

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

August 10, 2021

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

**Re : Submission of copy of Annual Report under Regulation 34 of
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sirs,

In accordance with the General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India, the 50th Annual General Meeting ("AGM") of the Company will be held on Friday, September 3, 2021 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 along with the Notice of the AGM and other Statutory Reports for the Financial Year 2020-21, which is also being sent through electronic mode to the Members.

The Annual Report for the Financial Year 2020-21 is also uploaded on the website of the Company at www.benareshotelslimited.com.

You are requested to kindly take the same on record.

Thanking you.

Yours faithfully,
for **Benares Hotels Limited**



Vanika Mahajan
Company Secretary

BENARES HOTELS LIMITED
50th ANNUAL REPORT 2020-21





Taj Ganges, Varanasi

Corporate Information

Board of Directors

DR. ANANT NARAIN SINGH
(Chairman)

PUNEET CHHATWAL

RUKMANI DEVI

ROHIT KHOSLA

MOIZ MIYAJIWALA

PUNEET RAMAN

Company Secretary

Vanika Mahajan

Auditors

PKF Sridhar & Santhanam, LLP
Chartered Accountants

Registered Office

Nadesar Palace Compound,
Varanasi - 221 002
Phone: 0542-6660001
CIN-L55101UP1971PLC003480
Website: www.benareshotelslimited.com

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

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

HIGHLIGHTS	2020-21	2019-20
	₹ Lakh	₹ Lakh
Gross Revenue	2,480.88	6383.70
Profit Before Tax	-696.85	1,349.67
Profit After Tax	-522.86	1,061.20
Total Comprehensive Income	-510.32	1,048.90
Retained Earnings	7,093.46	7,701.28
Total Assets	9,089.45	10,479.59
Net Worth	7,223.46	7,831.28
Borrowings	550.00	550.00
Debt: Equity Ratio	0.08:1	0.07:1
Net Worth Per Equity Share (₹ 10/- Each)	₹ 555.65	₹ 602.41
Earnings Per Equity Share (₹ 10/- Each)	₹ -40.22	₹ 81.63
Profit before Tax Ratio to Turnover	-28.09%	21.14%

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

Notice to the Members

Notice is hereby given that the Fiftieth Annual General Meeting of the Members of BENARES HOTELS LIMITED will be held on Friday, 3rd September, 2021 at 3.00 p.m. 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, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Puneet Chhatwal (DIN 07624616), who retires by rotation and, being eligible, offers himself for re-appointment.

NOTES

1. In view of the outbreak of COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 ('Act') and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read with the MCA Circulars, SEBI Circulars and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the AGM of the Company is being held through VC/OAVM on Friday, September 3, 2021 at 3.00 p.m. (IST). The deemed venue for the 50th AGM will be 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, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, 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. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 50th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, 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 investorrelations@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. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed. Requisite declarations have been received from Director/s for seeking re-appointment.
7. 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.
8. In line with the MCA Circular dated May 5, 2020 and January 13, 2021 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The Notice convening the 50th AGM has been uploaded on the website of the Company at www.benareshotelslimited.com and may also be accessed from the relevant section of the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. AGM Notice is also available on the website of NSDL at www.Evoting.nsdl.com.

9. The Register of Members and the Share Transfer Books will remain closed from August 27, 2021 to September 7, 2021, both days inclusive.
10. 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 50th AGM.
11. Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means, are requested to follow the below instructions:

Physical Holding	<ol style="list-style-type: none"> 1) Visit the link https://linkintime.co.in/emailreg/email_register.html under Bank detail Registration - fill in the following details relating to bank account in which the dividend is to be received: <ul style="list-style-type: none"> • Name of Bank; • Bank Account Number and • 11 digit IFSC Code; 2) upload a self-attested scanned copy of the PAN Card; 3) upload a self-attested scanned copy of any document (such as AADHAR Card, Passport) in support of the address of the Member as registered with the Company; 4) upload a self-attested scanned copy of cancelled cheque leaf bearing the name of the Member or first holder, in case shares are held jointly.
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BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

12. 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.
13. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's Registrars and Transfer Agent, Link Intime India Private Limited ('RTA') at delhi@linkintime.co.in for assistance in this regard.

14. **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, 2013 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 and on the website of the Ministry of Corporate Affairs at www.mca.gov.in.

It may be noted that unclaimed dividends for the financial year 2013-14 declared on August 28, 2014 is due to be transferred to the IEPF by October, 2021. The same can, however, be claimed by the Members latest by the end of August, 2021. Members who have not encashed the dividend warrant(s) from the financial year ended March 31, 2014 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 IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2013 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 2020-21. The details of such shares transferred is available on the Company's website at 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. The Member/ Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), registering 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 RTA at delhi@linkintime.co.in in case the shares are held in physical form, quoting your folio no. Further, Members may note that Securities and Exchange Board of

India ('SEBI') has mandated the submission of PAN by every participant in securities market.

16. 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 No. SH-14. 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.
17. 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.
18. 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 not to 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.
19. 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 investorrelations@tajhotels.com stating their DP ID / Client ID / or Folio No.s
20. To support the 'Green Initiative', Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form and with the Company's RTA (Link Intime India Private Limited), in case the shares are held by them in physical form.

21. Process for registering e-mail addresses to receive this Notice of AGM and Annual Report electronically and cast votes electronically:

- (i) Registration of e-mail addresses with Link Intime India Private Limited: The Company has made special arrangements with the RTA for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company / DPs are required to provide the same to the RTA on or before 5:00 p.m. IST on August 19, 2021.

Process to be followed for registration of e-mail address is as follows:

a)	Visit the link: https://linkintime.co.in/emailreg/email_register.html
b)	Select the company name viz. Benares Hotels Limited;
c)	Enter the DP ID & Client ID / Physical Folio Number and PAN number. In the event the PAN details are not available on record for Physical Folio, Member to enter one of the Share Certificate numbers;
d)	Upload a self-attested copy of PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation;
e)	Enter your e-mail address and mobile number;
f)	The system will then confirm the e-mail address for receiving this AGM Notice.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for Financial Year 2020-21 along with the e-Voting user ID and password. In case of any queries, Members may write to delhi@linkintime.co.in or evoting@nsdl.co.in.

- (ii) Registration of e-mail address permanently with Company/DP: Members are requested to register the same with their concerned

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by writing to them at delhi@linkintime.co.in. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs / RTA to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.

(iii) Alternatively, 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 and registration of e-mail ids 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 DPID + 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.
- Process and manner for Members opting for e-Voting is as under:-**
22. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) 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 as well as remote e-Voting during the AGM will be provided by NSDL.
 23. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Friday, August 27, 2021 may cast their vote by remote e-Voting. The remote e-Voting period commences on Tuesday, August 31, 2021 at 9.00 a.m. (IST) and ends on Thursday, September 2, 2021 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. 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 Friday, August 27, 2021.
 24. Members will be provided with the facility for voting through electronic voting system during the video conferencing proceedings at 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 during such proceedings of the AGM. 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.

25. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Friday, August 27, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, August 27, 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.
26. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
27. 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 during the AGM and votes casted through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer’s report shall be communicated to the stock exchanges on which the Company’s shares are listed, NSDL, and RTA and will also be displayed on the Company’s website at www.benareshotels limited.com.
28. 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 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 Annual General 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 investorrelations@tajhotels.com before 3.00 p.m. (IST) on Tuesday, August 31, 2021. 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 investorrelations@tajhotels.com

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

between Thursday, August 26, 2021 (9:00 a.m. IST) and Tuesday, August 31, 2021 (5:00 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- v. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or call on toll free nos.:- 1800 1020 990 and 1800 22 44 30 or contact Mr. Amit Vishal, Senior Manager NSDL or Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in

The instructions for 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 Securities Exchange Board of India 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"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL Viz. https://eservices.nsdl.com 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 “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. 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 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 & voting during the meeting.

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL.	<ol style="list-style-type: none"> 1. 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>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 & voting during the meeting.</p>

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.

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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

- 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?

1. 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.
2. 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:
i) 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*****.
ii) 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*****.
iii) 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 116543 then user ID is 116543001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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.
 - c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) 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:
 - a) 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.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) 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.
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 General 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.

Instructions for e-Voting during the AGM are as under:

- i) The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/ OAVM.
- ii) Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

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 investorrelations@tajhotels.com, with a copy marked to evoting@nsdl.co.in.
- 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.

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

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.

By order of the Board of Directors

Vanika Mahajan
Company Secretary
(A34515)

Varanasi, April 26, 2021

Registered office:

Nadesar Palace Compound,

Varanasi - 221 002

CIN: L55101UP1971PLC003480

Tel.: 0542 6660001

E-mail: investorrelations@tajhotels.com

Website: www.benareshotelslimited.com

**Profile of Directors seeking Re-Appointment at the
forthcoming Annual General Meeting of the Company
(Pursuant to the SEBI Regulations)**

Name of Director	Mr. Puneet Chhatwal
DIN	07624616
Age	57
Date of Birth	April 16, 1964
Date of Appointment	May 10, 2018
Experience & Expertise in specific functional areas/brief resume	<p>Mr. Chhatwal is a Hospitality industry veteran, with an experience of over three decades. He was previously the Chief Executive Officer of Deutsche Hospitality/Steigenberger Hotels AG.</p> <p>He has been in senior International leadership roles for almost 20 years. He is perceived as a recognised team builder focusing on relationships, people and teams. He is credited with having a detailed understanding of board function in minority and sliver equity partnerships, joint ventures or other partnerships.</p> <p>Mr. Chhatwal has won several awards including the prestigious Carlson Fellowship and was rated as one of Europe's 20 extraordinary minds in Sales, Marketing and Technology HSMIAI European Awards 2014. He was also the First Alumni included in the ESSEC-IMHI Hall of Honor 2014.</p> <p>During Mr. Chhatwal's tenure, Steigenberger Hotels AG was accredited amongst Germany's Superbrands (among top 50 brands) and was the winner of 2016 Grand Prix for the most progressive Company at Worldwide Hospitality Awards in Paris besides being chosen as the Best Employer and Service Champion for five years in a row.</p>
Qualifications	<ul style="list-style-type: none"> - MBA in Hospitality from ESSEC, Paris - Advanced Management Programme from INSEAD
Details of shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any other Director / Key Managerial Personnel of the Company
Directorships in other public limited companies	<p>Listed Companies</p> <ul style="list-style-type: none"> • Taj GVK Hotels & Resorts Limited • Oriental Hotels Limited • The Indian Hotels Company Limited

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

	<p>Unlisted public Companies</p> <ul style="list-style-type: none"> • Piem Hotels Limited • Taj SATS Air Catering Limited • ELEL Hotels & Investments Limited • Roots Corporation Limited • The Indo German Chamber of Commerce <p>Others</p> <ul style="list-style-type: none"> • IHM Aurangabad • St. James' Court Hotel Limited • Good Hope Palace Hotels Proprietary Limited • IHMS Hotels (SA) Proprietary Limited
<p>Membership/ Chairpersonship of Committees in other public limited companies</p>	<p>Audit Committee Member</p> <ul style="list-style-type: none"> • Taj GVK Hotels & Resorts Limited <p>Nomination and Remuneration Committee Member</p> <ul style="list-style-type: none"> • Piem Hotels Limited • Taj GVK Hotels & Resorts Limited • Oriental Hotels Limited • Taj SATS Air Catering Limited <p>Stakeholders Relationship Committee</p> <ul style="list-style-type: none"> • The Indian Hotels Company Limited

BOARD'S REPORT TO THE MEMBERS

The Directors hereby present the Fiftieth Annual Report of BENARES HOTELS LIMITED (“BHL” or “the Company”) along with the Audited Financial Statements for the Financial Year ended March 31, 2021.

OPERATING AND FINANCIAL RESULTS

	(₹ Lakhs) <u>2020-21</u>	(₹ Lakhs) <u>2019-20</u>
Income	2,481	6,384
Gross Profit for the year	96	2,095
Less: Depreciation	693	638
Less: Interest.....	100	108
Profit before tax	-697	1,350
Less: Provision for Tax:		
- Current Tax	—	312
- Deferred Tax	-174	-24
- Provision of tax of earlier years (Net)	—	—
Profits after Taxes	-523	1,061
Add: Other Comprehensive Income (Net of Taxes).....	13	-12
Total Comprehensive Income.....	-510	1,049
Add: Balance brought forward from previous year	5,533	4,872
Changes in accounting policy - Transition impact of Ind AS 116.....	—	-153
Balance available for appropriations	5,023	5,768
Less: Dividend Paid	-98	-195
Less: Tax on Dividend.....	—	-40
Less: Amount transferred to General Reserve	—	—
Balance Carried forward.....	4,925	5,533

COMPANY'S OPERATIONS AND PERFORMANCE

The business of the company has been severely impacted during the year on account of outbreak of Global Pandemic COVID-19. Post announcement of lockdown on 22nd March 2020, the hotels at Varanasi got opened in June 2020 and at Gondia in July 2020. The Company witnessed softer revenues due to the lockdown and various restrictions during the first six months of the year. During the second half of the year, the Company witnessed some signs of recovery of demand.

The Total Income for the year ended 31st March, 2021 stood at Rs. 2481 lakhs, which is 39% of revenue of the previous year. Despite of the distressed situation, the company has been able to secure positive Gross Operating Profit (EBIDTA) of Rs. 96 Lakhs.

The loss before Tax for the year was at Rs. 697 Lakhs as compared to Profit before tax of Rs.1350 lakhs for the previous year. The loss after Tax for the year was at Rs. 523 lakhs as compared to Profit after Tax of Rs. 1061 lakhs for the previous year.

DIVIDEND

On account of the Loss after Tax reported by the Company during the current year and keeping in view of the uncertainty in the business arisen out of the outbreak of Global Pandemic Covid 19, the Board of Directors has not recommended any dividend for the year 2020-21 (previous year ₹ 7.5 per share).

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

Fiftieth Annual Report 2020-21

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. Puneet Chhatwal (DIN 07624616), 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, 2021.

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 the SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist 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. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

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. 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 Directorship 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, payment of director's commission (pertaining to Financial Year 2019-20) 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

During the year under report, Mr. Vijay Partap Shrikent, Chief Executive Officer (CEO) resigned w.e.f. August 25, 2020. He was replaced by Mr. Vivek Sharma as CEO of the Company w.e.f. October 23, 2020. In terms of Section 203 of Companies Act, 2013, 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.

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 remark.

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 2020-21. 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 Rules of the Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for the Financial Year 2020-21 is uploaded on the website of the Company and can be assessed at <https://www.benareshotelslimited.com/en-in/AGM-2021/>

AUDIT COMMITTEE AND VIGIL MECHANISM

The Company has an Audit 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.

In line with the Tata Code of Conduct ('TCOC'), your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

The Company has a Whistleblower Policy establishing vigil mechanism, to provide a formal mechanism for the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provided them direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy is in line with the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI listing Regulations. The said Policy can be accessed on your Company's website:

https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/Whistle_Blower%20Revised.pdf

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

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.

The Company's 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) Rules, 2014. The CSR policy is available on the website of your Company at

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

During the financial year 2020-21 the Company received one complaint on sexual harassment. The said complaint was appropriately addressed and closed and the Respondent was suspended through Third Party. No case remains pending as on March 31, 2021.

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.

FINANCE COST

Finance cost for the year ended 31st March 2021 was Rs. 99.70 lakhs (Previous year Rs. 107.64 Lakhs).

During the FY 2019-20, INDAS 116, Accounting of Lease has got applicable with effect from 01st April 2019. The total interest cost of Rs. 99.70 lakhs is break down as follows:

Interest expenses on borrowings:	Rs. 64.37 lakhs
Interest on lease liability:	Rs. 35.33 lakhs

DEPRECIATION - Rs. 693.45 Lakhs (PY - Rs. 638.10 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 total borrowings (Inter Corporate Deposits) stood at Rs. 550 lakhs as at March 31, 2021 borrowed at 9% from United Hotels Limited, as against Rs. 550 lakhs as at March 31, 2020.

CAPITAL EXPENDITURE

During FY 2020-21, the capital expenditure incurred was Rs. 28.73 Lakhs (PY Rs. 1511.94 Lakhs).

DEPOSITS FROM PUBLIC

The Company has not accepted 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

All related party transactions that were entered into during the financial year under report were at arm's length basis and in the ordinary course of business.

The Company has developed a Related Party Transactions Framework under the Policy on Related Party Transactions, which policy is also available at Company's website:

<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/RPT%20Policy%20Revised.pdf>, for the purpose of identification and monitoring of such transactions. Prior omnibus approval of the Board is obtained for transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all the related party transactions is placed before the Audit Committee for its approval on a quarterly basis.

Other than transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the year, which could have a potential conflict of interest between the company and its promoters, Directors, Management and/or relatives. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for the FY 2020-21 and hence the same is not provided.

CORPORATE GOVERNANCE

As required by SEBI Listing Regulations, the report for the year 2020-21 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.

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

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

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 Committee, the Board is of the opinion that the Company' internal financial controls were adequate and effective during the financial year 2020-2021.

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

There are no material changes affecting the financial position of the Company subsequent to the close of the financial year 2020-21 till the date of this report except that arise on account of outbreak global pandemic Covid 19. The impact of Covid-19 on the Company's financial statements has been given in Note 3(e) and Note 37(f) of the Notes to financial statements for the year ended March 31, 2021 and the Company's response to the situation arising from the pandemic has been explained in the Management Discussion and Analysis, which forms a part of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

RISK MANAGEMENT POLICY

Your Company has aligned Risk Management with Audit Committee as a measure of good governance, even though it is not mandatory. The 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	Business interruption on account of Acts of God, riots & strikes, political instability, terrorism, and pandemics	Operational, Macro economic	<ul style="list-style-type: none"> • R.E.S.E.T initiatives for current pandemic • Hotels categorised based on risk profile and appropriate security measures put in place • Insure properties against force majeure
2	Inadequate returns from investments	Strategic, Macro-economic & Operational	<ul style="list-style-type: none"> • Continuous reviews
3	Cyber vulnerabilities	Strategic, Reputation	<ul style="list-style-type: none"> • Cyber Risk assessment conducted
4	Abuse of social media and other media by guest / staff / stakeholders	Reputation	<ul style="list-style-type: none"> • Continuous monitoring of comments in social media and timely responses provided
5	Impact on employee and customer well being	Operational, Strategic	<ul style="list-style-type: none"> • Protective care & counselling • Customer Communication
6	Data governance, including quality of data	Strategic	<ul style="list-style-type: none"> • Data warehousing and Analytics
7	Impact of climate change	Macro-economic	<ul style="list-style-type: none"> • Continuous scanning of the environment • Use of renewable / alternate energy
8	Data privacy regulations leading to penalties and litigation	Reputation, Operational	<ul style="list-style-type: none"> • Internal Audits, Continuous monitoring • Data Processor/Controller agreements with all relevant vendors • Changes in Policies & Processes
9	Loss of critical / sensitive data due to leakage / loss / hacking	Strategic, Reputation, Operational	<ul style="list-style-type: none"> • Creating awareness amongst stakeholders • Encryption, Firewalls, Policies, Audits, Endpoint protection, • Running 24 X 7 SOC

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

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 further installed 244 kwp Solar Power Plant (in addition to 256 kwp plant installed in July 2019) at its Hotel Taj Ganges, Varanasi in Oct 2020. This will help to reduce the carbon footprint by 246 Tonnes annually. The Company is in process to further enhance the same.

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.

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

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:

	2020-21 Rs. Lakhs	2019-20 Rs. Lakhs
a) Value of Imports		
Stores, Supplies and Spare Parts for Machinery	0	16.95
Value of Imports (CIF) Capital Imports	0	11.78
b) Payments in Foreign Currency		
Professional and Consultancy Fees	0	1.74
Other Expenditure in Foreign Currency	25.91	15.89
c) Earnings in Foreign Currency		
Earnings in Foreign Exchange	64.64	943.54

INTERNAL FINANCIAL CONTROL SYSTEM AND 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 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 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 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 2020-21. 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, 2021.

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, 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.

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.

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.

At 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.

GENERAL

No material changes and commitments have occurred between the end of the financial year to which these financial statements relate and the date of this Report except as explained above, which affect the financial position of the Company.

ACKNOWLEDGMENTS

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 : 26th April, 2021

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Annexure 1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** 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:

I 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, 2021** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there-under;
- 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 there-under.
- 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

I 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.

I 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.

I 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.

I further report that there are no specific events to report.

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

**Dhawal Kant Singh
Prop.
M. No.: F8687
C P No.: 7347
UDIN: F008687C000135187**

Place: New Delhi
Date: 26th April, 2021

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

To,

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

Sir,

My 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. My responsibility is to express an opinion on these records based on my audit.
2. I 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My 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

Prop.

M. No.: F8687

C P No.: 7347

Place: New Delhi

Date: 26th April, 2021

Annexure 2

Annual Report On Corporate Social Responsibility Activities

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

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

The CSR policy of the Company is aimed to improving the quality of the life of the communities served by us through long term stakeholder value creation. In line with the CSR policy of the Company, the CSR activities/programmes were undertaken in line with and as specified in Schedule VII of the Act to serve and be seen to serve society and community and create a significant and sustained impact in their lives and provide opportunities for Tata employees to contribute to these efforts through volunteering.

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

2. The composition of the Board-level 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	1	1
2.	Mrs. Rukmani Devi	Non-Executive, Independent Director	1	1
3.	Mr. Rohit Khosla	Non-Executive, Non Independent Director	1	1

3. 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.pdf>
- CSR projects:
<https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/documents/announcement-policies/BHL-CSR-Projects-2020-21.pdf>

4. 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): ₹ 1137.06 lakhs

- Two percent of average net profit of the company as per section 135(5): ₹ 22.74 lakhs
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

(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): ₹ 22.74 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
22.82	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	Location of the project	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).	Mode of Implementation Through Implementing Agency
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 ₹ Crore)	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	-	-
2.	Donation into Taj Public Service Welfare Trust, Mumbai	Disaster management Sch VII (xii)	Yes	Maha-rashtra	Mumbai	12.00	Trough Partner	-	-

(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.	Donation to Ram Krishan Mission Hospital, Varanasi	Disaster management Sch VII (xii)	Yes	Uttar Pradesh	Varanasi	5.00	Trough Partner	-	-
4.	Donation into PM Cares Funds	Funds Sch VII (viii)	Yes	Pan India	Pan India	2.00	With Partners	-	-
	Total					22.00			

(d) Amount spent in Administrative Overheads: ₹ 0.82 Lakhs

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

(f) Total amount spent for the financial Year (8b+8c+8d+8e): ₹ 22.82 Lakhs

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

S.No.	Particulars	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the company as per section 135 (5)	22.74
(ii)	Total amount spent for the financial Year	22.82
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.08
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.08

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

(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.
Not Applicable								

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

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

Rukmani Devi
Independent Director
Member, CSR and Sustainability Committee
(DIN: 00552831)

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

Place : Varanasi
Date : 26th April, 2021

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 2020-21.	<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%;">4.32 : 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>3.91 : 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>4.66: 1</td></tr> <tr><td>6.</td><td>Mr. Puneet Raman</td><td>1.29:1</td></tr> </table>	1.	Dr. A. N. Singh	4.32 : 1	2.	Mr. Puneet Chhatwal	N.A	3.	Mrs. Rukmani Devi	3.91 : 1	4.	Mr. Rohit Khosla	N.A.	5.	Mr. Moiz Miyajiwala	4.66: 1	6.	Mr. Puneet Raman	1.29:1												
1.	Dr. A. N. Singh	4.32 : 1																													
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3.	Mrs. Rukmani Devi	3.91 : 1																													
4.	Mr. Rohit Khosla	N.A.																													
5.	Mr. Moiz Miyajiwala	4.66: 1																													
6.	Mr. Puneet Raman	1.29:1																													
<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%;">2%</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%</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>14%</td></tr> <tr><td>6.</td><td>Mr. Puneet Raman</td><td>63%.</td></tr> <tr><td>7.</td><td>Mr. Vijay Partap Shrikent (CEO)</td><td>NA</td></tr> <tr><td>8.</td><td>Mr. Vivek Sharma (CEO)</td><td>NA%.</td></tr> <tr><td>9.</td><td>Mr. Harish Kumar (CFO)</td><td>229% *</td></tr> <tr><td>10.</td><td>Ms. Vanika Mahajan (CS)</td><td>-19%</td></tr> </table> <p>*In FY 2019-20, salary absorbed by the company was only for four months in comparison to twelve months salary absorbed by the company in FY 2020-21.</p>	1.	Dr. A. N. Singh	2%	2.	Mr. Puneet Chhatwal	N.A.	3.	Mrs. Rukmani Devi	-1%	4.	Mr. Rohit Khosla	N.A.	5.	Mr. Moiz Miyajiwala	14%	6.	Mr. Puneet Raman	63%.	7.	Mr. Vijay Partap Shrikent (CEO)	NA	8.	Mr. Vivek Sharma (CEO)	NA%.	9.	Mr. Harish Kumar (CFO)	229% *	10.	Ms. Vanika Mahajan (CS)	-19%
1.	Dr. A. N. Singh	2%																													
2.	Mr. Puneet Chhatwal	N.A.																													
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7.	Mr. Vijay Partap Shrikent (CEO)	NA																													
8.	Mr. Vivek Sharma (CEO)	NA%.																													
9.	Mr. Harish Kumar (CFO)	229% *																													
10.	Ms. Vanika Mahajan (CS)	-19%																													
The percentage increase in the median remuneration of employees in the financial year	1.7%																														
The number of permanent employees on the rolls of company for the year 2020-21.	145																														
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 decrease in the remuneration of KMPs is 18.64%. while the average percentile decrease in the salaries of employees other than KMPs is 0.66%																														

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 : 26th April, 2021

Dr. Anant Narain Singh
Chairman

Management Discussion and Analysis

Economic Environment and Industry Insight

It has been over a year since COVID-19 was declared a global pandemic which has caused major disruption in the global economy. Governments across the world responded to the pandemic first with global travel advisories, suspension of visas and international flights, prohibition against mass gatherings, cancellation of sporting and cultural events, and then with closure of offices and educational institutions, halting of inter-state transport, railways, and other measures to enforce lockdowns in their respective nations. The restrictions were gradually lifted within a regulated environment.

The pandemic and the consequent lockdowns had an immediate impact on most industries and sectors, leading to a steep decline in the gross domestic product (GDP) of most countries. The pandemic severely impacted travel and tourism globally, causing the industry a loss of almost US\$ 4.5 trillion.

Global Economic

In consequence of the pandemic and efforts to contain it, the global economy contracted by 3.3% in 2020 as compared to a growth of 2.8% in 2019. Advanced economies contracted by 4.7% while emerging markets and developing economies contracted by 2.2%. The Indian economy contracted by 8.0%.

The global economy is projected to grow at 6% in 2021, moderating to 4.4% in 2022. The estimates are subject to an adverse impact of the recent wave of COVID-19 infections.

(Source: IMF, World Economic Outlook, April 2021).

Although recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook.

Indian Economic and Hospitality Scenario

The nation-wide lockdown caused a sharp contraction of 23.9% in GDP during Q1 FY 2021, recovering to a 7.5% drop in Q2, together with improvement in all key economic indicators. Commencing from July 2020, the recovery has been V-shaped, as demonstrated by Quarter-on-Quarter GDP growth. India's GDP is estimated to contract by 7.7% in FY 2020-21, with a sharp 15.7% decline in first half of the year and a minor 0.1% falls in the second half. The Economic Survey project India's real GDP to grow by 11% in 2021-22, provided normalization of economic activities continues and the rollout of COVID-19 vaccines gathers traction. The economy can overtake the pre-pandemic levels of FY 2019-20 in another two years. However, these estimates are subject to any adverse impact caused by the recent wave of the pandemic.

The ongoing pandemic gave a deadly blow to the Indian hospitality industry. The Indian hotels sector has been hit hard, as hotels across the country were partially or completely closed due to the nation-wide lockdown in Q1. During the period of lockdown in Q1, demand was predominantly from the 'Vande Bharat Mission', Government of India's quarantine requirements for people returning from abroad, voluntarily quarantined corporate and individual travelling guests, medical practitioners and frontliners, international travellers awaiting return and corporate business continuity teams operating out of hotels. . In the third quarter of the year, the industry started witnessing green shoots of revival with domestic leisure tourism leading the way, even as international tourism remained stagnant due to cross-border travel restrictions. The onset of the festive season brought much needed cheer as people started travelling again to beat the lockdown and the work from home blues, especially to motorable leisure destinations, indicating the first signs of a gradual recovery in the sector. However, the fourth quarter of the year saw demand tapering off with the resurgence in COVID-19 cases. First the US and then Europe reported new strains of the virus, followed by similar occurrences towards the last week of March 2021 in India.

Review of the Business

On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series

of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020.

With unlocking of the restrictions, hotels have been opened and business has gradually improved across all hotels. The overall demand of the hospitality services had been impacted during lockdown which was partially recovered in Q3 and Q4. The recovery was mainly driven by domestic leisure tourism, weddings, domestic, business travel.

The hotel unit Taj Ganges, Varanasi got operational around 18th May 2020 to serve quarantine guests for 7 -10 days. The permission for Takeaways/Home deliveries were also allowed from 21st May 2020.

Taj Ganges, Varanasi and Taj Nadesar Palace were allowed to resume hotel operations from 10th June, 2020, after a lockdown period of 79 days (23rd March to 09th June 2020, including both days). The Gateway Hotel Gondia allowed to operate from 08th July 2020. 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 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, have online meetings, and operating with limited work force, ensuring adequate liquidity and cost optimization measures. We have judiciously invoked the Force Majeure clauses for relief during the lock down period. 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 year on account of outbreak of Global Pandemic COVID-19. The Company witnessed softer revenues due to the lockdown and various restrictions during the first six months of the year. During the second half of the year, the Company witnessed some signs of recovery of demand.

The Total Income for the year ended 31st March, 2021 at Rs. 2481 lakhs is 39% of revenue pf previous year. The Room Revenue and Food & Beverages Revenue declined by 62% each.

The Gross Operating Profit (EBIDTA) achieved by the Company for the year was Rs. 96 Lakhs, which is 4% of EBITDA of previous year.

The Loss before Tax for the year was at Rs. 697 Lakhs, as compared to Profit before Tax of Rs.1350 lakhs for the previous year. The loss after Tax for the year was at Rs. 523 lakhs, as compared to Profit after Tax of Rs. 1061 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

BENARES HOTELS LIMITED

Forty Ninth Annual Report 2019-20

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 187 as on March 31st 2021 as compared to 314 as on March 31st 2020.

Corporate Governance Report

Company's Philosophy on Corporate Governance

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.

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 regards to corporate governance.

The Company has also adopted Governance Guidelines on Board Effectiveness based on best practices from both within and outside the Tata Companies to help fulfil its corporate responsibility towards its stakeholders. The 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 Benares Hotels Limited (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

Diversity is a key driver of quality, bringing a richness of experience, talent, competencies, as well as managerial expertise. For the Board, diversity encompasses difference in perspective, experience, education, background, ethnicity, gender and other personal attributes.

1. As on March 31, 2021, 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 ten public companies. None of the Independent Directors of the Company serve as Independent Directors in more than seven listed companies. None of the Directors serving as a Whole-time Director/ Managing Director in any listed entity serves as an Independent Director of more than three listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors are related to each other.

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

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.
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/re-appointment, role, duties and responsibilities, time commitment, code of conduct, etc. The terms and conditions of appointment are disclosed on the website at https://www.benareshotelslimited.com/content/dam/thrp/benareshotelslimited/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	May 28, 2020	April to June
2	July 29, 2020	July to September
3	October 23, 2020	October to December
4	January 25, 2021	January to March

The necessary quorum was present for all the meetings.

6. During FY 2020-21, one meeting of the Independent Directors was held on March 15, 2021. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a 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, 2021 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

Names	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 2020-21	Whether attended last AGM held on 29.09.2020 (Yes/No)
		Salary & Perks 2020-2021	Sitting Fees 2020-2021	Commission 2019-2020	Indian	Foreign	Chair-person	Member		
Dr. Anant Narain Singh	Promoter Non-executive	N.A.	2,40,000	13,09,128	1	-	-	-	4	Yes
Mrs. Rukmani Devi	Independent Non-executive	N.A.	3,30,000	10,71,105	-	-	-	-	4	Yes
Mr. Rohit Khosla	Promoter Non-executive	N.A.	NA	NA	5	-	2	-	4	Yes
Mr. Moiz Miyajiwala	Independent Non-executive	NA	3,00,000	13,71,014	2	-	-	-	4	Yes
Mr. Puneet Chhatwal	Promoter Non-executive	NA	NA	NA	8	3	-	2	4	No
Mr. Puneet Raman	Independent Non-executive	NA	1,20,000	3,42,600	-	-	-	-	4	Yes

NOTE: Traditionally, the Directors are paid commission each year after the Financial Statements are approved by the Members at the Annual General Meeting of the Company. A sum of Rs. 40.94 lakhs has been paid as commission to Non Executive Directors in FY 2020-21, pertaining to FY 2019-20.

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 2020-21, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
9. The Board periodically reviews the compliance reports of all laws applicable to the Company.
10. The Company has adopted a Code of Conduct for its Non-Executive Directors and all Non-Executive Directors have affirmed compliance with the said Code. All Senior Management of the Company have affirmed compliance with the Tata Code of Conduct.
11. 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.

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

12. In addition to the above, the Company has also adopted a Code of Conduct for its NED's ("Code"). All NED's and Independent Directors have affirmed compliance with the said Code for the financial year ended March 31, 2021 and all Senior Management of the Company have affirmed compliance with the TCOC. The above codes are also 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.
13. 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>

14. 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	✓	✓	✓	✓	—	—

15. 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>

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:

1. 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 committee has inter alia, the following terms of reference:

- 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:

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

- 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			
		28.05.2020	29.07.2020	23.10.2020	25.01.2021
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)	✓	✓	✓	✓

The Audit Committee meetings are attended by invitation by the VP Finance Northern Region, CFO, Group Internal Audit and the Statutory Auditors. 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 29, 2020 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		
		29.07.2020	23.10.2020	15.03.2021
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 29, 2020 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 such as their attendance and contribution at the Board and Committee meetings, commitment, effective deployment of knowledge and expertise, as well as 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>

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.

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

The Committee met once on January 25, 2021 during the period under review and was attended by all the members. Dr. Anant Narain Singh, Non-Executive Director, heads the Committee. The 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 29, 2020 and was attended by Dr. Anant Narain Singh, the Chairperson of the Stakeholders' Relationship Committee.

Details of complaints received and resolved during the financial year 2020-21

Complaints received	Pending as on March 31, 2021
0	Nil

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

In accordance with the provisions of Section 135 of the Act, the Company has constituted a CSR which 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, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR and Sustainability Policy.
- Review activities with regard to the Health Safety and 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
		28.05.2020
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.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
Services for GST Audit	0.03
Certification Services	0.35

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.

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 investorrelations@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*
2013-14	28.08.2014	04.10.2021
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

* Indicative dates, actual dates may vary

The Company has transferred an amount of Rs. 6,44,240 to IEPF of the Central Government during the financial year 2020-21.

The company has transferred 1,580 Equity Shares to the IEPF authority during the FY 2020-21.

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

Compliance Officer : **Ms. Vanika Mahajan**
Company Secretary
 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

Details of equity shares of the Company held by the Non-Executive Directors as on March 31, 2021, are as under:

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

Details on General Meetings:

Location	Date	Time	Special Resolutions passed
Annual General Meetings Registered office at Nadesar Palace Compound Varanasi 221 002	September 29, 2020	3.00 p.m	—
	August 30, 2019	3.00 p.m	- Appointment of Mr. Puneet Raman as an Independent Directors. - Re-appointment of Mrs. Rukmani Devi as an Independent Directors
	August 24, 2018	3.00 p.m	—

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

During the year under review, there were no Special Resolutions passed by Postal Ballot by the Company. No extraordinary general meeting of the members was held during Financial Year 2020-21. 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 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.

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, frequently

asked questions, etc. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

The Annual Reports for Financial Year 2020-21 are being sent to all members who had registered their email ids for the purpose of receiving documents /communication in electronic mode with the Company and / or Depository Participants. The Annual Reports are also available in the Investor Services section on the Company's website www.benareshotelslimited.com.

Electronic Communication - The Company had during Financial Year 2020-21 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.

Disclosures:

The details of the Related Party transactions are placed before and reviewed by the Company's Audit Committee, in terms of the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

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's approved policy for related party transactions is uploaded on the website of the Company.

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.

- i. 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/RPT%20Policy%20Revised.pdf>
- ii. The Company follows Indian Accounting Standards (IND AS) issued by the Ministry of Corporate Affairs in the preparation of its Financial Statements.
- 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 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
- 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>

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

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, 2021 are disclosed in the report of Board of Directors.

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 2020-21.

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.

Compliance with non-mandatory requirements

1. **Audit Report :** For the financial year 2020-21, 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.

As regards the other non-mandatory requirements, the Board has taken cognizance of the same and shall consider adopting the same as and when necessary.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and Time : Friday, September 3, 2021 at 3.00 p.m.

The Company is conducting meeting through Video Conferencing and Other Audio Visual Means pursuant to the MCA Circulars dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 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. : 91 542 2250 1343
Website : www.benareshotelslimited.com
E-mail : investorrelations@tajhotels.com

Tentative Financial Calendar for Financial Year 2021-22

Financial reporting for:

- Quarter ending 30th June, 2021 on or before August 14, 2021
- Quarter ending 30th September, 2021 on or before November 15, 2021
- Quarter ending 31st December, 2021 on or before February 15, 2022
- Quarter ending 31st March, 2022 on or before May 30, 2022

Financial Year : 2021-22

The register of members and the share transfer books will remain closed from August 27, 2021 to September 7, 2021, 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

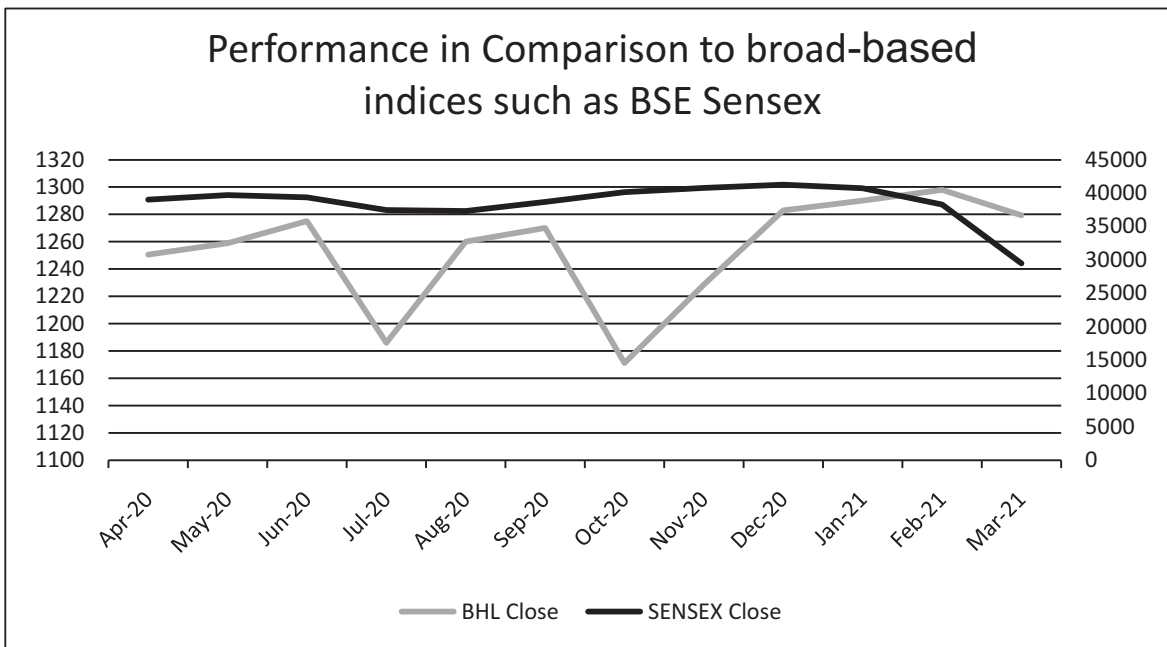
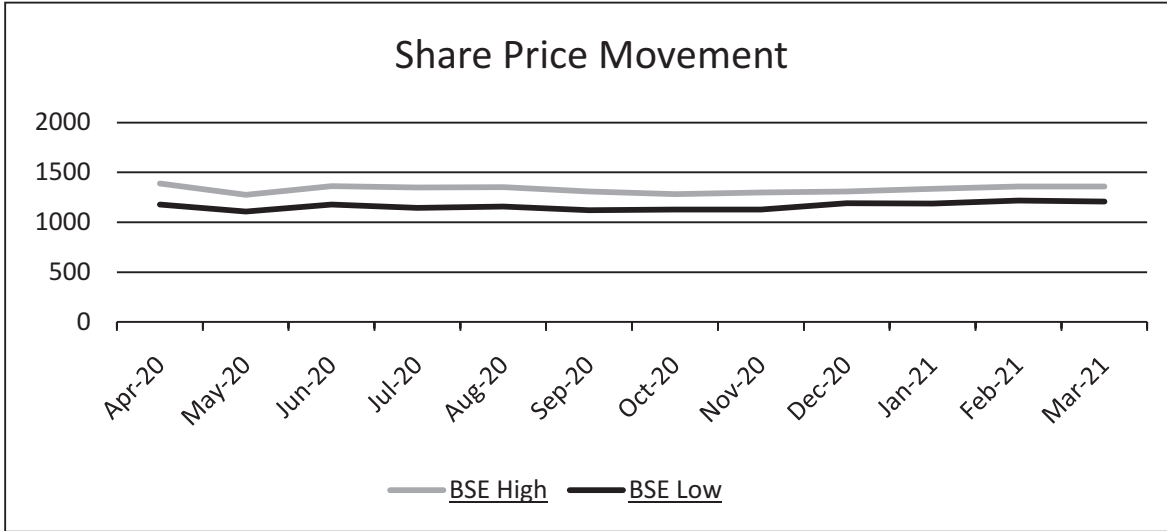
Listing fees as applicable have been paid.

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 2020-21 as furnished below:-

Months	BSE High	BSE Low
April 2020	1379	1200
May 2020	1265	1131.35
June 2020	1350	1199.75
July 2020	1338	1166.35
August 2020	1340	1180
September 2020	1298	1145
October 2020	1270	1150.05
November 2020	1287.4	1151.05
December 2020	1299	1215
January 2021	1325	1209.05
February 2021	1347.85	1240.05
March 2021	1349	1230

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21



Category of Shareholding as on March 31, 2021

Category of Shareholders	No. of Shares held	% to Paid up capital
Promoters	813435	62.57
Directors & their Relatives	26888	2.07
Resident Individuals & HUF	414698	31.90
Non-Resident Indians	3704	0.28
Clearing Member	105	0.01
Corporate Bodies	19122	1.47
IEPF	22048	1.70
TOTAL	1300000	100.00

Distribution of equity shareholding as on March 31, 2021

Number of shares	Holding	Percentage to Issued Capital	Number of Shareholders	Percentage to Total Shareholders
1 - 500	166645	12.8188	4599	97.7471
501 - 1000	30650	2.3577	41	0.8714
1001 - 2000	31384	2.4142	24	0.5101
2001 - 3000	18886	1.4528	8	0.17
3001 - 4000	13998	1.0768	4	0.085
4001 - 5000	9500	0.7308	2	0.0425
5001 - 10000	79949	6.1499	11	0.2338
10001 - above	948988	72.9991	16	0.3401
TOTAL	1300000	100.0000	4705	100.0000

Top ten equity shareholders of the Company as on March 31, 2021:

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.	Anant Narain Singh	24000	1.85
5.	IEPF Authority	22048	1.70
6.	Vinodchandra Mansukhlal Parekh	20567	1.58
7.	Brajraj Singh	20000	1.54
8.	Aditya Deorah	18873	1.45
9.	Arjun Ramani	18798	1.45
10.	Maharaj Kumari Vishnupriya	18000	1.38

Secretarial Audit

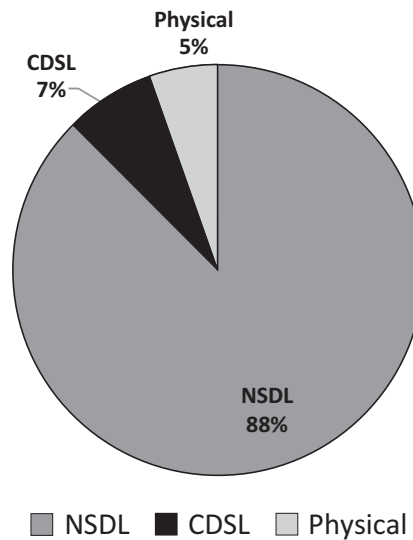
In terms of Section 204 of the Companies Act, 2013 the secretarial audit of the Company for the year 2020-21 has been carried out by the Secretarial Auditor appointed by the Company. The report of the Secretarial Auditor forms part of the Board's Report.

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, 2021. 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.

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

STATUS ON DEMATERALISED SHARES



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 at the following addresses

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

OR

Company

Benares Hotels Ltd.

C/o Corporate Office

Taj Palace,

SP Marg, New Delhi 110 021

Phone: 011-66503549

Email: investorrelations@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/reconciliation-of-share-capita/Recon_31.03.2021.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, 2021.

For Benares Hotels Limited

Dr. Anant Narain Singh
Chairman
(DIN 00114728)

Place : Varanasi

Date : 26th April, 2021

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

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 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, 2021 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

Arvind Kohli
Proprietor

FCS 4434, CP 2818

UDIN number F004434C000163032

Place: Gurugram
Date: April 23, 2021

Annexure II
PRACTISING COMPANY SECRETARIES' CERTIFICATE ON
CORPORATE GOVERNANCE

To

The Members of Benares Hotels Limited (CIN: L55101UP1971PLC003480)

I have examined the compliance of regulations of Corporate Governance by Benares Hotels Limited for the year ended 31st March, 2021, as stipulated in regulations 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. My 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 my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

I 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.

Place: New Delhi
Date: April 26, 2021

For D.S. Associates
Company Secretaries

Dhawal Kant Singh
Proprietor
CP No.: 7347
M No. F8687
UDIN: F008687C000135220

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 of 31 March 2021, 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.

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 2021, loss 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.

Key Audit Matter	Description	Our Response
Impairment assessment of Property, Plant and Equipment (PPE) of one hotel unit.	<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"> • Understanding the management's and those charged with governance (TCWG)'s process for estimating the recoverable amount of the assets • 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. • Evaluating the historical accuracy of the management's assessment by comparing the past estimates to the current year actual performance of the company. • Reading the valuation report and validating key assumptions used in the valuation and rationale for those assumptions.

Emphasis of matter

We draw attention to:

Note 3(e) and Note 37(f) to the financial statements, regarding the management's assessment of liquidity and going concern assumption, values of its financial and non-financial assets as at 31st March 2021 being considered as unimpaired and recoverable based on its internal and external sources of information and estimates, and its judgement on implications expected to arise from COVID-19 pandemic, wherein actual results could vary. The economic/social consequences of this event are impacting the very operation of the hotels and consumer demand.

Our opinion is not modified in respect of the above matter.

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 financial position, financial performance and total 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

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

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, 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, 2016 ("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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) At this juncture, we are unable to comment whether the matter described in the Emphasis of Matter paragraph above, may have an adverse effect on the functioning of the Company.
 - (g) 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 on its financial position in

its financial statements Refer Note 30 to 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 2021.
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.

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm's Registration No. 003990S/S200018

R. Suriyanarayanan

Partner

Membership No. 201402

UDIN: 21201402AAAAAW6174

Place of Signature: Mumbai

Dated: 26th April, 2021

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 2021.

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets 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 fixed assets 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 in the books of account.
 - (c) 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 of the land and buildings which are freehold, 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 right of use assets in the financial statements, the lease agreements are in the name of the Company.
- ii. 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. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of account.

- iii. Based on our audit procedures & according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act and hence 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 or security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore clause 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 from the public within the meaning of the Act and the rules made there under and hence clause 3(v) of the Order is not applicable.
- (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.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, except for few minor delays, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Services Tax (GST), 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 provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Services Tax (GST), cess and any other statutory dues were in arrears, as at 31 March 2021 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 dues of Income-tax, Sales Tax,

Service tax, Goods and Services Tax (GST), Duty of customs, Excise duty and Value added tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Name of Dues	Amount (in INR Lakhs)	Period to which amounts relates	Forum where the dispute is pending
U. P. Trade Tax Act	Demand	26.27*	FY 2006-07 & FY 2007-08	1st Appellate Authority, UP VAT

*net of amounts paid under protest

- (viii) 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 borrowings from banks. The Company does not have any loans or borrowings from the government and financial institutions and have not issued any debentures during the year.
- (ix) 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) and term loans during the year. Accordingly, reporting under the clause 3(ix) of the Order is not applicable to the Company.
- (x) 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 by its officers or employees has been noticed or reported during the year nor have we been informed of such case by the management.
- (xi) According to the information and explanations given to us, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, the provisions of clause (xii) of the Order are 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 applicable Indian accounting standards.
- (xiv) Based on our audit procedures and according to the information and explanations given to us, the Company has not made any preferential allotment of shares or private placement of shares or fully or partly paid convertible debentures during the year under review. Accordingly, the provisions of clause (xiv) of the Order are not applicable.
- (xv) Based on our audit procedures and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) 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.

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

R. Suriyanarayanan
Partner
Membership No. 201402
UDIN: 21201402AAAAAW6174

Place of Signature: Mumbai
Dated: 26th April, 2021

BENARES HOTELS LIMITED

Fiftieth Annual Report 2020-21

Annexure-B to Independent Auditors' Report

Referred to in paragraph 2(g) 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 2021 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 maintained, 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 2021, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm's Registration No. 003990S/S200018

R. Suriyanarayanan

Partner

Membership No. 201402

UDIN: 21201402AAAAAW6174

Place: Mumbai

Dated: 26th April, 2021

Balance Sheet as at 31st March, 2021

	Note	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
ASSETS			
Non-current Assets			
Property, plant and equipment	4	8,222.44	8,866.53
Right of Use Assets	6	124.14	127.16
Capital work-in-progress		10.52	4.02
Other Intangible assets.....	5	53.83	71.44
		<u>8,410.93</u>	<u>9,069.15</u>
Financial assets			
Investments		—	—
Other financial assets	7	35.55	23.96
Advance income tax (net).....		59.29	187.22
Other non-current assets	8	70.55	108.60
		<u>8,576.32</u>	<u>9,388.93</u>
Current Assets			
Inventories.....	9	82.31	105.36
Financial assets			
Trade receivables.....	10	78.22	432.87
Cash and cash equivalents.....	11	122.88	181.72
Bank balances other than cash and cash equivalents	12	45.07	51.20
Other financial assets	7	68.76	146.94
Other current assets	8	115.89	172.57
		<u>513.13</u>	<u>1,090.66</u>
Total		<u>9,089.45</u>	<u>10,479.59</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital.....	13	130.00	130.00
Other equity	14	7,093.46	7,701.28
Total Equity		<u>7,223.46</u>	<u>7,831.28</u>
Non-current liabilities			
Financial Liabilities			
Lease liabilities	15	356.54	349.26
Provisions	16	30.48	35.30
Deferred tax liabilities (net).....	17	392.04	566.03
		<u>779.06</u>	<u>950.59</u>
Current Liabilities			
Financial Liabilities			
Borrowings	18	550.00	550.00
Trade payables	19		
- Due to micro and small enterprises.....		13.17	5.61
- Due to others		163.80	559.71
Other financial liabilities.....	20	171.71	346.50
Other current liabilities.....	21	176.50	196.27
Provisions	16	11.75	39.63
		<u>1,086.93</u>	<u>1,697.72</u>
Total		<u>9,089.45</u>	<u>10,479.59</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 : 26th April, 2021
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 : 26th April, 2021
Place: Varanasi

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Statement of Profit and Loss for the Year Ended March 31, 2021

	Note	March 31 2021 ₹ Lakhs	March 31 2020 ₹ Lakhs
Income			
1. Revenue from Operations	22	2,423.85	6,363.56
2. Other Income	23	57.03	20.14
Total Income		<u>2,480.88</u>	<u>6,383.70</u>
Expenses			
1. Food and beverages consumed	24	275.25	620.06
2. Employee benefit expense and payment to contractors	25	799.42	1,123.72
3. Finance costs	26	99.70	107.64
4. Depreciation and amortisation expense		693.45	638.10
5. Other operating and general expenses	27	1,309.91	2,544.51
Total Expenses		<u>3,177.73</u>	<u>5,034.03</u>
Profit/(Loss) before exceptional items and tax		(696.85)	1,349.67
Exceptional items		—	—
Profit/(Loss) before tax		(696.85)	1,349.67
Tax expenses			
Current Tax	28	—	312.15
Deferred Tax	28	(173.99)	(23.68)
Total		<u>(173.99)</u>	<u>288.47</u>
Profit/(Loss) after tax		(522.86)	1,061.20
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		12.54	(16.44)
Change in fair value of equity instruments designated irrevocably as FVTOCI		—	—
Less: Income tax expense	28	—	(4.14)
Other comprehensive income for the year, net of tax		<u>12.54</u>	<u>(12.30)</u>
Total Comprehensive Income for the Year		<u>(510.32)</u>	<u>1,048.90</u>
Earnings Per Share			
Basic - (₹)	35	- 40.22	81.63
Diluted - (₹)		- 40.22	81.63
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 : 26th April, 2021
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 : 26th April, 2021
Place: Varanasi

Cash Flow Statement for the Year Ended March 31, 2021

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Cash Flow From Operating Activities		
Net Profit Before Tax	(696.85)	1,349.67
Adjustments For :		
Depreciation and Amortisation	690.42	635.06
Depreciation on Right of Use Assets	3.02	3.03
Finance Cost	64.37	72.96
Interest on lease liability	35.33	34.68
Provision for Doubtful Debts net of bad debts.....	36.02	15.32
(Gain)/ Loss on sale of assets	0.01	33.49
Interest Income	(45.32)	(15.03)
Lease Liability written back.....	(7.01)	—
Provision for Employee Benefits	12.54	(16.44)
	789.38	763.07
Cash Operating Profit Before Working Capital Changes.....	92.53	2,112.74
Adjustments for:		
Trade Receivables.....	318.63	(13.28)
Inventories	23.05	22.87
Non Current - Other financial Asset	(11.60)	2.25
Other Non-current Assets.....	35.73	4.92
Current-Other Financial Assets	78.15	(21.06)
Other current assets	56.68	(120.13)
Trade Payables	(388.36)	(125.91)
Current Liabilities -Other Financial Liabilities.....	(93.13)	89.00
Other Current Liabilities & Provisions	(32.70)	18.48
	(13.55)	(142.86)
Cash Generated from Operating Activities.....	78.98	1,969.88
Direct Taxes Paid	127.93	(293.62)
Net Cash From Operating Activities (A).....	206.91	1,676.26
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(135.00)	(1,517.70)
Sale of Property, Plant and Equipment	—	50.07
Interest Received	45.35	17.64
Bank Balances not considered as Cash and Cash Equivalents	6.13	127.02
Net Cash Used in Investing Activities (B)	(83.52)	(1,322.97)
Cash Flow From Financing Activities*		
Interest Paid	(63.69)	(71.31)
Payment of lease liabilities and interest	(21.04)	(27.20)
Proceeds from short-term borrowing.....	500.00	500.00
Repayment of short-term borrowing.....	(500.00)	(450.00)
Dividend Paid (Including tax on dividend)	(97.50)	(235.08)
Net Cash Used in Financing Activities (C)	(182.23)	(283.59)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(58.84)	69.70
Cash and Cash Equivalents - Opening (Refer Note 11).....	181.72	112.02
Cash and Cash Equivalents - Closing (Refer Note 11)	122.88	181.72

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

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 : 26th April, 2021
 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 : 26th April, 2021
 Place: Varanasi

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Statement of Changes in Equity as at 31st March, 2021

₹ Lakhs

Particulars	Equity Share Capital Subscribed	Reserves and Surplus			Grand Total
		Capital Reserve	General Reserve	Retained Earnings	
Balance as at April 1, 2019	130.00	0.86	2,167.22	4,872.16	7,170.24
Changes in accounting policy - Transition impact of Ind AS 116	—	—	—	(152.77)	(152.77)
Balance at the beginning of the reporting period	130.00	0.86	2,167.22	4,719.39	7,017.47
Profit for the year ended March 31, 2020	—	—	—	1,061.20	1,061.20
Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings (Not reclassified to P&L))	—	—	—	(12.30)	(12.30)
Total Comprehensive Income for the year ended March 31, 2020	—	—	—	1,048.90	1,048.90
Dividends	—	—	—	(195.00)	(195.00)
Tax on Dividend	—	—	—	(40.08)	(40.08)
Balance as at March 31, 2020	130.00	0.86	2,167.22	5,533.20	7,831.28
Balance at the beginning of the reporting period	130.00	0.86	2,167.22	5,533.20	7,831.28
Changes in accounting policy - Transition impact of Ind AS 116	—	—	—	—	—
Restated balance at the beginning of the reporting period	130.00	0.86	2,167.22	5,533.20	7,831.28
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
Total Comprehensive Income for the year ended March 31, 2021	—	—	—	(510.32)	(510.32)
Dividends	—	—	—	(97.50)	(97.50)
Tax on Dividend	—	—	—	—	—
Balance as at March 31, 2021	130.00	0.86	2,167.22	4,925.38	7,223.46

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 : 26th April, 2021
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 : 26th April, 2021
Place: Varanasi

Notes to Financial Statements for the year ended March 31, 2021

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 26th April 2021.

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.

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

- i. Ind AS 1 Presentation of Financial Statements - Substitution of the definition of term 'Material'
- ii. Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors - In order to maintain consistency with Ind AS 1, the respective changes have been made to Ind AS 8 also.
- iii. Ind AS 10 Events after the Reporting Period - Clarification on the disclosures requirements to be made in case of a material non- adjusting event.
- iv. Ind AS 34 Interim Financial Reporting - In order to maintain consistency with the amendments made in other Ind AS, respective changes have been made to Ind AS 34.
- v. Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - Clarification on the accounting treatment for restructuring plans.
- vi. Ind AS 103 Business Combination - Detailed guidance on term 'Business' and 'Business Combination' along with providing an Optional test to identify concentration of Fair Value.
- vii. Ind AS 107 Financial Instruments: Disclosures - Clarification on certain disclosures to be made in respect of uncertainty arising from interest rate benchmark reforms.
- viii. Ind AS 109 Financial Instruments - Clarification on temporary exceptions from applying specific hedge accounting requirements along with providing guidance on transition for hedge accounting.
- ix. Ind AS 116 Leases - Clarification on whether rent concessions as a direct consequence of COVID- 19 pandemic can be accounted as lease modification or not.

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.7.01 lakhs recognised towards lease rent waiver.

Notes to Financial Statements for the year ended March 31, 2021

(c) Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

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

Notes to Financial Statements for the year ended March 31, 2021

- **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.

- **Estimation uncertainty relating to the global health pandemic on COVID-19**

On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020.

The hotel business has been severely impacted during the year on account of outbreak of global pandemic COVID-19. The Company witnessed softer revenues due to the lockdown imposed during the first six months of the year. With the unlocking of the restrictions, hotels have been opened and

Notes to Financial Statements for the year ended March 31, 2021

Business has gradually improved across all hotels. During the second half of the year, the Company witnessed some signs of recovery of demand. Whilst there has been a second wave of the COVID-19 pandemic in the last month in some States, there has also been increased vaccination drive by the Government and the Company continues to closely monitor the situation.

The Company has assessed the possible impact of COVID-19 in preparation of the financial results, 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 Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has adequate funds at its disposal and the management has secured additional financing 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 financial results of the Company have been prepared on a going concern basis.

(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

Notes to Financial Statements for the year ended March 31, 2021

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.

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.

Notes to Financial Statements for the year ended March 31, 2021

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.

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

Class of Assets	Estimated Useful Life
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:

Class of Assets	Estimated Useful Life
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.

Notes to Financial Statements for the year ended March 31, 2021

(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.

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

Notes to Financial Statements for the year ended March 31, 2021

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 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

Notes to Financial Statements for the year ended March 31, 2021

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.

(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

Notes to Financial Statements for the year ended March 31, 2021

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.

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.

Notes to Financial Statements for the year ended March 31, 2021

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.

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

Notes to Financial Statements for the year ended March 31, 2021

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.

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

Notes to Financial Statements for the year ended March 31, 2021

recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

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.

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

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
Cost							
At April 1, 2019	13.05	4,461.05	3,424.14	1,297.71	92.97	0.12	9,289.04
Additions	–	562.78	496.30	427.93	5.00	–	1,492.01
Less: Disposals	–	74.86	17.98	8.61	–	–	101.45
At March 31, 2020	13.05	4,948.97	3,902.46	1,717.03	97.97	0.12	10,679.60
Additions	–	–	7.93	1.99	15.35	–	25.27
Less: Disposals	–	–	33.26	10.56	0.44	–	44.26
At March 31, 2021	13.05	4,948.97	3,877.13	1,708.46	112.88	0.12	10,660.61
Depreciation							
At April 1, 2019	–	293.36	656.06	209.26	59.64	–	1,218.32
Add: Charge for the year	–	170.97	284.04	140.52	17.10	–	612.63
Less: Disposals	–	5.55	8.21	4.13	–	–	17.89
At March 31, 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
At March 31, 2021	–	643.11	1,205.55	498.47	91.04	–	2,438.17
Net Block							
At March 31, 2020	13.05	4,490.19	2,970.57	1,371.38	21.23	0.12	8,866.53
At March 31, 2021	13.05	4,305.86	2,671.58	1,209.99	21.84	0.12	8,222.44

Footnotes :

(i) Gross block includes:

Buildings constructed on leasehold land - INR 1,889.52 lakhs (previous year - INR 1,889.52 lakhs)

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

₹ Lakhs

Cost		Amortisation		Net Block	
At April 1, 2019	155.21	At April 1, 2019	81.26	At March 31, 2020	<u>71.44</u>
Additions	19.93	Charge for the year	22.44	At March 31, 2021	<u>53.83</u>
Disposals	–	Disposals	–		
At March 31, 2020	<u>175.14</u>	At March 31, 2020	<u>103.70</u>		
Additions	3.46	Charge for the year	21.06		
Adjustments	–	Disposals	3.20		
Disposals	3.20	At March 31, 2021	<u>121.56</u>		
At March 31, 2021	<u>175.40</u>				

Notes to Financial Statements for the year ended March 31, 2021

Note 6: Rights of Use Assets

	₹ Lakhs	Total ₹ Lakhs
Building		
Gross Block at Cost		
At April 1, 2019	—	—
Translation Adjustment	—	—
Opening Adjustments.....	—	—
Addition on acquisition	—	—
Additions	130.19	130.19
Deductions for the year	—	—
As at March, 2020	130.19	130.19
Translation Adjustment	—	—
Opening Adjustments.....	—	—
Addition on acquisition	—	—
Additions	—	—
Deductions for the year	—	—
As at March, 2021	130.19	130.19
Depreciation		
At April 1, 2019.....	—	—
Translation Adjustment	—	—
Opening Adjustments.....	—	—
Charge for the year.....	3.02	3.02
Deductions for the year	—	—
As at March, 2020	3.02	3.02
Translation Adjustment	—	—
Opening Adjustments.....	—	—
Charge for the year	3.03	3.03
Deductions for the year	—	—
As at March, 2021	6.05	6.05
Net Block		
As at March, 2020	127.17	127.17
As at March, 2021	124.14	124.14

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 7: Other Financial Assets

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
(Unsecured, considered good unless stated otherwise)		
A) Non Current:		
Deposits with Public Bodies and Others at amortised costs		
Public Bodies and Others	23.96	23.96
Deposits with Banks*	11.59	—
	35.55	23.96
*includes FDRs having maturity less than 12 months of INR Rs. 11.59 Lakhs (PY - INR Rs. Nil Lakhs) which are under lien for issuance of Bank Guarantees.		
B) Current		
Deposits with Public Bodies and Others		
Others	0.95	1.03
	0.95	1.03
Other advances		
Considered good	13.90	14.99
Interest receivable		
Bank Deposits	0.05	0.08
	0.05	0.08
On Current Account dues :		
Related Parties (Refer Note 32)	20.12	64.50
Others	33.74	66.34
	53.86	130.84
Total	68.76	146.94

Note 8: Other Assets

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
(Unsecured, considered good unless stated otherwise)		
A) Non Current		
Capital Advances	16.91	19.23
Prepaid Expenses	1.02	1.42
Export incentive receivable	42.62	77.95
(Refer Foot Note below)		
Deposits with Government Authorities	10.00	10.00
Total	70.55	108.60
Foot Note: Export incentive receivable		
Opening balance	77.95	79.99
Add: SEIS accrued during the year	0.27	43.59
Less: Sale proceeds/ used during the year	35.60	45.63
Closing balance	42.62	77.95
B) Current		
Prepaid Expenses	45.74	46.08
Indirect tax recoverable	50.12	109.73
Advance to Suppliers	19.66	16.76
Advance to Employees	0.37	—
Total	115.89	172.57

Notes to Financial Statements for the year ended March 31, 2021

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

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Food and Beverages	44.47	60.08
Stores and Operating Supplies.....	37.84	45.28
	<u>82.31</u>	<u>105.36</u>

Note 10: Trade and Other Receivables

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
(Unsecured)		
Considered good*.....	78.22	432.87
Balance having significant increase in credit risk	—	—
Credit impaired	78.97	42.95
Total	<u>157.19</u>	<u>475.82</u>
Less : Provision for impairment (refer foot note).....	<u>78.97</u>	<u>42.95</u>
	<u>78.22</u>	<u>432.87</u>

*For related party balances refer Note. 32.

Footnote:

i) Provision for impairment

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Opening Balance	<u>42.95</u>	27.63
Add: Provision during the year	<u>36.02</u>	18.62
	78.97	46.25
Less: Bad Debts written off against past provisions	—	3.30
Less: Reversal of provision no longer required	—	—
Closing Balance.....	<u>78.97</u>	<u>42.95</u>

Note 11: Cash and Cash Equivalent

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Cash on hand	4.03	4.67
Balances with bank in current account	68.85	177.05
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	50.00	—
	<u>122.88</u>	<u>181.72</u>

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 12 : Bank Balances Other Than Cash and Cash Equivalents

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Other Balances with banks		
Call and Short-term deposit accounts*	—	5.03
Earmarked balances	45.07	46.17
	45.07	51.20

*includes FDRs having maturity less than 12 months of INR Nil lakhs (PY - INR 5.03 lakhs) which are under lien for issuance of Bank Guarantees.

Note 13 : Share Capital

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Authorised Share Capital		
Ordinary Shares		
15,00,000 (Previous Year- 15,00,000)		
Ordinary Shares of ₹ 10/- each	150.00	150.00
	150.00	150.00
Issued Share Capital		
13,00,000 (Previous Year- 13,00,000)		
Ordinary Shares of ₹ 10/- each	130.00	130.00
	130.00	130.00
Subscribed and Paid Up		
13,00,000 (Previous Year- 13,00,000)		
Ordinary Shares of ₹ 10/- each	130.00	130.00
	130.00	130.00

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
Ordinary shares			
Year ended 31-03-2021			
- Number of shares	13.00	—	13.00
- Amount (Rupees)	130.00	—	130.00
Year ended 31-03-2020			
- Number of shares	13.00	—	13.00
- Amount (Rupees)	130.00	—	130.00

Notes to Financial Statements for the year ended March 31, 2021

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, 2021	No. of Shares March 31, 2020
Holding Company		
The Indian Hotels Company Limited	643,825	643,825
Subsidiaries of Holding Company		
Piem Hotels Limited.....	54,063	54,063
Northern India Hotels Limited.....	150	150
Associate of Holding Company		
Oriental Hotels Limited	50	50
(4) Shareholders holding more than 5% shares in the Company :		
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).		

Note 14: Other Equity

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
A) Reserves & Surplus		
Capital Reserve	0.86	0.86
General Reserve		
Opening Balance.....	2,167.22	2,167.22
Closing Balance	<u>2,167.22</u>	<u>2,167.22</u>
Retained Earnings		
Opening Balance	5,533.20	4,872.16
Less: Ind As 116 Transition	—	(152.77)
Add: Current year profit/(loss)	(522.86)	1,061.20
Add: Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings)	12.54	(12.30)
Less : Final Dividend	(97.50)	(195.00)
Less : Tax on Dividend	—	(40.08)
Closing Retained Earnings	<u>4,925.38</u>	<u>5,533.20</u>
Total	<u>7,093.46</u>	<u>7,701.28</u>

Note 15: Lease Liabilities

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Net Current		
Lease liabilities	356.54	349.26
Total	<u>356.54</u>	<u>349.26</u>

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 16: Provisions

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
A) Non Current Provisions		
Employee Benefit Obligation (Non-current)		
Compensated absences	30.48	35.30
	30.48	35.30
B) Current Provisions		
Employee Benefit Obligation (Current)		
Compensated absences	5.36	8.18
Gratuity (Refer Note 33)	6.39	31.45
Total	11.75	39.63

Note 17: Deferred Tax Liabilities (Net)

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Deferred Tax Liabilities:		
Property, Plant and Equipment & Intangible Assets.....	664.06	653.19
Total (A)	664.06	653.19
Deferred Tax Assets:		
Provision for Employee Benefits	9.73	10.95
OCI- Defined Benefit Obligations	—	—
Provision for doubtful debts	19.87	10.81
Unused tax losses	179.70	—
Ind AS 116 impact.....	58.49	55.86
Others	4.23	9.55
Total (B).....	272.02	87.16
Net Deferred Tax Liabilities (A-B).....	392.04	566.03

Note 18: Borrowings

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Short term borrowings		
Short Term Borrowings from Related Parties		
Secured	—	—
Unsecured @ 9%	555.99	555.31
Total Short term borrowings	555.99	555.31
Less: Interest accrued (included in Note 20)	5.99	5.31
Total Borrowings	550.00	550.00
(Refer foot note below)		

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 year end is INR Nil.

Notes to Financial Statements for the year ended March 31, 2021

Note 18: Borrowings (Contd.)

Foot Note: 2

Financial liabilities

Net debt reconciliation

Particulars	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
a) Net debt		
Cash and cash equivalents	122.88	181.72
Current Investment	—	—
Short Term Borrowings	(550.00)	(550.00)
Long term Borrowings (Including Current portion)	—	—
Net (debt)/ Cash & Cash Equivalents	(427.12)	(368.28)
b) Other financial liability		
Unclaimed Deposits/Interest.....	—	—
Derivative.....	—	—
Interest Accrued	(5.99)	(5.31)
Total Other Financial Liability.....	(5.99)	(5.31)
Grand Total	(433.11)	(373.59)

Particulars	Accrued during the Year		Paid during the Year	
	31st Mar 2021	31st Mar 2020	31st Mar 2021	31st Mar 2020
Interest Expenses				
On long term borrowings	—	—	—	—
On short term borrowings	64.37	72.96	63.69	71.31
FV Changes for Derivatives (i.e. IRS)	—	—	—	—
Other Interest costs	—	—	—	—
Total	64.37	72.96	63.69	71.31

Particulars	Other Assets		Borrowings		Other Financial Liability	Grand Total
	Cash and Cash Equivalents	Current Investment	Short Term Borrowings	Total Net Borrowings	Interest Accrued	
Net (debt)/ Cash & Cash Equivalents as at 1st April 2019	112.02	—	(500.00)	(387.98)	(3.66)	(391.64)
Cash Flows						
Increase/(Decrease) in cash and cash equivalents	69.70	—	—	69.70	—	69.70
Borrowings	—	—	(500.00)	(500.00)	—	(500.00)
Repayment	—	—	450.00	450.00	—	450.00
Foreign exchange adjustments	—	—	—	—	—	—
Interest expense	—	—	—	—	(72.96)	(72.96)
Interest paid	—	—	—	—	71.31	71.31
(Net debt)/ Cash & Cash Equivalents as at 31st March 2020	181.72	—	(550.00)	(368.28)	(5.31)	(373.59)
Net (debt)/ Cash & Cash Equivalents as at 1st April 2020	181.72	—	(550.00)	(368.28)	(5.31)	(373.59)
Cash Flows						
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
(Net debt)/ Cash & Cash Equivalents as at 31st March 2021	122.88	—	(550.00)	(427.12)	(5.99)	(433.11)

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 19: Trade Payables

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Micro and Small Enterprises (Refer Footnote - 1).....	13.17	5.61
Vendor Payables (Refer Footnote - 2)	78.06	415.87
Accrued expenses and others	85.74	143.84
	<u>176.97</u>	<u>565.32</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.

Note 20: Other Financial Liabilities

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Current financial liabilities		
Payables on Current Account dues :		
Related Parties*	3.37	5.40
Others	3.94	5.98
Total	<u>7.31</u>	<u>11.38</u>
*For related party balances refer Note 32.		
Deposits from others		
Unsecured	28.15	36.79
Total	<u>28.15</u>	<u>36.79</u>
Interest accrued but not due on borrowings	5.99	5.31
Creditors for capital expenditure	35.85	137.96
Unclaimed dividend (Refer Foot Note -1)	45.07	46.17
Employee related liabilities	37.24	96.58
Others	12.10	12.31
Grand Total	<u>171.71</u>	<u>346.50</u>

Foot Note:

- 1) A sum of INR 6.44 lakhs (PY INR 4.97 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, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Current		
Advances collected from customers	155.95	148.95
Statutory dues	20.55	47.32
Total	<u>176.50</u>	<u>196.27</u>

Notes to Financial Statements for the year ended March 31, 2021

Note 22: Revenue From Operations

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Room Income, Food, Restaurants and Banquet Income	2,282.07	6,035.85
Shop rentals	54.67	66.69
Membership fees	—	—
Others	87.11	261.02
Total	<u>2,423.85</u>	<u>6,363.56</u>

Note 23: Other Income

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Interest Income from financial assets at amortised cost		
Inter-corporate deposits		
Deposits with banks	3.03	6.22
Interest on income tax refunds	42.29	8.81
Total	<u>45.32</u>	<u>15.03</u>
Others	11.71	5.11
Grand Total	<u>57.03</u>	<u>20.14</u>

Note 24: Food and Beverages Consumed

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Opening Stock	60.08	49.94
Add: Purchases	259.64	630.20
	<u>319.72</u>	<u>680.14</u>
Less: Closing Stock	44.47	60.08
Food and Beverage Consumed	<u>275.25</u>	<u>620.06</u>

Note 25: Employee Benefit Expense and Payment to Contractors

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Salaries, Wages, Bonus etc	441.41	587.05
Company's Contribution to Provident and Other Funds	47.47	47.85
Reimbursement of Expenses on Personnel Deputed to the Company	234.17	257.81
Payment to Contractors	33.86	106.14
Staff Welfare Expenses	42.51	124.87
Total	<u>799.42</u>	<u>1,123.72</u>

Note 26: Finance Costs

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Interest Expense at effective interest rate on borrowings	64.37	72.96
Interest on Lease Liability	35.33	34.68
Total	<u>99.70</u>	<u>107.64</u>

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 27: Other Operating and General Expenses

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
(i) Operating expenses consist of the following :		
Linen and Room Supplies	42.46	99.56
Catering Supplies.....	20.72	43.36
Other Supplies.....	1.88	10.25
Fuel, Power and Light [Refer footnote (i)]	297.84	466.72
Repairs to Buildings.....	21.33	42.59
Repairs to Machinery.....	67.93	106.34
Repairs to Others.....	3.10	6.91
Garden Expenses.....	17.59	57.79
Linen and Uniform Washing and Laundry Expenses	32.67	78.37
Payment to Orchestra Artistes and Security Charges	11.13	43.27
Guest Transportation	26.80	57.62
Travel Agents' Commission	53.44	61.62
Discount to Collecting Agents	25.52	34.36
Other Operating Expenses	39.97	112.33
Total	662.38	1,221.09
(ii) General expenses consist of the following :		
Rent	15.93	17.34
Licence Fees	4.30	15.76
Rates and Taxes.....	104.11	33.83
Insurance.....	32.62	14.25
Advertising and Publicity.....	99.50	271.69
Management Fee Expenses	88.10	452.83
Reimbursable Fees Expenses- Corporate Services and CRS/ CIS	46.86	125.04
Printing and Stationery.....	7.75	14.98
Passage and Travelling	9.61	22.23
Provision for Doubtful Debts/ Bad debts written off (Refer Note 10).....	36.02	18.62
Expenditure on Corporate Social Responsibility [Refer footnote (iii)]	22.82	20.48
Professional Fees	24.77	36.73
Outsourced Support Services	43.16	62.03
Exchange Loss (Net)	—	0.06
Loss on Sale of Fixed Assets (Net).....	0.01	33.49
Payment made to Statutory Auditors [Refer Footnote (iv)]	6.87	11.27
Director' Fees and Commission	9.89	52.05
Other Expenses	95.21	120.74
Total	647.53	1,323.42
Grand Total	1,309.91	2,544.51

Notes to Financial Statements for the year ended March 31, 2021

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

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Footnotes:		
(i) Expenditure recovered from other parties :		
Fuel, Power and Light	4.28	11.45
Total	<u>4.28</u>	<u>11.45</u>
(ii) The following direct expenses incurred during the year and to the extent attributable to construction or renovation of hotel buildings have been capitalised:		
Employee benefits expense	—	41.57
Fuel, power and light	—	16.95
Other expenses (Net)	—	10.69
Total	<u>—</u>	<u>69.21</u>
(iii) Corporate Social Responsibility Expenditure		
Amount required to be spent as per Section 135 of the Act	22.75	20.35
Amount spent during the year on:		
(i) Construction/acquisition of an asset	—	—
(ii) On purposes other than (i) above	22.82	20.48
(iv) Payment made to Statutory Auditors:		
As auditors	5.00	5.00
As tax auditors	1.50	1.50
For other services - net*	0.03	2.20
For reimbursement of expenses	0.35	2.57
Total	<u>6.87</u>	<u>11.27</u>

*Excess provision of INR 0.48 lakhs reversed in current year (PY - Nil)

Note 28: Tax Disclosures

i). Income Tax recognised in Profit & Loss:

Particulars	March 31, 2021	March 31, 2020
Current Tax		
In respect of the current year	—	312.15
In respect of earlier years		
Resulting from reversal of provision for tax for earlier years	—	—
Other demands and tax paid for earlier years	—	—
	—	312.15
Deferred Tax		
In respect of the current year		
Other items includes the impact on account of change in tax rates..	(173.99)	(23.68)
Total tax expense recognised in the current year relating to continuing operations	<u>(173.99)</u>	<u>288.47</u>

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 28: Tax Disclosures (Contd.)

ii) Reconciliation of tax expense with the effective tax:

Particulars	March 31, 2021	March 31, 2020
Profit before tax from continuing operations (a)	(696.85)	1,349.67
Income tax rate as applicable (b)	25.1680%	25.1680%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	(175.38)	339.69
Permanent tax differences due to:		
Effect of expenses that are not deductible in determining taxable profit	5.74	4.77
Others	—	—
Deferred tax reversal		
Net Impact of the change in the tax rates	—	(56.21)
Adjustment to opening deferred tax	(4.35)	0.22
Total tax expense recognised in the current year	(173.99)	288.47

iii) Income Tax recognised in other comprehensive Income:

₹ Lakhs

Particulars	March 31, 2021	March 31, 2020
Deferred Tax/Income Tax		
(a) Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	—	(4.14)
	—	(4.14)

iv) Reconciliation of deferred Tax Asset and Deferred Tax Liability

₹ Lakhs

March 31, 2021	Opening Balance	Recognised in retained Earning	Recognised in profit or loss - Change in Tax Rates	Recognised in profit or loss - CY impact	Recognised in other Comprehen- sive income	Closing balance
Deferred tax liabilities/ assets in relation to:						
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)
Total Deferred Tax Liability	566.03	—	—	(173.99)	—	392.04

Notes to Financial Statements for the year ended March 31, 2021

Note 28: Tax Disclosures (Contd.)

₹ Lakhs

March 31, 2020	Opening Balance	Recognised in retained Earning	Recognised in profit or loss - Change in Tax Rates	Recognised in profit or loss - CY impact	Recognised in other Comprehensive income	Closing balance
Deferred tax liabilities/ assets in relation to:						
Property, Plant and equipment & Intangible Assets	697.74	—	(66.51)	21.96	—	653.19
Provision for Employee Benefits	(12.40)	—	1.18	0.27	—	(10.95)
Provisions for Defined benefit obligations	0.82	—	(0.08)	(0.74)	—	—
Provision for doubtful debts	(7.69)	—	0.73	(3.85)	—	(10.81)
Ind AS 116 impact	—	(58.82)	5.61	(2.65)	—	(55.86)
Others (Expenses disallowed to be allowed in future).....	(29.95)	—	2.86	17.54	—	(9.55)
Total Deferred Tax Liability	648.52	(58.82)	(56.21)	32.53	—	566.03

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.

₹ Lakhs

Particulars	March 31, 2021	March 31, 2020
Increase in depreciation expense relating to the depreciation of new right-of-use assets recognised	3.03	3.02
Decrease in Rent expense relating to previous operating leases	28.05	27.20
Increase in Financial expenses relating to the interest expense on additional lease liabilities recognized	35.33	34.68
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	21.04	27.20
As at 31st March 2021	March 31, 2021	March 31, 2020
Right-of-use assets recognised and presented separately in Company statement of financial position (Refer Note 6).....	124.14	127.16
Lease liabilities recognised and presented separately in Company statement of financial position (Refer Note 15)	356.54	349.26
Net deferred tax assets increased on account of deferred tax impact of the changes in assets and liabilities (Refer Note 28).....	58.49	55.86
Net effect of these adjustments increased Company's net liabilities by	173.90	166.24

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 29: Lease (Contd.)	₹ Lakhs	
B. Ind AS 116 Transition related disclosures	March 31, 2021	March 31, 2020
1. Total lease liabilities are analysed as follows:		
Denominated in the following currencies:		
Indian Rupees	356.54	349.26
Other Currencies	—	—
Current	—	—
Non-current	356.54	349.26
Total	<u>356.54</u>	<u>349.26</u>
2. Amounts recognised in profit or loss		
The following amounts were recognised as in profit and loss in the year:		
Depreciation of right-of-use assets	3.03	3.03
Expense relating to variable lease payments	4.30	15.76
Expense relating to short-term leases and low-value assets	—	—
Interest on lease liabilities	35.33	34.68
Gain on lease modification	—	—
Variable lease payments/ payments for short-term leases	20.23	33.10
Total recognised in Statement of Profit & Loss	<u>62.89</u>	<u>86.57</u>
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		
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:		
Maturity analysis:		
Less than 1 year	28.90	28.05
Between 1 and 2 years	29.75	28.90
Between 2 and 5 years	91.80	91.80
More than 5 years	1,730.23	1,759.98
Total	<u>1,880.68</u>	<u>1,908.73</u>

NOTE 30: Contingent 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)

c) 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 ₹ 23.34 Lakhs (Previous year ₹ 10.48 Lakhs).

Notes to Financial Statements for the year ended March 31, 2020

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.

NOTE 32: RELATED PARTY DISCLOSURES

32(a) Related party transactions

Details of related parties:

(i) Holding Company

- (a) 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 & Cold Storage Company Limited
- Taj International Hotels (H.K) Limited
- IHOCO BV
- St. James Court Hotels Limited
- Taj International Hotels Limited
- IHMS LLC - San Francisco
- IHMS LLC - USA
- PIEM International Hotels (H.K) Limited
- 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.

Notes to Financial Statements for the year ended March 31, 2020

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. Sopan Kedia (Chief Financial Officer) #
Mr. Harish Kumar (Chief Financial Officer)
Ms. Vanika Mahajan (Company Secretary)
* For part of the current year
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 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
- (viii) **Others**
Hotel Taj Ganges Employee Gratuity Trust

Notes to Financial Statements for the year ended March 31, 2021

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. 21	31 Mar. 20	31 Mar. 21	31 Mar. 20	31 Mar. 21	31 Mar. 20	31 Mar. 21	31 Mar. 20	31 Mar. 21	31 Mar. 20	31 Mar. 21	31 Mar. 20
	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.												
	32 (b) Details of related party transactions during the year ended 31 March, 2021 and balances outstanding as at 31 March, 2021:												
	Transactions during the year:												
1	ICD received during the year	-	-	250.00	500.00	-	-	-	-	-	-	-	-
2	Repayment of ICD received during the year	-	-	250.00	450.00	-	-	-	-	-	-	-	-
3	Interest Expense on ICD	-	-	62.01	72.96	-	-	-	-	-	-	-	-
4	KMP remuneration (Foot Note - 1)	-	-	-	-	68.27	86.97	-	-	-	-	-	-
5	Other Reimbursement to KMPs	-	-	-	-	0.16	1.04	-	-	-	-	-	-
6	Director Sitting Fees	-	-	-	-	-	-	-	-	9.90	11.10	-	-
7	Director Commission in cash basis	-	-	-	-	-	-	-	-	40.94	35.79	-	-
8	License Fees expenses paid/accrued	-	-	-	-	-	-	10.52	15.35	10.52	15.35	-	-
9	License Fee Waiver	-	-	-	-	-	-	3.51	-	3.51	-	-	-
10	Management Fees expenses paid/accrued	88.10	452.83	-	-	-	-	-	-	-	-	-	-
11	Fees paid for other services/accrued	105.44	281.34	49.97	72.54	-	-	0.24	-	-	-	-	-
12	Deputed Staff Expense at cost - including KMP remuneration	110.13	149.79	85.12	76.97	-	-	-	-	-	-	-	-
13	Deputed Staff Expense Recovered	106.77	110.45	67.50	70.09	-	-	-	-	-	-	-	-
14	Other Reimbursable Expense at cost	87.42	85.58	0.36	2.58	-	-	-	-	-	0.26	-	-
15	Other Operating Income- Rooms (including tax)	-	1.09	6.30	5.11	-	-	-	-	-	-	-	-
16	Other Income Eamed/ Recoveries made	5.72	26.05	0.52	9.57	-	-	-	-	-	-	-	-
17	Dividend Paid	48.29	96.57	4.07	8.14	-	-	8.34	16.40	2.22	4.44	-	-
18	Contribution to Gratuity Trust on Cash Basis	-	-	-	-	-	-	-	-	-	-	31.45	11.88
	Balances outstanding at the end of the year:												
1	Borrowings	-	-	550.00	550.00	-	-	-	-	-	-	-	-
2	Current Account Receivable	14.15	61.96	5.96	2.54	-	-	-	-	-	-	-	-
3	Trade Payables	29.08	252.91	4.62	13.76	-	-	-	5.39	-	5.15	-	-
4	Trade Receivables	-	-	1.25	3.49	-	-	-	-	-	-	-	-
5	Current Account Payables	-	-	3.37	5.40	-	-	-	-	-	-	-	-
6	Interest Payable	-	-	5.99	5.31	-	-	-	-	-	-	-	-

Foot Note: 1. KMP Remunerations paid as reimbursement to IHCL.

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 32: Related Party Disclosures (Contd.)

32 (c) Details of material transactions with related party during the year ended 31 March, 2021 and balances outstanding as at 31 March, 2021:

S. No.	Entities	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Material transactions during the year			
1	The Indian Hotels Company Limited (IHCL)		
	i Management and operating Fees	88.10	452.83
	ii Fee for other Services	105.44	281.34
	iii. Deputed Staff Expense at cost - cost - incl. KMP remuneration.....	110.13	149.79
	iv. Deputed Staff Expense Recovered.....	106.77	110.45
	v. Other Operating Income - Rooms (including tax).....	—	1.09
	vi. Other Income Earned/Recoveries made.....	5.72	26.05
	vii Other reimbursable expense at cost	87.42	85.58
	viii Dividend Paid	48.29	96.57
Fellow Subsidiary company			
2	United Hotels Limited		
	i ICD Received	250.00	500.00
	ii. ICD Repayment Made.....	250.00	450.00
	iii Interest Expense	62.01	72.96
	iv Deputed Staff Expense at cost	9.48	13.66
	v Reimbursement of expenses at cost.....	—	0.67
3	KMP Remuneration - paid as reimbursement to IHCL		
	I Vijay Partap Shrikent	19.51	53.23
	ii Vivek Shara	21.11	—
	iii Sopan Kedia	—	13.41
	iv Vanika Mahajan	9.93	14.94
	v Harish Kumar	17.72	5.39

S. No.	Entities	March 31, 2021	March 31, 2020
Balances outstanding at the end of the year:			
1	The Indian Hotels Company Limited (IHCL)		
	i Management and operating fees payable	29.08	252.91
	ii Receivable on Current account dues	14.15	61.96
2	United Hotels Limited		
	i Borrowings - Inter Corporate Deposit (ICD)	550.00	550.00
	ii Interest Expense payable	5.99	5.31
	iii Payable on Current account dues	0.78	0.91
3	Payables to Directors & Entities in which Directors are related		
	i Dr. Anant Naraian Singh	—	5.15
	ii Maharaja Prabhu Naraian Physical Cultural trust	—	1.29
	iii Aditya Dairies Private Limited	—	2.57
	iv Ananta Electrical Lamp Works Limited	—	1.53

Notes to Financial Statements for the year ended March 31, 2021

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, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Provident Fund	35.49	39.23

- (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, 2021 :-

- (i) Amount to be recognized in Balance Sheet and movement in net liability

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Present Value of Funded Obligations	233.01	228.75
Fair Value of Plan Assets	226.62	197.30
Net (asset)/Liability - Current	6.39	31.45

- (ii) Expenses recognized in the Statement of Profit & Loss

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Current Service Cost	17.51	14.87
Interest on Net Defined Benefit Liability	1.43	0.14
Total	<u>18.94</u>	<u>15.01</u>

- (iii) Amount recorded in Other Comprehensive Income

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Changes in financial assumptions	(2.41)	13.87
Changes in demographic assumptions	—	—
Experience Adjustments	(11.12)	(0.19)
Actual return on plan assets less interest on plan assets	0.99	2.76
Total	<u>(12.54)</u>	<u>16.44</u>

- (iv) Reconciliation of Net Liability/ Asset

	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Opening Net Benefit Liability.....	31.45	11.88
Expense charged to profit and loss	18.93	15.01
Amount recognized outside profit and loss	(12.54)	16.44
Employer Contribution	(31.45)	(11.88)
Closing Net Defined Benefit Liability/ (Asset) - Current	<u>6.39</u>	<u>31.45</u>

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 33: Employee Benefits (Contd.)

(v) Reconciliation of Defined Benefit Obligation

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Opening Defined Benefit Obligation	228.75	186.95
Current Service Cost	17.51	14.87
Past Service Cost	—	—
Interest on defined benefit obligation	14.55	13.84
Actuarial Losses / (Gain) arising from change in financial assumptions	(2.41)	13.87
Actuarial Losses / (Gain) arising from change in demographic assumptions	—	—
Actuarial Losses / (Gain) arising on account of experience adjustments	(11.12)	(0.19)
Benefits Paid	(14.27)	(1.22)
Liabilities assumed/ (settled)*	—	0.63
Closing Defined Benefit Obligation	<u>233.01</u>	<u>228.75</u>

*On account of business combination or inter group transfer

(vi) Reconciliation of Fair Value of Plan Assets

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
Opening Fair Value of Plan Assets	197.30	175.07
Employer Contribution	31.45	11.88
Interest on plan assets	13.13	13.70
Re-measurements due to Actual return on plan assets less interest	(0.99)	(2.76)
Benefits Paid	(14.27)	(1.22)
Liabilities assumed / (settled)*	—	0.63
Closing Fair Value of Plan Assets	<u>226.62</u>	<u>197.30</u>

*On account of business combination or inter group transfer

(vii) Description of Plan Assets

	March 31, 2021	March 31, 2020
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	4%	5%
Equity	0%	0%
Others - Bank FDR	96%	95%
Grand Total	100%	100%

(viii) Actuarial Assumptions

	March 31, 2021	March 31, 2020
Discount rate (p.a.)	6.80%	6.65%
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, 2021

Note 33: Employee Benefits (Contd.)

(ix) Maturity Profile

Maturity Profile	Amount in ₹ lakhs
Expected benefits for year 1	36.01
Expected benefits for year 2	9.59
Expected benefits for year 3	45.18
Expected benefits for year 4	18.75
Expected benefits for year 5	24.93
Expected benefits for year 6	16.35
Expected benefits for year 7	36.38
Expected benefits for year 8	30.67
Expected benefits for year 9	6.01
Expected benefits for year 10 & above.....	188.41

The weighted average duration to the payment of these cash flows is 6.82 years.

(x) Effect of Change in Key Assumptions Year Ended 31st March 2021

Particulars	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	- 3.31%	3.58%
Impact of decrease in 50 bps on DBO	3.52%	- 3.39%

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

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Other Regulatory Matters

Note 34: Disclosures Required Under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31st March 2021	31st, March 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	13.17	5.61
(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, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Profit/ (Loss) after tax (₹)	(522.86)	1,061.20
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	(40.22)	81.63
Diluted	(40.22)	81.63

Notes to Financial Statements for the year ended March 31, 2021

Note 36: Financial Instruments (Contd.)

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, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Financial assets:		
Cash and cash equivalents	122.88	181.72
Bank Balances other than Cash & Cash Equivalents	45.07	51.20
Trade Receivables	78.22	432.87
Loans & Advances	—	—
Other financial assets - Non Current	35.55	23.96
Other financial assets - Current	68.76	146.94
Total	350.48	836.69
Financial liabilities:		
Borrowings	550.00	550.00
Lease Liabilities - Non Current	356.54	349.26
Lease Liabilities - Current	—	—
Trade Payables	176.97	565.32
Other financial liabilities - Non Current	—	—
Other financial liabilities - Current	171.71	346.50
Total	1,255.22	1,811.08

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:

Notes to Financial Statements for the year ended March 31, 2021

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 counter party 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:

Particulars	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Opening provision for impairment.....	42.95	27.63
Add: Provision made during the year	36.02	18.62
Less: Credit impaired Debts written off against past provisions	—	3.30
Less: Reversal of provision no longer required	—	—
Closing provision for doubtful debts	78.97	42.95

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, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
No of Customers who owed more than 10% of the Total receivables	3	—
Contribution of Customers in owing more than 10% of Total receivables	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, 2020

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. Also, The company is having short term borrowings in form of inter corporate deposits renewing at a period of 90 days.

Particulars	Interest rate % ₹ Lakhs	Due in 1st year ₹ Lakhs
Year ended 31 March, 2021		
United Hotels Limited	9%	<u>550.00</u>
Total		550.00
Year ended 31 March, 2020.....		
United Hotels Limited	9%	<u>500.00</u>
Total		500.00

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
Expiring within one year:		
Working Capital Demand Loan (WC DL) and Bank overdraft	1,000.00	—
Expiring beyond one year	—	—
Total	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 is facing significant uncertainties due to COVID-19 which has impacted the operations of the Company adversely throughout the year. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and has prepared a range of scenarios to estimate future financing requirements.

Financial assets of INR 167.95 lakhs as at March 31, 2021 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 104.31 lakhs as at March 31, 2021 carried at amortised cost which mainly includes 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 of INR 78.22 lakhs as at March 31, 2021 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 78.97 lakhs existing as at March 31, 2021 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, 2021.

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2020

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
Year ended 31 March 2021					
Borrowings (for renewal)	550.00	—	—	—	550.00
Trade and other payables	176.97	—	—	—	176.97
Lease Liabilities	28.90	29.75	91.80	1,730.23	1,880.68
Other financial liabilities - Non Current	—	—	—	—	—
Other financial liabilities - Current	171.71	—	—	—	171.71
Year ended 31 March 2020					
Borrowings (for renewal)	550.00	—	—	—	550.00
Lease Liabilities	28.05	28.90	91.80	1,759.98	1,908.73
Trade and other payables	565.32	—	—	—	565.32
Other financial liabilities - Non Current	—	—	—	—	—
Other financial liabilities - Current	346.50	—	—	—	346.50

NOTE 39: GUARANTEES GIVEN

Bank Guarantees of ₹ 9.25 lakhs (PY - ₹ 3.00 lakhs) have been given by the company to various government authorities & other parties. These guarantees were issued against the Fixed Deposits of ₹ 11.59 lakhs made with the bank.

Note 40: Disclosure Pursuant To Ind As 115

Particulars	March 31, 2021 ₹ Lakhs	March 31, 2020 ₹ Lakhs
1. Contract with customers		
Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
Income from operations		
a) Room Income, Food & Beverages and Banquets	2,282.07	6,035.85
b) Shop Rentals	54.67	66.69
c) Others	86.84	217.43
Total Income from operations	<u>2423.58</u>	<u>6,319.97</u>
Other operating revenue		
a) Export Incentive	0.27	43.59
b) Other revenue	—	—
	<u>0.27</u>	<u>43.59</u>
Total Revenue from operations	<u>2,423.85</u>	<u>6,363.56</u>
2 Impairment losses		
recognised on trade receivable during the year:	36.02	15.32

Notes to Financial Statements for the year ended March 31, 2021

Note 40: Disclosure Pursuant To Ind As 115 (Contd.)

3 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	2,423.85	6,363.56
Overseas	—	—

Revenue based on product and services

a) Room Income	1,125.15	3,168.44
b) Food & Beverages and Banquets	1,156.92	2,867.41
c) Shop Rentals	54.67	66.69
d) Others revenue from contract with customers	86.84	217.43

Other operating revenue

a) Export Incentive	0.27	43.58
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	78.22	432.87
Deferred Revenue	—	—
Advance Collections	155.95	148.95

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.

	March 31, 2021	March 31, 2020
	₹ Lakhs	₹ Lakhs
At 01st April	148.95	85.85
At 31st March	155.95	148.95
Analysed as:		
Current	155.95	148.95
Non-current	—	—

Revenue recognised during the period that was included in the opening balance of Customer Advances amounted to INR 148.95 Lakhs (PY - INR 85.85 Lakhs)

Note 41:

There are no financial liabilities and assets that are set off as at 31st March 2021 and 31st March 2020.

BENARES HOTELS LIMITED
Fiftieth Annual Report 2020-21

Notes to Financial Statements for the year ended March 31, 2021

Note 42: Dividends

Dividends paid during fiscal year 2020 represent an amount of ₹ 97.5 Lakhs @ ₹ 7.5/- per equity share towards dividend for fiscal 2020.

Dividends paid during fiscal year 2019 represent an amount of ₹ 195 Lakhs @ ₹ 15/- per equity share towards dividend for fiscal 2019.

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.

Note 43: 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 ₹ 550.00 lakhs (previous year: ₹ 550.00 lakhs) and Net Debts of ₹ 433.11 lakhs (previous year: ₹ 373.59 lakhs) as at the end of the reporting period. Accordingly, the Company has 0.06 gearing ratio (Net Debt/ Total Equity) as at 31- Mar -2021 and 0.05 as at 31- Mar -2020.

Note 44: Negative Working Capital

As at the year end, the Company's current liabilities have exceeded its current assets by ₹ 573.79 lakhs primarily on account of short term borrowings of ₹ 550.00 lakhs and other liabilities of ₹ 23.79 lakhs. Management is confident of its ability to generate adequate cash inflows from operations and meet its obligations on due date.

Note 45: Others:

The Indian Parliament has approved the Code on Social Security, 2020. This has also received the consent of the Hon'ble President of India. The Code when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this Code is yet to be notified and the rules for quantifying the financial impact are yet to be framed. In view of this, any impact due to the change will be assessed and accounted for in the period of notification of the relevant provisions.

Note 46:

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.

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 : 26th April, 2021
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 : 26th April, 2021
Place: Varanasi



BENARES HOTELS LIMITED
Nadesar Palace Compound, Varanasi - 221 002
www.benareshotelslimited.com