57	26,418.26
b) Other income	223.97	243.83	343.13	899.20	951.75
Total income	7,285.90	8,825.70	8,840.19	25,806.77	27,370.01
Expenses					
a) Consumption of provisions, wines and others	520.91	632.37	638.98	1,985.67	2,045.50
b) Employee benefits expense	1,333.36	1,452.85	1,402.98	5,647.03	5,610.19
c) Finance costs	7.30	12.24	9.93	44.59	43.44
d) Depreciation and amortisation expense	434.55	400.23	366.66	1,597.15	1,426.16
e) Other expenses	3,454.15	3,460.76	3,654.59	12,232.21	12,410.21
Total expenses	5,750.27	5,958.45	6,073.14	21,506.65	21,535.50
Profit before tax	1,535.63	2,867.25	2,767.05	4,300.12	5,834.51
Tax expense					
Income tax	491.67	808.43	951.98	1,259.35	2,071.83
Deferred tax	(30.34)	21.78	(4.33)	(755.67)	(31.15)
Profit after tax	1,074.30	2,037.04	1,819.40	3,796.44	3,793.83
Other comprehensive income /(loss)					
- Remeasurements of post-employment benefit obligations	116.08	(49.10)	(18.86)	(31.21)	(17.51)
- Tax relating to these items	(15.72)	8.26	6.59	9.15	6.12
Total other comprehensive income/(loss), net of tax	100.36	(40.84)	(12.27)	(22.06)	(11.39)
Total comprehensive income	1,174.66	1,996.20	1,807.13	3,774.38	3,782.44
Paid-up equity share capital (Face Value - Rs. 10 each)	3,046.81	3,046.81	3,046.81	3,046.81	3,046.81
Other equity				31,469.13	29,309.61
Earnings per equity share - (Face Value - Rs. 10 each) -Rs.					
(a) Basic	3.53	6.69	5.97	12.46	12.45
(b) Diluted	3.53	6.69	5.97	12.46	12.45

AUDITED STATEMENT OF ASSETS AND LIABILITIES		
PARTICULARS	As at	
	31.03.2020 (AUDITED)	31.03.2019 (AUDITED)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	27,000.45	25,079.97
(b) Right-of-use assets	1,170.83	-
(c) Capital work-in-progress	463.64	403.16
(d) Intangible assets	88.24	75.63
(e) Financial assets		
(i) Investments	3.88	3.40
(ii) Other financial assets	250.97	239.27
(f) Tax assets (net)	459.59	243.81
(g) Other non-current assets	1,313.39	1,805.85
Total non-current assets	30,750.99	27,851.09
Current assets		
(a) Inventories	1,135.23	1,030.06
(b) Financial assets		
(i) Investments	5,135.96	4,543.82
(ii) Trade receivables	2,436.34	3,150.40
(iii) Cash and cash equivalents	1,053.28	550.02
(iv) Other bank balances	2,888.74	3,227.45
(v) Other financial assets	86.88	32.48
(c) Other current assets	1,178.58	705.92
Total current assets	13,915.01	13,240.15
Total assets	44,666.00	41,091.24
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	3,046.81	3,046.81
(b) Other equity	31,469.13	29,309.61
Total equity	34,515.94	32,356.42
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	97.01
(ii) Lease Liabilities	225.80	-
(iii) Other financial liabilities	10.69	68.04
(b) Provisions	189.54	194.96
(c) Deferred tax liabilities (net)	3,447.86	3,661.20
(d) Other non-current liabilities	1.87	2.90
Total non-current liabilities	3,875.76	4,024.11
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	20.56	16.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,787.27	3,743.66
(ii) Lease Liabilities	49.12	-
(iii) Other financial liabilities	825.87	399.01
(b) Provisions	123.62	69.10
(c) Other current liabilities	467.86	482.82
Total current liabilities	6,274.30	4,710.71
Total equity and liabilities	44,666.00	41,091.24

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(Rs. in Lakhs)

AUDITED STATEMENT OF CASH FLOWS		
	12 Months ended 31.03.2020 (AUDITED)	12 Months ended 31.03.2019 (AUDITED)
Cash flows from operating activities		
Profit before tax	4,300.12	5,834.51
Adjustments for:		
Dividend income from investments measured at fair value through profit or loss	(137.03)	(147.95)
Interest income from financial assets carried at amortised cost	(222.91)	(209.08)
Interest on income tax refund	-	(16.20)
Provisions and liabilities no longer required, written back	(6.24)	(13.98)
Fair value changes on equity investments measured at fair value through profit or loss	(47.25)	(39.92)
Gain on redemption of mutual fund	(2.64)	-
Finance costs	44.59	43.44
Depreciation and amortisation expense	1,597.15	1,426.16
Loss on sale / discard of property, plant and equipment (net)	262.57	140.31
Provision for doubtful debts	7.89	12.27
Bad debts and advances written off	0.03	-
Change in operating assets and liabilities		
(Increase) / decrease in trade receivables	707.34	(308.62)
(Increase) / decrease in inventories	(105.05)	(11.33)
Increase / (decrease) in trade payables	1,053.23	601.69
(Increase) / decrease in other financial assets	(65.81)	16.60
(Increase) / decrease in other non-current assets	(276.80)	(68.44)
(Increase) / decrease in other current assets	(513.61)	86.16
Increase / (decrease) in provisions	17.84	(42.07)
Increase / (decrease) in other financial liabilities	48.34	0.84
Increase / (decrease) in other non-current liabilities	(1.02)	0.20
Increase / (decrease) in other current liabilities	(15.00)	(249.35)
Cash generated from operations	5,645.74	7,055.24
Income taxes paid (net of refund)	(944.10)	(1,072.20)
Interest on income tax refund	-	16.20
Net cash inflow from operating activities	5,701.64	5,999.24
Cash flows from investing activities		
Payments for property, plant and equipment	(3,697.14)	(2,424.55)
Proceeds from sale of property, plant and equipment	98.54	69.41
Purchase of investments in equity shares	(0.48)	-
Sale of investments in equity shares	-	0.66
Purchase in mutual funds	(7,355.31)	(374.90)
Proceeds from sale of mutual funds	6,950.00	-
Changes in other bank balances - deposits matured/(placed)	338.70	(1,679.61)
Interest received	222.45	218.76
Net cash used in investing activities	(3,443.24)	(4,190.23)
Cash flow from financing activities		
Proceeds from borrowings	-	48.01
Repayment of borrowings	-	(61.15)
Interest paid	(40.90)	(43.44)
Payment of lease liabilities	(64.38)	-
Dividends paid	(1,368.03)	(1,366.95)
Dividend distribution tax	(281.83)	(281.83)
Net cash used in financing activities	(1,755.14)	(1,705.36)
Net increase / (decrease) in cash and cash equivalents	503.26	103.65
Cash and cash equivalents at the beginning of the year	550.02	446.37
Cash and cash equivalents at the end of the year	1,053.28	550.02

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2020

NOTES:

1. These financial results have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder ('Ind AS') and the other accounting principles generally accepted in India, to the extent applicable.
2. The Company has no reportable segment other than hotels as per Indian Accounting Standard.
3. Earnings Per Share are not annualised except for the year ended 31st March, 2020 and 31st March, 2019.
4. The Company has adopted Ind AS 116 'Leases' effective 1st April, 2019 and applied the standard to lease contracts existing on that date by using modified retrospective approach with the cumulative impact recognised on the date of initial application. Accordingly, previous period information has not been restated. On transition, the adoption of the new standard resulted in recognition of right-of-use assets of Rs.943.29 lakhs from leases that were earlier classified as operating lease and right-of-use assets of Rs. 289.01 lakhs from leases that were earlier classified as finance lease thereby aggregating to total right-of-use assets of Rs. 1,232.30 lakhs. Further, lease liabilities of Rs. 150.72 lakhs were recognised in respect of leases that were earlier classified as operating lease and lease liability of Rs. 145.52 lakhs was in respect of leases that were earlier classified as finance lease thereby aggregating to total lease liabilities of Rs 296.24 lakhs. The cumulative effect of applying the standard resulted in Rs. 37.97 lakhs (net of tax) being credited to retained earnings as on date of transition. The nature of expenses in respect of operating leases has changed from lease rent to depreciation on right-of-use asset and finance cost for interest accrued on lease liability. Finance Costs and Depreciation for the year ended 31st March, 2020, are higher by Rs. 12.70 lakhs and Rs. 39.29 lakhs respectively and Other Expenses are lower by Rs. 42.12 lakhs as a result of which, Profit before tax is lower by Rs. 9.89 lakhs.
5. Considering that the Company's Turnover was lower than Rs. 400.00 crores in the financial year 2017-18, the Company recognised a provision for income tax for the six months ended 30th September 2019 and re-measured its deferred tax at the applicable rate of 25% plus applicable surcharge and health and education cess thereon as enacted in the Union Budget 2019 which was presented on 5th July, 2019. The full impact of this change was recognised in the Unaudited Financial Results for the quarter ended 30th September 2019. Provision for income tax for the year ended 31st March 2020 and measurement of deferred tax liabilities has accordingly been done considering the reduced rate in accordance with this enactment.
6. Figures for the 3 months ended 31st March, 2020 and 31st March, 2019 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2020 and 31st March, 2019 and the unaudited published figures for the 9 months ended 31st December, 2019 and 31st December, 2018 respectively, which were subjected to limited review.
7. Figures have been regrouped and/or rearranged, wherever necessary.
8. Renovation of 52 rooms at Trident, Udaipur which commenced on 1st April, 2019 was completed on 1st September, 2019. Renovation of the remaining 23 rooms commenced on 1st September, 2019 and has been completed on 5th January, 2020, thereby completing the renovation of all rooms.
9. The World Health Organization declared the Covid-19 outbreak as a pandemic on 11th March 2020, leading to series of measures by different countries across the world to contain the spread of the virus. India responded by imposing a lockdown from 24th March 2020. For most of this period, hotel and flight operations were mandated to remain non-operational, which affected business at the Company's hotels across India. The Management's priority in dealing with the exceptional challenges posed by COVID-19 is to ensure the safety of its guests and employees, support suppliers and keep the supply chain operational for essential supplies.

The consequences of the COVID-19 outbreak on the Company's business for the financial year ended 31st March, 2020 have been limited, as business was impacted only in the latter half of the month of March 2020. Several cost rationalization measures have been initiated subsequent to the year end and are being monitored.

The Management does not foresee any stress on liquidity owing to the availability of liquid funds in the form of cash and cash equivalents, other bank balances (other than earmarked accounts) and investments in mutual funds amounting to Rs. 9,025.93 lakhs as on 31st March, 2020.

The Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, inventory, receivables, other current and non-current assets as on 31st March, 2020. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Management has considered the impact from a prolonged lock-down situation; travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown, guests postponing their discretionary spending, internal and external information available up to the date of approval of these financial statements including credit reports and economic forecasts although a clearer picture shall emerge only in due course. The Management has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Management expects to recover the carrying amount of its assets as on 31st March, 2020. The impact of COVID-19 may be different from that estimated on the date of approval of these financial statements. Such changes, if any, will be prospectively recognized. The Management will continue to closely monitor any material changes to future economic conditions.

Based on enquiries received, assessments performed and analysis of market trends, the Management expects demand to gradually resume for domestic leisure and business travel, social events within prescribed norms, and limited international travel once international airlines are allowed to commence operations.

The revised projections have been prepared taking into account best estimates based on these factors and other variables, although a clearer picture shall emerge only in due course.

10. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its Meeting held on 23rd June, 2020.

New Delhi
23rd June, 2020


VIKRAMJIT SINGH OBEROI
MANAGING DIRECTOR
DIN: 00052014