



54th ANNUAL REPORT 2023-2024

EASTERN INTERNATIONAL HOTELS LTD



NOVOTEL
MUMBAI JUHU BEACH



EASTERN INTERNATIONAL HOTELS LIMITED

54th Annual Report

31st March, 2024

BOARD OF DIRECTORS	<p>Executive Directors:</p> <ol style="list-style-type: none">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) <p>Independent Directors:</p> <ol style="list-style-type: none">7. Vijay Shah (DIN:03502649) -w.e.f 21.03.20248. Jasbir Kohli (DIN: 06661230) -w.e.f 26.03.20249. Gayatri Devadiga (DIN:07037193) -w.e.f 26.03.2024
AUDITORS	<p>Messrs. J. G. Verma & Co., Chartered Accountants 301-B, Niranjana, 99, Marine Drive, Mumbai 400 002</p>
BANKERS	<p>The Saraswat Co-Op. Bank Limited HDFC Bank Limited State Bank Of India</p>
CIN	<p>U99999MH1969PLC014275</p>
REGISTERED OFFICE	<p>Balraj Sahani Marg, Juhu, Mumbai 400 049.</p>
LOCATION OF HOTELS	<ol style="list-style-type: none">1. Novotel Mumbai Juhu Beach2. Majorda Beach Resort, Goa

Eastern International Hotels Limited

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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 4455

NOTICE OF THE 54th ANNUAL GENERAL MEETING

Notice is hereby given that the 54th Annual General Meeting of EASTERN INTERNATIONAL HOTELS LIMITED will be held on Monday 16th day of September, 2024, at 11.00 A.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 businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 together with Reports of Board of Directors and the Auditors thereon.
2. To appoint **Mr. Dinesh Khanna (DIN: 00990121)** who is retiring by rotation as an Executive Director of the Company, being eligible, offers himself for reappointment.
3. To appoint **Mr. Aditya Dhawan (DIN: 03584113)** who is retiring by rotation as an Executive Director of the Company, being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modifications or re-enactment thereof for the time being in force), **Mr. Vijay Shah, (DIN: 03502649)** who was appointed as an Additional Director of the Company to hold the office of Non-Executive Independent Director of the Company w.e.f. 21st March, 2024 by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office as such upto the date of this 54th Annual General Meeting of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of five consecutive years from the date of appointment viz: from 21st March, 2024 to 20th March, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds and things as may be necessary or required and take such steps to give effect to the above resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modifications or re-enactment thereof for the time being in force), **Mr. Jasbir Kohli, (DIN: 06661230)** who was appointed as an Additional Director of the Company to hold the office of Non-Executive Independent Director of

the Company w.e.f. 26th March, 2024 by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office as such upto the date of this 54th Annual General Meeting of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of five consecutive years from the date of appointment viz: from 26th March, 2024 to 25th March, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds and things as may be necessary or required and take such steps to give effect to the above resolution.”

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modifications or re-enactment thereof for the time being in force), **Mrs. Gayatri Devadiga, (DIN: 07037193)** who was appointed as an Additional Director of the Company to hold the office of Non-Executive Independent Director of the Company w.e.f. 26th March, 2024 by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office as such upto the date of this 54th Annual General Meeting of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of five consecutive years from the date of appointment viz: from 26th March, 2024 to 25th March, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds and things as may be necessary or required and take such steps to give effect to the above resolution.”

7. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded authorizing the Board of Directors of the Company to sell, lease, or otherwise dispose of, by way of mortgage, security, charge, encumbrances or otherwise, the whole or substantially the whole of the undertaking(s) of the company, in such form and manner as the Board of Directors may from time to time, determine.”

8. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded authorizing the Board of Directors of the Company, to borrow money, from time to time, notwithstanding the fact that the money to be borrowed, together with the money already borrowed by the Company may exceed the aggregate of the paid up share capital and free reserves, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business provided that the total amount of money borrowed by the Company shall not exceed the limit of Rs. 200,00,00,000/- (**Rupees Two Hundred Crores Only**) over and above the total paid up capital and free reserves of the company for time being.

EASTERN INTERNATIONAL HOTELS LIMITED

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NOTES TO NOTICE OF 54th AGM:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, along with subsequent circulars issued in this regard and the latest Circular No. 9/2023 dated 25th September 2023 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "MCA Circulars") and in compliance with the provisions of the Companies Act, 2013, an option to attend the 54th Annual General Meeting (AGM) of the Company through Video Conferencing (VC) / Other Audio Visual Means (OAVM) is provided.
2. Since option to attend this 54th AGM through VC / OAVM pursuant to the MCA Circulars is given, the facility for appointment of proxies by the Members will not be available for the 54th AGM and hence the Proxy Form is not annexed to this Notice.
3. However, in pursuance of Section 113 of the Companies Act, 2013, representatives of the Members may be appointed for the purpose of participation in the 54th AGM and voting thereat.
4. 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 Companies Act, 2013.
5. The members of the Company who have not registered their e-mail IDs with the Company, to receive documents like Notice, Annual Reports and alike correspondence through electronic mode are requested to send their e-mail IDs at vpfoffice@eihlimited.com.
6. 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.

*Join Zoom Meeting**<https://us06web.zoom.us/j/88538322580>**Meeting ID: 885 3832 2580**Passcode: eth123*

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 vpfoffice@eihlimited.com

- 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 fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at this AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address at vpfoffice@eihlimited.com before 5:00 p.m. (IST) on 14th day of September, 2024. 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 vpfoffice@eihlimited.com before 5:00 p.m. (IST) on 14th day of September, 2024. **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. Rakesh Bhosale at email address: rakesh.bhosale@accor.com or call on mobile no.: 9167998992 or contact Mrs. Meena Vaswani, Vice President – Finance & Audit at meena@eihlimited.com or call on +919819444124.
7. Members are requested to notify changes, if any, in their address to the Company immediately.
 8. 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 email investor@bigshareonline.com, enclosing their Share Certificates to enable the Company to consolidate their holding in one folio.
 9. The copies of the Annual Report, 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 Companies Act, 2013, the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection electronically and interested members may email to vpfoffice@eihlimited.com for same.
 10. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is attached herewith.
 11. 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 vpfoffice@eihlimited.com for their assent or dissent on any resolution when Poll is demanded during the Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds and things as may be necessary or required and take such steps to give effect to the above resolution.”

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

**Jagdish Khanna
Executive Director
DIN: 00140783**

**Dinesh Khanna
Executive Director
DIN: 00990121**

**Rajesh Khanna
Executive Director
DIN: 01492101**

**Ravish Khanna
Executive Director
DIN: 01751438**

**Manish Khanna
Executive Director
DIN: 00703416**

**Aditya Dhawan
Executive Director
DIN: 03584113**

Date: 15th July, 2024
Place: Mumbai

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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**ANNEXURE I TO THE 54th AGM NOTICE
STATEMENT SETTING OUT THE MATERIAL FACTS AS REQUIRED UNDER SECTION 102
OF THE COMPANIES ACT, 2013****Item No. 4**

Mr. Vijay Shah was appointed as an Additional Director to hold the office of Non-Executive Independent Director of the Company by the Board of Directors for a period of five years with effect from 21st March, 2024 pursuant to Section 161 of the Companies Act, 2013. As per Section 161 of the Companies Act, 2013, he holds office of Director up to the date of the ensuing Annual General Meeting and is eligible for appointment as Non-Executive Independent Director of the Company.

As per Section 152 of the Companies Act, 2013, Mr. Vijay Shah has furnished his Director Identification Number, declared that he is not disqualified to become a Director and has given his consent to act as a Director of the Company under the Companies Act, 2013. The Company has also received declaration from Mr. Vijay Shah that he meets with the criteria of independence as prescribed under the Companies Act, 2013 and his name is registered in the data bank as per Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board, Mr. Vijay Shah has relevant expertise, experience, knowledge to discharge the functions and duties effectively and fulfils the conditions for appointment of Non-Executive Independent Director of the Company as specified in the Companies Act, 2013 and is independent of the management of the Company.

The terms and conditions of appointment of Mr. Vijay Shah, as Non-Executive Independent Director is available for inspection by members and the members seeking to inspect can send an email to vpfoffice@eihlimited.com.

Brief resume and the details required under Companies Act, 2013, rules made thereunder, Secretarial Standards on General Meeting are provided in **Annexure II** to the Notice.

The Directors recommend the passing of the resolution set out in Item No. 4 of the accompanying Notice as an Ordinary resolution.

Except for Mr. Vijay Shah, there is no concern or interest, financial or otherwise of any director of the Company or their relatives in respect of the said resolution. There are no Key Managerial Personnel or manager in the Company.

Item No. 5

Mr. Jasbir Kohli was appointed as an Additional Director to hold the office of Non-Executive Independent Director of the Company by the Board of Directors for a period of five years with effect from 26th March, 2024 pursuant to Section 161 of the Companies Act, 2013. As per Section 161 of the Companies Act, 2013, he holds office of Director up to the date of the ensuing Annual General Meeting and is eligible for appointment as Non-Executive Independent Director of the Company.

As per Section 152 of the Companies Act, 2013, Mr. Jasbir Kohli has furnished his Director Identification Number, declared that he is not disqualified to become a Director and has given his consent to act as a Director of the Company under the Companies Act, 2013. The Company has also received declaration from Mr. Jasbir Kohli that he meets with the criteria of independence as prescribed under the Companies Act, 2013 and his name is registered in the data bank as per Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board, Mr. Jasbir Kohli has relevant expertise, experience, knowledge to discharge the functions and duties effectively and fulfils the conditions for appointment of Non-Executive Independent Director of the Company as specified in the Companies Act, 2013 and is independent of the management of the Company.

The terms and conditions of appointment of Mr. Jasbir Kohli, as Non-Executive Independent Director is available for inspection by members and the members seeking to inspect can send an email to vpfoffice@eihlimited.com.

Brief resume and the details required under Companies Act, 2013, rules made thereunder, Secretarial Standards on General Meeting are provided in **Annexure II** to the Notice.

The Directors recommend the passing of the resolution set out in Item No. 5 of the accompanying Notice as an Ordinary resolution.

Except for Mr. Jasbir Kohli, there is no concern or interest, financial or otherwise of any director of the Company or their relatives in respect of the said resolution. There are no Key Managerial Personnel or manager in the Company.

Item No. 6

Mrs. Gayatri Devadiga was appointed as an Additional Director to hold the office of Non-Executive Independent Director of the Company by the Board of Directors for a period of five years with effect from 26th March, 2024 pursuant to Section 161 of the Companies Act, 2013. As per Section 161 of the Companies Act, 2013, she holds office of Director up to the date of the ensuing Annual General Meeting and is eligible for appointment as Non-Executive Independent Director of the Company.

As per Section 152 of the Companies Act, 2013, Mrs. Gayatri Devadiga has furnished her Director Identification Number, declared that she is not disqualified to become a Director and has given her consent to act as a Director of the Company under the Companies Act, 2013. The Company has also received declaration from Mrs. Gayatri Devadiga she meets with the criteria of independence as prescribed under the Companies Act, 2013 and her name is registered in the data bank as per Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board, Mrs. Gayatri Devadiga has relevant expertise, experience, knowledge to discharge the functions and duties effectively and fulfils the conditions for appointment of Non-Executive Independent Director of the Company as specified in the Companies Act, 2013 and is independent of the management of the Company.

The terms and conditions of appointment of Mrs. Gayatri Devadiga, as Non-Executive Independent Director is available for inspection by members and the members seeking to inspect can send an email to vpfoffice@eihlimited.com.

Brief resume and the details required under Companies Act, 2013, rules made thereunder, Secretarial Standards on General Meeting are provided in **Annexure II** to the Notice.

The Directors recommend the passing of the resolution set out in Item No. 6 of the accompanying Notice as an Ordinary resolution.

Except for Mrs. Gayatri Devadiga, there is no concern or interest, financial or otherwise of any Director of the Company or their relatives in respect of the said resolution. There are no Key Managerial Personnel or manager in the Company.

Item No. 7

Section 180 (1) (a) of the Companies Act, 2013 provides that the Board of Directors of the Company shall not, except with the consent of the Company by a Special resolution, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

In the course of business and for raising of funds, the Company may be required to sell, lease or otherwise dispose of, by way of creation of mortgage, charge or otherwise, the whole or substantially the whole of undertaking of the Company. The proposed resolution is an enabling resolution.

The Directors recommend the passing of the resolution set out in Item No. 7 of the accompanying Notice as a Special Resolution.

None of the Directors and their relatives, whether directly or indirectly, is concerned or interested in the resolution. There are no Key Managerial Personnel or manager in the Company.

Item No. 8

Having regard to the fact that the Company may, from time to time, require funds as per its business plans, it is prudent and in the interest of the Company to enable and authorize the Board of Directors to borrow money notwithstanding the fact that the money to be borrowed, together with the money already borrowed by the company exceed the Company's aggregate paid up share capital and free reserves.

Section 180 (1) (c) of the Companies Act, 2013 provides that the Board of Directors of the Company shall not, except with the consent of the Company by a Special resolution borrow money, where the money to be borrowed, together with the money already borrowed by the Company exceed the Company's aggregate paid up share capital and free reserves.

Considering the funds required in the foreseeable future, the Board of Directors has accordingly decided that the borrowing limit of the Company be fixed at Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) over and above the total paid up share capital and free reserves of the Company for the time being.

The Directors recommend the passing of the resolution set out in Item No. 8 of the accompanying Notice as a Special Resolution.

All the Executive Directors of the Company and their relatives may be considered as concerned or interested in the resolution to the extent of any borrowings which may be made from any Executive Directors or other entities in which such director and their relatives may be interested. There are no Key Managerial Personnel or manager in the Company.

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

Jagdish Khanna
Executive Director
DIN: 00140783

Dinesh Khanna
Executive Director
DIN: 00990121

Rajesh Khanna
Executive Director
DIN: 01492101

Ravish Khanna
Executive Director
DIN: 01751438

Manish Khanna
Executive Director
DIN: 00703416

Aditya Dhawan
Executive Director
DIN: 03584113

Date: 15th July, 2024
Place: Mumbai

EASTERN INTERNATIONAL HOTELS LIMITED

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ANNEXURE II TO THE 54TH AGM NOTICE

Details of the director proposed to be appointed, as per Companies Act, 2013, rules made thereunder and Secretarial Standards on General Meeting

Name	Mr. Dinesh Khanna	Mr. Aditya Dhawan	Mr. Vijay Shah	Mr. Jasbir Kohli	Mrs. Gayatri Devadiga
Age	74 years	46 years	64 years	75 years	42 years
Qualifications and Experience	B.Com (Hons); MPS Hotel Admn, Cornell University USA with immense experience in Hotels and Hospitality sector	B.A in Economics Management. Master in Business Administration with immense experience in Hotels and Hospitality sector	He is a Chartered Accountant with rich experience in the field of tax and finance	He is IIT, Mumbai — B.Tech and is an entrepreneur with over 50 years of experience in hospitality and F&B sector	She is Commerce Graduate, Bachelors of Law (LLB) and is a member of Bar Council of Maharashtra and Goa. She has about 10 years experience in civil law matters
Terms and conditions of appointment including details of remuneration	The terms and conditions of appointment/re-appointment are available for inspection by members and the members seeking to inspect can send an email to vpfoffice@eihlimited.com .				
Date of first appointment by the Board of Directors of the Company	08/03/2019	04/08/2011	21/03/2024	26/03/2024	26/03/2024
Shareholding in the Company	2,23,780 equity shares held in own name	39,272 equity shares held in own name	NIL	NIL	NIL
Relationship with other directors and Key Managerial of the Company	Relative of all the Executive Directors	Relative of all the Executive Directors	NIL	NIL	NIL
Number of meetings attended during the	4	4	N.A	N.A	N.A

financial year 2023-24					
Other directorship, membership / chairmanship of committees of other board	<p>Directorship:</p> <ol style="list-style-type: none"> Pearl Drinks Limited Eastern Estate And Advisors Private Limited Ninesh Hospitality Services Private Limited Vetro Advisors Private Limited Wellwin Exports Private Limited Khanna Hotels and Resorts Private Limited Upper West Advisors Private Limited Westin Hospitality Services Private Limited Dinesh Khanna Hotels Motels and Resorts Private Limited Baltazaar Capital Management Company Private Limited Khanna Hotels Private Limited <p>Committee Membership/ Chairmanship- NIL</p>	<p>Directorship:</p> <ol style="list-style-type: none"> Eastern Estate & Investments Advisors Private Limited Maharani Holdings Private Limited AVG Hotels Private Limited Growth Catalysts Private Limited <p>Committee Membership/ Chairmanship- NIL</p>	<p>Directorship:</p> <ol style="list-style-type: none"> Padmavati Motels And Resorts Private Limited Hydroair Tectonics (Pcd) Limited Hydroair Infrastructure Management (South) Private Limited Hydroair Infrastructure Management (North) Private Limited Veritas (India) Limited Hydroair Infrastructure Management (West) Private Limited <p>Committee Membership/ Chairmanship- NIL</p>	<u>NIL</u>	<u>NIL</u>

* For the purpose of disclosure of Membership/ Chairmanship only Audit Committee and Stakeholder Relationship Committee are considered.

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the Fifty-Fourth (54th) Board's Report together with the audited financial statements of the Company for the year ended March 31, 2024 and Auditor's report thereon.

1. **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, 2024 (Rs. In lakhs)	For the year ended on March 31, 2023 (Rs. In lakhs)
Revenue from Hotel operations and other income	13,257.18	12,290.00
Less: Operating and other expenses	(8,064.19)	(7,619.36)
Profit Before Interest, depreciation, tax and exceptional items	5,192.99	4,670.64
Add/(Less): Exceptional Items (net)	Nil	Nil
Profit after Exceptional Items	5,193.00	4,670.64
Less: Finance Costs	(0.13)	Nil
Less: Depreciation and Amortization Expense	(491.35)	(510.73)
Profit for the year before Tax	4,701.52	4,159.91
Less: Tax (net)	(1,211.44)	(1,057.74)
Profit After Tax	3,490.08	3,102.17
Add: Balance brought forward	11,498.65	8,396.48
Less: Interim Dividend paid for 2022-23	(1,005.10)	Nil
Less: Transfer to General Reserve	(100.00)	Nil
Balance carried to balance sheet	13,883.63	11,498.65

2. **Business Overview:**

Global- The global tourism industry demonstrated remarkable resilience and adaptability in 2023. During the year, tourist arrivals internationally increased. Total revenues from tourism increased. The United Nations World Tourism Organisation (UNWTO) expects international tourism to fully recover to pre-pandemic levels in 2024, with initial estimates pointing to 2% growth above 2019 levels, led by increased air connectivity, visa facilitation and a stronger recovery of Asian destinations. However, continuing economic headwinds, geopolitical tensions and rising conflicts that are disrupting trade remain the key concerns.

FY 2023-24 was a year of record results and growth for the industry. Indian tourism is being driven by favorable demographics, increasing employment, higher disposable incomes of a young middle class, robust domestic demand, increased investments and improving infrastructure and connectivity. The Ministry of Tourism of the Government of India initiated several schemes such as 'Swadesh Darshan', PRASHAD, UDAN and 'Dekho Apna Desh' to promote travel. As many as 50 tourist destinations are in the pipeline for being developed to provide a wholesome tourism experience under the 'Swadesh Darshan' scheme.

Similarly, the PRASHAD scheme aims at the development of select pilgrimage destinations in the country. Additionally, several states of India have also undertaken initiatives and investments to promote local tourism. The government's electronic visa facility now covers practically all the countries of the world, including foreign nationals of 166 countries, and is valid for entry at 28 designated airports and five designated seaports of India. India's remarkable economic growth, coupled with transformative changes, has had a positive impact on the tourism and hospitality sectors, ushering in a golden era – 'Amrit Kaal'.

Foreign tourist arrivals for CY 2023 were 9.23 million in comparison with 6.43 million in 2022, registering a growth of 44%.

The Indian hotel industry is poised for a remarkable growth driven by long-term demand. Notable drivers of this growth are (i) improved connectivity with new airports and national highways across the country, (ii) increase in business travel led by buoyant economic conditions, new convention centers and global capability centers, (iii) recovery of foreign tourist arrivals, additional middle-income households and a clearly visible trend of premiumisation leading to higher demand for leisure destinations. The advent of spiritual tourism, weddings in India, a resurgent M.I.C.E (Meetings, Incentives, Conferences and Exhibitions) tourism surrounding recent and upcoming conventions centers and growing wildlife tourism give rise to new destinations and circuits providing a strong impetus to growth. Continuing infrastructure development projects within the country, growth in air and railway passenger traffic and growth in demand are expected to provide a long and sustainable upcycle for hospitality in India. Growth in demand for branded rooms is expected to outpace growth in supply of those rooms.

While challenges such as inflation and geopolitical tensions persist, proactive government support and policies, alongside a renewed focus on sustainability are likely to bolster the sector's resilience and foster sustainable growth in the coming fiscal year. Growth in India's services sector and higher disposable income of people working in it, referred to as 'Affluent India', are also expected to increase demand for holidays.

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

- a. This is the 15th year of Operations for Novotel Mumbai Juhu Beach (NMJB). The Turnover of NMJB for the year ended March 31, 2024, amounted to **Rs. 12,468.00 lakhs** as against Rs. 11,676.83 lakhs in the previous year. The hotel has made a cash profit of **Rs. 6,178.50 lakhs** as against Rs. 5,777.97 lakhs in the previous year.
- b. The present tenure of the management agreement with AAPC India Hotel Management Private Limited (Accor Group) for the Juhu Hotel has expired on June 30, 2024. The management of the Company has extended the operating term of the Management Agreement by another forty-two months with effect from July 1, 2024 until December 31, 2027 on the same terms and conditions as agreed in the Management Agreement together with its subsequent amendments.
- c. The Directors are pleased to report that the Company has signed Hotel Strategic Service Agreement with Hyatt India Consultancy Private Limited, Technical Services agreement with Hyatt International Technical Services, Inc. Trademark License Agreement with Hyatt

International Corporation and System Support Services Agreement with Hyatt Global Services Inc. for management and operation of its Mumbai Hotel under a proposed name of Hyatt Regency for an initial period of twenty years from the opening date after the completion of the extended term of present management agreement with AAPC India Hotel Management Private Limited (Accor group) on December 31, 2027 with extension upto ten years by mutual consent. After the completion of the present management agreement with Accor, the hotel will be renovated as may be necessary to comply with the standards of Hyatt Group under the new management agreement.

- d. 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 previous year, 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 tenure of the agreement is for a period of twenty years from the opening date with renewal options. The Company has appointed project consultants for conceptual architectural and similar services in connection with the Goa Hotel. The Company has also appointed local consultants and retainers for the project and applications have been made for obtaining approvals, which are under considerations of the authorities. On receipt of all the requisite approvals, the development work of the project will be undertaken.
- e. The total income of the Company for the year under report as a whole increased to **Rs. 13,257.18 lakhs** from Rs. 12,290.00 lakhs in the previous year. Due to strict control on costs, the operating and other expenses were restricted to **Rs.8,064.18 lakhs** in the current year as compared to Rs. 7,619.36 lakhs in the previous year. The charge of depreciation and amortization expense decreased to **Rs. 491.35 lakhs** in the current year as compared to Rs. 510.73 lakhs in the previous year. The combined effect of all these resulted into profit before tax of **Rs. 4,701.52 lakhs** in the current year as compared to profit of Rs. 4,159.91 lakhs in the previous year. After deducting provision for tax and deferred tax of **Rs. 1,211.44 lakhs** (net) previous year Rs. 1,057.74 lakhs (net), the year resulted into a profit of **Rs. 3,490.08 lakhs** as compared to profit of Rs. 3,102.17 lakhs in the previous year.

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

As reported in the last Board Report, the Directors had approved the payment of interim dividend of Rs. 57/- per share of face value of Rs. 10/- for the year ended March 31, 2023 by the Board of Directors of Company held on May 22, 2023. The outgo for the aforesaid dividend was Rs. 1,005.10 lakhs. The interim dividend has been paid to the shareholders on May 25, 2023. Considering prudence and future plans, your Directors are not recommending any dividend for the year under report.

5. Transfer of Unclaimed/Unpaid amounts to the Investor Education And Protection Fund

In terms of the provisions of Section 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) and other applicable provisions, all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government, after completion of seven years from the date the dividend is transferred to unpaid/unclaimed account.

Further, in terms of Section 124(6) of the Companies Act, 2013 read with the IEPF Rules, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the Investor Education and Protection Fund Authority ('IEPFA').

The details of unpaid/ unclaimed dividend and equity shares as and when transferred will be uploaded on the website of the Company at <https://www.eihlimited.com/> as well as that of the Ministry of Corporate Affairs, Government of India at <http://www.mca.gov.in>.

The Members/Claimants whose shares and unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.mca.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

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

The Company has transferred **Rs. 100 lakhs** (previous year Rs. Nil) out of the retained earnings to the General Reserve. The Company has recorded net profit of **Rs. 3,490.08 lakhs**, (previous year Rs. 3,102.17 lakhs) after Tax of **Rs. 1,211.44 lakhs (net)** (previous year Rs. 1,057.74 lakhs (net)).

7. 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.

8. 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.

9. 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.

10. Share Capital

The authorized Capital of the Company is Rs. 250.00 lakhs comprising of 22,50,000 (Twenty-Two lakhs Fifty Thousand) equity shares of Rs. 10/- each, 10,000 Preference Shares of Rs. 100/- each and 1,50,000 Unclassified Shares of Rs. 10/- each. There were no changes in the Authorised Share Capital during the year under review.

The Issued, subscribed and paid up capital of the company remains at Rs. 176.33 lakhs comprising of 17,63,340 equity shares of Rs. 10/- each, fully paid up.

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.

(a) **Issue of equity shares with differential rights:**

During the Financial Year ended on March 31, 2024, 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, 2024, no sweat equity shares were issued by the Company.

(c) **Issue of employee stock options:**

During the Financial Year ended on March 31, 2024, 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.

11. **Directors and KMP's**

a. **Re-appointment of Whole-time directors of the Company:**

The tenure of Mr. Jagdish Khanna, Mr. Dinesh Khanna, Mr. Rajesh Khanna, Mr. Ravish Khanna, Mr. Manish Khanna and Mr. Aditya Dhawan, as Executive Directors of the Company was till April 19, 2023. The Board of Directors at its meeting held on March 27, 2023 re-appointed all of the said Directors as Whole-time Directors (designated as Executive Directors) subject to the approval of the members in General Meeting for a period of five years from April 20, 2023 till April 19, 2028 on revised remuneration and perquisites.

Their appointment and payment of remuneration has been approved by the members of the Company at the Extra Ordinary General Meeting of the Company held on April 18, 2023.

Further, the remuneration and perquisites to the said Directors was revised by the Board of Directors at its meeting held on April 30, 2023. The Company has filed necessary returns and forms with the Registrar of Companies in this regard.

b. **Remuneration to Whole time directors:**

The Company has paid remuneration **Rs. 426.82 lakhs** (previous year Rs. 303.24 lakhs) to the Executive Directors from April 1, 2023 to March 31, 2024 (inclusive of contribution to provident fund and superannuation fund and excluding leave encashment) as per approval of the Members of the Company provided in the General Meetings held on September 18, 2018, September 26, 2019 and April 18, 2023.

c. Independent Director(s):

Mr. Vijay Shah, Mr. Jasbir Kohli and Mrs. Gayatri Devadiga were appointed as Additional Directors to hold the office of Independent Directors of the Company by the Board of Directors of the Company at its meeting held on March 21, 2024. These directors are not liable to retire by rotation. The Company has received declaration from all the Independent Directors confirming that they meet prescribed criteria under the Companies Act, 2013. These directors hold the office as such until the date of the ensuring Annual General Meeting of the Company. They are eligible for appointment and the Board recommends their appointment. An agenda for their appointment is included in the notice of this meeting.

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149 (6) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

The Company is required to appoint independent directors on its Board in terms of provisions of Section 149 of the Companies act, 2013.

d. Retirement of directors:

In accordance with the provisions of the Companies Act, 2013 Mr. Dinesh Khanna (DIN: 00990121) and Mr. Aditya Dhawan (DIN: 03584113) 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 AGM Notice.

12. Committees of Directors

a. Audit Committee:

As per Section 177 of the Companies, Act, 2023 every Public Company having paid up share capital of ten crore rupees or having turnover of one hundred crore rupees or more or having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding fifty crore rupees or more shall mandatorily constitute Audit Committee. Since Company's turnover is more than one hundred crore rupees, it is required to constitute an Audit Committee. The Audit Committee was constituted by the Board of Directors at its meeting held on March 21, 2024 and the members of the said committee are as under:

- i. Mr. Vijay Shah,
- ii. Mr. Jasbir Kohli (w.e.f March 26, 2024)
- iii. Mrs. Gayatri Devadiga (w.e.f March 26, 2024)
- iv. Mr. Manish Khanna
- v. Mr. Dinesh Khanna

b. Nomination and Remuneration Committee

As per Section 178 of the Companies, Act, 2023 every Public Company having paid up share capital of ten crore rupees or having turnover of one hundred crore rupees or more or having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding fifty crore rupees or more shall mandatorily constitute Nomination and Remuneration Committee. Since Company's turnover is more than one hundred crore rupees, it is required to constitute Nomination and Remuneration Committee in accordance with Section 178(1) of Companies Act, 2013. The

Nomination and Remuneration Committee was constituted by the Board of Directors at its meeting held on March 21, 2024 and the members of the said committee are as under:

- i. Mr. Vijay Shah
- ii. Mr. Jasbir Kohli (w.e.f March 26, 2024)
- iii. Mrs. Gayatri Devadiga (w.e.f March 26, 2024)

13. **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)(g) of Companies Act, 2013 read with rule 8(5)(iv) of Companies (Accounts) Rules, 2014**

The Company has no subsidiaries or associate companies within the meaning of Section 2(87) and 2(6) respectively of the Companies Act, 2013 ("Act") as on March 31, 2024. The Company has not entered into any joint venture during the year.

14. **Details relating to deposits, as per Section 134(3)(g) 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.

15. **Details of deposits which are not in compliance with the requirements as per Section 134(3)(g) of Companies Act, 2013 read with Rule 8(5)(vi) of Companies (Accounts) Rules, 2014**

It is not applicable to the Company.

16. **Internal financial control as per Section 134(3)(g) 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 Companies Act, 2013 for internal audit are not applicable to the Company.

There was an incident of a fraud after the close of the financial year in the month of May-2024 involving some employees at a point of sales in the Company's hotel Novotel Juhu. These employees, mostly contractee employees, in league with some customers were collecting a part of the sale in the guise of giving discounts and pocketing the same. The company has taken swift actions against these temporary employees including filing first information reports with the

Police and the matter is under investigation. Based on initial verification and police report, the quantum of the fraud amount is not substantial.

The Company has appointed a reputed firm of chartered accountants as internal auditors in the current year.

17. Number and Dates of Meetings of the Board

For the Financial Year under review, the Board of Directors had 4 (Four) Board meetings as per 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.	20.04.2023	6	6
2.	06.09.2023	6	6
3.	11.12.2023	6	6
4.	21.03.2024	6	6

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

Total number of Board meetings held from April 01, 2023 to March 31, 2024 - Four (4)

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

Further, the Company has convened its 53rd Annual General Meeting for the Financial year 2022-23 on September 30, 2023. There was also an Extra Ordinary General Meeting held for approval of re-appointment of Executive 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 Institute of Company Secretaries of India (ICSI).

18. Compliance with Secretarial Standards

Your directors wish to state and confirm that the Company has complied with the secretarial standards as notified by the ICSI and to the extent applicable to the Company.

19. Corporate Social Responsibility (CSR):

Since the amount to be spent on CSR by Company during year 2023-24 was less than Rs. 50,00,000/- (Rupees Fifty Lakhs Only), currently the Board of Directors is discharging the functions and scope of CSR committee as per Section 135(9) of the Companies Act, 2013. Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Rule 8 of the

Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR is annexed to this report as **Annexure I**.

20. 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.

21. 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 Companies Act, 2013.

22. 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

During the year there were no contract or arrangement with related parties. Hence particulars required to be provided in form AOC-2 as per Section 134(3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

23. 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 as per section 134(3)(l) of Companies Act, 2013

No other material changes have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

24. 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 of the Company at the 51st Annual General Meeting held on 27th September 2021 to hold the office as such from the conclusion of 51st Annual General meeting until the conclusion of the 56th 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.

25. Particulars of Employees:

A statement showing the names of the top ten employees in term of remuneration drawn and the name of every employee, who was in receipt of remuneration not less than the limits as set out in the Rule 5(2) and Statement of Particulars as per Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, wherever applicable, forms part of this report. However, in terms of first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the Members and members seeking to inspect can send an email to ypfoffice@eihlimited.com.

26. 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

27. 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/authorized 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. 3,369.31 lakhs** (previous year Rs. 2,941.22 lakhs). The foreign exchange outgo during the year was **Rs. 309.99 lakhs** (previous year Rs.343.85 lakhs).

28. The Web address, if any, where Annual Return has been placed

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 Returns are available on the website of the Company and can be accessed at (<http://www.eihlimited.com>).

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

It is not applicable to the Company.

30. 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 appointed three Independent Directors during the year under review. All these directors have adequate expertise and experience including the proficiency in their respective field of business and profession engaged in.

31. Opinion Evaluation of Board of Directors, Committees and Individual Director:

Not Applicable

32. 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.

33. 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.

34. **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.

35. **Other Matters**

a. **Depreciation and Finance Costs**

Depreciation for the year was lower at **Rs. 491.35 lakhs** as compared to Rs. 510.73 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 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. Reference is invited to Note 36 hereinbelow.

c. **Listing:**

Not applicable to the company.

36. **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. 89.41 lakhs 74.91 lakhs for the period upto 31st March, 2024. 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, 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, out of which, claims of some of the employees have been settled in earlier years. Industrial Tribunal and Labour Court has passed an Award on 09th January, 2024 in Company's favour, rejecting the claims of the employees.

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.
- 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.
- iii) The dispute in respect of 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 was finally settled in the previous year and the lease deed was renewed for a further period of 30 years till December 31, 2041, which was duly registered before the Sub-Registrar of Assurance in the previous year. Pending receipt of the demand notice for lease rent for period subsequent to March 31, 2022 (the last notice), the Company has made a provision for lease rent based on the revised lease rent for the year 2021 as per renewed lease agreement 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 December 31, 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 30.8 forming part of the Financial Statements.

37. 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, 2024, 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, 2024 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**

Jagdish Khanna
Executive Director
DIN: 00140783

Dinesh Khanna
Executive Director
DIN: 00990121

Rajesh Khanna
Executive Director
DIN: 01492101

Ravish Khanna
Executive Director
DIN: 01751438

Manish Khanna
Executive Director
DIN: 00703416

Aditya Dhawan
Executive Director
DIN: 03584113

Place: Mumbai
Date: 15th July, 2024

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 4455

Annexure -I

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

Eastern International Hotels Limited 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. 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 and 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
-	-	-	-	-

N.A as the Board of Directors are discharging the functions and scope of CSR committee as per Section 135(9) of the Companies Act, 2013.

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**

- a. **Average net profit of the Company as per subsection (5) of Section 135 of the Act:**
Rs. 1,704.86 lakhs
- b. **Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act:**
Rs. 34.10 lakhs
- c. **Surplus arising out of the CSR projects or programs or activities of the previous financial years:**
Not Applicable.
- d. **Amount required to be set-off for the financial year, if any:**
None.
- e. **Total CSR obligation for the financial year (b+c- d):**
Rs. 34.10 lakhs

6. **AMOUNT ACTUALLY SPENT ON CSR**

- a. **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**
Rs. 34.20 lakhs
- b. **Amount spent in Administrative Overheads:**
NIL
- c. **Amount spent on Impact Assessment, if applicable:**
NIL
- d. **Total amount spent for the Financial Year [(a)+(b)+(c)]:**
Rs. 34.20 lakhs
- e. **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. 34.20	-	-	-	-	-

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. 34.10 lakhs
2.	Total amount spent for the Financial Year	Rs. 34.20 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 second 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		
-	-	-	-	-	-	-	-	-

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

Jagdish Khanna
Executive Director
DIN: 00140783

Dinesh Khanna
Executive Director
DIN: 00990121

Rajesh Khanna
Executive Director
DIN: 01492101

Ravish Khanna
Executive Director
DIN: 01751438

Manish Khanna
Executive Director
DIN: 00703416

Aditya Dhawan
Executive Director
DIN: 03584113

Date: 15th July, 2024
Place: Mumbai

J.G. VERMA
A.G. VERMA

PHONE : 2281 3868
 : 3504 4116
MOBILE: 9820531754
EMAIL: arunverma@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, 2024**, 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, 2024**, 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 30.13 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 during the year.
- (iv) The management of the Company has represented to us that to the best of it's 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 paid interim dividend during the year, which is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- vi) Relying on representations/explanations from the Company and software vendors and based on our examination which includes test checks, we report that the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, in respect of these accounting software, we did not come across any instance of the audit trail feature being tampered with during the year.

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

J. G. VERMA
Partner
Membership No. 5005

* UDIN: Will be obtained in due course

Mumbai: 15th July, 2024

* **Note:** UDIN 24005005BKSQLDC9555 obtained by the Statutory Auditors on 14th August,2024 as per the intimation dated 14th August 2024

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, 2024**. 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 except three residential flats in a Housing Society in Mumbai which are held in the erstwhile trade name *Holiday Inn* for which an application has been made for correction of name which is pending before the Housing Society.
- (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.

- 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 in lakhs	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994 (Service tax)	Service tax on hotel services	56.37	2012-2015	Appellate Tribunal-CGST
The Finance Act, 1994 (Service tax)	Service tax on hotel services	34.33	2015-2018	Appellate Tribunal-CGST
Goa Tax on Luxuries (Hotels & Lodging Houses) Act, 1968	Luxury tax on accommodation	11.11*	2015-16	Commissioner (Appeals)

(*) including penalty and interest. The Company has paid pre-deposit of Rs. 0.56 lakhs against the disputed demand raised, pending disposal of appeal.

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 and 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 and funds and accordingly clause 3 (ix) (b) of the Order for commenting upon declaration of the Company as willful 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. Reference is invited to Note 32.2 of Notes to the financial statements dealing with the management's detection of a fraud committed by a group of employees of the Company's hotel at Mumbai detected after the close of the financial year. The management has initiated action against the employees who committed the said fraud by filing a complaint with the police department for the fraud committed estimated to be Rs. 1.60 lakhs. The matter is under investigation.

- (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.

EASTERN INTERNATIONAL HOTELS LIMITED
ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT- (31-03-2024)

Contd. Page 5

- 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)

J.G.VERMA
Partner

Membership No. 5005

UDIN: Will be obtained in due course of time

Mumbai: 15th July, 2024

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, 2024.

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")

Qualified Opinion

We have audited the internal financial controls over financial reporting of Eastern International Hotels Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2024:

The Company did not have appropriate internal control system in so far as there were operational ineffectiveness in the (i) "Revenue to Receivables" relating to lack of monitoring the process of matching order tickets with sales invoices; improper collection of sale proceeds of food and beverage sales; lack of verification of discounts given to the customers on food and beverages sales; and lack of monitoring on quantities of portion of food and beverages supplied to the customers; (ii) "Purchase and Inventory Management System" relating to absence of rate contracts with higher procurements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2024 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2024 financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

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.

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT- (31-03-2024)

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.

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)

J.G.VERMA
Partner

Membership No. 5005

UDIN: Will be obtained in due course of time

Mumbai: 15th July, 2024

EASTERN INTERNATIONAL HOTELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2024

	NOTE	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	176.33	176.33
Reserves and Surplus	4	18,113.71	15,628.73
		18,290.04	15,805.06
NON-CURRENT LIABILITIES			
Other Long-term Liabilities	6	6.32	8.77
Long-term Provisions	7	61.10	66.29
		67.42	75.06
CURRENT LIABILITIES			
Short-term Borrowings	8	-	-
Trade Payables	9		
Due to Micro and Small Enterprises		31.12	15.21
Due to other than Micro and Small Enterprises		794.00	818.04
Other Current Liabilities	10	654.45	544.77
Short-term Provisions	11	69.47	127.27
		1,549.04	1,505.29
	TOTAL	19,906.50	17,385.41
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment and Intangible Assets	12		
		3,385.19	3,760.33
Intangible Assets		9.70	8.45
Capital Work-In-Progress		375.67	165.15
		3,770.56	3,933.93
Non Current Investments	13	1.39	1.39
Deferred Tax Assets (Net)	5	2.46	16.19
Long-term Loans and Advances	14	21.50	13.97
Other Non-Current Assets	15	6,249.05	7,099.23
		10,044.96	11,064.71
CURRENT ASSETS			
Inventories	16	121.22	136.66
Trade Receivables	17	286.13	330.85
Cash and Bank Balances	18	8,467.55	5,238.75
Short-term Loans and Advances	19	387.88	363.05
Other Current Assets	20	598.76	251.39
		9,861.54	6,320.70
	TOTAL	19,906.50	17,385.41
SIGNIFICANT ACCOUNTING POLICIES	2		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS	1 to 43		
<p>As per our report of even date For J. G. VERMA & CO., Chartered Accountants Firm Registration No. 111381W</p>	<p>For and on behalf of the Board of Directors</p>		
<p>J. G. VERMA PARTNER Membership No.005005</p>	<p>JAGDISH KHANNA (DIN: 00140783)</p>	<p>DINESH KHANNA (DIN: 00990121)</p>	
	<p>RAJESH KHANNA (DIN: 01492101)</p>	<p>RAVISH KHANNA (DIN: 01751438)</p>	
	<p>MANISH KHANNA (DIN: 00703416)</p>	<p>ADITYA DHAWAN (DIN: 03584113)</p>	
	<p>EXECUTIVE DIRECTORS</p>		
	<p>MEENA VASWANI VICE PRESIDENT FINANCE & AUDIT</p>		
<p>Mumbai: 15th July, 2024</p>			

EASTERN INTERNATIONAL HOTELS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

	NOTE	2023-24 Rupees in lakhs (Except EPS)	2022-23 Rupees in lakhs (Except EPS)
INCOME			
Revenue from Hotel Operations	21	12,378.05	11,658.61
Other Income	22	879.13	631.39
TOTAL INCOME		13,257.18	12,290.00
EXPENDITURE			
Cost of Food and Beverages consumed	23	1,095.57	1,072.05
Employee Benefits Expense	24	2,489.21	2,099.65
Finance Costs	25	0.13	-
Depreciation and Amortisation Expense	12	491.35	510.73
Other Expenses	26	4,539.40	4,447.66
TOTAL EXPENDITURE		8,555.66	8,130.09
Profit before Exceptional and Extra-ordinary items and Tax		4,701.52	4,159.91
Exceptional/ Extra-ordinary items		-	-
Profit after Exceptional / Extra-ordinary items		4,701.52	4,159.91
Tax Expense:			
(1) Current Tax		1,184.00	1,039.00
(2) Deferred Tax (Refer Note 5)		13.73	39.11
		1,197.73	1,068.11
(3) Prior periods tax adjustments (net)		13.71	(10.37)
		1,211.44	1,057.74
Profit after tax for the year		3,490.08	3,102.17
Earnings per Equity Share of face value of Rs. 10 each (EPS)	40		
(1) Basic		197.92	175.93
(2) Diluted		197.92	175.93
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

J. G. VERMA
PARTNER
Membership No. 005005

For and on behalf of the Board of Directors

JAGDISH KHANNA
(DIN: 00140783)

RAJESH KHANNA
(DIN: 01492101)

MANISH KHANNA
(DIN: 00703416)

DINESH KHANNA
(DIN: 00990121)

RAVISH KHANNA
(DIN: 01751488)

ADITYA DHAWAN
(DIN: 03584113)

EXECUTIVE DIRECTORS

MEENA VASWANI
VICE PRESIDENT FINANCE & AUDIT

Mumbai: 15th July, 2024

EASTERN INTERNATIONAL HOTELS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED

	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before exceptional items and tax :	4,701.52	4,159.91
Adjustment for:		
Depreciation	491.35	510.73
(Profit)/ Loss on sale or disposal of Property, Plant and Equipment and Intangible Assets (net)	(9.77)	0.39
Interest Expenses on borrowings	0.13	-
Interest Income	(823.75)	(557.07)
Dividend Income	(9.95)	(7.37)
Sundry credits and liabilities written back (Net)	(15.79)	(1.40)
Provision for Doubtful debts (net)	1.18	-
Provision for Employee Benefits (net)	114.96	26.36
Operating Profit before changes in assets and liabilities:	4,449.87	4,131.55
Changes in assets and liabilities:		
Trade receivables	43.54	(25.01)
Loans and Advances and Other Assets	(6.12)	78.14
Inventories	15.45	(48.70)
Trade payables	5.20	324.65
Other Liabilities and provisions	(68.26)	(3.89)
Cash generated from / (used in) operations:	4,439.68	4,456.75
Add: Exceptional item of Income	-	-
Less: Direct Taxes paid (Net of refund received)	(1,121.70)	(1,029.05)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES:	3,317.98	3,427.70
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment and Intangible Assets (net)(Incl. Work in Progress)	(341.34)	(274.80)
Sale of Property, Plant and Equipment and Intangible Assets	13.70	0.89
(Placement)/maturity proceeds of term deposits with Banks-long term	802.73	(4,856.49)
Interest received	431.00	421.59
Dividend received	9.96	7.37
NET CASH FROM / (USED IN) INVESTING ACTIVITIES:	916.05	(4,701.44)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(0.13)	-
Interim Dividend paid for 2022-23	(1,005.10)	-
NET CASH USED IN FINANCING ACTIVITIES:	(1,005.23)	-
NET CHANGES IN CASH AND CASH EQUIVALENTS: (A+B+C)	3,228.80	(1,273.74)
CASH AND CASH EQUIVALENTS AT START OF THE YEAR (Refer Note 18) *	5,238.75	6,512.49
CASH AND CASH EQUIVALENTS AT CLOSE OF THE YEAR (Refer Note 18) *	8,467.55	5,238.75

* Note:- Cash and Cash Equivalents as above at start of the year include Rs.3964.18 lakhs and at close of the year includes Rs.9066.63 lakhs being other bank balances.

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

JAGDISH KHANNA
(DIN: 00140783)

DINESH KHANNA
(DIN: 00990121)

J. G. VERMA
PARTNER
Membership No. 005005

RAJESH KHANNA
(DIN: 01492101)

RAVISH KHANNA
(DIN: 01751438)

MANISH KHANNA
(DIN: 00703416)

ADITYA DHAWAN
(DIN: 03584113)

EXECUTIVE DIRECTORS

Mumbai: 15th July, 2024

MEENA VASWANI
VICE PRESIDENT FINANCE & AUDIT

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

1. CORPORATE INFORMATION:

- 1.1 Eastern International Hotels Limited is an unlisted 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 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 operating term has been further extended by mutual agreement from 1st July 2024 till 31st December 2027. 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 32.1
- 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 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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

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 as the case may be 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, 2024

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.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

Compensated Absences on retirement – As per independent actuarial valuation;

Provident Fund and Employees State Insurance –On accrual basis.

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.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

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 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, 2024

3 Share Capital	31-Mar-24 Rupees in lakhs (Except face value)	31-Mar-23 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. 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-24	31-Mar-23
Number of Equity Shares at the beginning	17,63,340	17,63,340
Add/(Less) : Movement during the year	-	-
Number of Equity Shares at the end	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

Names of the first holder	31-Mar-24		31-Mar-23	
	Number of shares	% held	Number of shares	% held
Manish Khanna	3,10,790	17.63%	3,10,790	17.63%
Dinesh Khanna	2,23,780	12.69%	2,23,780	12.69%
Jagdish Khanna	2,15,868	12.24%	2,15,868	12.24%
IOBI 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%

(*) 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, 2024

3 Share Capital : Contd...

3.6 Particulars of shareholding of promoters		31-Mar-24		31-Mar-23	
Names of the promoter	Number of shares	% of total shares	Number of shares	% of total shares	
(i) Manish Khanna [Change during the year Nil (Prev year +9.80%)]	3,10,790	17.63%	3,10,790	17.63%	
(ii) Andree Khanna [Change during the year Nil (Prev year - 2.38%)]	21,530	1.22%	21,530	1.22%	
(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) Jagdish Khanna	2,15,868	12.24%	2,15,868	12.24%	
(vi) Geeta Dhawan	1,54,365	8.75%	1,54,365	8.75%	
(vii) Aditya Dhawan	39,272	2.23%	39,272	2.23%	
(viii) Bharat Khanna [Change during the year +0.40% (Prev year Nil)]	21,782	1.24%	14,780	0.84%	
(ix) Dinesh Khanna	2,23,780	12.69%	2,23,780	12.69%	
(x) Dinesh Khanna HUF [Change during the year -0.79% (Prev year Nil)]	-	0.00%	14,003	0.79%	
(xi) Tushar Khanna [Change during the year +0.39% (Prev year Nil)]	15,046	0.85%	8,045	0.46%	
(xii) Neera Khanna	21,190	1.20%	21,190	1.20%	
(xiii) Rajesh Khanna	1,53,893	8.73%	1,53,893	8.73%	
(xiv) Vidur Khanna	85,526	4.85%	85,526	4.85%	
(xv) Naresh Khanna	1,48,559	8.42%	1,48,559	8.42%	
(xvi) Ravish Khanna HUF	27,585	1.56%	27,585	1.56%	
(xvii) Ravish Khanna	84,464	4.79%	84,464	4.79%	
(xviii) Promoters' holding through IDBI Trust (*)	1,90,300	10.79%	1,90,300	10.79%	
	<u>17,53,950</u>	<u>99.47%</u>	<u>17,53,950</u>	<u>99.47%</u>	

% Change during the year and previous year - as stated in (i), (ii), (viii), (x) and (xi) above

(*) 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

	31-Mar-24	31-Mar-23
	Rupees in lakhs	Rupees in lakhs
Capital Reserve:		
As per last accounts	30.08	30.08
General Reserve:		
As per last accounts	4,100.00	4,100.00
Add: Transferred from Surplus in Statement of Profit and Loss	100.00	-
Balance at the end of year	<u>4,200.00</u>	<u>4,100.00</u>
Surplus in Statement of Profit and Loss		
As per last accounts	11,498.65	8,396.48
Add: Net Profit for the year	3,490.08	3,102.17
	<u>14,988.73</u>	<u>11,498.65</u>
Less:		
Interim Dividend paid (See Note 4.1)	(1,005.10)	-
Transferred to General Reserve	(100.00)	-
	<u>13,883.63</u>	<u>11,498.65</u>
TOTAL	<u><u>18,113.71</u></u>	<u><u>15,628.73</u></u>

4.1 Payment of interim dividend for FY 2022-23 was approved by the Board of Directors of the Company vide resolution passed on 22nd May 2023. Refer Note 27.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

		31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
5	Deferred Tax Liability / (Asset) (net)		
	<u>Deferred Tax Liabilities</u>		
	Tax effect due to -		
	Difference between the W.D.V. of Fixed Assets under the Companies Act, 2013 and the Income Tax Act, 1961.	4.24	10.64
		4.24	10.64
	<u>Deferred Tax Assets:</u>		
	Tax effect due to -		
	Provision for Doubtful Debts	8.26	7.96
	Expenses allowable for tax purpose on payment basis	(1.56)	18.87
		6.70	26.83
	Deferred Tax Liability / (Asset) (net)	(2.46)	(16.19)
	Deferred Tax Adjustment for the year to Statement of Profit and Loss	13.73	39.11
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-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
	Creditors for Capital Expenditure and Retention Money	-	2.45
	Shop Security and Other Deposits	6.32	6.32
	TOTAL	6.32	8.77
7	Long-term Provisions	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
	Provision for employee benefits (Refer Note 34)		
	Provision for Leave encashment	31.74	27.12
	Provision for Gratuity	29.36	39.17
	TOTAL	61.10	66.29
8	Short-term Borrowings	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
	Secured :		
	From Saraswat Co-Op. Bank Ltd. - Cash Credit Facility (Limit Rs.Nil) (Refer Note 8.1)	-	-
	TOTAL	-	-
8.1	The above Cash Credit facility Limit of Rs. Nil (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. Nil (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, 2024

9 Trade Payables	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
Due to Micro and Small Enterprises (Refer Note 9.1)	31.12	15.21
Due to parties other than above	308.86	428.72
Unbilled creditors	485.14	389.32
TOTAL	825.12	833.25

9.1 Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company:	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
Principal amount due and remaining unpaid	31.12	15.21
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	-	-

9.2 Ageing of Trade Payable-enclosed

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

9.2 Trade Payables ageing schedule: As at 31st March, 2024

(Rupees in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	31.12	-	-	-	-	31.12
(ii) Others	276.63	20.59	2.58	3.66	5.40	308.86
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Sub-total:	307.75	20.59	2.58	3.66	5.40	339.98
(v) Unbilled dues	485.14	-	-	-	-	485.14
Total:	792.89	20.59	2.58	3.66	5.40	825.12

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

(Rupees in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	15.21	-	-	-	-	15.21
(ii) Others	322.09	84.81	2.71	15.11	4.00	428.72
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Sub-total:	337.30	84.81	2.71	15.11	4.00	443.93
(v) Unbilled dues	389.32	-	-	-	-	389.32
Total:	726.62	84.81	2.71	15.11	4.00	833.25

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

		31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
10	Other Current Liabilities		
	Retention Money - Contractors	2.83	8.55
	Security Deposits	45.90	40.40
	Unclaimed Dividend	0.87	0.55
	Income received in advance	11.19	11.16
	Advances received from customers	176.27	75.42
	Customers' credit balances and refunds due	49.73	53.72
	Staff dues	77.64	63.17
	Statutory dues	256.00	239.74
	Other Payables	34.02	52.06
	TOTAL	654.45	544.77
11	Short-term Provisions		
	Provision for income -tax (Net of payments)	8.94	-
	Provision for employee benefits (Refer Note 34):		
	Provision for Leave encashment	60.53	127.27
	TOTAL	69.47	127.27

EASTERN INTERNATIONAL HOTELS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(Rupees in lakhs)

12	Property, Plant & Equipment and Intangible Assets										
	Description	Gross Block (At Cost)			Depreciation				Net Block		
		As at 01-Apr-23	Additions	Deductions	As at 31-Mar-24	As at 01-Apr-23	For the year	Deductions	Upto 31-Mar-24	As at 31-Mar-24	As at 31-Mar-23
12.1	Property, Plant and Equipment:										
	Land (free hold)	100.11	-	-	100.11	-	-	-	-	100.11	100.11
	Buildings (Note 12.3)	10,123.65	8.15	0.94	10,130.86	7,225.73	237.28	0.63	7,462.38	2,668.48	2,897.92
	Plant and Equipment	3,239.02	24.90	2.66	3,261.26	2,756.02	139.96	2.40	2,893.58	367.68	483.00
	Furniture and Fixtures	940.72	47.39	0.43	987.68	746.33	67.98	0.41	813.90	173.78	194.39
	Computers	239.32	17.00	-	256.32	212.78	12.17	-	224.95	31.37	26.54
	Office Equipment	63.90	0.33	-	64.23	60.21	0.40	-	60.61	3.62	3.69
	Vehicles	273.89	20.00	50.80	243.09	219.21	31.19	47.46	202.94	40.15	54.68
	Total	14,980.61	117.77	54.83	15,043.55	11,220.28	488.98	50.90	11,658.36	3,385.19	3,760.33
	Previous Year	14,785.18	209.89	14.46	14,980.61	10,724.40	509.11	13.23	11,220.28	3,760.33	
12.2	Intangible Assets										
	Computer Software	115.88	3.62	-	119.50	107.43	2.37	-	109.80	9.70	8.45
	Total	115.88	3.62	-	119.50	107.43	2.37	-	109.80	9.70	8.45
	Previous Year	113.68	2.20	-	115.88	105.81	1.62	-	107.43	8.45	
	Total Fixed Assets	15,096.49	121.39	54.83	15,163.05	11,327.71	491.35	50.90	11,768.16	3,394.89	3,768.78
	Previous Year	14,898.86	212.09	14.46	15,096.49	10,810.21	510.73	13.23	11,327.71	3,768.78	

12.3 Buildings include: Cost of shares in Co-operative Societies Rs. 0.01 lakhs (Prev. Year, 0.01 lakhs)

12.4 Refer Note 30.6 and 30.7 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)	As at 31-Mar-24	As at 31-Mar-23
	Expenses incurred on redevelopment of Goa Hotel (pending allocation)		
	i) Interim Advisory Services	10.34	10.34
	ii) Design Consultancy Services (incl. reimbursements)	129.01	125.12
	iii) Other Reimbursements	23.23	15.68
	Expenses incurred on rebranding of Mumbai Hotel (pending allocation)		
	iv) Design Consultancy Services (incl. reimbursements)	157.61	-
	Others		
	v) STP Rewamping	14.00	14.00
	vi) CWIP-Renovation	41.47	-
	Total	375.67	165.15

12.9	CWIP aging Schedule	Amount in CWIP for a period of				Total
		< 1 Year	1-2 Years	2-3 Years	> 3 Years	
	Project in progress	210.52	-	165.15	-	375.67
	Total	210.52	-	165.15	-	375.67
	Previous Year	76.44	-	88.71	-	165.15

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

			31-Mar-24 Rupees in lakhs	31-Mar-23 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 (35)	10	-
	Asian Hotels (East) Limited (*) (Note 13.4)	52 (35)	10	-
	Asian Hotels (North) Limited (*)	35 (35)	10	-
	EIH Limited	1,312 (1,312)	2	0.02
	Graviss Hospitality Limited	500 (500)	2	0.01
	Housing Development Finance Corporation Limited (Note 13.5)	Nil (10,000)	2	-
	HDFC Bank Limited (Note 13.5)	21,800 (5,000)	1	0.30
	I.T.C. Limited	28,800 (28,800)	1	0.02
	Oriental Hotels Limited	4,410 (4,410)	1	0.07
	Robust Hotels Limited (*) (Note 13.4)	52 (Nil)	10	-
	The Indian Hotels Company Limited	2,800 (2,800)	1	0.06
	Tasty Bite Eatables Limited	500 (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 (2,500)	10	0.25
	Other Investments			
	National Saving Certificates (Note 13.6) (Deposited with Excise Authorities Rs. 0.30 lakhs)		<u>0.60</u>	<u>0.60</u>
	(*) value less than rupees one thousand.		TOTAL	1.39
13.1	Aggregate amount of quoted investments	Cost	0.54	0.54
		Market Value	545.10	508.40
13.2	Aggregate amount of unquoted investments	Cost	0.85	0.85
13.3	Quantities in the previous year are indicated in brackets.			
13.4	The change in the quantities of investments held by the Company in Asian Hotels (East) Ltd and Robusts Hotels Ltd is consequent to issue of 1 bonus equity share for every 2 equity shares held in Asian Hotels (East) Ltd and of 1 new equity share of Robust Hotels Ltd for every 1 equity share held by the shareholder of Asian Hotels (East) Ltd on the record date post issue of bonus shares, pursuant to the Scheme of Amalgamation and Demerger sanctioned by the Hon'ble NCLT Kolkata Bench and Chennai Bench during the year.			
13.5	During the 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, which got cancelled.			
13.6	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.			
14	Long-term Loans and Advances; (Unsecured, considered good)		31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
	Capital Advances		9.64	0.21
	Other Loans and Advances:			
	Prepaid Expenses		7.65	13.75
	Payment of income tax (net of provision for taxation)		4.20	-
		TOTAL	<u>21.50</u>	<u>13.97</u>

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	31-Mar-24 Rupees in lakhs	31-Mar-23 Rupees in lakhs
15 Other Non Current Assets		
Balances with banks with maturity over 12 months:		
as Fixed Deposits	6,027.33	6,832.56
as Margin Deposits	2.50	-
Security Deposits (including for telephone and electricity)	92.11	83.85
Service Export Incentive receivable	-	101.09
Interest Receivable	127.11	81.73
TOTAL	6,249.05	7,099.23
16 Inventories (Valued at lower of cost and net realizable value)		
Operating supplies and stores	68.84	84.25
Food and beverages	52.38	52.41
TOTAL	121.22	136.66
17 Trade Receivables		
Secured, considered good	-	11.05
Unsecured considered good	286.13	319.80
Unsecured considered doubtful	32.83	31.65
	318.96	362.50
Less: Provision for doubtful debts	(32.83)	(31.65)
TOTAL	286.13	330.85
17.1 Aging of the Trade Receivables-enclosed		

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

17.1 Trade Receivables ageing schedule as at 31st March, 2024

Rupees 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	235.13	49.73	1.27	-	-	-	286.13
ii)	Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
iii)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-
iv)	Disputed Trade receivables - considered doubtful	-	-	-	-	-	32.83	32.83
	Sub-total	235.13	49.73	1.27	-	-	32.83	318.96
v)	Unbilled dues	-	-	-	-	-	-	-
vi)	Less: Provision for doubtful debts	-	-	-	-	-	32.83	32.83
	Total:	235.13	49.73	1.27	-	-	-	286.13

Trade Receivables ageing schedule as at 31st March, 2023

Rupees 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 receivables - considered doubtful	-	-	-	-	-	13.92	13.92
iii)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-
iv)	Disputed Trade receivables - 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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	31-Mar-24	31-Mar-23
	Rupees in lakhs	Rupees in lakhs
18 Cash and Bank Balances		
Cash and cash equivalents:		
Balances with banks on current accounts	973.51	581.58
Balances with banks as Fixed Deposits (with maturity of less than 3 months)	2,537.47	670.66
Cash on hand (including cheques on hand)	27.40	22.33
	3,538.38	1,274.57
Other Bank Balances :		
Balances with banks as Fixed Deposits (with maturity of more than 3 months but less than 12 months)	4,909.50	3,943.30
Balances with banks as Margin Deposits	18.80	20.34
Balances with bank on unpaid dividend account	0.87	0.54
TOTAL	8,467.55	5,238.75
19 Short-term Loans and Advances (Unsecured, considered good)		
	31-Mar-24	31-Mar-23
	Rupees in lakhs	Rupees in lakhs
Advances recoverable in cash or kind:		
Advances to and amounts recoverable from Suppliers	39.52	26.21
Deposits - Govt. Bodies and Others.	22.34	22.34
Prepaid Expenses	184.42	172.51
Staff Advances and Loans	0.27	0.11
GST input credit available	116.22	56.05
Payment of income tax (net of provision for taxation)	-	80.21
Others	25.11	5.62
TOTAL	387.88	363.05
20 Other Current Assets (Unsecured, considered good)		
	31-Mar-24	31-Mar-23
	Rupees in lakhs	Rupees in lakhs
Security and other deposits	11.20	11.20
Interest Receivable	587.56	240.19
TOTAL	598.76	251.39

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	2023-24 Rupees in lakhs	2022-23 Rupees in lakhs
21 Revenue from Hotel Operations (Refer Note.32.1)		
Rooms, Food and Beverages Sale:		
Room Sale	7,174.43	6,683.34
Food and Beverages Sale	4,151.98	4,283.19
	11,326.41	10,966.53
Other Services		
Swimming Pool and Health Club	87.69	25.83
Conference and Banquet Services	818.59	505.56
Internet and Telephone	0.45	0.92
Laundry Services	29.68	25.67
Guest Transportation	46.75	46.00
License fees (Refer Note 36.2)	21.62	11.50
Other Services	46.86	76.60
	1,051.64	692.08
TOTAL	12,378.05	11,658.61
22 Other Income		
	2023-24	2022-23
	Rupees in lakhs	Rupees in lakhs
Dividend on Non Current Investments	9.96	7.37
Interest earned	823.75	557.07
Sundry credits and liabilities written back (Net)	15.79	0.06
Excess provision for bonus written back	-	1.33
Excess provision for gratuity written back	-	34.56
Income on account of Service Exports Incentive	4.37	-
Insurance claim received	3.74	15.28
Profit on Sale of Assets (Net)	9.77	-
Miscellaneous income	11.75	15.72
TOTAL	879.13	631.39

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, 2024

		2023-24 Rupees in lakhs	2022-23 Rupees in lakhs
23	Cost of Food and Beverages consumed		
	Opening Stock	52.41	58.35
	Add: Purchases and Expenses	1,035.54	1,066.11
		1,087.95	1,124.46
	Less: Closing Stock	52.38	52.41
	TOTAL	1,035.57	1,072.05

23.1 Imported and indigenous material consumed

Particulars	Current Year		Previous Year	
	Rupees in lakhs	%	Rupees in lakhs	%
Imported	-	-	-	-
Indigenous	1,035.57	100.00	1,072.05	100.00
Total	1,035.57	100.00	1,072.05	100.00

		2023-24 Rupees in lakhs	2022-23 Rupees in lakhs
24	Employee Benefits Expense		
	Salaries, Wages, Bonus, etc. (Refer Note 24.1)	1,618.05	1,387.70
	Contribution to Provident and other Funds	159.16	123.21
	Provision for employee benefits (Refer Note 34)	114.96	60.92
	Workmen and Staff Welfare Expenses	214.97	165.18
	Payment for Contracted Services	382.07	362.64
	TOTAL	2,489.21	2,099.65

24.1 Salaries, Wages Bonus, etc. includes leave encashment paid to the Executive Directors amounting to Rs.105.00 lakhs (Previous year Rs. Nil) paid on completion of tenure in respect of leave relating to period from April 2018 to April 2023.

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25	Finance Costs:	2023-24 Rupees in lakhs	2022-23 Rupees in lakhs
	Other Finance Charges	0.13	-
	TOTAL	<u>0.13</u>	<u>-</u>
26	Other Expenses	2023-24 Rupees in lakhs	2022-23 Rupees in lakhs
	Power and fuel	683.70	650.29
	Rates and Taxes -Office premises	11.22	10.52
	Property tax, License Fees and Rates and Taxes (Refer Note 26.1)	284.07	556.61
	Repairs to Buildings	212.36	191.81
	Repairs to Machinery	147.25	145.47
	Repairs to Others	32.70	48.59
	Data Processing Charges	82.25	49.78
	Replacements of Operating Supplies	60.49	31.65
	Expenses on Apartment and Board	442.64	407.56
	Laundry Expenses	5.64	5.68
	Water Charges	114.15	113.38
	Advertisement, Publicity and Sales Promotion Expenses	151.75	135.15
	Management and Operating Fees	575.39	538.04
	Marketing and Reservation Expenses	504.66	468.15
	Travel Agents Fees and Collection Charges	521.68	466.96
	Band , Orchestra and Music Expenses	20.89	18.25
	Printing and Stationery	38.05	40.65
	Travelling and Conveyance	249.35	242.72
	Telephone Expenses	14.80	16.84
	VAT/GST etc. including on assessments	48.90	46.05
	Auditors' Remuneration (Refer Note 26.2)	8.00	8.00
	Legal and Professional Charges (Refer Note 26.3)	182.32	106.36
	Insurance	44.08	41.18
	Provision for Doubtful Debts	1.18	-
	Loss on Sale / Discard of Assets (Net)	-	0.39
	Contributions towards Corporate Social Responsibility (Refer Note 26.4)	34.20	13.50
	Donations	0.66	-
	Foreign Exchange difference (Net)	0.59	0.22
	Miscellaneous Expenses (Refer Note 26.5)	66.43	93.86
	TOTAL	<u>4,539.40</u>	<u>4,447.66</u>

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26.1 Property tax, License fees and Rates and taxes

(a) 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 30.8 for further details.

(b) Hotel License fee of Rs.88.26 lakhs in the previous year has been regrouped from Rates and Taxes -Office Premises to Property Tax License Fees and Rates and taxed in the figure of the previous year.

	2023-24	2022-23
	Rupees in lakhs	Rupees in lakhs
26.2 Details of Auditors' Remuneration:		
Audit Fees	8.00	8.00
Goods and Service Tax (net of set off claimed)	-	-
TOTAL	8.00	8.00

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

26.3 Legal and Professional charges include Rs.1.50 lakhs (Previous Year Rs.1.50 lakhs) as tax audit fees; Rs.Nil (Previous year Rs.3.00 lakhs) for attending to taxation matters; Rs. 0.55 lakhs (Previous Year Rs. 0.55 lakhs) for VAT audit fees; Rs.Nil (Previous year Rs.0.32 lakhs) for certification services and Rs. 0.37 lakhs (Previous Year Rs. 0.97 lakhs) as GST thereon to a partner of the auditors, which is net of GST of Rs. 0.37 lakhs (Previous year Rs. 0.95 lakhs) claimed as input tax credit.

26.4 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:

	2023-24	2022-23
	Rupees in lakhs	Rupees in lakhs
Amount required to be spent during the year	34.20	13.50
Amount of expenditure incurred (*)	34.20	13.50
Shortfall / (Excess) at the end of the year	-	-
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		
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 projects related to promoting education specially for under privileged girl child, eradicating poverty, employment enhancing vocational skills, promoting health care including preventive health etc. through implementing agencies

26.5 Miscellaneous Expenses include Rs. 13.05 lakhs (Previous year Rs.7.66 lakhs) relating to earlier years on receipt of relevant bills and settlement of account with the parties during the year under reference.

27 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.

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28. The Company is exclusively engaged in the business of hotelier. 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.
29. **Commitments on account of :**
- 29.1 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 598.59 lakhs (Previous year Rs.190.16 lakhs) (Net of advances).
- 29.2 Other Commitments Rs. Nil. (Previous year Nil).
30. **Contingent liabilities not provided for in respect of:**
- 30.1 Guarantees given by the Company's bankers which are counter guaranteed by the Company Rs.10.50 lakhs (Previous year Rs.10.50 lakhs)
- 30.2 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.64.00 lakhs (Previous year Rs.61.37 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 (Previous Year Rs.1.70 lakhs) towards the demand under appeal. Pending disposal of appeal, no provision has been made for the aforesaid demand.
- 30.3 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.39.96 lakhs (Previous year Rs.38.08 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.
- 30.4 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. As per the assessment order received from the Luxury Tax Dept. the

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Company is liable to pay Rs.5.56 lakhs being 50% on the demand of Rs.11.11 lakhs, the Company has paid 10% of demand Rs.0.56 lakhs towards the deposit for one-time settlement.

- 30.5 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.

- 30.6 In respect of Company's Hotel at Goa: It has filed a Civil Suit No. 35/2009/E in the Court of Civil Judge, Madgaon 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.
- 30.7 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.

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- 30.8 The Company was granted a strip of foreshore land admeasuring 511 sq. Mts. Out of S. Np. 74-A by the Additional Collector BSD, Mumbai in terms of Lease Order dated 24th July, 1978. The Company was further granted another adjoining strip of land admeasuring 655.92 sq. Mts. Comprised in S.N. 78-A of Juhu Taluka in BSD vide lease Order dated 2nd July, 1984. Later on this area was corrected to 877.02 sq. mtr. vide Government Memorandum No. Land-2678/45840/(428)/G-9 dated 30th March, 1989. 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 of both the strips of land 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 which is pending before the authorities. In the meantime, the lease rent was revised to Rs. 11.96 lakhs, which is being 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. 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 has filed an appeal against the aforesaid order of the Collector being Appeal No. Appeal/Desk/LND/179/2022 on 19th April 2022 before the Additional Commissioner of Konkan Division. The Additional Commissioner has granted interim stay on the Order dated 11th March 2022 passed by the Collector Mumbai till the next date of hearing vide order dated 19th April 2022 signed on 20th April 2022. The appeal has been fully heard on 7th July 2022 and a favourable order has been passed on 15th July 2022 and the whole matter was set aside and restored back to the collector 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. The Company has paid/provided arrears of the lease rent of 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 in the accounts for the previous financial year ended 31st March 2023. 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.
- 30.9 Claims against the Company not acknowledged as debt Rs.18.36 lakhs (Previous year Rs.18.36 lakhs).
- 30.10 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,

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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 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.89.41 lakhs for the period upto 31st March, 2024 (Previous Year Rs.74.91 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

- 30.11 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. Nil (Previous year Rs. 6.84 lakhs) out of which, claims of some of the employees have been settled in earlier years. Industrial Tribunal and Labour Court has passed an Award on 09th January, 2024 in Company's favour, rejecting the claims of the employees.
- 30.12 Duty saved against export obligations Rs.Nil (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. Nil (Previous year Rs.1,174.90 lakhs) including interest thereon. During the year the DGFT Mumbai has issued redemption letters confirming the full discharge of export obligations. Consequently, the Company has applied to Customs Department for release of bonds, which is in progress. In view of full discharge of export obligations, the above liability does not exist now.
- 30.13 The Company is hopeful that on disposal of litigations as referred to in Note No. 30.2 to 30.12 above, the disputed demands will not survive. Amounts stated in Note No.30.2 and 30.3 above include interest upto 31st March, 2024. 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.30.2 to 30.3 above.

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31. 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, 2024		As at 31 st March 2023	
		In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Creditors in	Euro	NIL	NIL	NIL	NIL
Creditors in	USD	NIL	NIL	NIL	NIL
Forex Cards	USD	NIL	NIL	NIL	NIL

32. **Hotel Operations:**

- 32.1 In terms of resolution passed by the Board of Directors of the Company in their meetings held on 14th March, 2016 and 4th April, 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. 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 initiated steps to appoint project consultants for conceptual, architectural and similar services in connection with the Goa Hotel.
- 32.2 After the close of the financial year, the management detected an incident of fraud committed by a group of employees of the Company's hotel unit at Mumbai partly in collusion with customers in one of the food and beverage outlets of the hotel. The employees were indulging in collecting cash from the customers using their personal unified payment interface (UPI) identities and failing to deposit the money with the hotel cashier. The HR Department has initiated action against the employees involved in the fraudulent activities and filed a complaint in the form of a First Information Report (FIR) with the local police department. At the time of filing the FIR, the estimated amount of fraud based on the confessions given was around Rs. 1.60 lakhs. The matter is under investigation and the amount of fraud may vary. Pending completion of investigation by the management as well as by the police department, as to the amount involved, period involved and whether any other employee is involved, no adjustments have been made so far in the financial statements as the amount is not ascertainable at present. Appropriate accounting will be done on ascertainment of the amount involved in due course of time.
33. 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

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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.

34. 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	2023-24	2022-23
GRATUITY- FUNDED	Rupees in lakhs	Rupees in lakhs
Defined Benefit Obligation	190.93	149.37
Fair value of Plan Assets	161.57	110.20
Funded Status - (Surplus)/Deficit	29.36	39.17
(Asset)/Liability Recognised in the Balance Sheet	29.36	39.17
Amounts Recognised in Statement of Profit & Loss at Year End		
Service cost	19.19	20.92
Interest Cost	10.86	9.63
Expected Return on Plan Assets	(8.01)	(6.07)
Past Service Cost	-	-
Net Actuarial Losses/(Gains) Recognised during the year	24.13	(59.04)
Total Expense/(Income) included in "Employee Benefits Expense"	46.17	(34.56)
Current / Non-Current Bifurcation		
Current Benefit Obligation	Nil	Nil
Non- Current Benefit Obligation	29.36	39.17
(Asset)/Liability Recognised in the Balance Sheet	29.36	39.17
Change in Defined Benefit Obligation during the Year		
Defined Benefit Obligation at Beginning of Year	149.37	189.71
Service Cost	19.19	20.92
Interest Cost	10.85	9.63

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Amounts in Balance Sheet at Year End	2023-24	2022-23
GRATUITY- FUNDED	Rupees in lakhs	Rupees in lakhs
Actuarial (Gains)/Losses	27.79	(57.36)
Benefit Paid	(16.27)	(13.53)
Past Service Cost	-	-
Defined Benefit Obligation, End of Year	190.93	149.37
Change in Fair value of Plan Assets during the Year		
Fair value of Plan Assets, at Beginning of Year	110.19	92.26
Expected Return on Plan Assets	8.01	6.07
Actual Company Contributions	55.98	23.72
Actuarial Gains/(Losses)	3.66	1.68
Benefits Paid	(16.27)	(13.53)
Fair value of Plan Assets, End of Year	(16.27)	110.20
Assumptions		
Discount rate	7.10%	7.27%
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%
Compensated Absences Liability (Non-funded)		
	Rupees in lakhs	Rupees in lakhs
Summary of Assumptions:		
Retirement age	58 years	58 years
Attrition rate	25.00%	25.00%
Salary Escalation Rate	4.00%	4.00%
Rate of Discounting	7.10%	7.28%
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14)

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Amounts in Balance Sheet at Year End	2023-24	2022-23
GRATUITY- FUNDED	Rupees in lakhs	Rupees in lakhs
		Ultimate
Actuarial Value of Compensated Absences Liability	92.27	154.39
Current / Non-Current Bifurcation*		
Current Liability	60.53	127.27
Non-Current Liability	31.74	27.12
Total Liability	92.27	154.39
Amount Recognised in statement of Profit and Loss	68.79	60.92

35. Related Party Disclosures

35.1 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".

35.2 Name of related parties and description of relationship:

35.2.1 (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.

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	Sitkashi 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

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35.2.2 Transactions carried out with related parties referred in [35.2.1 (a)] above.

Particulars	Current Year	Previous Year
EXPENSES	(Rupees in lakhs)	
Remuneration paid to :		
Manish Khanna	59.05	42.00
Dinesh Khanna	59.05	42.00
Rajesh Khanna	59.05	42.00
Ravish Khanna	59.05	42.00
Jagdish Khanna	59.05	42.00
Aditya Dhawan	59.05	42.00
Contribution to Provident and Superannuation Fund	Current Year	Previous Year
Manish Khanna	12.08	8.54
Dinesh Khanna	12.08	8.54
Rajesh Khanna	12.08	8.54
Ravish Khanna	12.08	8.54
Jagdish Khanna	12.08	8.54
Aditya Dhawan	12.08	8.54
Year-end balance:	Current Year	Previous Year
Payable	Nil	Nil
Receivable	Nil	Nil

36. In accordance with the Accounting Standard on Lease (AS-19), following disclosures in respect of Operating Leases are made:
- 36.1 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.
- 36.2 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. 9.19 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.

EASTERN INTERNATIONAL HOTELS LIMITED

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

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

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

Particulars	Current Year	Previous Year
	Rupees in lakhs	Rupees in lakhs
Subscriptions and dues	0.51	0.70
Commission to Travel Agents	228.31	196.36
Professional Fees*	2.18	44.41
Payment on other accounts	78.99	102.38
Total	309.99	343.85

* includes expenses capitalised shown under CWIP.

39. 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. 4.43 lakh (Previous Year Rs.8.83 lakhs)	3,369.31	2,941.22

40. Earnings Per Share - Basic and Diluted:

Particulars	Current Year	Previous Year
Profit / (Loss) after taxation (Rupees in lakhs)	3,490.07	3,102.17
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)	197.92	175.93

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

41. 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 or 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, 2024

42 Financial Ratios

S.No	Ratio	Type	Numerator	Denominator	Year Ended 31st March 2024	Year Ended 31st March 2023	Change%	Reasons for Variance, if >25%
i)	Current Ratio	In Times	Current Assets	Current Liabilities excluding current maturities of borrowings and provisions	6.37	4.20	34.04	Change of maturity period of Bank fixed deposits from non-current to 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	20.47	21.76	(6.31)	NA
v)	Inventory turnover ratio	In Times	Cost of Goods Sold	Average Inventory	8.03	9.54	(18.84)	NA
vi)	Trade Receivables turnover ratio	In days	Average Trade Receivables	Revenue from operations per day	9.12	9.97	(9.26)	NA
vii)	Trade payables turnover ratio	In days	Average Trade Payables	Total expenses other than payroll cost, finance costs and depreciation per day	54.44	44.41	18.41	NA
viii)	Net capital turnover ratio	In Times	Net Sales	Working capital (average current assets less average current liabilities)	1.89	2.10	(11.29)	NA
ix)	Net profit ratio	In %	Net Profit/(Loss) After Tax	Total Income	26.33	25.24	4.12	NA
x)	Return on Capital employed	In %	Profit Before Interest & Taxes	Average equity + average debts + average Deferred tax liabilities	27.58	29.18	(5.82)	NA
xi)	Return on investment	In %	Dividend	Investments	716.45	530.15	26.00	Increase in the amount of Dividend received

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

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

For and on behalf of the Board of Directors

JAGDISH KHANNA
(DIN: 00140783)

DINESH KHANNA
(DIN: 00990121)

J. G. VERMA
PARTNER
Membership No.005005

RAJESH KHANNA
(DIN: 01492101)

RAVISH KHANNA
(DIN: 01751438)

MANISH KHANNA
(DIN: 00703416)

ADITYA DHAWAN
(DIN: 03584113)

EXECUTIVE DIRECTORS

MEENA VASWANI
VICE PRESIDENT FINANCE & AUDIT

Mumbai: 15th July, 2024.