



53rd ANNUAL REPORT 2022-2023

EASTERN INTERNATIONAL HOTELS LTD



NOVOTEL
MUMBAI JUHU BEACH



EASTERN INTERNATIONAL HOTELS LIMITED

53rd Annual Report

31st March, 2023

BOARD OF DIRECTORS	Executive Directors: 1. Jagdish Khanna (DIN:00140783) 2. Dinesh Khanna (DIN:00990121) 3. Rajesh Khanna (DIN:01492101) 4. Ravish Khanna (DIN:01751438) 5. Manish Khanna (DIN:00703416) 6. Aditya Dhawan (DIN:03584113)
AUDITORS	Messrs. J. G. Verma & Co., Chartered Accountants 301-B, Niranjana, 99, Marine Drive, Mumbai 400 002
BANKERS	The Saraswat Co-Op. Bank Limited HDFC Bank Limited State Bank Of India
CIN	U99999MH1969PLC014275
REGISTERED OFFICE	Balraj Sahani Marg, Juhu, Mumbai 400 049.
LOCATION OF HOTELS	1. Novotel Mumbai Juhu Beach 2. Majorda Beach Resort, Goa

Eastern International Hotels Limited

53rd Annual Report

31st March, 2023

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Eastern International Hotels Limited

CIN: U99999MH1969PLC014275

Registered Office: Balraj Sahani Marg, Juhu Beach, Mumbai – 400 049.

E-mail: vpfoffice@eihlimited.com | Website: <http://www.eihlimited.com>

Tel no.: +91 22-6693 4444 | Fax: 6693 4468

NOTICE OF 53rd ANNUAL GENERAL MEETING

Notice is hereby given that the 53rd Annual General Meeting of **EASTERN INTERNATIONAL HOTELS LIMITED** will be held on Saturday, 30th of September, 2023, at 3:30 P.M. through Video Conferencing ('VC') / Other Audio Visuals Means ('OAVM') deemed to be held at the Registered Office of the Company situated at Balraj Sahani Marg, Juhu Beach, Mumbai-400049 in conformity with the regulatory provisions and the circulars issued by the Ministry of Corporate Affairs, Government of India to transact the following business:

ORDINARY BUSINESS (S):

1. To consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2023 together with Reports of Board of Directors and the Auditors thereon.
2. To confirm Interim Dividend of Rs. 57/- per Ordinary Share of Rs. 10/- each.
3. To appoint **Mr. Jagdish Khanna (DIN: 00140783)** who is retiring by rotation as an Executive Director of the Company, being eligible, offers himself for reappointment.
4. To appoint **Mr. Rajesh Khanna (DIN: 01492101)** who is retiring by rotation as an Executive Director of the Company, being eligible, offers himself for reappointment.

**On behalf of the Board of Directors,
For Eastern Internationals Hotels Limited**

**Sd/-
Jagdish Khanna
Executive Director
DIN: 00140783**

**Sd/-
Dinesh Khanna
Executive Director
DIN: 00990121**

**Sd/-
Rajesh Khanna
Executive Director
DIN: 01492101**

**Sd/-
Ravish Khanna
Executive Director
DIN: 01751438**

**Sd/-
Manish Khanna
Executive Director
DIN: 00703416**

**Sd/-
Aditya Dhawan
Executive Director
DIN: 03584113**

Date: 06th September, 2023

Place: Mumbai

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NOTES TO NOTICE OF 53rd AGM:

1. 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

2. 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.

3. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below.

i. The Members will be provided with a facility to attend the AGM through VC/OAVM through a web link to attend is as mentioned below.

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 or within 15 minutes of the conclusion of the said meeting, the assent/dissent vote can be sent via email meena@eihlimited.com

Join Zoom Meeting

<https://us06web.zoom.us/j/87523507594>

Meeting ID: 875 2350 7594

Passcode: eih123

ii. Members may join the Meeting through Laptops, Smart phones, 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

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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 meena@eihlimited.com before 5:00p.m. (IST) on Friday, 22nd day of September, 2023. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
 - 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 meena@eihlimited.com between Friday, 22nd day of September 2023 (9:00 a.m. IST) and Monday, 25th day of September, 2023 (5:00 p.m. IST). **Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.** The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - v. Members who need technical assistance before or during the AGM, can contact Mr. Nandkishore Jaiswal at email address: h6926-it@accor.com or call on mobile no.: 9167998992 or contact Mrs. Meena Vaswani, Corporate Financial Controller at meena@eihlimited.com or call on +919819444124.
4. Members are requested to notify changes, if any, in their address to the Company immediately.
 5. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company's Registered Office/ Registrar and Transfer Agents M/s. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai- 400 059. Tel: +91 22-6263 8200, enclosing their Share Certificates to enable the Company to consolidate their holding in one folio.
 6. The physical copies of the Annual Reports, Memorandum & Articles of Association, and other documents referred to in the Notice including other documents such as the Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act, will be available at the Company's Registered Office for inspection during normal business hours
 7. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is not required since there is no special business to be transacted at the ensuing AGM.

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8. Voting Options:

- a. The Chairman may decide voting by Show of Hands by the Members unless Poll is demanded.
- b. The Members can cast their votes by sending an e-mail through their registered e-mail ID only, on meena@eihlimited.com for their assent or dissent on any resolution when Poll is demanded during the Meeting.

e-COMMUNICATION REGISTRATION FORMS

Folio No (FOR PHYSICAL SHARES) :

Name of 1st Registered Holder :

Name(s) of Joint Holder :

Registered Address :

Email ID (to be registered) :

I, Shareholder of Eastern International Hotels Limited agree to receive communication from the Company in electronic mode. Please register my above e-mail in your records for sending communication through e-mail.

Date: _____

Signature: _____

First Holder

Notes:

1. Shareholder(s) is/ are requested to keep the company Informed as and when there are any changes in the E-mail address.
2. In case, shares are held in electronic form, kindly register your email particulars with your Depository Participant.

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BOARD'S REPORT

To the Members

Your Directors are pleased to present the Fifty-Third (53rd) Board's Report together with the audited financial statements of the Company for the year ended March 31, 2023 and Auditor's report thereon.

- Financial Summary or highlights as per section 134(3)(q) as per Companies Act, 2013 read with Rule 8(5)(i) of Companies (Accounts) Rules, 2014**

Results from Operations

The Company's financial performance for the year under report is summarized as follows:

Particulars	For the year ended on March 31, 2023 (Rs. In lakhs)	For the year ended on March 31, 2022 (Rs. In lakhs)
Revenue from Hotel operations and other income	12,290.00	6,291.70
Less: Operating and other expenses	(7,619.36)	(4,746.48)
Profit/(Loss) Before Interest, depreciation, tax and exceptional items	4,670.64	1,545.22
Add/(Less): Exceptional Items (net)	Nil	Nil
Profit after Exceptional Items	4,670.64	1,545.22
Less: Finance Costs	Nil	Nil
Less: Depreciation and Amortization Expense	(510.73)	(562.84)
Profit/(Loss) for the year before Tax	4,159.91	982.37
Less: Tax (net)	(1,057.74)	(255.36)
Profit/(Loss) After Tax	3,102.17	727.01
Add: Balance brought forward	8,396.48	7,669.47
Balance carried to balance sheet	11,498.65	8,396.48

- A) Business Overview:**

Global tourism is steadily improving towards pre-pandemic levels consequent to the relaxation of travel restrictions across countries and increase in demand for travel. Tourist arrivals internationally for 2022 were 917 million, double that of 2021 but recovering to 63% of pre-pandemic levels of 2019, according to data from the United Nations World Tourism Organization. Europe with the largest share of global inbound tourism registered a 92% increase over 2021 to reach nearly 80% of pre-pandemic levels. The Middle East had the strongest relative increase among all regions due to large international events such as Expo 2020 Dubai and the FIFA World Cup in Qatar. Even with a 241% increase in tourist arrivals in 2022 over 2021, Asia and the Pacific remained the weakest in terms reaching pre-pandemic levels. However, within the region, international tourist arrivals in South Asia at 25.5 million, were higher by 158% over 2021 and achieved 76% of pre-pandemic levels. According to the S&P Global Sector Purchasing Managers'

Index, the Tourism and Recreation sector led a pick-up in global business activity amongst all sectors recording its sharpest pace since May, 2022.

The Hospitality Industry expects international tourism to consolidate its recovery in 2023 more specifically in Asia and the Pacific region. It attributes this growth to the recent opening of several source markets and destinations including China, which was the world's largest outbound market in 2019. In December, 2022, 116 destinations had no COVID-19 related restrictions. In addition, improved performance of air traffic and robust travel demand from US markets for European holidays backed by a strong US Dollar are expected to be the other contributors to global growth. Domestic tourism will continue to be a key driver of recovery of the tourism sector through 2023. Major risks threatening the ongoing recovery of tourism in 2023 remain economic, health and geopolitical risks. Prime among these are high inflation and interest rates, spike in oil and food prices, higher transport and accommodation costs, fear of a global recession, intermittent COVID-19 virus recurrences and the Russian aggression against Ukraine causing unrest through Europe. The Hospitality Industry further expects international tourist arrivals to reach 80% to 95% of pre-pandemic levels in 2023.

In the context of Indian Hospitality and Tourism Industry, FY 2022-23 continued to be a year of strong recovery in the Indian travel and tourism industry. Restrictions on flights were relaxed in most countries into and from India. Travel restrictions, documentation and certifications were also progressively relaxed for travel within India. Consequently, demand for accommodation grew significantly, mainly arising from domestic leisure travel, weddings, social events, conferences and resumption of business travel within the country. Foreign tourist arrivals were 6.19 million for the calendar year 2022 in comparison with 1.52 million in 2021.

The outlook for the Indian hospitality industry during 2023 remains positive. The upsides working in favour of the hospitality industry in India are good macroeconomic environment evidenced by 6%+ GDP growth, superior performance by the services sector of the Indian economy, abating COVID-19 fears, continuing infrastructure development projects within the country, growth in air and railway passenger traffic and growth in demand for branded rooms outpacing a tepid growth in supply of those rooms to provide long-term sustainable demand. Moreover, the industry has learnt to work with volatility and adopt leaner cost structures thus contributing to higher profitability. Growth in the industry is largely expected from domestic demand which is expected to remain strong through FY 2023-24 even as international travel has shown green shoots of recovery and provides scope for further growth in demand. Additionally, the India's G20 Presidency and an opportunity to host international events, including the ICC Men's World Cup, is expected to increase demand for hotels in the cities hosting the events. Growth in India's service sector and higher disposable income of people working in it, referred to in HSBC's Economic Research paper above is also expected to increase demand for corporate travel and holidays. All segments of leisure, weddings, conferences events, airline crew layovers and corporate travel are expected to grow further during the year.

B) Covid-19 Pandemic

The business of the first quarter of previous year was impacted due to the outbreak of third wave of COVID-19. During the current year, the Company saw strong rebound in the business aided by leisure travel and gradual pickup in business travel. The Company will continue to closely monitor any material changes to future economic conditions on account of COVID-19 to assess any possible impact on the Company.

3. The state of Company & affairs as per section 134(3)(i) of Companies Act, 2013

- a. This is the 14th year of Operations for Novotel Mumbai Juhu Beach (NMJB). The Turnover of NMJB for the year ended March 31, 2023, amounted to **Rs. 11,676.83 lakhs** as against Rs. 5,877.89 lakhs in the previous year. The hotel has made a cash profit of **Rs.5,777.97 lakhs** as against Rs. 2,550.72 lakhs in the previous year.
- b. In terms of resolution passed by the Board of Directors of the Company in their meetings held on 4th January, 2016 and 14th March, 2016 the business operations of the Company's unit at Majorda Beach Resort, Goa have been temporarily closed with effect from 1st April, 2016 for facilitating renovation and upgradation of the hotel for the purpose of giving the same on management to a hotel operator of international repute and in the meantime to mitigate any risk and adverse consequences which could occur due to any kind of mishap that may happen there, considering the condition of the resort. During the year under reference, the Company has signed an Operating Agreement with Marriott Hotels India Private Limited on 19th December 2022 for management of the Goa Hotel under the Brand name "Westin Goa Majorda Beach Resort & Spa". The Company has appointed project consultants for conceptual architectural and similar services in connection with the Goa Hotel.
- c. The total income of the Company for the year under report as a whole increased to **Rs. 12,290.00 lakhs** from Rs. 6,291.70 lakhs in the previous year. Due to strict control on costs, the operating and other expenses were restricted to **Rs.7,619.36 lakhs** in the current year as compared to Rs. 4,746.48 lakhs in the previous year. The charge of depreciation and amortization expense decreased to **Rs. 510.73 lakhs** in the current year as compared to Rs. 562.84 lakhs in the previous year. The combined effect of all these resulted into profit of **Rs.4,159.91 lakhs** in the current year as compared to profit of Rs. 982.37 lakhs in the previous year. After deducting provision for tax and deferred tax of **Rs. 1,057.74 lakhs** (net), the year resulted into a profit of **Rs. 3,102.17 lakhs** as compared to profit of Rs. 727.01 lakhs in the previous year.

4. Dividend as per section 134(3)(k) of Companies Act, 2013

The Directors have approved the payment of interim dividend of Rs.57/- per share of face value of Rs.10/- in the meeting of the Board of Directors of Company held on 22nd May, 2023 . The outgo for the aforesaid dividend was Rs.1,005.10 lakhs. The interim dividend has been paid to the shareholders on 25th May, 2023. To conserve resources for future expansion, the Board of Directors is not recommending any further dividend for the Financial Year under report.

5. Transfer to any reserve as per Section 134(3)(j) of Companies Act, 2013

During the year, the Company has recorded net profit of **Rs.3,102.17 lakhs**, after Tax of **Rs. 1,057.74 lakhs**. No amount out of the profits for the year was transferred to Reserves.

6. Material Changes and Commitment if any affecting the financial position of the Company occurred between the end of the Financial Year to which this financial Statements relate and the date of the report.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

7. Change in Nature of Business, if any:

During the financial year under review there were no changes in the nature of the business carried out by the Company.

The Company carried out the business mentioned in the memorandum of association of the company.

8. Details of Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future:

There were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company.

9. Share Capital

The authorized Capital of the Company is Rs. 250.00 lakhs comprising of 25,00,000 (Twenty Five lakh) equity shares of Rs. 10/- each. There were no changes in the Authorised Share Capital during the year under review.

(a) Issue of equity shares with differential rights:

During the Financial Year ended on March 31, 2023, no equity shares with differential voting rights were issued by the Company.

(b) Issue of sweat equity shares:

During the Financial Year ended on March 31, 2023, no sweat equity shares were issued by the Company.

(c) Issue of employee stock options:

During the Financial Year ended on March 31, 2023, no employee stock options were issued.

(d) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

Not applicable to the Company.

(e) Issue of Equity Shares:

During the year the company had not made any issue of securities and had no variations or alterations in its Register of Members.

10. **Directors and KMP's**

a. **The composition of Board of Directors and KMP's of the Company as on the date of this Report is as follows:**

Sr. No.	Name of the Directors	Director Identification Number / PAN	Designation (*)	Date of Appointment (DD/MM/YYYY)
1	Mr. Jagdish Khanna	00140783	Whole time Director	April 21, 2008
2	Mr. Dinesh Khanna	00990121	Whole time Director	March 08, 2019
3	Mr. Rajesh Khanna	01492101	Whole time Director	July 13, 2018
4	Mr. Ravish Khanna	01751438	Whole time Director	April 21, 2008
5.	Mr. Manish Khanna	00703416	Whole time Director	April 21, 2008
6.	Mr. Aditya Dhawan	03584113	Whole time Director	August 04, 2011

(*) All are designated as Executive Directors

b. **Changes in Directors:**

The Company has paid remuneration Rs. 303.24 lakhs to the Executive Directors from April 1, 2022 to March 31, 2023 (inclusive of contribution to provident fund and superannuation fund) as per approval of the Members of the Company in the AGM held on September 18, 2018 and September 26, 2019. The tenure of the Executive Directors has ended on April 19, 2023. The Board of Directors of the Company therefore in its Board Meeting held on March 27, 2023 has approved the reappointment of the six Executive Directors named above for a further period of five years from April 20, 2023 till April 19, 2028 and approved the payment of remuneration subject to the approval of the members in General meeting of the Company. Necessary approval from the shareholders of the Company has been taken in the Extra Ordinary General Meeting held on April 18, 2023. The Company has also filed necessary returns and forms with the Registrar of Companies in this regard.

In accordance with the provisions of the Companies Act, 2013 Mr. Jagdish Khanna (DIN: 00140783) and Mr. Rajesh Khanna (DIN: 01492101) are liable to retire by rotation and being eligible offer themselves for re-appointment as Director. A resolution seeking shareholder's approval for their re-appointment forms a part of the notice.

11. Names of the companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year as per section 134(3)(q) of companies act, 2013 read with rule 8(5)(iv) of companies (accounts) rules, 2014

The Company has no subsidiaries and no associate companies within the meaning of Section 2(87) and 2(6) respectively of the Companies Act, 2013 ("Act") as on March 31, 2023. The Company has not entered into any joint venture during the year. Therefore it is not required to give details as per Rule 8(5)(iv) of Companies (Accounts) Rules, 2014.

12. The details relating to deposits, covered under chapter v of the act as per section 134(3)(q) of companies act, 2013 read with rule 8(5)(v) of companies (accounts) rules, 2014

The Company has not accepted any deposits from public 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.

13. The details of deposits which are not in compliance with the requirements of chapter v of the act as per section 134(3)(q) of companies act, 2013 read with rule 8(5)(vi) of companies (accounts) rules, 2014

It is not applicable to the Company

14. Internal financial control as per section 134(3)(q) of companies act, 2013 read with rule 8(5)(viii) of companies (accounts) rules, 2014

The Company has given its Mumbai Hotel for operation and management to AAPC Hotel Management Company Private Limited (AAPC) who is managing the said hotel since 2009. The Directors hold regular meetings with the AAPC officials on the aspect of performance, internal controls, etc. where any deficiency or shortcomings are pointed out and discussed and the Directors insist upon improvements in respect thereof on a continuous basis. Internal audit functions are carried out by the independent firm of chartered accountants and / or experienced finance employees of the Company on a regular basis, who monitor and evaluate the efficacy and adequacy of internal control systems of the hotel.

Internal financial controls mean the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The provisions of Section 138 of the Act for internal audit are not applicable to the Company.

15. Number and Dates of Meetings of the Board

For the Financial Year under review, the Board of Directors had 4 (Four) Board meetings which were in compliance with the relevant provisions of all the applicable laws and rules. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Secretarial Standards-I.

The dates of the Board Meetings were:

Sr. No.	Date	Board Strength	No. of Directors Present
1.	July 19, 2022	6	4
2.	November 14, 2022	6	5
3.	February 20, 2023	6	6
4.	March 27, 2023	6	5

The details regarding attendance of individual directors at the Board Meetings are as under:

Total number of 4 meetings held from April 01, 2022 to March 31, 2023.

Sr. No.	Name of Director	No. of Meetings attended
1.	Mr. Jagdish Khanna	4
2.	Mr. Manish Khanna	4
3.	Mr. Dinesh Khanna	3
4.	Mr. Ravish Khanna	4
5.	Mr. Rajesh Khanna	3
6.	Mr. Aditya Dhawan	2

Further, the Company has convened its Annual General Meeting for the Financial year 2021-22 on September 30, 2022 and there was also an Extra Ordinary General Meeting held for approval of re-appointment of Whole time Directors and revision in their remuneration on April 18, 2023, which was in compliance with the provisions of Companies Act, 2013 and Secretarial Standard-2 of the ICSI.

16. Compliance with Secretarial Standards

Your directors wish to state and confirm that the Company has complied with the secretarial standards as notified by the Institute of Company Secretaries of India (ICSI) and to the extent applicable to the Company.

17. Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties

The requirement to have a Nomination and Remuneration Committee is not applicable in accordance with Section 178(1) of Companies Act, 2013 to the Company.

18. Corporate Social Responsibility (CSR):

The Board in its meeting held on March 31 2023, formed Corporate Social Responsibility Committee with the consent of all the Executive Directors. The Composition of the Committee is mentioned as below:

1. Mr. Rajesh Khanna - Chairman & Executive Director
2. Mr. Manish Khanna - Member & Executive Director
3. Mr. Aditya Dhawan - Member & Executive Director

The Committee in its meeting held on December 01, 2022 recommended the necessary expenditure of Two Percent of the average net profits of the Company amounting to **Rs. 13.50 lakhs** on the activities as mentioned in the CSR Policy approved by the Board as per the list laid down before the Committee. The Company has spent Rs. **13.50 lakhs** (Thirteen lakhs, Fifty thousand only.) on CSR activities till the year ended as on March 31, 2023. Reference is invited to Note 25.4 on the financial statements.

The list of the Payments made to the approved institutions (NGOs) towards CSR activities for the Financial Year 2022-23 is as follows:

Sr. No	Particulars	Amount (Rs. In lakhs)
1	Saksham	4.50
2	Narayan Seva Sansthan	2.25
3	K. C. Mahindra Educational Trust – Project Nanhi Kali	1.25
4	Central Chinmaya Mission Trust	1.00
5	Konfyans Charitable Public Trust	2.25
6	Calcutta Social Project	1.00
7	Bookworm	1.00
8	National Association for the Blind	0.25
	Total	13.50

Annual Report on CSR is appended as Annexure II.

19. Development and implementation of Risk Management Policy:

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The Risk Management Policy of the Company continuously evaluates the various risks surrounding the business and seeks to review and upgrade its risk management process. The Company has a mechanism to inform the Board members about the risk assessment and mitigation plan and periodical review to ensure that the critical risks are controlled by the management.

20. Particulars of Loans Guarantees or Investments made under Section 186 of the Companies Act, 2013:

During the financial year in review, the Company has not given any loan, guarantee or made investments under section 186 of the Companies Act, 2013. The meagre investments made in earlier years are within the prescribed limit under section 186 of the Act

21. Particulars of contracts or arrangements with related parties referred to in sub section (1) of section 188 as per section 134(3)(h) of companies Act, 2013

The Company has entered into the related party transactions with the approval of the Board and the said transactions are at arms length basis. The details regarding the same are available in the "Related Party Transaction" schedule in Note 35 to the financial statements. Form AOC-2 is appended as **Annexure I**.

22. Auditors and Independent Auditor's Report:

(a) Statutory Auditors:

M/s. J G Verma & Co. Chartered Accountants (Registration No. 111381W) were appointed as statutory auditors in the 51st Annual General Meeting held on 27th September 2021 to hold the office as such from the conclusion of the ensuring 51st Annual General meeting until the conclusion of the 56st Annual General Meeting of the Company to be held in the year 2026.

There were no changes in the Statutory Auditors during the year

(b) Cost Auditors:

As per the provisions of Section 148 of the Companies Act, 2013, the Company is not required to appoint a Cost Auditor.

(c) Secretarial Audit:

Not applicable to the Company

(d) Independent Auditors' Report

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Independent Auditors Report does not contain any qualification, reservation or adverse remarks, which need explanation or comments by the Board.

23. Particulars of Employees:

The disclosure required to be furnished pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is appended as **Annexure III**.

(i) **Particulars of Employees**

The disclosure required to be furnished pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is appended as **Annexure III**.

24. **Disclosure under the Sexual Harassment of Women at workplace (Prevention, prohibition, and Redressal) Act, 2013:**

The Company has always believed in providing a safe and harassment free workplace for every individual working in the Company premises through various interventions and practices. The Company endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. The Internal Complaints Committee (IC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The summary of Sexual Harassment complaints received and disposed during the year:

- (a) Number of complaints pending at the beginning of the year: **Nil**
- (b) Number of complaints received during the year: **Nil**
- (c) Number of complaints disposed-off during the year: **Nil**
- (d) Number of cases pending at the end of the year: **Nil**

25. **Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo as per Section 134(3)(m) of Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014.**

(a) **Conservation of energy:**

The Company has installed energy conservation control panel in all the rooms at the Company's Hotel at Mumbai. Electricity, furnace oil, petrol and cooking gas are purchased at the prescribed rate from the Government agencies/authorised dealers. Generation of electricity is resorted to supplement the power supply from Reliance Energy. The activity of the Company is not covered under the list of specified industries in the schedule to the Rules as stated above. Installation of Solar energy system at Majorda Beach Resort, Goa reduces the electricity consumption, which helps in energy conservation.

(b) **Technology absorption:**

Hotel being service industry, technology absorption, transfer of research & development and the like are not applicable.

(c) **Foreign exchange earnings and outgo:**

During the year under review the foreign exchange earning of the Company was **Rs.2,941.22 lakhs**. The foreign exchange outgo during the year was **Rs.343.85 lakhs**.

26. The Web address, if any, where Annual Return has been place

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 FY 2021-22 is uploaded on the website of the Company and can be accessed at (<http://www.eihlimited.com>).

Form MGT-7 for F.Y. 2022-23 will be uploaded after the conclusion of the ensuing annual general meeting.

27. Formal Annual evaluation pursuant to provisions of section 134(3)(p) of Companies Act, 2013

It is not applicable to the Company.

28. Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements.

The Company has in place adequate systems of Internal Financial Controls with reference to the Financial Statements commensurate with its size and nature of operations. The system of Internal Financial Controls ensures that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorized and reported correctly. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Company conducts periodic testing and audits of the Internal Financial Controls and its adequacy

Internal financial controls mean the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The provisions of Section 138 of the Act for internal audit are not applicable to the Company.

29. Loans from Directors and Directors Relatives

Subject to the Companies (Acceptance of Deposits) second Amendment Rules, 2015, Company has not accepted Loans from Directors or their relatives

30. Declaration by Independent directors and Re-appointment, if any:

As per Section 149(6) The Central Government may prescribe the minimum number of independent directors in case of any class (es) of public companies. As per Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the following classes of companies shall have at least 2 directors as independent directors

Public companies with paid up share capital of Rs.10 crore or more.

Public companies with a turnover of Rs. 100 crore or more.

Public companies with aggregate outstanding loans, debentures, and deposits, exceeding Rs. 50 crore.

Hence your Company does not fall under the ambit of the above limits, the company is not required to appoint Independent Director.

31. Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors Appointed during the year

The Company has not appointed any Independent Directors during the year under review.

32. Opinion Evaluation of Board of Directors, Committees and Individual Director: Not Applicable

33. Vigil Mechanism

As the Company has not accepted public deposits and also its borrowing from Bank / Public Financial Institution is not exceeding Rs. 50 Crores, therefore, it is not required to establish vigil mechanism Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 during the year under review.

34. Details of Application made or any proceeding pending under the insolvency and Bankruptcy code, 2016

The Company has not made any applications or initiated any proceedings under the Insolvency and Bankruptcy Code, 2016 during the financial year under review.

35. Details of Difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

The Company has not entered into any one time settlement agreements with any Banks during the Financial Year under review. Therefore, this clause is not applicable to the Company.

36. Other Matters

a. Depreciation and Finance Costs

Depreciation for the year was lower at Rs.510.73 lakhs as compared to Rs. 562.84 lakhs in the previous year in accordance with the provisions of Schedule II to the Companies Act, 2013.

b. Industrial Relations:

The Industrial relations at Novotel Mumbai and Majorda Beach Resort, Goa during the period were cordial and peaceful. The Company received full co-operation and support from all its employees and the union. Other old litigations from some employees are going on in various forums. The Company is hopeful of suitable disposal of those cases.

c. Listing:

Not applicable to the company.

37. Pending Litigations: (Current Status)

(a) Petition filed by the Licensee of the shop in the hotel at Mumbai:

The Company is defending the suit filed by one licensee on the 1st floor of Novotel Mumbai Juhu Beach. The Company has also filed eviction suit and an application for

mesne profits from this party, which is pending disposal. The case is presently being heard in the Small Causes Court of Law, Bandra, Mumbai and will be decided shortly. The Company perceives that the decision will be in the favor of the Company.

(b) Litigation by certain ex-employees of the Company's erstwhile Mumbai Hotel:

Certain employees of erstwhile Hotel Unit at Mumbai had filed complaints in the Industrial Court against their termination in earlier years and sought relief including reinstatement. The Management had disputed the same. On disposal of these complaints vide order dated 6th June 2018, the Industrial Court has directed the Company to reinstate these employees from 1st July, 2018 and pay 25% of the wages last paid to each of them before their retrenchment for the period in between July, 2009 till the date of reinstatement. Against the above order of the Industrial Court, the Company as well as the concerned employees had filed separate writ petitions in the Bombay High Court. The Bombay High Court vide consolidated Order dated 5th December, 2018 dismissed the Company's writ petition and allowed employees writ petition by confirming reinstatement and directing the Company to pay full wages at the rate last drawn by each of the employees before their retrenchment for the period between July, 2009 till the date of reinstatement, without interest and after deducting amount already paid to the employees towards retrenchment compensation, which liability is quantified by the Company at Rs.74.91 lakhs for the period upto 31st March, 2023. The Company has not accepted the orders of the Bombay High Court and filed two Petitions for Special Leave to file appeals (SLP) before the Honorable Supreme Court, which are presently pending. Pending disposal of the above SLP, no provision for the above liability has been made in the accounts.

(c) Litigation by ex-employees of Majorda Beach Resort, Goa

In case of Company's Hotel Unit at Goa six ex-employees had claimed certain dues and initiated legal proceedings against the Company. The unit had disputed the same and no dues are payable to them as demanded by them. However, the claim of four ex-employees was settled in the previous year and they have been paid their dues in full and final settlement, claim of remaining two employees is pending which is estimated at Rs. 6.84 lakhs, which is not accepted by the Company. The matter is up for hearing in the 'Industrial Tribunal Court, Panjim and will be decided shortly in the next few months. The Company is hopeful of a fair and suitable conclusion.

(d) Other miscellaneous litigations:

- i) In respect of Company's hotel at Goa, viz. Majorda Beach Resort (MBR), one Mr. William Gomes ("the claimant) alleged that that he was the owner of land being property at survey no. 61/1. This property lies beyond the western boundary of MBR and extends from the public parking lot to MBR beach opening side, by which the beach is accessed by the MBR guests. The alleged claim is based on the Portuguese documents purported to have been available with the claimant wherein he claimed that the actual area of his property has been wrongly surveyed. As per his request for re-survey of the property, the Additional Collector-II, resurveyed the land vide his order dated 31st October, 2012. The survey department had accepted his claim and also included the portion in the survey plan subject to confirmation from the Additional Collector, which is pending. Though the Company is not a direct defendant in this matter, but joined as owner of adjacent property. The Company had made representations challenging the authority of the Additional Collector in deciding this

matter. On the representation made by the Company, the Dy. Collector passed the order on 6th February, 2019, dismissing the claimant's application. The claimant has challenged the aforesaid dismissal order by filing a case bearing No. MISC/Ap/89/2019/Cond/LRD before the Administrative Tribunal on 14th October, 2019, which is pending, and in Dec'20, matter was transferred to District court Panjim. The application for condonation of delay in filing appeal was allowed by court and notices were served to the defendants. Therefore, the matter is pending.

- ii) In respect of Company's Hotel at Goa: It has filed a Civil Suit No. 35/2009/E in the Court of Civil Judge, Margao against Rumeet Hotels Ltd., Goa (Defendant) inter alia praying for restraining the Defendant from trespassing into the Company's hotel property at Goa; for declaration that the Company as Plaintiff, has a right of easement for the free flow / passage of rain water for its hotel property and restraining the Defendant from doing any construction along the course of water which facilitates the free flow / passage of rain water for the Company's property. The matter is pending disposal by the court. Last year M/s Rumeet Hotels had proposed that instead of allowing the usage of entire bund they are agreeable to settle the case amicable if only a 10 mtr. X 6 mtr. portion is transferred to them. Since the Board of Directors was not agreeable to this proposal, the case has continued. The matter is pending disposal by the court.
- iii) The Company was granted two strips of foreshore land for its Mumbai hotel admeasuring 1388.20 Sq. Mts. by the Additional Collector BSD, Mumbai in terms of Lease Order dated 24th July, 1978 and lease Order dated 2nd July, 1984 respectively for the two strips of land. The lease term of both the plots of land (leased lands) was for a period of thirty years ending on 20th February, 2005. The lease was granted for the purpose of providing lounge or lawn for the hotel guests. The initial lease was fixed at Rs.0.59 lakhs with a provision for increase every ten years. The Company applied for renewal of lease in 2007. Pending renewal, the authorities revised the lease rent to Rs. 11.96 lakhs p.a., which was paid by the Company regularly including for the year 2021-22. The Company had made written representations before the Collector, Mumbai and also made oral submissions from time to time for renewal of the lease deeds. The Collector Mumbai Suburban District vide her order dated 11th March, 2022 rejected the submissions made by the Company and inter alia held that the Company violated the terms of the Lease Orders allegedly by creating third party interest in the captioned land and also violated certain other terms and conditions of the lease orders and she concluded that the leased land was eligible for government deposit. The Collector by the aforesaid Order directed the Tehsildar to take back full possession of the leased lands and remove the name of the Company as lessee. The Company filed an appeal against the aforesaid order on 19th April 2022 before the Additional Commissioner of Konkan Division. The appeal was allowed and a favorable order was passed on 15th July 2022 and the whole matter was set aside and restored back to the Collector, Mumbai for fresh decision in the matter. During set aside proceedings, the lease was renewed for a further period of 30 years from 1st January 2012 to 31st December 2041 with revised lease yearly rent payable of Rs.35.73 lakhs with escalation. The lease agreement has been executed for renewal on 18th November, 2022 and has been registered by the Sub-Registrar of Assurance against payment of stamp duty and registration charges of Rs.88.21 lakhs. The Company has

paid/provided arrears of the lease rent of Rs. Rs.194.18 lakhs from 01.01.2012 to 31.03.2022, on renewal, which along with the stamp duty and registration charges have been charged to revenue Pending receipt of the demand notice for lease rent for subsequent period, the Company has made a provision for lease rent based on the lease rent for the year 2021 and necessary adjustment will be made on receipt of final demand notice in due course of time. The Company continues to be in possession of the foreshore land till the year 31.12.2041. The said land is being used for the (hotel business), being the purposes for which the said lease was granted.

iv) Reference is also invited to Note 29.8 forming part of the Financial Statements.

38. Directors' Responsibility Statement:

- a) Pursuant to Section 134(3) (c) of Companies Act, 2013, the Directors confirm that:
In the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and that there are no material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent in order to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period
- c) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) They had prepared the Financial Statements for the financial year ended March 31, 2023 on a 'going concern' basis;
- e) The Directors have laid down internal financial controls for the company, which are adequate and are operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

Acknowledgements:

Your Directors wish to place on record their sense of appreciation for their continued support and co-operation by the Company's Bankers, Government Authorities and suppliers. Your Directors also acknowledge the support extended by all the Executives, Staff and workers of the Company for their dedicated service for Company's successful operations. Your Directors also place on record their sense of appreciation for management services rendered by ACCOR and look forward to gainful long association with them.

The directors appreciate and value the contributions made by every member the Company.

**On behalf of the Board of Directors,
For Eastern Internationals Hotels Limited**

**Sd/-
Jagdish Khanna
Executive Director
DIN: 00140783**

**Sd/-
Dinesh Khanna
Executive Director
DIN: 00990121**

**Sd/-
Rajesh Khanna
Executive Director
DIN: 01492101**

**Sd/-
Ravish Khanna
Executive Director
DIN: 01751438**

**Sd/-
Manish Khanna
Executive Director
DIN: 00703416**

**Sd/-
Aditya Dhawan
Executive Director
DIN: 03584113**

Place: Mumbai
Date: 6th September, 2023
Registered Office:
Balraj Sahani Marg,
Juhu Beach, Mumbai 400049

Eastern International Hotels Limited

CIN: U99999MH1969PLC014275

Registered Office: Balraj Sahani Marg, Juhu Beach, Mumbai – 400 049.

E-mail: vpfoffice@eihlimited.com | Website: <http://www.eihlimited.com>

Tel no.: +91 22-6693 4444 | Fax: 6693 4468

Annexure -I

Form No. AOC-2 (31st March, 2023)

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangement or transactions enter into during the year under review which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 are as follows:

Sr. No.	Name of Related Party and Nature of Relationship	Nature of Contracts/ Arrangements / Transactions	Duration of the contracts/ Arrangements / Transactions	Salient terms of the Contracts/ Arrangements/ Transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1.	N.A	N.A	N.A	NIL	N.A	Nil

On behalf of the Board of Directors,
For Eastern Internationals Hotels Limited

Sd/-
Jagdish Khanna
Executive Director
DIN: 00140783

Sd/-
Dinesh Khanna
Executive Director
DIN: 00990121

Sd/-
Rajesh Khanna
Executive Director
DIN: 01492101

Sd/-
Ravish Khanna
Executive Director
DIN: 01751438

Sd/-
Manish Khanna
Executive Director
DIN: 00703416

Sd/-
Aditya Dhawan
Executive Director
DIN: 03584113

Date: 06th September, 2023

Place: Mumbai

Eastern International Hotels Limited

CIN: U99999MH1969PLC014275

Registered Office: Balraj Sahani Marg, Juhu Beach, Mumbai – 400 049.

E-mail: vpfoffice@eihlimited.com | Website: <http://www.eihlimited.com>

Tel no.: +91 22-6693 4444 | Fax: 6693 4468

Annexure -II

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

Eastern International Hotels Limited's CSR Policy

Eastern International Hotels Limited (EIH) has always been at forefront of CSR. The provisions of the Companies Act, 2013 have made it imperative to institutionalize the CSR activities. The objective of your Company's CSR policy is to Strive for the economic development that positively impacts the society at large with minimal resource footprint. Embrace responsibility for the Company's actions and encourage a positive impact through its activities. Your Company's social responsibility policy focuses on using the capabilities of business to improve lives and contribute to sustainable living, through contributions to local communities and society at large.

The Company undertook various activities during the year under review in line with its CSR Policy and as prescribed in Schedule VII to the Companies Act, 2013. Apart from long term ongoing projects, the Company has supported and implemented projects under its CSR Policy in the field of Healthcare (including Preventive, Promotive & Curative), Promoting Education, Skill training, Animal Welfare, Environment & Rural development amongst others

Your Company's CSR Vision is to be responsible industry leader and demonstrate environmental, transparent and ethical behavioral practices which will contribute to the economic and sustainable development within the company, industry and society at large.

CSR Policy of the Company is available on the Company's website -
<https://www.eihlimited.com/corporate-social-responsibility/>

2. COMPOSITION OF THE CSR COMMITTEE:

Sr. 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.	Mr. Rajesh Khanna	Chairman	1	1
2.	Mr. Manish Khanna	Members	1	1
3.	Mr. Aditya Dhawan	Members	1	1

3. WEBLINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

<https://www.eihlimited.com/corporate-social-responsibility/>

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE:
Not applicable

5. CALCULATION OF CSR

- Average net profit of the Company as per subsection (5) of section 135 of the Act:**
Rs.663.060 lakhs
- Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act:**
Rs. 13.50 lakhs
- Surplus arising out of the CSR projects or programs or activities of the previous financial years:**
Not Applicable.
- Amount required to be set-off for the financial year, if any:**
None.
- Total CSR obligation for the financial year (b+c- d):**
Rs. 13.50 lakhs

6. AMOUNT ACTUALLY SPENT ON CSR

- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**
Rs. 13.50 lakhs
- Amount spent in Administrative Overheads:**
NIL
- Amount spent on Impact Assessment, if applicable:**
NIL
- Total amount spent for the Financial Year [(a)+(b)+(c)]:**
Rs. 13.50 lakhs
- CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in Lakhs)	Amount Unspent (In lakhs)				
	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 Fund	Amount	Date of Transfer
Rs. 13.50	-	-	-	-	-

f. **Excess amount for set-off, if any: Nil**

Sr.No	Particulars	Amount (In Lakhs)
1.	Two percent of average net profit of the company as per sub-section (5) of section 135 of the Act	Rs. 13.50 lakhs
2.	Total amount spent for the Financial Year	Rs. 13.50 lakhs
3.	Excess amount spent for the Financial Year [(ii)-(i)]	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
5.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. **DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEAR(S):**

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 of the Act in Lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 of the Act in Lakhs)	Amount Spent in the Financial Year (in Lakhs)	Amount transferred to a Fund as specified under Schedule VII as per proviso to subsection (5) of section 135 of the Act, if any		Amount remaining to be spent in succeeding Financial Years (in Lakhs)	Deficiency, if any
					Amount	Date of transfer		
1.	-	-	-	-	-	-	-	-

8. **WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: NO**

If Yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of Entity/ Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Office
	-	-	-	-	-	-	-

9. SPECIFY THE REASONS, IN CASE, THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

Not applicable since the Company has not failed to spend the required CSR amount during the year:

On behalf of the Board of Directors,
For Eastern Internationals Hotels Limited

Sd/-
Jagdish Khanna
Executive Director
DIN: 00140783

Sd/-
Dinesh Khanna
Executive Director
DIN: 00990121

Sd/-
Rajesh Khanna
Executive Director
DIN: 01492101

Sd/-
Ravish Khanna
Executive Director
DIN: 01751438

Sd/-
Manish Khanna
Executive Director
DIN: 00703416

Sd/-
Aditya Dhawan
Executive Director
DIN: 03584113

Date: 6th September, 2023
Place: Mumbai

EASTERN INTERNATIONALHOTELS LIMITED

ANNEXURE III TO THE DIRECTORS' REPORT (31.03.2023)

Details of Remuneration paid to the top ten employees of the Company (other than Executive Directors)

[Pursuant to section 197 of the Companies Act, 2013 with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016] (31.03.2023)

Sr. No	Name of the Employee	Designation	Remuneration Received (Rs. in lakhs)	Nature of Employment (contractual or otherwise)	Qualification And Experience	Date of Commencement of Employment	Age	Last employment Details	% of equity shares held in the Company	Whether such employee is relative of any director or manager of the Company, if yes, provide name
1	Meena Vaswani	Corporate Financial Controller	Rs.74.96	Regular employment	Chartered Accountant (32 years Experience)	01/01/1998	58	Lupin Laboratories Ltd (72 months)	NIL	NO
2	Gorav Arora	General Manager- Novotel	Rs.69.88	Regular employment	Hotel Management (22 years Experience)	01/05/2019	46	Novotel Hyderabad Convention Centre, Hyderabad International Convention Centre (HICC) (57 months)	NIL	NO
3	Mazuvancherry Alwin Baby	Director of Finance- Novotel	Rs. 42.09	Regular employment	Chartered Accountant (23 years Experience)	22/04/2010	45	Oberoi Hotels & resorts Mumbai (21 months)	NIL	NO
4	Jerson Fernandes	Executive Chef - Novotel	Rs. 29.83	Regular employment	Bsc. Hospitality (16 years experience)	04/01/2021	38	Novotel Dona Silvia- Goa (30 Months)	NIL	NO
5	Manmeet Singh	Director of Operations	Rs. 19.76	Regular employment	Diploma in Hotel Management (20 years experience)	22/08/2022	45	The Park Kolkata (24 months)	NIL	NO
6	Ayush Kapoor	Director of Revenue	Rs. 14.72	Regular employment	Bsc-Hospitality (7 years experience)	06/12/2011	30	Novotel Ahmedabad (24 months)	NIL	NO
7	Ketan Kelkar	Executive Housekeeper	Rs. 13.33	Regular employment	B.Com (19 years experience)	21/10/2021	38	Softel Mumbai (120 months)	NIL	NO
8	Pravin Gadekar	Security Manager	Rs.11.21	Regular employment	B.A (22 years experience)	12/07/2021	37	R Mall Developers Pvt. Ltd. (7 months)	NIL	NO

EASTERN INTERNATIONALHOTELS LIMITED

ANNEXURE III TO THE DIRECTORS' REPORT - (31.03.2023)

Details of Remuneration paid to the top ten employees of the Company (other than Executive Directors)

[Pursuant to section 197 of the Companies Act, 2013 with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016] (31.03.2023)

Sr. No	Name of the Employee	Designation	Remuneration Received (Rs. In lakhs)	Nature of Employment (contractual or otherwise)	Qualification And Experience	Date of Commencement of Employment	Age	Last employment Details	% of equity shares held in the Company	Whether such employee is relative of any director or manager of the Company, if yes, provide name
9	Anartya Chakraborty	Director of Sales & Marketing	Rs. 9.64	Regular employment	B.Com (19 years experience)	01/12/2022	41	Novotel Kolkata Hotel (112 Months)	NIL	NO
10	Ulfat Shaikh	Front Office Manager	Rs. 7.63	Regular employment	B.Com (12 years experience)	21/07/2021	49	Sahara Aamby Valley (31 months)	NIL	NO

(*) For part of the financial year.

Note:-

- 1 There was no other employee, who if employed for a part of the financial year, was in receipt of remuneration for the year in excess of Rs.102 lakhs or if employed for a part of the year, was in receipt of remuneration for any part of the year in excess of Rs.8.50 lakhs per month or if employed throughout or part of the year, was in receipt of remuneration in excess of remuneration drawn by the Executive Directors of the company.
- 2 Refer Note 34.2.2. forming part of the financial statements for remuneration paid to Executive Directors of the Company.

FOR EASTERN INTERNATIONAL HOTELS LIMITED,
For and on behalf of the Board

Sd/-
(JAGDISH KHANNA)
DIN: 00140783

Sd/-
(DINESH KHANNA)
DIN: 00990121

Sd/-
(RAJESH KHANNA)
DIN: 01492101

Sd/-
(RAVISH KHANNA)
DIN: 01751438

Sd/-
(MANISH KHANNA)
DIN: 00703416

Sd/-
(ADITYA DHAWAN)
DIN: 03584113

EXECUTIVE DIRECTORS

Date: 06th September, 2023
Place: Mumbai
Registered Office:
Bairaj Sahani Marg,
Juhu Beach, Mumbai 400049

J.G. VERMA
A.G. VERMA

PHONE : 2281 3868
: 3504 4116
MOBILE: 9820531754
EMAIL: arunvermaca@gmail.com

Ref. No. _____

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EASTERN INTERNATIONAL HOTELS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **EASTERN INTERNATIONAL HOTELS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2023**, the Statement of Profit and Loss, 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 **31st March, 2023**, its profit 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 Standards 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 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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 course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified 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 of 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 statement 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls..
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Our report on adequacy of internal financial controls system over financial reporting of the Company and the operating effectiveness of such controls is given in "Annexure-B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Executive Directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 30.14 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The management of the Company has represented to us that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts:
 - (a) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year, hence our comments whether the same is in accordance with section 123 of the Companies Act 2013 are not applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023

For J.G.VERMA & CO.
Chartered Accountants
(Registration No. 111381W)

Sd/-
J.G.VERMA
Partner
Membership No. 5005
UDIN: 23005005BGZWDI8217

Mumbai: 6th September, 2023

J.G. VERMA
A.G. VERMA

PHONE : 2281 3868
: 3505 4116
MOBILE: 9820531754
EMAIL: arunvermaca@gmail.com

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our report of even date to the members of **EASTERN INTERNATIONAL HOTELS LIMITED** for the year ended **31st March, 2023**. We report that:

1. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of its intangible assets during the year.

(b) In respect of Company's Novotel Hotel, Juhu, Mumbai, the Company has physically verified the items of property, plant and equipment in accordance with the physical verification program which covers all the items of property, plant and equipment in a span of three years and the reconciliation with book records is in progress. Discrepancies, if any, will be ascertained and dealt with on completion of such reconciliation. In respect of Company's Majorda Beach Resort, Goa, we have been informed that the business operations of the said Unit have been temporarily closed in earlier year and the management has physically verified the items of property, plant and equipment during the year. Reconciliation with book records is in progress. Discrepancies, if any, will be ascertained and dealt with on completion of such reconciliation.

(c) According to the records of the Company examined by us and the information and explanations given to us, the title deeds of immovable properties included in Property, Plant and Equipment and disclosed in the financial statements are held in the name of the Company.

(d) According to the records of the Company examined by us and the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or intangible assets or both during the year.

(e) According to the records of the Company examined by us and the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) Physical verification of inventories has been conducted by the management at reasonable intervals. In our opinion, the coverage and procedure of such verification is appropriate. There were no discrepancies of 10% or more in the aggregate noticed on such verification.

(b) According to the records of the Company examined by us and the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. Five crores in aggregate from banks and financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, clause 3 (ii) (b) of the Order is not applicable to the Company.

EASTERN INTERNATIONAL HOTELS LIMITED
ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT– (31-03-2023)

Contd. Page 2

- 3 According to the records of the Company examined by us and the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, sub-clauses (a) to (e) of clause (3) (iii) of the Order are not applicable to the Company.
- 4 In our opinion and according to the information and explanations given to us, there are no loans, guaranteed and security, in respect of which provisions of section 185 and 186 of the Act are applicable. In respect of investments, in our opinion, the provisions of section 186 of the Act have been complied with.
- 5 The Company has not accepted any deposits from the public or received amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the rules framed there under. We are informed that the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court has not passed any Order.
- 6 According to the information and explanations given to us, the Central Government has not prescribed the maintenance cost records under sub-section (1) of section 148 of the Act for the goods sold and services rendered by the Company. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- 7 (a) The Company does not have liability in respect of undisputed service tax, duty of excise, value added tax, luxury tax and sales tax during the year since effective 1st July 2017, these statutory dues have been subsumed into goods and service tax.

According to the records of the Company and according to the information and explanations given to us, the Company, considering the principles of materiality outlined in Standards on Auditing, in our opinion, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues, including goods and service tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. The Company does not have liability in respect of duty of customs. According to the information and explanations given to us, there are no arrears of undisputed amounts payable in respect of above statutory dues which were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, following statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute:

Name of the statute	Nature of dues	Amount In Rupees	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994 (Service tax)	Service tax on hotel services	56,36,604/-	2012-2015	Appellate Tribunal-CGST
The Finance Act, 1994 (Service tax)	Service tax on hotel services	34,32,885/-	2015-2018	Appellate Tribunal-CGST
Goa Tax on Luxuries (Hotels & Lodging Houses) Act, 1968	Luxury tax on accommodation	1,111,202*/-	2015-16	Commissioner (Appeals)

(*) including penalty and interest

8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not surrendered or disclosed any transactions not recorded in the books of account as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), hence clause (3)(viii) of the Order is not applicable to the Company.
9. According to the records of the Company examined by us and the information and explanations given to us, we report that:
 - (a) the Company has not borrowed funds and accordingly clause 3 (ix) (a) of the Order for commenting upon default in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Is not applicable.
 - (b) the Company has not borrowed funds and accordingly clause 3 (ix) (b) of the Order for commenting upon declaration of the Company as wilful defaulter by any bank or financial institution or other lender is not applicable.
 - (c) the Company has not taken any term loans and accordingly clause 3 (ix) (c) of the Order for commenting on application of term loans for the purpose for which the loans were obtained is not applicable to the Company.
 - (d) on an overall examination of the balance sheet of the Company, no funds raised on short term basis have been utilized for long term purposes by the Company.
 - (e) the Company does not have any subsidiaries, joint ventures or associate companies accordingly clause 3 (ix) (e) of the Order for commenting upon taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures, is not applicable to the Company.
 - (f) the Company does not have any subsidiaries, joint ventures or associate companies accordingly clause 3 (ix) (f) of the Order for commenting upon raising loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies is not applicable to the Company.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (x) (a) of the Order is not applicable to the Company.
 - (b) According to the records of the Company examined by us and the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3 (x) (b) of the Order is not applicable to the Company.
11. (a) According to the records of the Company examined by us and the information and explanations given to us, considering the principles of materiality outlined in Standards of Auditing, we report that we have neither come across any instances of fraud by the Company or any fraud on the Company which were noticed or reported during the year, nor have we been informed of any such instances by the management.
 - (b) According to information and explanations given to us, no report under sub-section (12) of section 143 of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government has been filed during the year.

- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- 12 According to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) (a) (b) and (c) is not applicable to the Company.
- 13 In our opinion and according to the records of the Company examined by us and the information and explanations given to us, the transactions entered by the Company during the year with related parties are in compliance with the provisions of Section 177 and 188 of the Act, where applicable and the details thereof have been disclosed in the Financial Statements, etc. as required by the accounting standards.
- 14 In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of Section 138 of the Companies Act 2013.
- 15 According to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year hence provisions of section 192 of Act are not applicable to the Company.
- 16 According to the information and explanations given to us, in our opinion:
- (a) the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) the Company has not conducted any Non- Banking Financial or Housing Finance activities during the year.
 - (c) the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - (d) In view of comments in sub-clauses (a), (b) and (c) above, the sub-clause (d) of clause 3 (xvi) of the Order is not applicable to the Company.
- 17 The Company has not incurred cash losses in the financial year under report and in the immediately preceding financial year respectively.
- 18 There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable to the Company.
- 19 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, in our opinion, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of our present audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- 20 According to the information and explanations given to us and in our opinion, there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For J.G.VERMA & CO.
Chartered Accountants
(Registration No.111381W)

Sd/-
J.G.VERMA
Partner
Membership No. 5005
UDIN: 23005005BGZWDI8217

Mumbai: 6th September, 2023

J.G. VERMA
A.G. VERMA

PHONE : 2281 3868
: 2283 8867
MOBILE: 9820531754
EMAIL: arunvermaca@gmail.com

Ref. No. _____

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in our report of even date to the members of **EASTERN INTERNATIONAL HOTELS LIMITED** for the year ended 31st March, 2023.

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

Opinion

We have audited the internal financial controls over financial reporting of Eastern International Hotels Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT- (31-03-2023)

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For J.G.VERMA & CO.
Chartered Accountants
(Registration No.111381W)

Sd/-
J.G.VERMA
Partner
Membership No. 5005
UDIN: 23005005BGZWDI8217

Mumbai: 6th September, 2023

EASTERN INTERNATIONAL HOTELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2023

	NOTE	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	176.33	176.33
Reserves and Surplus	4	15,628.73	12,526.56
		<u>15,805.06</u>	<u>12,702.89</u>
NON-CURRENT LIABILITIES			
Other Long-term Liabilities	6	8.77	7.93
Long-term Provisions	7	66.29	99.98
		<u>75.06</u>	<u>107.91</u>
CURRENT LIABILITIES			
Short-term Borrowings	8	-	-
Trade Payables	9		
Due to Micro and Small Enterprises		15.21	20.94
Due to other than Micro and Small Enterprises		818.04	489.05
Other Current Liabilities	10	544.77	498.12
Short-term Provisions	11	127.27	119.96
		<u>1,505.29</u>	<u>1,128.07</u>
	TOTAL	<u>17,385.41</u>	<u>13,938.87</u>
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment and Intangible Assets	12		
Property, Plant and Equipment		3,760.33	4,060.78
Intangible Assets		8.45	7.87
Capital Work-In-Progress		165.15	88.71
		<u>3,933.93</u>	<u>4,157.36</u>
Non Current Investments	13	1.39	1.39
Deferred Tax Assets (Net)	5	16.19	55.30
Long-term Loans and Advances	14	13.97	99.59
Other Non-Current Assets	15	7,099.23	2,202.46
		<u>11,064.71</u>	<u>6,516.10</u>
CURRENT ASSETS			
Inventories	16	136.66	87.97
Trade Receivables	17	330.85	305.84
Cash and Bank Balances	18	5,238.75	6,512.49
Short-term Loans and Advances	19	363.05	338.52
Other Current Assets	20	251.39	177.95
		<u>6,320.70</u>	<u>7,422.77</u>
	TOTAL	<u>17,385.41</u>	<u>13,938.87</u>
SIGNIFICANT ACCOUNTING POLICIES			
	2		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS			
	1 to 43		

As per our report of even date
For J. G. VERMA & CO.,
Chartered Accountants
Firm Registration No. 111381W

Sd/-
J. G. VERMA
PARTNER
Membership No.005005

For and on behalf of the Board of Directors

Sd/-
JAGDISH KHANNA
(DIN: 00140783)

Sd/-
RAJESH KHANNA
(DIN: 01492101)

Sd/-
MANISH KHANNA
(DIN: 00703416)

Sd/-
DINESH KHANNA
(DIN: 00990121)

Sd/-
RAVISH KHANNA
(DIN: 01751438)

Sd/-
ADITYA DHAWAN
(DIN: 03584113)

EXECUTIVE DIRECTORS

Sd/-
MEENA VASWANI
CORPORATE FINANCIAL CONTROLLER

Mumbai: 6th September, 2023

EASTERN INTERNATIONAL HOTELS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

	NOTE	2022-23 Rupees in lakhs (Except EPS)	2021-22 Rupees in lakhs (Except EPS)
INCOME			
Revenue from Hotel Operations (Refer Note.32.2)	21	11,658.61	5,810.43
Other Income	22	631.39	481.27
TOTAL INCOME		12,290.00	6,291.70
EXPENDITURE			
Cost of Food and Beverages consumed	23	1,072.05	617.93
Employee Benefits Expense	24	2,099.65	1,593.47
Depreciation and Amortisation Expense	12	510.73	562.84
Other Expenses	25	4,447.66	2,535.08
TOTAL EXPENDITURE		8,130.09	5,309.32
Profit before Exceptional and Extra-ordinary items and Tax		4,159.91	982.38
Exceptional/ Extra-ordinary items		-	-
Profit after Exceptional / Extra-ordinary items		4,159.91	982.38
Tax Expense:			
(1) Current Tax		1,029.00	272.00
(2) Deferred Tax	5	39.11	(13.96)
		1,068.11	258.04
(3) Prior periods tax adjustments (net)		(10.37)	(2.67)
		1,057.74	255.37
Profit after tax for the year		3,102.17	727.01
Earnings per Equity Share of face value of Rs. 10 each (EPS)	41		
(1) Basic		175.93	41.23
(2) Diluted		175.93	41.23
SIGNIFICANT ACCOUNTING POLICIES	2		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS	1 to 43		

As per our report of even date
For J. G. VERMA & CO.,
Chartered Accountants
Firm Registration No. 111381W

Sd/-
J. G. VERMA
PARTNER
Membership No.005005

For and on behalf of the Board of Directors

Sd/-
JAGDISH KHANNA
(DIN: 00140783)

Sd/-
RAJESH KHANNA
(DIN: 01492101)

Sd/-
MANISH KHANNA
(DIN: 00703416)

Sd/-
DINESH KHANNA
(DIN: 00990121)

Sd/-
RAVISH KHANNA
(DIN: 01751438)

Sd/-
ADITYA DHAWAN
(DIN: 03584113)

EXECUTIVE DIRECTORS

Sd/-
MEENA VASWANI
CORPORATE FINANCIAL CONTROLLER

Mumbai: 6th September, 2023

EASTERN INTERNATIONAL HOTELS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED

	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before exceptional items and tax :	4,159.91	982.38
Adjustment for:		
Depreciation	510.73	562.84
(Profit)/ Loss on sale or disposal of Property, Plant and Equipment and intangible Assets (net)	0.39	1.14
Interest Income	(557.07)	(400.49)
Dividend Income	(7.37)	(5.87)
Income on account of Service Exports Incentive	-	(3.33)
Sundry credits and liabilities written back (Net)	(1.40)	-
Provision for Doubtful debts (net)	-	(1.16)
Provision for Employee Benefits (net)	26.36	47.25
Operating Profit before changes in assets and liabilities:	4,131.55	1,182.76
Changes in assets and liabilities:		
Trade receivables	(25.01)	(82.99)
Loans and Advances and Other Assets	78.14	127.78
Inventories	(48.70)	5.78
Trade payables	324.66	95.35
Other Liabilities and provisions	(3.89)	59.22
Cash generated from / (used in) operations:	4,456.75	1,387.90
Less: Direct Taxes paid (Net of refund received)	(1,029.05)	(191.00)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES:	3,427.70	1,196.90
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment and Intangible Assets (net) (Incl. Work in Progress)	(274.80)	(161.45)
Sale of Property, Plant and Equipment	0.89	0.23
(Placement)/maturity proceeds of term deposits with Banks-long term	(4,856.49)	(1,328.29)
Income on account of Service Exports Incentive received	-	44.86
Interest received	421.59	439.90
Dividend received	7.37	5.87
NET CASH FROM / (USED IN) INVESTING ACTIVITIES:	(4,701.44)	(998.88)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Short-term Borrowings	-	-
NET CASH USED IN FINANCING ACTIVITIES:	-	-
NET CHANGES IN CASH AND CASH EQUIVALENTS: (A+B+C)	(1,273.74)	198.02
CASH AND CASH EQUIVALENTS AT START OF THE YEAR (Refer Note 18)	6,512.49	6,314.47
CASH AND CASH EQUIVALENTS AT CLOSE OF THE YEAR (Refer Note 18)	5,238.75	6,512.49
SIGNIFICANT ACCOUNTING POLICIES (Refer Note 2)		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS (Refer Note 1 to 43)		
For and on behalf of the Board of Directors		
As per our report of even date For J. G. VERMA & CO., Chartered Accountants, Firm Registration No. 111381W	Sd/- JAGDISH KHANNA (DIN: 00140783)	Sd/- DINESH KHANNA (DIN: 00990121)
	Sd/- RAJESH KHANNA (DIN: 01492101)	Sd/- RAVISH KHANNA (DIN: 01751438)
Sd/- J. G. VERMA PARTNER Membership No.005005	Sd/- MANISH KHANNA (DIN: 00703416)	Sd/- ADITYA DHAWAN (DIN: 03584113)
	EXECUTIVE DIRECTORS	
	Sd/- MEENA VASWANI	
	CORPORATE FINANCIAL CONTROLLER	
Mumbai: 6th September, 2023		

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1. CORPORATE INFORMATION:

- 1.1 Eastern International Hotels Limited is a public limited company. The Company was incorporated on 23rd May, 1969 in the name of Allams Advanis Hotels Private Limited and the name was changed to the present name on 25th July, 1974. The shares of the Company were listed on Bombay Stock Exchange, which were delisted with effect from 24th July, 2004. The shares of the Company were also listed on Delhi Stock Exchange (DSE), but the DSE was derecognised by SEBI and the Company was referred to the Dissemination Board (DB) of BSE Ltd. by the DSE. The Company in terms of SEBI Circular dated 10th October, 2016 submitted a plan of action towards delisting of its shares. The Promoters of the Company made an Exit offer to the Public shareholders in 2017. After successful conclusion of the Exit offer, the name of the Company was removed from DB by the BSE in terms of notice no. 20181017-37 dated 17th October, 2018. Accordingly, the Company is unlisted public limited company. The Company is promoted by two majority groups of shareholders i.e. Mahadev Prasad Khanna as (MPK Group) and Bholanath Khanna (BNK Group) who collectively hold 99.47% share in the Company. The Company is primarily engaged in Hospitality Business. It owns Novotel Mumbai Juhu Beach, which is managed by AAPC India Hotel Management Pvt. Ltd. The operating term is for a period of fifteen years from July 2009, renewable for two terms of five years each by mutual agreement. The Company also owns and runs Majorda Beach Resort situated in South Goa, business of which is presently suspended temporarily with effect from 1st April 2016 for carrying out renovation for the purpose of making it suitable for giving the same on management to 'a hotel operator of international repute. Refer Note 31.1.
- 1.2 All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh with two decimals as per the requirements of amended Schedule III to the Companies Act, 2013 except face value of equity shares in Share Capital and Investments and Earnings per share.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Accounting:

The financial statements are prepared under historical cost convention on accrual basis and are in accordance with the requirements of the Companies Act, 2013 and applicable Accounting Standards specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

2.2 Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialised.

2.3 Revenue Recognition:

Sales comprise sale of rooms, food and beverages and other allied services relating to the hotel industry. Sales are stated net of discount, allowances and taxes collected. Revenue is recognised upon rendering of the service. Interest income is recognised on time proportion

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

basis taking into account the amount outstanding and the rate applicable. Annual membership fees collected from members in respect of health club and swimming pool are recognised as income on time proportion basis. Dividend income is recognised when right to receive payment is established. Export incentives/ benefits are recognised as income when the right to receive payment / credit is established and no significant uncertainty as to measurability or collectability exists. Difference between the amount of initial recognition and the amount of actual incentive / benefit approved is accounted for in the year of grant of approval. Value of unutilised incentive / benefit is charged to Statement of Profit and Loss on expiry of validity period of the incentive / benefit.

2.4 **Property, Plant and Equipment and Intangible assets and depreciation:**

(a) Property, Plant and Equipment and Intangible assets are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of property, plant and equipment, up to the date the assets are put-to-use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as and when incurred unless they meet the recognition criteria for capitalization under fixed assets.

(b) Property, Plant and Equipment 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 is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable and expected to be completed within one year from the date of classification. Property, Plant and Equipment classified as held for sale are measured at the lower of their carrying amount and realisable value.

c) Depreciation is provided on the items of Property, Plant and Equipment in the accounts on written down value method based on the useful lives of those assets prescribed in Schedule II to the Companies Act, 2013 after considering the residual value not exceeding 5% of the cost except in respect of miscellaneous items of plant and machinery costing Rs. 0.05 lakhs or less, for which the Company estimates the useful life as less than one year and the cost is fully depreciated in the year of acquisition. Cost of intangible assets is amortized in accordance with the provisions of Accounting Standard 26 - "Intangible Assets".

(d) Where the historical cost of a depreciable asset undergoes a change due to increase or decrease on account of price adjustments, changes in duties or similar factors, depreciation on the revised amount is provided prospectively over the residual useful life of the asset.

(e) Expenses incurred on renovation of hotels are allocated to capital and revenue accounts on completion of renovation. Till then the accumulated expenditure is treated as work in progress and carried forward till allocation as above.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2.5 Government Grants:

Grants from the government are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them; and the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value. Refund of indirect taxes in lieu of any Government Grant previously sanctioned is recognised in the statement of profit and loss when there is reasonable assurance that the same will be received; and the grant will be received.

2.6 Investments:

Readily realisable investments intended to be held for less than one year are classified as current investments and are carried at lower of cost or market value. All other investments are classified as non-current investments and are carried at cost unless there is any permanent diminution in value.

2.7 Inventories:

Inventories are valued after providing for obsolescence as under:

Provisions, wine, etc. (incl. goods in transit)

At lower of cost (computed on weighted average method) and realisable value.

Crockery, cutlery, glassware, linen, etc. and other stores

At lower of cost (computed on weighted average method) and realisable value.

Unserviceable / damaged / discarded stocks and shortages are charged to the Statement of Profit and Loss.

2.8 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised for the period until the asset is ready to put to use for its intended purpose. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.9 Employee Benefits:

Employee benefits are provided in the accounts in the following manner:

Gratuity and Superannuation fund – Contribution made to Life Insurance Corporation of India, as per the Company's Scheme and the adjustment is made for any shortfall or excess provision to bring the gratuity liability in line with actuarial valuation; In respect of employees not covered in the group gratuity scheme of LIC, provision for gratuity is made on the basis of an independent actuarial valuation using the Projected Unit Credit Method.

Compensated Absences on retirement – As per independent actuarial valuation;

Provident Fund and Employees State Insurance –On accrual basis.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Payments made under the Voluntary Retirement Scheme are charged to Statement of Profit and Loss in the year of payment.

Other Employee benefits: Provision for such benefits is provided in terms of Accounting Standard 15 (Revised)-"Employee Benefit".

2.10 Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transactions. The exchange difference is dealt with in the Statement of Profit and Loss. The Currency in hand is converted at the yearend exchange rate. Gains and Losses out of fluctuations in exchange rates are accounted for on realisation. Monetary items outstanding as at the Balance Sheet date are translated at the exchange rate prevailing at the Balance Sheet date and the resultant difference is recognised as Income or Expense, as the case may be.

2.11 Segment Reporting:

Reportable Segments are identified having regard to the dominant source of revenue and nature of risks and returns.

2.12 Taxes on Income:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax is recognised on timing differences between the accounting income and taxable income for the year, and quantified using the tax rates and laws substantially enacted as on the Balance Sheet date. Deferred tax assets in respect of unabsorbed Depreciation and carried forward losses are recognised and carried forward to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company has opted for lower taxation as prescribed in Section 115BAA of the Income tax Act, 1961 with effect from the year ended 31st March, 2022 relevant to the assessment year 2022-23.

2.13 Prior Period and Exceptional or Extra-ordinary items:

Income and expenditure pertaining to prior period as well as exceptional or extra-ordinary items, where material, are disclosed separately.

2.14 Assets taken on Lease:

In respect of finance lease arrangements, the assets are capitalised and depreciated. Finance Charges are debited to the Statement of Profit and Loss of the year in which they are incurred. Operating lease payments are recognised as expenditure in the Statement of Profit and Loss with reference to lease terms and other considerations.

2.15 Impairment of Assets:

Impairment is ascertained at each Balance Sheet date in respect of the Company's fixed assets and impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

value in use, the estimated future cash flows are discounted to their present value at an appropriate discount factor.

2.16 **Accounting for Provisions, Contingent Liabilities & Contingent Assets:**

Provisions are recognised in term of Accounting Standard Provisions, Contingent Liabilities & Contingent Assets (AS – 29), when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amounts of obligation can be made.

Contingent Liabilities are recognised only when there is possible obligation arising from the past events due to accordance or non-accordance of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in term 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 not recognised in the financial statements.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

3 Share Capital	31-Mar-23 Rupees in lakhs (Except face value)	31-Mar-22 Rupees in lakhs (Except face value)
Authorised Share Capital:		
22,50,000 Equity Shares of Rs. 10 each	225.00	225.00
10,000 Preference Shares of Rs.100 each	10.00	10.00
1,50,000 Unclassified Shares of Rs.10 each	15.00	15.00
TOTAL	250.00	250.00
Issued, Subscribed & Paid-up:		
17,63,340 (Previous year 17,63,340) Equity Shares of Rs.10 each, fully paid up	176.33	176.33
TOTAL	176.33	176.33

3.1 The Company has issued one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder is entitled to one vote per share.

3.2 The Company declares and pays dividends in Indian Rupees in lakhs. The payment of interim dividend is approved by the Board of Directors and ratified by the Shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

3.3 Reconciliation of the number of shares outstanding:

Particulars	31-Mar-23	31-Mar-22
Number of Equity Shares at the beginning	17,63,340	17,63,340
Add/(Less) : Movement during the year	-	-
TOTAL	17,63,340	17,63,340

3.4 In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.5 Particulars of shareholders holding more than 5% shares

	31-Mar-23		31-Mar-22	
Names of the first holder	Number of shares	% held	Number of shares	% held
Manish Khanna	3,10,790	17.63%	1,37,945	7.82%
Dinesh Khanna	2,23,780	12.69%	2,23,780	12.69%
Jagdish Khanna	2,15,868	12.24%	2,15,868	12.24%
IDBI Trusteeship-Trust (*)	1,90,300	10.79%	1,90,300	10.79%
Geeta Dhawan	1,54,365	8.75%	1,54,365	8.75%
Rajesh Khanna	1,53,893	8.73%	1,53,893	8.73%
Naresh Khanna	1,48,559	8.42%	1,48,559	8.42%
Smayan Khanna	-	-	1,30,797	7.42%

(*) Beneficiary- (Eastern Estate and Investments Advisors Private Limited)

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

3 Share Capital : Contd...

3.6 Particulars of shareholding of promoters		31-Mar-23		31-Mar-22	
Names of the promoter		Number of shares	% of total shares	Number of shares	% of total shares
(i) Manish Khanna (Change during the year +9.80%)		3,10,790	17.63%	1,37,945	7.82%
(ii) Andree Khanna (Change during the year -2.38%)		21,530	1.22%	63,578	3.61%
(iii) Eastin Hospitality Services Private Limited		20,000	1.13%	20,000	1.13%
(iv) Jasminn Hospitality Services Private Limited		20,000	1.13%	20,000	1.13%
(v) Smayan Khanna (Change during the year -7.42%)		-	-	1,30,797	7.42%
(vi) Jagdish Khanna		2,15,868	12.24%	2,15,868	12.24%
(vii) Geeta Dhawan		1,54,365	8.75%	1,54,365	8.75%
(viii) Aditya Dhawan		39,272	2.23%	39,272	2.23%
(ix) Bharat Khanna		14,780	0.84%	14,780	0.84%
(x) Dinesh Khanna		2,23,780	12.69%	2,23,780	12.69%
(xi) Dinesh Khanna HUF		14,003	0.79%	14,003	0.79%
(xii) Tushar Khanna		8,045	0.46%	8,045	0.46%
(xiii) Neera Khanna		21,190	1.20%	21,190	1.20%
(xiv) Rajesh Khanna		1,53,893	8.73%	1,53,893	8.73%
(xv) Vidur Khanna		85,526	4.85%	85,526	4.85%
(xvi) Naresh Khanna		1,48,559	8.42%	1,48,559	8.42%
(xvii) Ravish Khanna		27,585	1.56%	27,585	1.56%
(xviii) Ravish Khanna HUF		84,464	4.79%	84,464	4.79%
(xix) Promoters' holding through IDBI Trust (*)		1,90,300	10.79%	1,90,300	10.79%
		17,53,950	99.47%	17,53,950	99.47%

% Change during the year - as stated in (i),(ii) and (v) above (Previous year NIL)

(*) Beneficiary- (Eastern Estate and Investments Advisors Private Limited)

3.7 The Company has not issued any security which is convertible into equity / preference shares.

4 Reserves and Surplus

Capital Reserve:

As per last accounts

31-Mar-23
Rupees in lakhs

30.08

31-Mar-22
Rupees in lakhs

30.08

General Reserve:

As per last accounts

4,100.00

4,100.00

Balance at the end of year

4,100.00

4,100.00

Surplus in Statement of Profit and Loss

As per last accounts

8,396.48

7,669.47

Add: Net Profit for the year

3,102.17

727.01

11,498.65

8,396.48

TOTAL

15,628.73

12,526.56

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

5	Deferred Tax Liability / (Asset) (net)	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Deferred Tax Liabilities		
	Tax effect due to -		
	Difference between the W.D.V. of Fixed Assets under the Companies Act, 2013 and the Income Tax Act, 1961.	10.64	12.36
		<u>10.64</u>	<u>12.36</u>
	Deferred Tax Assets:		
	Tax effect due to -		
	Provision for Doubtful Debts	7.96	7.96
	Expenses allowable for tax purpose on payment basis	18.87	59.70
		<u>26.83</u>	<u>67.66</u>
	Deferred Tax Liability /(Asset) (net)	<u>(16.19)</u>	<u>(55.30)</u>
	Deferred Tax Adjustment for the year to Statement of Profit and Loss	<u>39.11</u>	<u>(13.96)</u>
5.1	The above Deferred Tax Asset (Net) has been recognised based on the management's certainty that sufficient future taxable income will be available against which the deferred tax asset will be realised.		
6	Other Long-term Liabilities	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Creditors for Capital Expenditure and Retention Money	2.45	1.61
	Shop Security and Other Deposits	6.32	6.32
	TOTAL	<u>8.77</u>	<u>7.93</u>
7	Long-term Provisions	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Provision for employee benefits (Refer Note 33)		
	Provision for Leave encashment	27.12	18.05
	Provision for Gratuity	39.17	81.93
	TOTAL	<u>66.29</u>	<u>99.98</u>
8	Short-term Borrowings	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Secured :		
	From Saraswat Co-Op. Bank Ltd. - Cash Credit Facility (Limit Rs.175 Lakhs) (Refer Note 8.1)	-	-
	TOTAL	<u>-</u>	<u>-</u>
8.1	The above Cash Credit facility Limit of Rs. 175.00 lakhs (Previous year Rs. 175.00 lakhs) with a sub limit for Bank Guarantees of Rs.110.00 lakhs (Previous year Rs.110.00 lakhs) along with Letter of Credit facility of Rs. 110.00 lakhs (Previous year Rs.110.00 lakhs) are secured by way of charge on Current Assets of the Company's hotels at Mumbai and Goa.		
8.2	The Company has not borrowed any funds hence the disclosures regarding utilisation of loans, repayments of loan dues and wilful default are not applicable to the Company.		

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
9 Trade Payables			
Due to Micro and Small Enterprises (Refer Note 9.2)		15.21	20.94
Due to parties other than above		428.72	446.24
Unbilled creditors		389.32	42.81
TOTAL		833.25	509.99
9.1	Refer Note. 39B for aging of the Trade Payables		
9.2	Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company:	31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Principal amount due and remaining unpaid	15.21	20.94
	Interest due on above and the unpaid interest	-	-
	Interest paid	-	-
	Payment made beyond the appointed day during the year	-	-
	Interest due and payable for the period of delay	-	-
	Interest accrued and remaining unpaid	-	-
	Amount of further interest remaining due and payable in succeeding years	-	-
10 Other Current Liabilities		31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Retention Money - Contractors	8.55	5.67
	Security Deposits	40.40	30.90
	Unclaimed Dividend	0.55	0.55
	Income received in advance	11.16	7.65
	Advances received from customers	75.42	145.37
	Customers' credit balances and refunds due	53.72	87.13
	Staff dues	63.17	35.98
	Statutory dues	239.74	135.11
	Other Payables	52.06	49.76
TOTAL		544.77	498.12
11 Short-term Provisions		31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	Provision for Income -tax (Net of payments)	-	2.20
	Provision for employee benefits (Refer Note 33):		
	Provision for Leave encashment	127.27	102.24
	Provision for Gratuity	-	15.52
TOTAL		127.27	119.96

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rupees in lakhs)

12	Property, Plant & Equipment and Intangible Assets										
Description	Gross Block / (At Cost)				Depreciation			Net Block			
	As at 01-Apr-22	Additions	Deductions	As at 31-Mar-23	As at 01-Apr-22	For the year	Deductions	Upto 31-Mar-23	As at 31-Mar-23	As at 31-Mar-22	
12.1											
Property, Plant and Equipment:											
Land (free hold)	100.11	-	-	100.11	-	-	-	-	100.11	100.11	
Buildings (Note 12.3)	10,111.26	12.58	0.19	10,123.65	6,968.68	257.22	0.17	7,225.73	2,897.92	3,142.58	
Plant and Equipment	3,118.44	126.04	5.46	3,239.02	2,609.60	151.10	4.68	2,756.02	483.00	508.84	
Furniture and Fixtures	888.85	51.87	-	940.72	682.54	63.78	-	746.32	194.40	206.31	
Computers	228.45	18.25	7.38	239.32	207.82	11.97	7.02	212.77	26.55	20.63	
Office Equipment	65.15	0.18	1.43	63.90	60.94	0.64	1.36	60.22	3.68	4.21	
Vehicles	272.92	0.97	-	273.89	194.82	24.40	-	219.22	54.67	78.10	
Total	14,785.18	209.89	14.46	14,980.61	10,724.40	509.11	13.23	11,220.28	3,760.33	4,060.78	
Previous Year	14,701.70	105.36	21.88	14,785.18	10,183.17	561.74	20.51	10,724.40	4,060.78		
12.2											
Intangible Assets											
Computer Software	113.68	2.20	-	115.88	105.81	1.62	-	107.43	8.45	7.87	
Total	113.68	2.20	-	115.88	105.81	1.62	-	107.43	8.45	7.87	
Previous Year	111.68	2.00	-	113.68	104.71	1.10	-	105.81	7.87		
Total Fixed Assets	14,898.86	212.09	14.46	15,096.49	10,830.21	510.73	13.23	11,327.71	3,768.78	4,068.65	
Previous Year	14,813.38	107.36	21.88	14,898.86	10,287.88	562.84	20.51	10,830.21	4,068.65		
12.3	Buildings include: Cost of shares in Co-operative Societies Rs. 0.01 (Prev. Year. 0.01)										
12.4	Refer Note 29.6 in respect of certain legal proceedings in respect of Company's fixed assets at Goa.										
12.5	The title deeds of the immovable properties included above are held in the name of the Company.										
12.6	The Company has not revalued any of its items of Property, Plant and Equipment and Intangible assets during the year.										
12.7	No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.										
12.8	Capital Work in progress (CWIP) (Pending allocation)										
Expenses incurred on redevelopment of Goa Hotel (except as stated otherwise)					As at 31-Mar-23	As at 31-Mar-22					
i) Interim Advisory Services					10.34	10.34					
ii) Design Consultancy Services (incl. reimbursements)					125.12	78.37					
iii) Other Reimbursements					15.68	-					
iv) STP Rewamping at Mumbai Hotel					14.00	-					
Total					165.15	88.71					
12.9	CWIP aging Schedule										
CWIP	Amount in CWIP for a period of										
Project in progress	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total						
	76.44		88.71		165.15						
Total	76.44	-	88.71	-	165.15						
Previous Year	54.10	34.61	-	-	88.71						

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

			31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
13	Non Current Investments; (Non-Trade)			
	Equity Shares - (Quoted)(Fully paid up)	No of Shares (Note 13.3)	Face Value	
	Asian Hotels (West) Limited (*)	35	10	-
	Asian Hotels (East) Limited (*)	35	10	-
	Asian Hotels (North) Limited (*)	35	10	-
	ElH Limited	1,312	2	0.02
	Graviss Hospitality Limited	500	2	0.01
	Housing Development Finance Corpn.Limited (Note 13.5)	10,000	2	0.25
	HDFC Bank Limited	5,000	1	0.05
	I.T.C. Limited	28,800	1	0.02
	Oriental Hotels Limited	4,410	1	0.07
	The Indian Hotels Company Limited	2,800	1	0.06
	Tasty Bite Eatables Limited	500	10	0.05
			<u>0.54</u>	<u>0.54</u>
	Equity Shares (Unquoted)(Fully paid up)			
	The Saraswat Co-Op. Bank Limited	2,500	10	0.25
	Other Investments			
	National Saving Certificates (Note 13.4) (Deposited with Excise Authorities Rs. 0.30 lakhs)		<u>0.60</u>	<u>0.60</u>
	(*) value less than rupees one thousand.			
		TOTAL	<u>1.39</u>	<u>1.39</u>
13.1	Aggregate amount of quoted investments	Cost	0.54	0.54
		Market Value	508.40	450.62
13.2	Aggregate amount of unquoted investments	Cost	0.85	0.85
13.3	There is no change in the quantity of the investments held by the Company during the year as compared to quantities in the previous year.			
13.4	These certificates have already matured and due for redemption. Pending completion of formalities for redemption, the same are continued to be shown as Other Investments as above.			
13.5	After the close fo the financial year, Housing Development Finance Corporation Limited merged with HDFC Bank Limited and on such merger 16800 equity shares of HDFC Bank Limited have been allotted to the Company in lieu of 10,000 equity shares held in HDFC.			
14	Long-term Loans and Advances;		31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
	(Unsecured, considered good)			
	Capital Advances		0.21	13.15
	Other Loans and Advances:			
	Prepaid Expenses		13.75	21.26
	Payment of income tax (net of provision for taxation)		-	65.18
		TOTAL	<u>13.97</u>	<u>99.59</u>

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
15	Other Non Current Assets		
	Balances with banks with maturity over 12 months:		
	as Fixed Deposits	6,832.56	1,973.57
	as Margin Deposits	-	2.50
	Security Deposits (including for telephone and electricity)	83.85	83.27
	Service Export Incentive receivable	101.09	101.09
	Interest Receivable	81.73	42.03
	TOTAL	7,099.23	2,202.46
16	Inventories		
	(Valued at lower of cost and net realizable value)		
	Operating supplies and stores	84.25	29.62
	Food and beverages	52.41	58.35
	TOTAL	136.66	87.97
17	Trade Receivable		
	Secured, considered good	11.05	11.05
	Unsecured considered good	319.80	294.79
	Unsecured considered doubtful	31.65	31.65
		362.50	337.49
	Less: Provision for doubtful debts	(31.65)	(31.65)
	TOTAL	330.85	305.84
17.1	Refer Note 39A for aging of the Trade Receivables		

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		31-Mar-23 Rupees in lakhs	31-Mar-22 Rupees in lakhs
18	Cash and Bank Balances		
	Cash and cash equivalents:		
	Balances with banks on current accounts	581.58	531.40
	Balances with banks as Fixed Deposits (with maturity of less than 3 months)	670.66	670.66
	Cash on hand (including cheques on hand)	22.33	23.86
		<u>1,274.57</u>	<u>1,225.92</u>
	Other Bank Balances :		
	Balances with banks as Fixed Deposits (with maturity of more than 3 months but less than 12 months)	3,943.30	5,268.97
	Balances with banks as Margin Deposits	20.34	17.06
	Balances with bank on unpaid dividend account	0.54	0.54
	TOTAL	<u>5,238.75</u>	<u>6,512.49</u>
		31-Mar-23	31-Mar-22
		Rupees in lakhs	Rupees in lakhs
19	Short-term Loans and Advances		
	(Unsecured, considered good)		
	Advances recoverable in cash or kind:		
	Advances to and amounts recoverable from Suppliers	26.21	51.88
	Deposits - Govt. Bodies and Others.	22.34	-
	Prepaid Expenses	172.51	159.44
	Staff Advances and Loans	0.11	1.13
	GST input credit available	56.05	72.25
	Payment of income tax (net of provision for taxation)	80.21	6.82
	Others	5.62	47.00
	TOTAL	<u>363.05</u>	<u>338.52</u>
		31-Mar-23	31-Mar-22
		Rupees in lakhs	Rupees in lakhs
20	Other Current Assets		
	(Unsecured, considered good)		
	Security and other deposits	11.20	33.54
	Interest Receivable	240.19	144.41
	TOTAL	<u>251.39</u>	<u>177.95</u>

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

21 Revenue from Hotel Operations (Refer Note.31.1)	2022-23 Rupees in lakhs	2021-22 Rupees in lakhs
Rooms, Food and Beverages Sale:		
Room Sale	6,683.34	3,135.61
Food and Beverages Sale	4,283.19	2,449.16
	<u>10,966.53</u>	<u>5,584.77</u>
Other Services		
Swimming Pool and Health Club	25.83	8.84
Conference and Banquet Services	505.56	97.11
Internet and Telephone	0.92	0.42
Laundry Services	25.67	11.55
Guest Transportation	46.00	11.28
License fees (Refer Note 35.2)	11.50	14.80
Other Services	76.60	81.66
	<u>692.08</u>	<u>225.66</u>
TOTAL	<u><u>11,658.61</u></u>	<u><u>5,810.43</u></u>

22 Other Income	2022-23 Rupees in lakhs	2021-22 Rupees in lakhs
Dividend on Non Current Investments	7.37	5.87
Interest earned	557.07	400.49
Sundry credits and liabilities written back (Net)	0.06	26.04
Provision for doubtful debt no longer required, written back	-	1.16
Excess provision for bonus written back	1.33	-
Excess provision for gratuity written back	34.56	-
Income on account of Service Exports Incentive	-	3.33
Insurance claim received	15.28	30.49
Miscellaneous Income	15.72	13.89
TOTAL	<u><u>631.39</u></u>	<u><u>481.27</u></u>

22.1 The Company has not entered into any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

22.2 The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		2022-23 Rupees in lakhs	2021-22 Rupees in lakhs
23 Cost of Food and Beverages consumed			
Opening Stock		58.35	61.43
Add: Purchases & Expenses		1,066.11	614.85
		<u>1,124.46</u>	<u>676.28</u>
Less: Closing Stock		52.41	58.35
TOTAL		<u><u>1,072.05</u></u>	<u><u>617.93</u></u>

23.1 Imported and indigenous material consumed

Particulars	Current Year		Previous Year	
	Rupees in lakhs	%	Rupees in lakhs	%
Imported	-	-	-	-
Indigenous	1,072.05	100.00	617.93	100.00
Total	<u>1,072.05</u>	<u>100.00</u>	<u>617.93</u>	<u>100.00</u>

		2022-23 Rupees in lakhs	2021-22 Rupees in lakhs
24 Employee Benefits Expense			
Salaries, Wages, Bonus, etc.		1,387.70	1,119.83
Contribution to Provident and other Funds		123.21	103.43
Provision for employee benefits (Refer Note 33)		60.92	47.25
Workmen and Staff Welfare Expenses		165.18	108.55
Payment for Contracted Services		362.64	214.41
TOTAL		<u><u>2,099.65</u></u>	<u><u>1,593.47</u></u>

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

25 Other Expenses	2022-23 Rupees in lakhs	2021-22 Rupees in lakhs
Power and fuel	650.29	488.32
Rates and Taxes -Office premises	98.78	8.98
Property tax, License Fees and Rates and Taxes (Refer Note 25.1)	468.35	262.50
Repairs to Buildings	191.81	205.60
Repairs to Machinery	145.47	122.06
Repairs to Others	48.59	83.44
Data Processing Charges	49.78	35.63
Replacements of Operating Supplies	31.65	29.87
Expenses on Apartment and Board	407.56	236.62
Laundry Expenses	5.68	4.47
Water Charges	113.38	81.66
Advertisement, Publicity and Sales Promotion Expenses	135.15	112.69
Management and Operating Fees	538.04	115.98
Marketing and Reservation Expenses	468.15	186.79
Travel Agents Fees and Collection Charges	466.96	178.27
Band , Orchestra and Music Expenses	18.25	8.08
Printing and Stationery	40.65	33.03
Travelling and Conveyance	242.72	114.57
Telephone Expenses	16.84	30.55
VAT/GST etc. including on assessments	46.05	31.95
Auditors' Remuneration (Refer Note 25.2)	8.00	8.25
Legal and Professional Charges (Refer Note 25.3)	106.36	55.81
Insurance	41.18	35.28
Bad Debts	-	1.16
Loss on Sale / Discard of Assets (Net)	0.39	1.14
Contributions towards Corporate Social Responsibility (Refer Note 25.4)	13.50	16.20
Donations	-	1.15
Foreign Exchange difference (Net)	0.22	0.38
Miscellaneous Expenses (Refer Note 25.5)	93.86	44.65
TOTAL	4,447.66	2,535.08

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

25.1 Property tax, Licence fees and Rates and taxes include arrears of lease rent of Rs. 194.18 lakhs for the Foreshore Land at Company's Juhu Mumbai hotel for the period from 1st January 2012 to 31st December 2021 paid to Municipal Corporation of Greater Mumbai in accordance with the directions given in appellate order dated 15th July 2022 passed by the Collector and stamp duty and registration charges of Rs. 88.21 lakhs for renewal of lease agreement for the said Foreshore land. Refer Note 29.8 for further details.

25.2 Details of Auditors' Remuneration:	2022-23	2021-22
	Rupees in lakhs	Rupees in lakhs
Audit Fees	8.00	8.00
For Certification	-	0.25
Goods and Service Tax (net of set off claimed)	-	-
TOTAL	8.00	8.25

The above remuneration is net of Goods and Service Tax of Rs.1.44 lakhs (Previous year Rs. 1.49 lakhs) in respect of which input tax credit has been claimed by the Company.

25.3 Legal and Professional charges include Rs.1.50 lakhs (Previous Year Rs.1.50 lakhs) as tax audit fees; Rs.3.00 lakhs (Previous year Rs.2.77 lakhs) for attending to taxation matters; Rs. 0.55 lakhs (Previous Year Rs. 0.53 lakhs) for VAT audit fees; Rs. 0.32 lakhs (Previous year Rs.0.45 lakhs) for certification services and Rs. 0.97 lakhs (Previous Year Rs. 0.95 lakhs) as GST thereon to a partner of the auditors, which is net of GST of Rs. 0.95 lakhs (Previous year Rs. 0.95 lakhs) claimed as input tax credit.

25.4 Corporate Social Responsibility:

These expenditure have been incurred by way of contributions to various public charitable trusts which are certified by the directors as covered under section 135 of the Companies Act 2013 and Rules made thereunder:

	2022-23	2021-22
	Rupees in lakhs	Rupees in lakhs
Amount required to be spent during the year (net of excess brought forward from Previous year)	13.50	14.54
Amount of expenditure incurred (*)	13.50	16.20
Shortfall / (Excess) at the end of the year (**)	-	(1.66)
Reasons for shortfall	N.A	N.A
Nature of CSR activities- Activities mentioned in I, ii & iii of Schedule VII to the Companies Act 2013	N.A	N.A
Details of related party transactions (contribution to a trust controlled by the Company)	N.A	N.A
Movements in provision made	N.A	N.A

(*) The above expenditure is spent on purpose other than towards construction / acquisition of any asset.

(**) The Company is eligible for set off of amount spent on CSR activities during the year in excess of the gross amount required to be spent during the year as per amended section 135 of the Companies Act 2013 and amended Rules thereunder.

25.5 Miscellaneous Expenses include Rs. 7.66 lakhs (Previous year Rs.0.64 lakhs) relating to earlier years on receipt of relevant bills and settlement of account with the parties during the year under reference.

26 Dividend:

(a) The dividends declared by the Company and approved by the Board of Directors are based on the profits and retained earnings available for distribution as reported in the Financial Statements of the Company.

(b) The Board of Directors at its meeting held on 22nd May,2023 has approved the payment of interim dividend of Rs. 57/- per share of face value of Rs. 10/- for financial year 2022-23. The outgo for the Interim dividend was Rs. 1,005.10 lakhs. The above interim dividend has been paid to the shareholders of the Company on 25th May 2023.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

27. The Company is exclusively engaged in the business of hoteliering. This, in context of Accounting Standard 17 on Segment Reporting is considered to constitute one single primary segment and accordingly no segment information as required under Accounting Standard 17 is furnished.
28. **Commitments on account of :**
- 28.1 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.190.16 lakhs (Previous year Rs. 214.06 lakhs) (Net of advances).
- 28.2 Other Commitments Rs. Nil. (Previous year Nil).
29. **Contingent liabilities not provided for in respect of:**
- 29.1 Guarantees given by the Company's bankers which are counter guaranteed by the Company Rs.10.50 lakhs (Previous year Rs.10.50 lakhs)
- 29.2 Demand raised by service tax authorities on completion of Service Tax audit in respect of Mumbai Hotel for the financial years 2012-13, 2013-14 and 2014-15 disputed and not provided for Rs.61.37 lakhs (Previous year Rs.58.91 lakhs). The Company had filed an appeal against the aforesaid order before the Commissioner of Service Tax (Appeals), which has been rejected by him vide order dated 26th March, 2018. The Company has disputed the order passed by the Commissioner of Service Tax (Appeals) and has filed a second appeal on 14th August, 2018 before the Customs, Excise and Service tax Appellate Tribunal against the said appellate order. The Company has deposited Rs.1.70 lakhs towards the demand under appeal. Pending disposal of appeal, no provision has been made for the aforesaid demand.
- 29.3 Demand raised by service tax authorities on completion of Service Tax audit in respect of Mumbai Hotel for the financial years 2015-16, 2016-17 and 2017-18 disputed and not provided for Rs.38.08 lakhs (Previous year Rs.36.20 lakhs). The Company had filed an appeal on 3rd May, 2019 against the aforesaid order before the Commissioner of Service Tax (Appeals) , which has been rejected by him vide order dated 27th August, 2019. The Company has disputed the order passed by the Commissioner of Service Tax (Appeals) and has filed a second appeal on 23rd December, 2019 before the Customs, Excise and Service tax Appellate Tribunal against the said appellate order. The Company has deposited Rs.1.25 lakhs (Previous year Rs. 1.25 lakhs) towards the demand under appeal. Pending disposal of appeal, no provision has been made for the aforesaid demand.
- 29.4 Demand raised by Luxury Tax authorities of Goa on completion of assessment in respect of Company's Hotel at Majorda, Goa for the financial year 2015-16 disputed and not provided for Rs.11.11 lakhs (Previous year Rs.11.11 lakhs). The Company has filed an appeal on 17th October, 2018 against the aforesaid order before the Appellate Authority, Asst. Commissioner of Commercial Taxes Goa pending disposal of appeal, no provision has been made for the aforesaid demand.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- 29.5 The Government of Goa vide demand notice dated 1st April, 2014 raised a demand of Rs.214.49 lakhs (Previous year Rs.214.49 lakhs) for difference of Annual Recurring Fees for 2012-13 payable for installation and operation of Electronic Amusement / Slot Machine (Casino), which was being operated by an outside operator. The company has disputed the same by filing a Writ Petition which is pending before the Bombay High Court and the notice dated 1st April, 2015 has been quashed. The Government of Goa has again raised a demand note dated 18th June, 2015 for Rs.214.49 lakhs (Previous year Rs.214.49 lakhs) for difference of Annual Recurring Fees for 2012-13 payable for installation and operation of Electronic Amusement / Slot Machine. The Company has disputed the same and filed a Writ Petition in the High Court in July 2015 which is pending and accordingly no provision has been made for the aforesaid liability.

The Company has deposited Rs.15.00 lakhs (Previous year Rs. 15.00 lakhs) as a security deposit for its Amusement slot machine license, which is refundable and due to the Company.

- 29.6 In respect of Company's Hotel at Goa: It has filed a Civil Suit No. 35/2009/E in the Court of Civil Judge, Madgao against Rumeet Hotels Ltd., Goa (Defendant) interalia praying for restraining the Defendant from trespassing into the Company's hotel property at Goa; for declaration that the Company as Plaintiff, has a right of easement for the free flow / passage of rain water for its hotel property and restraining the Defendant from doing any construction along the course of water which facilitates the free flow / passage of rain water for the Company's property. The matter is pending disposal by the court.
- 29.7 In respect of Company's hotel at Goa, viz. Majorda Beach Resort (MBR), one Mr. William Gomes ("the claimant) alleged that that he was the owner of land being property at survey no. 61/1. This property lies beyond the western boundary of MBR and extends from the public parking lot to MBR beach opening side, by which the beach is accessed by the MBR guests. The alleged claim is based on the Portuguese documents purported to have been available with the claimant wherein he claimed that the actual area of his property has been wrongly surveyed. As per his request for re-survey of the property, the Additional Collector-II, resurveyed the land vide his order dated 31st October, 2012. The survey department had accepted his claim and also included the portion in the survey plan subject to confirmation from the Additional Collector, which is pending. Though the Company is not a direct defendant in this matter, but joined as owner of adjacent property. The Company had made representations challenging the authority of the Additional Collector in deciding this matter. On the representation made by the Company, the Dy. Collector passed the order on 6th February, 2019, dismissing the claimant's application. The claimant has challenged the aforesaid dismissal order by filing a case bearing No. MISC/Ap/89/2019/Cond/LRD before the Administrative Tribunal on 14th October, 2019, which is pending.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- 29.8 The Company was granted two strips of foreshore land for its Mumbai hotel admeasuring 1388.20 Sq. Mts. by the Additional Collector BSD, Mumbai in terms of Lease Order dated 24th July, 1978 and lease Order dated 2nd July, 1984 respectively for the two strips of land. The lease term of both the plots of land (leased lands) was for a period of thirty years ending on 20th February, 2005. The lease was granted for the purpose of providing lounge or lawn for the hotel guests. The initial lease was fixed at Rs.0.59 lakhs with a provision for increase every ten years. The Company applied for renewal of lease in 2007. Pending renewal, the authorities revised the lease rent to Rs.11.96 lakhs p.a., which was paid by the Company regularly including for the year 2021-22. The Company had made written representations before the Collector, Mumbai and also made oral submissions from time to time for renewal of the lease deeds. The Collector Mumbai Suburban District vide her order dated 11th March, 2022 rejected the submissions made by the Company and interalia held that the Company violated the terms of the Lease Orders allegedly by creating third party interest in the captioned land and also violated certain other terms and conditions of the lease orders and she concluded that the leased land was eligible for government deposit. The Collector by the aforesaid Order directed the Tehsildar to take back full possession of the leased lands and remove the name of the Company as lessee. The Company filed an appeal against the aforesaid order on 19th April 2022 before the Additional Commissioner of Konkan Division. The appeal was allowed and a favourable order was passed on 15th July 2022 and the whole matter was set aside and restored back to the Collector, Mumbai for fresh decision in the matter. During set aside proceedings, the lease was renewed for a further period of 30 years from 1st January 2012 to 31st December 2041 with revised lease yearly rent payable of Rs.35.73 lakhs with escalation. The lease agreement has been executed for renewal on 18th November, 2022 and has been registered by the Sub-Registrar of Assurance against payment of stamp duty and registration charges of Rs.88.21 lakhs. The Company has paid/provided arrears of the lease rent of Rs. Rs.194.18 lakhs from 1st January 2012 to 31st March 2022, on renewal, which along with the stamp duty and registration charges have been charged to revenue. Pending receipt of the demand notice for lease rent for subsequent period, the Company has made a provision for lease rent based on the lease rent for the year 2021 and necessary adjustment will be made on receipt of final demand notice in due course of time. The Company continues to be in possession of the foreshore land, till the year 31st December 2041. The said land is being used for the (hotel business), being the purposes for which the said lease was granted.
- 29.9 Claims against the Company not acknowledged as debt Rs.18.36 lakhs (Previous year Rs.18.36 lakhs) and Other demands Rs. Nil (Previous year Rs. 15.65 lakhs).
- 29.10 Certain employees of erstwhile Hotel Unit at Mumbai had filed complaints in the Industrial Court against their termination in earlier years and sought relief including re-instatement. The Management had disputed the same. On disposal of these complaints vide order dated 6th June 2018, the Industrial Court has directed the Company to reinstate these employees from 1st July, 2018 and to pay 25% of the wages last paid to each of them before their retrenchment for the period in between July, 2009 till the date of reinstatement. Against the above order of the Industrial Court, the Company as well as the concerned employees had filed separate writ petitions in the Bombay High Court. The Bombay High Court vide consolidated Order dated 5th December, 2018 dismissed the Company's writ petition and allowed employees writ petition by

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

confirming reinstatement and directing the Company to pay full wages at the rate last drawn by each of the employees before their retrenchment for the period between July, 2009 till the date of reinstatement, without interest and after deducting amount already paid to the employees towards retrenchment compensation, which liability is quantified by the Company at Rs. 74.91 lakhs for the period upto 31st March, 2023 (Previous Year Rs.69.51 lakhs). The Company has not accepted the orders of the Bombay High Court and filed two Petitions for Special Leave to file appeals (SLP) before the Honourable Supreme Court, which are presently pending. Pending disposal of the above SLP, no provision for the above liability has been made in the accounts.

- 29.11 In case of the Company's Hotel Unit at Goa, some of the ex-employees have claimed additional dues and initiated legal proceedings against the Company, which have not been accepted by the Company Rs. 6.84 lakhs (Previous year Rs.6.84 lakhs out of which, claims of some of the employees have been settled during the previous year.)
- 29.12 Duty saved against export obligations Rs.43.08 lakhs (Previous year Rs.43.08 lakhs). In case of non-achieving the export obligation, the Company is liable to pay the amount of duty saved of Rs.1,174.90 lakhs (Previous year Rs.1,123.68 lakhs) including interest thereon.
- 29.13 The Company is hopeful that on disposal of litigations as referred to in Note No. 29.2 to 29.12 above, the disputed demands will not survive. Amounts stated in Note No.29.2 and 29.3 above include interest upto 31st March, 2023. In the event any of the said litigation is held against the Company, it will be liable to pay the demand raised along with applicable interest thereon, which is presently unascertainable except in case of Note No.29.2 to 29.3 above.
30. The Amounts of Foreign currency exposures that are not hedged by a derivative instrument or otherwise, are as under:-

Particular	Currency	As at 31 st March, 2023		As at 31 st March 2022	
		In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Creditors in	Euro	NIL	NIL	NIL	NIL
Creditors in	USD	NIL	NIL	NIL	NIL
EEFC Bank Balance	USD	NIL	NIL	NIL	NIL

31. Hotel Operations:

- 31.1 In terms of resolution passed by the Board of Directors of the Company in their meetings held on 4th April, 2016 and 14th March, 2016 the business operations of the Company's Majorda Beach Resort, Goa have been temporarily closed with effect from 1st April, 2016 for facilitating renovation and upgradation of the hotel for the purpose of giving the same on management to a hotel operator of international repute and in the meantime to mitigate any risk and adverse consequences which could occur due to any kind of mishap that may happen there at considering the condition of the resort. During the year under reference, the Company has

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

signed an Operating Agreement with Marriott Hotels India Private Limited on 19th December 2022 for management of the Goa Hotel under the Brand name "Westin Goa Majorda Beach Resort & Spa". The Company has appointed project consultants for conceptual, architectural and similar services in connection with the Goa Hotel. The company will initiate the project once the necessary GCZMA and town committee planning approvals are received in the near future.

- 31.2 The business for the first quarter of previous year was impacted due to the outbreak of third wave of COVID-19. During the current year, the Company saw strong rebound in the business aided by leisure travel and gradual pickup in business travel. The Company will continue to closely monitor any material changes to future economic conditions on account of COVID-19 to assess any possible impact on the Company.
32. In the opinion of the Board of Directors, the Current Assets, Loans and Advances and intangible assets are approximately of the value stated in the Balance Sheet, if realised in the ordinary course of the business and the provision made for all known liabilities is adequate and not in excess of the amount reasonably considered necessary. Closing cash on hand has been accepted by the auditors as certified by the Management.
33. The Company makes annual contributions to the Employee's Group Gratuity cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for service, payable for each completed year of service on part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each balance sheet date.

Amounts in Balance Sheet at Year End	2022-23	2021-22
Gratuity- Funded	Rupees in lakhs	Rupees in lakhs
Defined Benefit Obligation	149.37	189.71
Fair value of Plan Assets	110.20	92.26
Funded Status - (Surplus)/Deficit	39.17	97.45
(Asset)/Liability Recognised in the Balance Sheet	39.17	97.45
Amounts Recognised in Statement of Profit & Loss at Year End		
Service cost	20.92	36.47
Interest Cost	9.63	9.46
Expected Return on Plan Assets	(6.07)	(3.64)
Past Service Cost	-	-
Net Actuarial Losses/(Gains) Recognised during the year	(59.04)	(33.96)

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Amounts in Balance Sheet at Year End	2022-23	2021-22
Gratuity- Funded	Rupees in lakhs	Rupees in lakhs
Total Expense/(Income) included in "Employee Benefits Expense"	(34.56)	8.33
Current / Non-Current Bifurcation		
Current Benefit Obligation	Nil	15.52
Non- Current Benefit Obligation	39.17	81.93
(Asset)/Liability Recognised in the Balance Sheet	39.17	97.45
Change in Defined Benefit Obligation during the Year		
Defined Benefit Obligation at Beginning of Year	189.71	184.54
Service Cost	20.92	36.47
Interest Cost	9.63	9.46
Actuarial (Gains)/Losses	(57.36)	(31.48)
Benefit Paid	(13.53)	(9.29)
Past Service Cost	-	-
Defined Benefit Obligation, End of Year	149.36	189.71
Change in Fair value of Plan Assets during the Year		
Fair value of Plan Assets, at Beginning of Year	92.26	58.96
Expected Return on Plan Assets	6.07	3.64
Actual Company Contributions	23.72	36.47
Actuarial Gains/(Losses)	1.68	2.48
Benefits Paid	(13.53)	(9.29)
Fair value of Plan Assets, End of Year	110.20	92.26
Assumptions		
Discount rate	7.27%	6.58%
Salary escalation	4.00%	4.00%
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Investment details:		
Invested with LIC in Group Gratuity Scheme (% invested)	100%	100%
Total	100%	100%

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Compensated Absences Liability (Non-funded)	2022-23	2021-22
	Rupees	Rupees
Summary of Assumption:		
Retirement age	58 years	58 years
Attrition rate	25.00%	25.00%
Salary Escalation Rate	4.00%	4.00%
of Discounting Rate	7.28%	6.58%
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Actuarial Value of Compensated Absences Liability	154.39	120.29
Current / Non-Current Bifurcation*		
Current Liability	127.27	102.24
Non- Current Liability	27.12	18.05
Total Liability	154.39	120.29
Amount Recognised in statement of Profit and Loss	60.92	38.92

34. Related Party Disclosures

34.1 The Company is promoted by 2 majority groups of shareholders, viz Mahadev Prasad Khanna (MPK Group), and Bholanath Khanna (BNK Group) who collectively hold 99.47% (Previous year 99.47%) shares in the Company. In view of this, the members of the MPK group and BNK group jointly control and share the powers and govern the financial and operating policies of the Company within the meaning of Accounting Standard 18 – “Related Party Disclosures”.

34.2 Name of related parties and description of relationship:

34.2.1 (a) Individuals owning directly or indirectly an interest in the voting power that gives them control or significant influence and their relatives, who may be expected to influence or be influenced by that individual in his/ her dealings with the Company.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Sr. No.	Name	Sr. No.	Name
1	Jagdish Khanna (*)	10	Smayan Khanna (***)
2	Dinesh Khanna (*)	11	Samar Khanna (***)
3	Rajesh Khanna (*)	12	Neera Khanna (***)
4	Manish Khanna (*)	13	Vidur Khanna (***)
5	Ravish Khanna (*)	14	Bharat Khanna (***)
6	Aditya Dhawan (*)	15	Tushar Khanna (***)
7	Ramesh Khanna (**)	16	Sitakshi Khanna (***)
8	Naresh Khanna (**)	17	Priyanka Khanna (***)
9	Andree Khanna (***)	18	Geeta Dhawan (***)
(*) These persons are / were Key Managerial Personnel(KMP). (Executive Directors)			
(**) These persons are relatives of KMP. (Consultants)			
(***) These are relatives of KMP.			

(b) Other related parties with whom transactions were entered into:

Sr. No.	Name	Relationship
1.	NIL	NIL

34.2.2 Transactions carried out with related parties referred in [34.2.1 (b)] above.

Particulars	Current Year	Previous Year
EXPENSES	(Rupees in lakhs)	
Remuneration paid to :		
Manish Khanna	42.00	42.00
Dinesh Khanna	42.00	42.00
Rajesh Khanna	42.00	42.00
Ravish Khanna	42.00	42.00
Jagdish Khanna	42.00	42.00
Aditya Dhawan	42.00	42.00
Contribution to Provident and Superannuation Fund	Current Year	Previous Year
Manish Khanna	8.54	8.54
Dinesh Khanna	8.54	8.54
Rajesh Khanna	8.54	8.54
Ravish Khanna	8.54	8.54
Jagdish Khanna	8.54	8.54
Aditya Dhawan	8.54	8.54
Year end balance:	Current Year	Previous Year
Payable	Nil	Nil
Receivable	Nil	Nil

35. In accordance with the Accounting Standard on Lease (AS-19), following disclosures in respect of Operating Leases are made:

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

35.1 The Company's significant leasing arrangements are in respect of shop premises and certain other areas situated inside its hotels under Leave and License agreements under operating agreements. The carrying value of these shops and other areas is included in the total building cost (Refer Note 12) and thus cannot be segregated.

35.2 The Company is pursuing a legal case involving inter-alia prayer for eviction in respect of one shop situated on the service floor of the Company's Mumbai Hotel. The said shop was given on leave and license basis in earlier year. The licensee refused to vacate the shop on the expiry of the license period. The Company has made an application for mesne profits from the licensee pending disposal of the case. Pursuant to interim orders passed in the interlocutory proceedings, the concerned courts have directed the licensee to deposit the monthly license fee in the court with a liberty to the company to withdraw the same from time to time. The main eviction case and connected interlocutory proceedings are pending at various stages. License Fees of Rs. 4.77 lakhs (Previous Year Rs. 4.77 lakhs) has been accounted for the current year as directed by the concerned court pending disposal of the legal case.

36. Value of Imports (C.I.F. Value):

Particulars	Current Year	Previous Year
	Rupees	Rupees
Capital goods (including Import Advance)	Nil	Nil
Stores, spares and supplies	Nil	Nil

37. Expenditure in Foreign Currencies: (On accrual basis)

Particulars	Current Year	Previous Year
	Rupees in lakhs	Rupees in lakhs
Subscriptions and dues	0.70	1.13
Commission to Travel Agents	196.36	60.92
Professional Fees*	44.41	37.90
Payment on other accounts	102.38	43.36
Total	343.85	143.31

* includes expenses capitalised shown under CWIP.

38. Earnings in Foreign Exchange (Hotel Services):

Particulars	Current Year	Previous Year
	Rupees in lakhs	Rupees in lakhs
Earnings in Foreign Exchange certified by the management and relied upon by the Auditors. This earning includes direct encashment of Rs. 8.83 lakhs (Previous Year Rs.1.92 lakhs)	2,941.22	523.20

EASTERN INTERNATIONAL HOTELS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

39A Trade Receivables ageing schedule as at 31st March, 2023

Trade Receivables ageing schedule as at 31st March,2023							(Rs. In Lakhs)
Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	228.24	86.92	15.69	-	-	-	330.85
ii) Undisputed Trade considered doubtful	-	-	-	-	-	13.92	13.92
iii) Disputed Trade receivables - - considered good	-	-	-	-	-	-	-
iv) Disputed Trade considered doubtful	-	-	-	-	-	17.73	17.73
Sub-total	228.24	86.92	15.69	-	-	31.65	362.50
v) Unbilled dues	-	-	-	-	-	-	-
vi) Less: Provision for doubtful debts	-	-	-	-	-	31.65	31.65
Total:	228.24	86.92	15.69	-	-	-	330.85

Trade Receivables ageing schedule as at 31st March, 2022

Trade Receivables ageing schedule as at 31st March,2022								
Particulars		(Rs. In Lakhs)						
		Outstanding for following periods from due date of payment						
Not due		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total	
i)	Undisputed Trade receivables - considered good	151.45	143.64	5.39	5.36	-	-	305.84
ii)	Undisputed Trade considered doubtful	-	-	-	-	-	13.92	13.92
iii)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-
iv)	Disputed Trade considered doubtful	-	-	-	-	-	17.73	17.73
Sub-total		151.45	143.64	5.39	5.36	-	31.65	337.49
v)	Unbilled dues	-	-	-	-	-	-	-
vi)	Less: Provision for doubtful debts	-	-	-	-	-	31.65	31.65
Total:		151.45	143.64	5.39	5.36	-	-	305.84

EASTERN INTERNATIONAL HOTELS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

39B Trade Payables ageing schedule: As at 31st March, 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	15.21	-	-	-	-
(ii) Others	322.09	84.81	2.71	15.11	4.00
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub-total:	337.30	84.81	2.71	15.11	4.00
(v) Unbilled dues	389.32	-	-	-	-
Total:	726.62	84.81	2.71	15.11	4.00
					833.25

Trade Payables ageing schedule: As at 31st March 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	20.94	-	-	-	-
(ii) Others	367.70	66.17	0.41	8.50	3.46
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub-total:	388.64	66.17	0.41	8.50	3.46
(v) Unbilled dues	42.81	-	-	-	-
Total:	431.45	66.17	0.41	8.50	3.46
					509.99

EASTERN INTERNATIONAL HOTELS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

40 Financial Ratios

S.No.	Ratio	Type	Numerator	Denominator	Year Ended 31st March 2023	Year Ended 31st March 2022	Change%	Reasons for Variance, if >25%
i)	Current Ratio	In Times	Current Assets	Current Liabilities excluding current maturities of borrowings and provisions	4.20	6.58	(56.71)	Change of maturity period of Bank fixed deposits from current to non-current
ii)	Debt-Equity Ratio	In Times	Non-Current and current borrowings	Total Equity	NA	NA	NA	No debts in both the years
iii)	Debt Service Coverage Ratio	In Times	Net Profit Before Tax & Finance Costs & depreciation and amortisation	Interest + Debt Repayments	NA	NA	NA	No debts in both the years
iv)	Return on Equity Ratio	In %	Net Profit/(Loss) After Tax	Average Shareholder's Equity	21.76	5.89	72.93	Improved sales and improved net profit after tax
v)	Inventory turnover ratio	In Times	Cost of Goods Sold	Average Inventory	9.54	6.80	28.75	Improved sales
vi)	Trade Receivables turnover ratio	In days	Average Trade Receivables	Revenue from operations per day	9.97	16.57	(66.25)	Improved sales
vii)	Trade payables turnover ratio	In days	Average Trade Payables	Total expenses other than payroll cost, finance costs and depreciation per day	44.41	53.52	(20.50)	NA
viii)	Net capital turnover ratio	In Times	Net Sales	Working capital (average current assets less average current liabilities)	2.10	0.91	56.72	Improved sales
ix)	Net profit ratio	In %	Net Profit/(Loss) After Tax	Total Income	25.24	11.56	54.22	Improved sales and improved net profit after tax
x)	Return on Capital employed	In %	Profit Before Interest & Taxes	Average equity + average debts + average Deferred tax liabilities	29.18	7.96	72.72	Improved sales and improved net profit after tax
xi)	Return on investment	In %	Dividend	Investments	530.15	422.60	20.29	NA

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

41. Earnings Per Share - Basic and Diluted:

Particulars	Current Year	Previous Year
Profit / (Loss) after taxation (Rupees in lakhs)	3102.17	727.01
Weighted average number of shares outstanding	17,63,340	17,63,340
Nominal value per share (Rupees)	10	10
Earnings per share – Basic and Diluted(Rupees)	175.93	41.23

42. Additional disclosures under the regulatory requirements: (to the extent applicable/ relevant)

- a) The Company has not granted any loans or advances in the nature of loans to promoters, directors KMPs and the related parties, either severally or jointly with any person during the year.
- b) The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.
- c) There were no pending charges to be created/satisfied with the Registrar of Companies beyond the statutory period during the year.
- d) The Company did not have any investment in any subsidiary, joint venture of associate entity during the year.
- e) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds that have been to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall: • directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or • provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall: • directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

43. Previous year's figures have been reclassified / regrouped wherever necessary to make them comparable with current year's figures.

As per our report of even date

For J. G. VERMA & CO.

Chartered Accountants

Firm Registration No. 111381W

Sd/-

J. G. VERMA

PARTNER

Membership No.005005

For and on behalf of the Board of Directors

Sd/-

JAGDISH KHANNA

(DIN: 00140783)

Sd/-

DINESH KHANNA

(DIN: 00990121)

Sd/-

RAJESH KHANNA

(DIN: 01492101)

Sd/-

RAVISH KHANNA

(DIN: 01751438)

Sd/-

MANISH KHANNA

(DIN: 00703416)

Sd/-

ADITYA DHAWAN

(DIN: 03584113)

EXECUTIVE DIRECTORS

Sd/-

MEENA VASWANI

CORPORATE FINANCIAL CONTROLLER

Mumbai: 6th September, 2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023