

EASTERN INTERNATIONAL HOTELS LIMITED

55th Annual Report

31st March, 2025

BOARD OF DIRECTORS	Executive Directors: 1. Jagdish Khanna (DIN:00140783)- upto 04.11.2024 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) 7. Kanta Stanchina (DIN:02107640)-w.e.f 04.11.2024 Independent Directors: 8. Vijay Shah (DIN:03502649) 9. Jasbir Kohli (DIN: 06661230) 10. Gayatri Devadiga (DIN:07037193)
AUDITORS	Messrs. J. G. Verma & Co., Chartered Accountants 301-B, Niranjan, 99, Marine Drive, Mumbai 400 002
BANKERS	The Saraswat Co-Op. Bank Limited HDFC Bank Limited State Bank Of India
CIN	U99999MH1969PLC014275
REGISTERED OFFICE	Balraj Sahani Marg, Juhu, Mumbai 400 049.
LOCATION OF HOTELS	1. Novotel Mumbai Juhu Beach 2. Majorda Beach Resort, Goa

Eastern International Hotels Limited

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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 55th ANNUAL GENERAL MEETING

Notice is hereby given that the 55th Annual General Meeting of **EASTERN INTERNATIONAL HOTELS LIMITED** will be held on Tuesday, the 16th day of September, 2025, at 10.30 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, 2025 together with Reports of Board of Directors and the Auditors thereon.
2. To appoint **Mr. Ravish Khanna (DIN: 01751438)** who is retiring by rotation as an Executive Director of the Company, being eligible, offers himself for reappointment.
3. To appoint **Mr. Manish Khanna (DIN: 00703416)** 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 a **Special Resolution**.

“RESOLVED THAT pursuant to Sections 152, 190, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory amendment(s) modification(s) thereto or re-enactment(s) or substitution(s) made thereof from time to time, the Articles of Association of the Company, letter dated 17th October, 2024 received from Mr. Jagdish Khanna wherein he has, inter alia, desired of retiring from position as Executive Director of the JK Sub-Group and nominate **Ms. Kanta Stanchina**, to be appointed as the Director of the JK Sub-Group in his place and stead read with Shareholders Agreement dated March 12, 2008 and pursuant to the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meetings held on 4th November, 2024, consent of the members of the Company be and is hereby given for appointment of **Ms. Kanta Stanchina (DIN: 02107640)** to hold the office of Whole-time Director (designated as Executive Director) of the Company with powers of overall control of Company's management and affairs as provided in the Articles of Association of the Company subject to direction, superintendence and control of Board of Directors of the Company with effect from 4th November, 2024 till 19th April, 2028 and whose office shall be liable to

retire by rotation on a salary and perquisites payable to her as set out hereunder or any amendment, modification or re-enactment thereof:

a. SALARY

Rs. 5,00,000/- p.m.

b. PERQUISITES

PART A

i. Contribution to Provident and other Funds

Contribution to Provident fund or Annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income tax Act.

In lieu of contribution to the Superannuation fund, which is not permissible for her due to the age limit, she will be paid an amount equivalent to contribution to such fund for other Executive Directors of the Company individually by way of special allowance each year, which will be taxable.

ii. Gratuity

Not exceeding half a month's salary for each completed year of service.

iii. Encashment of leave on retirement

Encashment of leave at the end of the tenure.

PART B

Motor Car: Provision of fully maintained car, reimbursement of driver's salary for use in the Company's business (not considered as perquisites). The use of the car for private purpose shall be billed by the Company to the appointee.

Free use of Telephone at Residence: Provision of telephone at the residence of the Whole Time Director at Company's cost (not considered as perquisites) Personal long-distance calls shall be billed by the Company to the appointee.

PART C

Reimbursement of all the expenses made for Mediclaim insurance by the Whole Time Director for herself.

PART D

Reimbursement of entertainment expenses actually and properly incurred by the Whole Time director in the course of business of the Company shall not be considered as perquisites.

PART E

The Whole Time Director shall be entitled to reimbursement of all expenses including travelling expenses actually and properly incurred by her for the purpose of the business of the Company, which shall not be considered as perquisites.

RESOLVED FURTHER THAT pursuant to first proviso to Section 197(1), Schedule V and other applicable provisions of the Companies Act, 2013 rules made thereunder including any statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made thereof from time to time, the remuneration and perquisites to Ms. Kanta Stanchina as approved herein or modified be paid irrespective of the fact that the Company has inadequacy or absence of profits, based on the audited financial results for any financial year and the remuneration paid exceeds ten per cent of the net profits of the Company for a financial year.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter or vary the terms and conditions of appointment at the discretion of the Board in such manner as may be agreed between the Board of Directors of the Company and Ms. Kanta Stanchina and do all such acts, deeds and matters as may be required to give effect to this resolution.”

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

**Kanta Stanchina
Executive Director
DIN: 02107640**

**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: 18th July 2025
Place: Mumbai

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NOTES TO NOTICE OF 55th 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. 09/2024 dated 19 September, 2024 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 55th Annual General Meeting (AGM) of the Company through Video Conferencing (VC) / Other Audio Visual Means (OAVM) is provided.
2. Since option to attend this 55th 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 55th 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 55th 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 are provided with a facility to attend the AGM through VC/OAVM through the following web link.

Join Zoom Meeting: <https://us06web.zoom.us/j/89731780993>

Meeting ID: 897 3178 0993

Passcode: eih123

On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM 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, as applicable.

- 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.
 - 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, 2025. 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, 2025. **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 vpfoffice@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 physical copies of the Annual Report, Memorandum and Articles of Association, and other documents referred to in the Notice including other documents such as the Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the 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 Act, 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.

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.

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 TO THE 55th AGM NOTICE
STATEMENT SETTING OUT THE MATERIAL FACTS AS REQUIRED UNDER
SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors at its meeting held on 4th November, 2024 on recommendation of the Nomination and Remuneration Committee and pursuant to letter dated 17th October, 2024 received from Mr. Jagdish Khanna wherein he has, inter alia, desired of retiring from position as Executive Director of the JK Sub-Group and nominated Ms. Kanta Stanchina, to be appointed as the Director of the JK Sub-Group in his place and stand read with Shareholders Agreement dated March 12, 2008, approved the appointment of Ms. Kanta Stanchina (DIN: 02107640) to hold the office of Whole-time Director (designated as Executive Director) of the Company with effect from 4th November, 2024 till 19th April, 2028, being the balance period for which Mr Jagdish Khanna would have continued as a Whole Time Director. The said appointment is subject to the approval of the members of the Company. The following are the terms and conditions of appointment:

- Remuneration and Perquisites: as mentioned in resolution no. 4 above.
- As a Whole-time Director (designated as Executive Director), Ms. Kanta Stanchina shall, subject to the supervision and control of the Board of Directors, manage the business and affairs of the Company.
- Ms. Kanta Stanchina will not be paid any fee for attending the meetings of the Board or any committee thereof.
- The office of Ms. Kanta Stanchina will be liable to retire by rotation.
- Tenure: from 4th November 2024 till 19th April, 2028.

The above terms and conditions may be treated as a written memorandum under Section 190 of the Companies Act, 2013.

The Company has received a notice in writing from a member of the Company proposing the candidature of Ms. Kanta Stanchina as Director of the Company under the provisions of Section 160 of the Companies Act, 2013.

As per Section 152(4) of the Companies Act, 2013 Ms. Kanta Stanchina has furnished Director Identification Number and declared that she is not disqualified to become a Director under the Companies Act, 2013.

The remuneration and perquisites to Ms. Kanta Stanchina as approved herein or modified be paid irrespective of the fact that the Company has inadequacy or absence of profits, based on the

audited financial results for any financial year and the remuneration paid exceeds ten per cent of the net profits of the Company for a financial year.

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

In the opinion of the Board, Ms. Kanta Stanchina has relevant expertise and experience and fulfills the conditions for appointment as Whole-time Director as specified in the Companies Act, 2013.

The directors recommend the passing of the resolution set out in Item No. 4 as a Special Resolution.

Except for Ms. Kanta Stanchina, there is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in respect of the said resolution.

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

Kanta Stanchina
Executive Director
DIN: 02107640

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: 18th July, 2025
Place: Mumbai

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ANNEXURE II TO THE 55TH 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. Ravish Khanna	Mr. Manish Khanna	Ms. Kanta Stanchina
Age	56 Years	54 Years	69 years
Qualification and Experience	Mr. Ravish Khanna is Bachelor of Science, Hotel Administration and experience in related field.	Mr. Manish Khanna is MBA and Bachelor of Science in Hotel and Restaurant Management from Widener University Chester, PA, USA with experience in hotels and hospitality sector	Ms. Kanta Stanchina is Bachelors in Economics Honours, Kolkata University. Experience in Journalism and Hospitality.
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		
Last drawn remuneration	Rs. 72.20 Lakhs	Rs. 72.20 Lakhs	Rs. 27.44 Lakhs
Date of first appointment by the Board of Directors of the Company	21/04/2008	21/04/2008	04/11/2024
Shareholding in the Company	1,12,049 equity shares	3,10,790 equity shares	NIL
Relationship with other directors and Key Managerial of the Company	Relative of all the Executive Directors except Ms. Kanta Stanchina	Relative of all the Executive Directors except Ms. Kanta Stanchina	NIL
Number of meetings attended during the financial year 2024-25	4	4	2
Other directorship, membership / chairmanship of committees of other board	<u>Directorship:</u> 1. Automotion Synergy (India) Private Limited 2. Spectrum Tradelinks Private Limited Committee Membership/	<u>Directorship:</u> 1. Jasminn Hospitality Services Private Limited 2. Jasminn Estate Developers Private Limited 3. Eastern Estate &	<u>Directorship:</u> 1. Eastern Estate & Investments Advisors Private Limited Committee

	Chairmanship- NIL	Investments Advisors Private Limited 4. BK3 Entertainment Technology Private Limited 5. Prolific Resolution Private Limited 6. Eastin Hospitality Services Private Limited 7. Mohta Housing Developers P Ltd Committee Membership/ Chairmanship- NIL	Membership/ Chairmanship- NIL
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* For the purpose of disclosure of Membership/ Chairmanship only Audit Committee and Stakeholder Relationship Committee other than this Company are considered.

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BOARD'S REPORT

To the Members,

Your Directors are pleased to present the Fifty-Fifth (55th) Board's Report together with the audited financial statements of the Company for the year ended March 31, 2025, 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, 2025 (Rs. In lakhs except EPS)	For the year ended on March 31, 2024 (Rs. In lakhs except EPS)
Revenue from Hotel operations and other income	13,881.08	13,257.18
Less: Operating and other expenses	(8,326.42)	(8,064.19)
Profit Before Interest, depreciation, tax and exceptional items	5,554.66	5,192.99
Add/(Less): Exceptional Items (net)	Nil	Nil
Profit after Exceptional Items	5,030.12	5,193.00
Less: Finance Costs	(0.10)	(0.13)
Less: Depreciation and Amortization Expense	(524.44)	(491.35)
Profit for the year before Tax	5,030.12	4,701.52
Less: Tax (net)	(1,277.12)	(1,211.44)
Profit After Tax	3,753.00	3,490.08
Add: Balance brought forward	13,883.63	11,498.65
Less: Interim Dividend	NIL	(1,005.10)
Less: Transfer to General Reserve	NIL	(100.00)
Balance carried to balance sheet	17,636.63	13,883.63
Earnings per share in Rupees (Basic and Diluted)	212.83	197.92

2. Business Overview

Hospitality and Tourism Industry

The global tourism and hospitality sector saw a strong resurgence in 2024, nearly recovering from the disruptions caused by the pandemic. Growth was fueled by pent-up travel demand, the revival of key source markets, and the gradual reopening of destinations, particularly across Asia and the Pacific. According to the United Nations World Tourism Organisation, international tourist arrivals are expected to grow by 3–5% in 2025, marking a return to normal growth levels after the sharp post-pandemic rebound. Key enablers include enhanced air connectivity and the simplification of visa procedures. However, uncertainties such as geopolitical tensions and global trade risks continue to influence travel patterns, with a growing preference for regional destinations and value-driven travel.

In India, FY 2024–25 was another landmark year for the tourism sector, supported by favourable demographics, rising disposable incomes, increased employment, and growing domestic demand. The government allocated Rs. 2,541 crore to tourism in the Union Budget 2025–26, with focus areas including infrastructure enhancement, skill development, and the promotion of key tourist destinations. Initiatives such as the expansion of the e-visa programme (now covering 167 countries), improved transport connectivity, and flagship schemes for cultural and regional tourism have further boosted the sector.

By December 2024, 10 new airports had become operational, taking the total count to 159, with major greenfield projects in Navi Mumbai and Noida nearing completion. Foreign tourist arrivals reached 9.7 million in 2024, showing a steady recovery to 88% of pre-pandemic levels. Outbound travel surpassed previous records, with 30.2 million Indians travelling overseas. Domestic air travel grew 6% year-on-year, reaching 161 million passengers, driven by demand from leisure travel, weddings, MICE events, and corporate travel.

According to Horwath HTL's India Hotel Market Review 2024, national hotel occupancy stood at 63.9%, up from 62.1% in 2023. While occupancy remained slightly below the 2019 level (64.5%), RevPAR rose 10.7% to Rs. 5,078 and ADR increased 7.5% to Rs. 7,951 — both significantly above pre-COVID levels, reflecting overall sector growth. Premium destinations such as Udaipur, Mumbai, Goa, and Delhi continued to lead in ADR.

The Indian hospitality sector enters 2025 on strong footing, supported by sustained domestic tourism, infrastructure improvements, and rising interest from international travellers. Emerging trends such as the growth of tourism in Tier 2 and Tier 3 cities, spiritual tourism, hybrid work-led travel, and destination weddings are further expanding the market. With branded room demand expected to outpace supply in the medium term, and continued government support, the Indian hotel industry is well-positioned for sustained performance and long-term growth, despite global uncertainties.

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

- a. This is the 16th year of Operations for Novotel Mumbai Juhu Beach (NMJB). The Turnover of NMJB for the year ended March 31, 2025, amounted to **Rs. 12,684.64 lakhs** as against Rs. 12,468.00 lakhs in the previous year. The hotel has made a cash profit of **Rs. 6,143.25 lakhs** as against Rs. 6,178.50 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. As reported earlier, the Company has signed an 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. 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 consideration of the authorities. On receipt of all the requisite approvals, the development work of the project will commence.
- e. The total income of the Company for the year under report as a whole increased to **Rs. 13,881.08 lakhs** from Rs. 13,257.18 lakhs in the previous year. Due to strict control on costs, the operating and other expenses amounted to **Rs. 8,326.42 lakhs** in the current year as compared to Rs. 8,064.19 lakhs in the previous year. The charge of depreciation and amortization expense increased to **Rs. 524.44 lakhs** in the current year as compared to Rs. 491.35 lakhs in the previous year. The combined effect of all these resulted into higher profit of **Rs. 5,030.12 lakhs** in the current year as compared

to profit of Rs. 4,701.52 lakhs in the previous year. After deducting provision for tax and deferred tax of **Rs. 1,277.12 lakhs (net)** (previous year Rs. 1,211.44 lakhs (net)), the year resulted into a higher profit of **Rs. 3,753.00 lakhs** as compared to profit of Rs. 3,490.08 lakhs in the previous year.

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

The Directors in their wisdom did not consider declaration of any dividend for the year under report considering requirement of funds for its hotels at Mumbai and Goa for the redevelopment, rebranding and refurbishing as mentioned in Note 3 (c) and (d) above.

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 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.

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').

Accordingly, during the year under review, 1,370 equity shares of the Company held by 21 shareholders of the Company and dividend of Rs. 54,800/- in respect of which shares have remained unpaid / unclaimed for seven years were transferred to the Investor Education and Protection Fund. The details are available 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 a 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 **NIL** (previous year Rs. **100 lakhs**) out of the retained earnings to the General Reserve. The Company has recorded net profit of **Rs. 3,753.00 lakhs**, (previous year Rs. 3,490.08 lakhs) after Tax of **Rs. 1,277.12 lakhs (net)** (previous year Rs. 1,211.44 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.

As reported in Clause (5) above, during the year under review, 1,370 equity shares of the Company held by 21 shareholders of the Company in respect of which dividends have remained unpaid / unclaimed for seven years were transferred to the Investor Education and Protection Fund.

(a) Issue of equity shares with differential rights:

During the Financial Year ended on March 31, 2025, 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, 2025, no sweat equity shares were issued by the Company.

(c) Issue of employee stock options:

During the Financial Year ended on March 31, 2025, 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 did not make any issue of securities.

11. Directors and KMP's

a. Change in Whole-time directors of the Company:

Mr. Jagdish Khanna vide his letter dated 17th October, 2024 retired from the office of Whole-time Director (designated as Executive Director) of the Company effective from 4th November, 2024. The Board placed on record its appreciation for the valuable guidance provided by Mr. Jagdish Khanna during his tenure as Executive Director of the Company.

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors at their respective meetings held on 4th November, 2024, Ms. Kanta Stanchina (MPK Group) was appointed as Whole-time Director to hold the office of Executive, Director, with effect from 4th November, 2024 till 19th April, 2028. Her appointment is proposed for approval by the members of the Company at this general meeting. A brief profile and other requisite details of Ms. Kanta Stanchina are given in Annexure I and II to the Notice of this Annual General Meeting.

b. Remuneration to Whole time directors:

The Company has paid remuneration **Rs. 475.01 lakhs** (previous year Rs. **426.82 lakhs**) to the Executive Directors from April 1, 2024, to March 31, 2025 (inclusive of contribution to provident fund and superannuation fund, retiring gratuity but excluding leave encashment).

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 and as Directors to hold the office of Independent Directors of the Company by the Members of the Company at the previous Annual General Meeting held on 16th September, 2024.

The Company has received declaration from Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013; that they will abide by the provisions specified in Schedule IV to the Companies Act, 2013 and that their names are registered in the data bank as per Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. The Board has taken on record the declarations so received from Independent Directors.

The Company has complied with the provision related to the appointment of 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. Ravish Khanna (DIN: 01751438) and Mr. Manish Khanna (DIN: 00703416) are liable to retire by rotation and being eligible offer themselves for re-appointment as Director.

A resolution seeking shareholders' 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 the Audit Committee. Since Company's turnover is more than one hundred crore rupees, it is required to constitute an Audit Committee. The Audit Committee is duly constituted, and the members of the said committee are as under:

- i. Mr. Vijay Shah
- ii. Mr. Jasbir Kohli
- iii. Mrs. Gayatri Devadiga
- iv. Mr. Manish Khanna
- v. Mr. Dinesh Khanna

The Audit Committee met three times during the year on 15th July, 2024, 4th November, 2024 and 27th March, 2025.

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 is duly constituted, and the members of the said committee are as under:

- i. Mr. Vijay Shah
- ii. Mr. Jasbir Kohli
- iii. Mrs. Gayatri Devadiga

The Nomination and Remuneration Committee met two times during the year on 15th July, 2024 and 4th November, 2024.

In terms of Section 178(3) of the Companies Act, 2013, the Company has a Nomination and Remuneration Policy on Director's and Senior Management Employee's appointment and remuneration including criteria for determining their qualifications, positive attributes, independence and other prescribed matters in place. The Remuneration Policy of the Company is available on the website of the Company www.eihlimited.com.

Currently, no compensation is paid to the Non-Executive Directors of the Company except for the sitting fees as per the provisions of Companies Act, 2013.

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 as on March 31, 2025. 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 the 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 India Hotel Management Private Limited (AAPC) who is managing the said hotel since 2009. The Directors hold regular meetings with the AAPC officials on the aspects 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, M/s. KPMG, Chartered Accountants appointed by the Company 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.

During the year, management of the Company has 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. Company's 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. The matter is still under investigation and hence amount of fraud is not determinable presently. In the meantime, some employees involved in the fraud paid Rs. 1.70 lakhs to the Company and same has been accounted for as 'Other Income' in the Statement of Profit and loss for the year ended 31st March, 2025. Further adjustments will be made in the books of account on completion of the investigation by the authorities. The Company has further strengthened its internal controls and SOPs by introducing various measures to prevent such incidence in future.

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.	15.07.2024	9	9
2.	04.11.2024	9	8
3.	27.12.2024	9	8
4.	27.03.2025	9	9

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

Total number of Board meetings held from April 01, 2024 to March 31, 2025 - Four (4)

Sr. No.	Name of Director	No. of Meetings attended
1.	Mr. Jagdish Khanna (till 04.11.2024)	2
2.	Mrs. Kanta Stanchina (w.e.f 04.11.2024)	2
3.	Mr. Manish Khanna	4
4.	Mr. Dinesh Khanna	3
5.	Mr. Ravish Khanna	4
6.	Mr. Rajesh Khanna	4
7.	Mr. Aditya Dhawan	4
8.	Mr. Vijay Shah	4
9.	Mr. Jasbir Kohli	4
10.	Mrs. Gayatri Devadiga	3

Further, the Company had convened its 54th Annual General Meeting for the Financial year 2023-24 on September 16, 2024.

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)

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**. There was no unspent CSR funds at the end of the financial year.

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 material contract or arrangement with related parties falling under preview of Section 188 of the Companies Act, 2013 and rules made thereunder. 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 closure 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. They continue to be Statutory Auditors.

(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 or maintain cost records.

(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. As mentioned in paragraph 16 above, the Company has appointed an independent firm of Chartered Accountants to carry out internal audit during the year 2024-25 and the management has further strengthened its internal controls and SOPs by introducing various measures.

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 vpfoffice@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 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 supplementing 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.

(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 earnings of the Company were to the tune of **Rs. 3,269.77 lakhs** (previous year Rs. 3,369.31 lakhs). The foreign exchange outgo during the year was **Rs. 631.07 lakhs** (previous year Rs. 309.99 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

The formal evaluation of the Board as whole, Independent and Non-Independent Directors of the Company was done at the respective meetings of Independent Directors and the Board of Directors each held on 27th March 2025.

The performance of Independent Directors was evaluated on the criteria like participation including attendance, contribution, initiative at Board/Committee Meetings; exercise of objective independent judgment on strategy, performance; managing relationships with fellow Board members and senior management; maintenance of confidentiality and independence; adherence to the applicable code of conduct for independent directors; ethics and integrity; providing recommendations professionally as per domain knowledge. The Board was overall satisfied with the Independent Directors.

The Non-Independent Directors were evaluated at a separate meeting of Independent Directors in which factors like appropriate guidance to the departmental heads of the Company, understanding of the business, financial realities, decision making, views on the governance, financial discipline and other practices, objective assessment on the plans framed by the executive team and role in formulating and overseeing the corporate strategy discharge of the duties and responsibilities entrusted, expertise towards the operational, strategy and statutory affairs, risk management and mitigation, commitment and maintaining desirable/ approachable relationship with Board, managing team, regulators, bankers, industry representatives and other stakeholders, integrity and to ensure the financial compliances and working of the Company were assessed. The Independent Directors were satisfied with the Non-Independent Directors.

Factors like Board structure/ composition with experience, qualifications and a proper mix of competencies to conduct its affairs effectively, diversity in terms of gender/background/ competence/experience and interaction of Committee with the Board, approach of Board toward unforeseen situation, frequency of meeting, agenda, logistics, relevant information, time allotted, discussion and decision on agenda items, inputs from the Board members, circulation of minutes and incorporation of suggestion thereon, communication with the management team, company employees and others, helpful feedback to management on its requirements, monitoring of policies, transparency and quality, quantity, and timeliness of the information provided, risk management, emphasis on corporate governance, initiatives taken to ensure regulatory compliances were considered for evaluation of the Board. The Directors expressed their satisfaction with the evaluation process.

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 and the Board is satisfied with same.

31. 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.

32. **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.

33. **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.

34. **Other Matters**

a. **Depreciation and Finance Costs**

Depreciation for the year was **Rs. 523.31 lakhs** as compared to Rs. 491.35 lakhs in the previous year in accordance with the provisions of Schedule II to the Companies Act, 2013. The Company has no borrowings.

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 paragraph 35 hereinbelow.

c. **Listing:**

Not applicable to the company.

35. **Pending Litigations: (Current Status)**

a. **Petition filed by the Licensee of the shop in the hotel at Mumbai:**

The Company successfully completed the litigation initiated by one licensee on the first floor of Novotel Mumbai, Juhu Beach and secured the possession of the concerned premises. The Company is pursuing an application for means profits for the licensee.

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 re-instatement. The Management had disputed the same. On disposal of these complaints vide order dated 6th June 2018, the Industrial Court has directed the Company to reinstate these employees from 1st July, 2018 and 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 employees concerned 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. 91.13 lakhs 89.41 lakhs for the period upto 31st March, 2025. 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. Other miscellaneous litigations:

- i) In respect of the Company's hotel at Goa, viz. Majorda Beach Resort (MBR), oneGomes (Iam 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 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.

- d.** Reference is also invited to Note 28 forming part of the Financial Statements.

36. Directors' Responsibility Statement

- a) Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

In the preparation of the Annual Accounts for the year ended March 31, 2025, the applicable accounting standards have been followed and that there is 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, 2025 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 the Company's successful operations. Your Directors also place on record their sense of appreciation for the 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**

Kanta Stanchina
Executive Director
DIN: 02107640

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: 18th July, 2025

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 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 (4 th November, 2024)	Number of meetings of CSR Committee attended during the year
1	Mr. Jasbir Singh Kohli	Independent Director	1	1
2	Mr. Vijay Shah	Independent Director	1	1
3	Ms. Gayatri N Devadiga	Independent Director	1	0

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. 3285 lakhs
- b. **Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act:**
Rs. 65.70 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. 65.70 lakhs

6. AMOUNT ACTUALLY SPENT ON CSR

- a. **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**
Rs. 65.70 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. 65.70 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. 65.70	-	-	-	-	-

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. 65.70 lakhs
2.	Total amount spent for the Financial Year	Rs. 65.70 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**

Kanta Stanchina
Executive Director
DIN: 02107640

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

Jasbir Singh Kohli
Independent Director
DIN: 06661230

Vijay Shah
Independent Director
DIN: 03502649

Gayatri N Devadiga
Independent Director
DIN: 07037193

Date: 18th July, 2025
Place: Mumbai

J.G. VERMA
A.G. VERMA

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

Ref. No. _____

INDEPENDENT AUDITOR'S REPORT
To the members of **EASTERN INTERNATIONAL HOTELS LIMITED**

Report on the Audit of 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 2025, the Statement of Profit and Loss, and Statement of the 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, 2025, and its profit, and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

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

The Company's Management and Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Director'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 the 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management 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 and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 scepticism 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

Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the Financial Statements, in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 a 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 Companies Act, 2013, 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, based on our audit 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 relevant books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Amendment Rules, 2021.
- (e) On the basis of the written representations received from the directors as on 31st March 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report 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, we report that:

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) Amendment Rules, 2021, as amended 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 28.9 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, 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 persons or entities, 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;

- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the company from any persons or entities, 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
 - (iii) Based on such audit procedures that we have 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 (i) and (ii) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March 2025 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 software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For J. G. Verma & Co
Chartered Accountants
Firm Registration No: 111381W

J. G. Verma
Partner
Membership No: 5005
UDIN: 25005005BPUALU9552
Place: Mumbai
Date: 18th July 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report to the members of the **Eastern International Hotels Limited** on the Financial Statements for the year ended **31st March 2025**, we report that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (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) The Company has not revalued any of its PPE or intangible assets during the year.
- (e) The Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (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.
- iii. The Company has not made any 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 except as disclosed below:

EASTERN INTERNATIONAL HOTELS LIMITED
INDEPENDENT AUDITORS' REPORT- (31-03-2025)

- (a) (A) The Company did not have any subsidiaries, joint ventures or associates during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order in respect of granting of any loans or advances in the nature of loans, or providing any guarantee, or security to its subsidiaries, joint ventures or associates during the year is not applicable.

- (B) During the year, the Company has provided loans or advances in the nature of loans to its employees, the details of which are as under:

(Rs. In Lakhs)	
Particulars	Amount
Aggregate amount granted/ provided during the year	
- Others	-
- Employees	4.24
Balance outstanding as at the Balance sheet date	
- Others	
- Employees	1.97

- (b) In our opinion, during the year, the terms and conditions of the grant of all loans and advances in the nature of loan to its employees are prima facie not prejudicial to the interest of the Company.
- (c) In respect of loans given by the Company to its employees, the schedule of repayment of principal and payment of interest has been stipulated, and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) In respect of loans given by the Company, there is no overdue amount for more than ninety days as at the Balance Sheet date.
- (e) No loans granted by the Company has fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans;
- (f) In respect of loans granted by the Company to its employees during the year, there were no amount granted which were either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security to the extent applicable.
- v. 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, therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. For goods sold and services rendered by the Company, the Central Government has not prescribed the maintenance cost records under sub-section (1) of section 148 of the Act. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- vii. a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and

EASTERN INTERNATIONAL HOTELS LIMITED
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any other statutory dues in arrears as at 31st March 2025, for a period of more than six months from the date they became payable.

- b. On the basis of our examination of records and according to the information and explanations given to us by the management, there are no dues of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other material statutory dues applicable to it which have not been deposited by the Company on account of any dispute with appropriate authorities except as disclosed as under:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period	Forum where the dispute is pending
The Finance Act, 1994 (Service tax)	Service tax on hotel services	66.55	2012-2015	Appellate Tribunal-CGST
The Finance Act, 1994 (Service tax)	Service tax on hotel services	41.83	2015-2018	Appellate Tribunal-CGST
Goa Tax on Luxuries (Hotels & Lodging Houses) Act, 1968	Luxury tax on accommodation	11.11*	2015-2016	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,

- viii. In our opinion, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (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 wilful defaulter by any bank or financial institution or other lender is not applicable
- (c) the Company has not taken any term loans and accordingly clause 3 (ix) (c) of the Order for commenting on application of term loans for the purpose for which the loans were obtained is not applicable to the Company
- (d) on an overall examination of the balance sheet of the Company, no funds raised on short term basis have been utilized for long term purposes by the Company
- (e) the Company does not have any subsidiaries, joint ventures or associate companies accordingly clause 3 (ix) (e) of the Order for commenting upon taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, is not applicable to the Company
- (f) the Company does not have any subsidiaries, joint ventures or associate companies. accordingly, clause 3 (x) (f) of the Order for commenting upon raising loans during the year on the pledge of securities held in subsidiaries joint ventures or associate companies is not applicable to the Company
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

EASTERN INTERNATIONAL HOTELS LIMITED
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- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xii. (a) During the year, management of the Company has identified an incident of fraud committed by few employees of the Company on the Company (refer note 30.2 of the Financial Statements for the nature and amount involved).
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Amendment Rules, 2021 with the Central Government, during the year.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xiii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.
- xiv. In our opinion, and according to the information and explanations given by the management, the Company is in compliance with section 177 and 188 of the Companies Act, 2013, and the details of related party transactions have been disclosed in Note no. 33 of the Financial Statements as required by the applicable accounting standards.
- xv. (a) The Company is not required to appoint Internal Auditor as per Section 138 of Companies Act, 2013. Despite this, the Company has appointed a firm of chartered accountants during the year to carry out the functions as internal auditors in accordance with the internal audit system designed by it, which in our opinion, is commensurate with the size and nature of its business.
- (b) We have considered the reports of internal auditors issued for the period under audit, while conducting our statutory audit.
- xvi. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.
- xvii. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order are not applicable.
- xviii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xix. There has been no resignation of the statutory auditors of the Company during the year.
- On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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.

EASTERN INTERNATIONAL HOTELS LIMITED
INDEPENDENT AUDITORS' REPORT- (31-03-2025)

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 up to the date of the 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.

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year to the Company.
- (b) There are no ongoing projects in relation to Corporate Social Responsibility (CSR) and therefore reporting under clause 3(xx)(b) of the Order is not applicable for the year to the Company.

For J. G. Verma & Co
Chartered Accountants
Firm Registration No: 111381W

J. G. Verma
Partner
Membership No: 5005
UDIN: 25005005BPUALU9552
Place: Mumbai
Date: 18th July 2025

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Eastern International Hotels Limited** for the year ended 31st March 2025)

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("Act")

Qualified Opinion

We have audited the internal financial controls over financials reporting of Easter International Hotels Limited ("the Company") as of 31st March 2025 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 2025:

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 ticket with sales invoices, improper collection of sales proceeds of food and beverage sales; lack of verification of discounts given to the customers on food and beverage sales; and lack of monitoring on quantities of portion of food and beverage supplied to customers; (ii) "Purchase and Inventory Management System" including inadequacy of approvals and absence of rate contracts with higher procurements; and (iii) HR and Payroll relating to updating of employees masters and leave administration.

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, 2025 based on the internal control over internal 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 the 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 2025 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 with reference to Financial Statements

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI"). These

responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with reference to Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control with reference to Financial Statements includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For J. G. Verma & Co
Chartered Accountants
Firm Registration No: 111381W

J. G. Verma
Partner
Membership No: 5005
UDIN: 25005005BPUALU9552
Place: Mumbai
Date: 18th July 2025

EASTERN INTERNATIONAL HOTELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2025

	NOTE	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	176.33	176.33
Reserves and Surplus	4	21,866.69	18,113.71
		<u>22,043.02</u>	<u>18,290.04</u>
NON-CURRENT LIABILITIES			
Other Long-term Liabilities	6	-	6.32
Long-term Provisions	7	106.18	61.10
		<u>106.18</u>	<u>67.42</u>
CURRENT LIABILITIES			
Trade Payables	8		
Due to Micro and Small Enterprises		30.87	31.12
Due to other than Micro and Small Enterprises		973.69	794.00
Other Current Liabilities	9	873.58	654.45
Short-term Provisions	10	15.81	69.47
		<u>1,893.95</u>	<u>1,549.04</u>
	TOTAL	<u>24,043.15</u>	<u>19,906.50</u>
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment and Intangible Assets	11		
		3,530.15	3,385.19
Intangible Assets		20.42	9.70
Capital Work-In-Progress		1,508.74	375.67
		<u>5,059.31</u>	<u>3,770.56</u>
Non Current Investments	12	1.39	1.39
Deferred Tax Assets (Net)	5	48.61	2.46
Long-term Loans and Advances	13	48.64	21.50
Other Non-Current Assets	14	5,783.95	6,249.05
		<u>10,941.90</u>	<u>10,044.96</u>
CURRENT ASSETS			
Inventories	15	125.72	121.22
Trade Receivables	16	260.73	275.81
Cash and Bank Balances	17	11,573.40	8,467.55
Short-term Loans and Advances	18	346.80	387.88
Other Current Assets	19	794.60	609.08
		<u>13,101.25</u>	<u>9,861.54</u>
	TOTAL	<u>24,043.15</u>	<u>19,906.50</u>
SIGNIFICANT ACCOUNTING POLICIES			
	2		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS			
	1 to 41		

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	
	KANTA STANCHINA (DIN: 02107640)	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: 18th July, 2025

EASTERN INTERNATIONAL HOTELS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	NOTE	2024-25 Rupees in lakhs (Except EPS)	2023-24 Rupees in lakhs (Except EPS)
INCOME			
Revenue from Hotel Operations	20	12,680.86	12,378.05
Other Income	21	1,200.22	879.13
TOTAL INCOME		13,881.08	13,257.18
EXPENDITURE			
Cost of Food and Beverages consumed	22	967.75	1,035.57
Employee Benefits Expense	23	2,588.35	2,489.21
Finance Costs	24	0.10	0.13
Depreciation and Amortisation Expense	11	524.44	491.35
Other Expenses	25	4,770.32	4,539.40
TOTAL EXPENDITURE		8,850.96	8,555.66
Profit before Exceptional and Extra-ordinary items and Tax		5,030.12	4,701.52
Exceptional/ Extra-ordinary items		-	-
Profit after Exceptional / Extra-ordinary items		5,030.12	4,701.52
Tax Expense:			
(1) Current Tax		1,310.00	1,184.00
(2) Deferred Tax (Refer Note 5)		(46.15)	13.73
		1,263.85	1,197.73
(3) Prior periods tax adjustments (net)		13.27	13.71
		1,277.12	1,211.44
Profit after tax for the year		3,753.00	3,490.08
Earnings per Equity Share of face value of Rs. 10 each (EPS)	38		
(1) Basic		212.83	197.92
(2) Diluted		212.83	197.92
SIGNIFICANT ACCOUNTING POLICIES	2		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS	1 to 41		

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

J. G. VERMA
PARTNER
Membership No.005005

KANTA STANCHINA
(DIN: 02107640)

DINESH KHANNA
(DIN: 00990121)

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: 18th July, 2025

EASTERN INTERNATIONAL HOTELS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before exceptional items and tax :	5,030.12	4,701.52
Adjustment for:		
Depreciation	524.44	491.35
(Profit)/ Loss on sale or disposal of Property, Plant and Equipment and intangible Assets (net)	(15.08)	(9.77)
Interest Expenses on borrowings	0.10	0.13
Interest Income	(1,123.21)	(823.75)
Dividend Income	(7.96)	(9.96)
Sundry credits and liabilities written back (Net)	-	(15.79)
Provision for Doubtful debts (net)	(15.33)	1.18
Provision for Employee Benefits (net)	14.61	114.96
Operating Profit before changes in assets and liabilities:	4,407.69	4,449.87
Changes in assets and liabilities:		
Trade receivables	32.82	43.54
Loans and Advances and Other Assets	(2.32)	(6.12)
Inventories	(4.50)	15.45
Trade payables	179.44	5.20
Other Liabilities and provisions	212.11	(68.26)
Cash generated from / (used in) operations:	4,825.24	4,439.68
Add: Exceptional item of income	-	-
Less: Direct Taxes paid (Net of refund received)	(1,365.02)	(1,121.70)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES:	3,460.22	3,317.98
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment and Intangible Assets (net)(Incl. Work in Progress)	(1,822.66)	(341.34)
Sale of Property, Plant and Equipment	24.55	13.70
(Placement)/maturity proceeds of term deposits with Banks->12 months	408.37	802.72
(Placement)/maturity proceeds of term deposits with Banks->3<12 months	685.16	(966.20)
Movements in Margin Deposits with Bank & Dividend bank account	(1.70)	1.54
Interest received	1,026.83	431.00
Dividend received	7.96	9.96
NET CASH FROM / (USED IN) INVESTING ACTIVITIES:	328.51	(48.62)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(0.10)	(0.13)
Interim Dividend paid / unclaimed reversed for 2022-23	1.24	(1,005.10)
Unpaid dividend transferred to Investors Protection fund	(0.55)	-
Dividend paid out of unpaid dividend	-	(0.33)
NET CASH USED IN FINANCING ACTIVITIES:	0.59	(1,005.56)
NET CHANGES IN CASH AND CASH EQUIVALENTS: (A+B+C)	3,789.32	2,263.80
CASH AND CASH EQUIVALENTS AT START OF THE YEAR (Refer Note 17) *	3,538.37	1,274.58
CASH AND CASH EQUIVALENTS AT CLOSE OF THE YEAR (Refer Note 17) *	7,327.69	3,538.37
(*) Consisting of:		
Cash and cash equivalents:		
Balances with banks on current accounts	822.76	973.51
Balances with banks as Fixed Deposits (with maturity of less than 3 months)	6,483.13	2,537.47
Cash on hand (including cheques on hand)	21.80	27.40
Total	7,327.69	3,538.37

SIGNIFICANT ACCOUNTING POLICIES (Refer Note 2)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS (Refer Note 1 to 41)

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

KANTA STANCHINA
(DIN: 02107640)

DINESH KHANNA
(DIN: 00990121)

J. G. VERMA
PARTNER
Membership No.005005

RAJESH KHANNA
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RAVISH KHANNA
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MANISH KHANNA
(DIN: 00703416)

ADITYA DHAWAN
(DIN: 03584113)

EXECUTIVE DIRECTORS

Mumbai: 18th July, 2025

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, 2025

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 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 30.1
- 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 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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

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.

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.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value. Refund of indirect taxes in lieu of any Government Grant previously sanctioned is recognised in the statement of profit and loss when there is reasonable assurance that the same will be received; and the grant will be received.

2.6 Investments:

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

2.7 Inventories:

Inventories are valued after providing for obsolescence as under:

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

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

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

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

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

2.8 Borrowing Costs:

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

2.9 Employee Benefits:

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

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

Compensated Absences on retirement – As per independent actuarial valuation;

Provident Fund and Employees State Insurance –On accrual basis.

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".

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

2.10 Foreign Currency Transactions:

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

2.11 Segment Reporting:

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

2.12 Taxes on Income:

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

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

2.13 Prior Period and Exceptional or Extra-ordinary items:

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

2.14 Assets taken on Lease:

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

2.15 Impairment of Assets:

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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

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, 2025

		31-Mar-25	31-Mar-24		
3	Share Capital	Rupees in lakhs (Except par value)	Rupees in lakhs (Except par 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-25	31-Mar-24		
	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				
		31-Mar-25	31-Mar-24		
	Names of the first holder	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%
	IDBI Trusteeship-Trust (*)	1,90,300	10.79%	1,90,300	10.79%
	Geeta Dhawan	1,54,365	8.75%	1,54,365	8.75%
	Rajesh Khanna	1,53,893	8.73%	1,53,893	8.73%
	Naresh Khanna	1,48,559	8.42%	1,48,559	8.42%

(*) 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, 2025

3 Share Capital : Contd...

3.6 Particulars of shareholding of promoters		31-Mar-25		31-Mar-24	
Names of the promoter		Number of shares	% of total shares	Number of shares	% of total shares
(i)	Manish Khanna	3,10,790	17.63%	3,10,790	17.63%
(ii)	Andree Khanna	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	21,782	1.24%	21,782	1.24%
(ix)	Dinesh Khanna	2,23,780	12.69%	2,23,780	12.69%
(x)	Tushar Khanna	15,046	0.85%	15,046	0.85%
(xi)	Neera Khanna	21,190	1.20%	21,190	1.20%
(xii)	Rajesh Khanna	1,53,893	8.73%	1,53,893	8.73%
(xiii)	Vidur Khanna	85,526	4.85%	85,526	4.85%
(xiv)	Naresh Khanna	1,48,559	8.42%	1,48,559	8.42%
(xv)	Ravish Khanna HUF	27,585	1.56%	27,585	1.56%
(xvi)	Ravish Khanna	84,464	4.79%	84,464	4.79%
(xvii)	Promoters' holding through IDBI Trust (*)	1,90,300	10.79%	1,90,300	10.79%
		17,53,950	99.47%	17,53,950	99.47%

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

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

3.8 The Company has not (i) allotted any shares pursuant to contract(s) without payment being received in cash; (ii) allotted any shares by way of bonus shares; and (iii) bought back any shares in five years immediately preceding the date as at 31st March, 2025.

4 Reserves and Surplus

	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
Capital Reserve:		
As per last accounts	30.08	30.08
General Reserve:		
As per last accounts	4,200.00	4,100.00
Add: Transferred from Surplus in Statement of Profit and Loss	-	100.00
Balance at the end of year	4,200.00	4,200.00
Surplus in Statement of Profit and Loss		
As per last accounts	13,883.63	11,498.65
Add: Net Profit for the year	3,753.00	3,490.08
	17,636.63	14,988.73
Less:		
Interim Dividend paid	-	(1,005.10)
Transferred to General Reserve	-	(100.00)
	17,636.63	13,883.63
TOTAL	21,866.69	18,113.71

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

5	Deferred Tax Liability / (Asset) (net)	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
	<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
		-	4.24
	<u>Deferred Tax Assets:</u>		
	Tax effect due to -		
	Provision for Doubtful Debts	4.40	8.26
	Expenses allowable for tax purpose on payment basis	44.21	(1.56)
		48.61	6.70
	Deferred Tax Liability /(Asset) (net)	(48.61)	(2.46)
	Deferred Tax Adjustment for the year to Statement of Profit and Loss	(46.15)	13.73
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-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
	Shop Security and Other Deposits	-	6.32
	TOTAL	-	6.32
7	Long-term Provisions	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
	Provision for employee benefits (Refer Note 32)		
	Provision for Leave encashment	96.54	31.74
	Provision for Gratuity	9.64	29.36
	TOTAL	106.18	61.10

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

8 Trade Payables	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
Due to Micro and Small Enterprises (Refer Note 8.1)	30.87	31.12
Due to parties other than above	594.93	308.86
Unbilled creditors	378.76	485.14
TOTAL	<u>1,004.56</u>	<u>825.12</u>

8.1 Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company:	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
Principal amount due and remaining unpaid	30.87	31.12
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	-	-

8.2 Ageing of Trade Payable-enclosed

EASTERN INTERNATIONAL HOTELS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

8.2 Trade Payables ageing schedule: As at 31st March, 2025

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	30.87	-	-	-	-	30.87
(ii) Others	367.46	215.78	3.37	2.35	5.97	594.93
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Sub-total:	398.33	215.78	3.37	2.35	5.97	625.80
(v) Unbilled dues	378.76	-	-	-	-	378.76
Total:	777.09	215.78	3.37	2.35	5.97	1,004.56

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

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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

		31-Mar-25	31-Mar-24
		Rupees in lakhs	Rupees in lakhs
9	Other Current Liabilities		
	Retention Money - Contractors	5.14	2.83
	Security Deposits	45.60	45.90
	Unclaimed Dividend	1.56	0.87
	Income received in advance	11.16	11.19
	Advances received from customers	108.78	176.27
	Customers' credit balances and refunds due	104.89	49.73
	Staff dues	201.22	77.64
	Statutory dues	371.95	256.00
	Other Payables	23.28	34.02
	TOTAL	873.58	654.45
10	Short-term Provisions		
	Provision for Income -tax (Net of payments)	-	8.94
	Provision for employee benefits (Refer Note 32):		
	Provision for Leave encashment	15.81	60.53
	TOTAL	15.81	69.47

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

(Rupees in lakhs)

11	Property, Plant & Equipment and Intangible Assets	Gross Block (At Cost)				Depreciation			Net Block	
		As at 01-Apr-24	Additions	Deductions	As at 31-Mar-25	As at 01-Apr-24	For the year	Upto 31-Mar-25	As at 31-Mar-25	As at 31-Mar-24
11.1	Property, Plant and Equipment:									
	Land (free hold)	100.11	-	-	100.11	-	-	-	100.11	100.11
	Buildings (Note 12.3)	10,130.86	26.25	1.15	10,155.96	7,462.36	204.24	0.97	2,490.33	2,668.51
	Plant and Equipment	3,261.26	63.66	13.96	3,310.96	2,893.59	95.35	12.92	334.94	367.66
	Furniture and Fixtures	987.68	115.67	20.64	1,082.71	813.89	77.16	19.40	211.05	173.78
	Computers	256.32	85.14	-	341.46	224.95	36.85	-	79.66	31.37
	Office Equipment	64.23	0.39	-	64.62	60.62	0.33	-	3.67	3.61
	Vehicles	243.09	382.02	65.16	559.95	202.94	104.77	58.15	310.39	40.15
	Total	15,043.55	673.13	100.91	15,615.77	11,658.35	518.70	91.44	3,530.15	3,385.19
	Previous Year	14,980.61	117.77	54.84	15,043.54	11,220.28	488.97	50.91	3,385.19	-
11.2	Intangible Assets									
	Computer Software	119.51	16.45	-	135.96	109.81	5.73	-	20.42	9.70
	Total	119.51	16.45	-	135.96	109.81	5.73	-	20.42	9.70
	Previous Year	115.90	3.62	-	119.51	107.44	2.37	-	9.70	8.45
	Total Fixed Assets	15,163.06	689.58	100.91	15,751.73	11,768.16	524.43	91.44	3,550.57	3,394.89
	Previous Year	15,096.51	121.39	54.84	15,163.05	11,327.72	491.34	50.91	3,394.89	-

11.3 Buildings include: Cost of shares in Co-operative Societies Rs. 772/- (Prev. Year. 772/-)

11.4 Refer Note 28.6 and 28.7 in respect of certain legal proceedings in respect of Company's fixed assets at Goa.

11.5 The title deeds of the immovable properties included above are held in the name of the Company except three residential flats in a Housing Society in Mumbai which are held in the name of the erstwhile trade

11.6 The Company has not relvaue any of its items of Property, Plant and Equipment and Intangible assets during the year.

11.7 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.

11.8	Capital Work in progress (CWIP) (Pending allocation)	As at 31-Mar-25	As at 31-Mar-24
	Expenses incurred on redevelopment of Goa Hotel (pending allocation)		
	i) Interim Advisory Services	10.34	10.34
	ii) Design Consultancy Services (Incl. reimbursements)	1,089.99	129.01
	iii) Other Reimbursements	89.13	23.23
	Expenses incurred on rebranding of Mumbai Hotel (pending allocation)		
	iv) Design Consultancy Services (Incl. reimbursements)	156.07	157.61
	Others		
	v) STP Rewamping	14.00	14.00
	vi) CWIP-Renovation	41.47	41.47
	vii) CWIP-Fire Alarm System	50.93	-
	viii) CWIP-HVAC	27.80	-
	ix) CWIP-LIFTS	29.01	-
	Total	1,508.74	375.67

11.9	CWIP aging Schedule	Amount in CWIP for a period of				Total
	CWIP	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
	Project in progress	1,133.07	-	375.67	-	1,508.74
	Total	1,133.07	-	375.67	-	1,508.74
	Previous Year	210.52	-	165.15	-	375.67

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

12 Non Current Investments; (Non-Trade)			31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
Equity Shares - (Quoted)(Fully paid up)	No of Shares	Face Value		
Asian Hotels (West) Limited (*)	35 (35)	10	-	-
Asian Hotels (East) Limited (*)	52 (52)	10	-	-
Asian Hotels (North) Limited (*)	35 (35)	10	-	-
EIH Limited	1,312 (1,312)	2	0.02	0.02
Graviss Hospitality Limited	500 (500)	2	0.01	0.01
HDFC Bank Limited	21,800 (21,800)	1	0.30	0.30
ITC Hotels Limited. (ITCHL) (Refer Note.12.4) (*)	2,880 (Nil)	1	-	
I.T.C. Limited (Refer Note 12.4)	28,800 (28,800)	1	0.02	0.02
Oriental Hotels Limited	4,410 (4,410)	1	0.07	0.07
Robust Hotels Limited	52 (52)	10	-	-
The Indian Hotels Company Limited	2,800 (2,800)	1	0.06	0.06
Tasty Bite Eatables Limited	500 (500)	10	0.05	0.05
			0.54	0.54
Equity Shares (Unquoted)(Fully paid up)				
The Saraswat Co-Op. Bank Limited	2,500 (2,500)	10	0.25	0.25
Other Investments				
National Saving Certificates (Note 12.5) (Deposited with Excise Authorities Rs. 0.30 lakhs)			0.60	0.60
(*) value less than rupees one thousand.		TOTAL	1.39	1.39
12.1 Aggregate amount of quoted investments		Cost	0.54	0.54
		Market Value	621.46	545.10
12.2 Aggregate amount of unquoted investments		Cost	0.85	0.85
12.3 Quantities in the previous year are indicated in brackets.				
12.4 There is no change in the quantity of the investments held by the Company during the year as compared to quantities in the previous year, except in the case of ITC Ltd and ITC Hotels Ltd, wherein under a Demerger Scheme, Hotel Division has been transferred to ITC Hotels Ltd and one equity share of Re.1 fully paid up has been issued in the new company for every ten equity shares held in ITC Ltd.				
12.5 These certificates have already matured and due for redemption. Pending completion of formalities for redemption, the same are continued to be shown as Other Investments as above.				
13 Long-term Loans and Advances; (Unsecured, considered good)			31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
Capital Advances			35.83	9.64
Other Loans and Advances:				
Prepaid Expenses			12.81	7.65
Payment of income tax (net of provision for taxation)			-	4.20
		TOTAL	48.64	21.50

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

		31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
14 Other Non Current Assets			
Balances with banks with maturity over 12 months:			
as Fixed Deposits		5,618.96	6,027.33
as Margin Deposits		2.50	2.50
Security Deposits (including for telephone and electricity)		90.60	92.11
Interest Receivable		71.89	127.11
	TOTAL	<u>5,783.95</u>	<u>6,249.05</u>
15 Inventories			
(Valued at lower of cost and net realizable value)			
Operating supplies and stores		53.58	68.84
Food and beverages		72.14	52.38
	TOTAL	<u>125.72</u>	<u>121.22</u>
16 Trade Receivables			
Secured, considered good		-	-
Unsecured considered good		260.73	275.81
Unsecured considered doubtful		-	17.73
Unbilled amounts		<u>-</u>	<u>-</u>
		260.73	293.54
Less: Provision for doubtful debts		-	(17.73)
	TOTAL	<u>260.73</u>	<u>275.81</u>
16.1 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, 2025

16.1 Trade Receivables ageing schedule as at 31st March, 2025

Trade Receivables ageing schedule as at 31st March, 2025		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	220.62	40.11	-	-	-	-	260.73
ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
Sub-total	220.62	40.11	-	-	-	-	260.73
v) Unbilled dues	-	-	-	-	-	-	-
vi) Less: Provision for doubtful debts							-
Total:	220.62	40.11	-	-	-	-	260.73

Trade Receivables ageing schedule as at 31st March, 2024

Particulars		Rupees in lakhs						
		Outstanding for following periods from due date of payment						
Not due		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total	
i)	Undisputed Trade receivables - considered good	235.13	40.52	0.16	-	-	-	275.81
ii)	Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
iii)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-
iv)	Disputed Trade receivables - considered doubtful	-	-	-	-	-	17.73	17.73
Sub-total		235.13	40.52	0.16	-	-	17.73	293.54
v)	Unbilled dues	-	-	-	-	-	-	-
vi)	Less: Provision for doubtful debts	-	-	-	-	-	17.73	17.73
Total:		235.13	40.52	0.16	-	-	-	275.81

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

		31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
17	Cash and Bank Balances		
	Cash and cash equivalents:		
	Balances with banks on current accounts	822.76	973.51
	Balances with banks as Fixed Deposits (with maturity of less than 3 months)	6,483.13	2,537.47
	Cash on hand (including cheques on hand)	21.80	27.40
		<u>7,327.69</u>	<u>3,538.38</u>
	Other Bank Balances :		
	Balances with banks as Fixed Deposits (with maturity of more than 3 months but less than 12 months)	4,224.33	4,909.50
	Balances with banks as Margin Deposits	19.81	18.80
	Balances with bank on unpaid dividend account	1.57	0.87
	TOTAL	<u><u>11,573.40</u></u>	<u><u>8,467.55</u></u>
18	Short-term Loans and Advances (Unsecured, considered good)	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
	Advances recoverable in cash or kind:		
	Advances to and amounts recoverable from Suppliers	27.10	39.52
	Deposits - Govt. Bodies and Others.	22.34	22.34
	Other Loans and Advances:		
	Prepaid Expenses	175.51	184.42
	Staff Advances and Loans	1.97	0.27
	GST input credit available	55.38	116.22
	Payment of income tax (net of provision for taxation)	37.01	-
	Others	27.49	25.11
	TOTAL	<u><u>346.80</u></u>	<u><u>387.88</u></u>
19	Other Current Assets (Unsecured, considered good)	31-Mar-25 Rupees in lakhs	31-Mar-24 Rupees in lakhs
	Security and other deposits	4.20	11.20
	Other Receivable (Credit Card Collection)	45.07	-
	Other Receivable (Net of Provisions of Rs.17.50 lakhs(Previous Year Rs.15.10 lakhs) for doubtful amount)	6.17	10.32
	Interest Receivable	739.16	587.56
	TOTAL	<u><u>794.60</u></u>	<u><u>609.08</u></u>

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

20	Revenue from Hotel Operations	2024-25 Rupees in lakhs	2023-24 Rupees in lakhs
	Rooms, Food and Beverages Sale:		
	Room Sale	7,429.92	7,174.43
	Food and Beverages Sale	4,014.53	4,151.98
		<u>11,444.45</u>	<u>11,326.41</u>
	Other Services		
	Swimming Pool and Health Club	98.92	87.69
	Conference and Banquet Services	979.91	818.59
	Internet and Telephone	0.03	0.45
	Laundry Services	36.27	29.68
	Guest Transportation	45.75	46.75
	License Fees	7.90	21.62
	Other Services	67.63	46.86
		<u>1,236.41</u>	<u>1,051.64</u>
	TOTAL	<u><u>12,680.86</u></u>	<u><u>12,378.05</u></u>
21	Other Income	2024-25 Rupees in lakhs	2023-24 Rupees in lakhs
	Dividend on Non Current Investments	7.96	9.96
	Interest earned	1,123.21	823.75
	Sundry credits and liabilities written back (Net)	3.42	15.79
	Excess provision for gratuity written back	5.47	-
	Provision for Doubtful debts no longer required, written back	18.09	-
	Income on account of Service Exports Incentive	-	4.37
	Insurance claim received	7.13	3.74
	Profit on Sale of Assets (Net)	15.08	9.77
	Miscellaneous Income (Refer Note 30.2)	19.86	11.75
	TOTAL	<u><u>1,200.22</u></u>	<u><u>879.13</u></u>

21.1 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.

21.2 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, 2025

22 Cost of Food and Beverages consumed	2024-25 Rupees in lakhs	2023-24 Rupees in lakhs
Opening Stock	52.38	52.41
Add: Purchases and Expenses	987.51	1,035.54
	1,039.89	1,087.95
Less: Closing Stock	72.14	52.38
TOTAL	967.75	1,035.57

23.1 Imported and indigenous material consumed

Particulars	Current Year		Previous Year	
	Rupees in lakhs	%	Rupees in lakhs	%
Imported	-	-	-	-
Indigenous	967.75	100.00	1,035.57	100.00
Total	967.75	100.00	1,035.57	100.00

23 Employee Benefits Expense	2024-25 Rupees in lakhs	2023-24 Rupees in lakhs
Salaries, Wages, Bonus, etc.	1,717.56	1,618.05
Contribution to Provident and other Funds	161.38	159.16
Provision for employee benefits (Refer Note 32)	117.97	114.96
Workmen and Staff Welfare Expenses	201.02	214.97
Payment for Contracted Services	390.42	382.07
TOTAL	2,588.35	2,489.21

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

24	Finance Costs:		2024-25	2023-24
			Rupees in lakhs	Rupees in lakhs
	Other Finance Charges		0.10	0.13
	TOTAL		0.10	0.13
25	Other Expenses		2024-25	2023-24
			Rupees in lakhs	Rupees in lakhs
	Power and fuel		814.65	683.70
	Rates and Taxes -Office premises		11.37	11.22
	Property tax, License Fees and Rates and Taxes		321.47	284.07
	Repairs to Buildings		190.38	212.36
	Repairs to Machinery		196.50	147.25
	Repairs to Others		52.59	32.70
	Data Processing Charges		88.98	82.25
	Replacements of Operating Supplies		55.54	60.49
	Expenses on Apartment and Board		431.62	442.64
	Laundry Expenses		5.80	5.64
	Water Charges		126.00	114.15
	Advertisement, Publicity and Sales Promotion Expenses		122.50	151.75
	Management and Operating Fees		577.78	575.39
	Marketing and Reservation Expenses		528.67	504.66
	Travel Agents Fees and Collection Charges		583.27	521.68
	Band , Orchestra and Music Expenses		22.58	20.89
	Printing and Stationery		36.43	38.05
	Travelling and Conveyance		208.49	249.35
	Telephone Expenses		14.22	14.80
	VAT/GST etc. including on assessments		46.42	48.90
	Auditors' Remuneration (Refer Note 25.1)		9.69	8.00
	Legal and Professional Charges (Refer Note 25.2)		128.12	182.32
	Director Sitting Fees		1.90	-
	Insurance		45.06	44.08
	Bad Debts		4.37	-
	Provision for Doubtful Debts		2.76	1.18
	Contributions towards Corporate Social Responsibility (Refer Note 25.3)		65.70	34.20
	Donations		2.61	0.66
	Foreign Exchange difference (Net)		0.12	0.59
	Miscellaneous Expenses		74.73	66.43
	TOTAL		4,770.32	4,539.40

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

	2024-25	2023-24
	Rupees in lakhs	Rupees in lakhs
25.1 Details of Auditors' Remuneration:		
Audit Fees	9.20	8.00
For Certification	0.49	-
Goods and Service Tax (net of set off claimed)	-	-
TOTAL	9.69	8.00

The above remuneration is net of Goods and Service Tax of Rs.1.74 lakhs (Previous year Rs. 1.44 lakhs) in respect of which input tax credit has been claimed by the Company.

- 25.2** Legal and Professional charges include Rs.2.00 lakhs (Previous Year Rs.1.50 lakhs) as tax audit fees; Rs.0.55 lakhs (Previous year Rs.0.55 lakhs) for VAT audit fees; and Rs.0.46 lakhs (Previous Year Rs. 0.37 lakhs) as GST thereon to partner of the auditors, which is net of GST of Rs.0.45 lakhs (Previous year Rs.0.37 lakhs) claimed as input credit.

25.3 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:

	2024-25	2023-24
	Rupees in lakhs	Rupees in lakhs
Amount required to be spent during the year	65.70	34.20
Amount of expenditure incurred (*)	65.70	34.20
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	N.A	N.A
Details of related party transactions (contribution to a trust controlled by the Company)	N.A	N.A
Movements in provision made	N.A	N.A

(*) The above expenditure is spent on projectes related to promoting education specially for under previledged girl child, eradicating poverty, employment enhancing vocational skills, promoting health care including preventive health etc. through implementing agencies

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

26. 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.
27. **Commitments on account of :**
- 27.1 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 603.00 lakhs (Previous year Rs. 598.59 lakhs) (Net of advances).
- 27.2 Other Commitments Rs. Nil. (Previous year Nil).
28. **Contingent liabilities not provided for in respect of:**
- 28.1 Guarantees given by the Company's bankers which are counter guaranteed by the Company Rs.10.50 lakhs (Previous year Rs. 10.50 lakhs)
- 28.2 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.66.55 lakhs (Previous year Rs.64.00 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.
- 28.3 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.41.84 lakhs (Previous year Rs.39.96 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.
- 28.4 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.5.56 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 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.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Under OTS scheme opted for settlement of Luxury Tax for 2015-16. 10% pre deposit of Rs.0.56 lakhs, is paid in March 2024 on the amount payable of Rs.5.56 lakhs. We have received letter of intimation of settlement amount of Rs.5.00 lakhs to be paid in 9 instalments every month from March 2025 till November 2025.

- 28.5 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.

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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

- 28.8 Certain employees of erstwhile Hotel Unit at Mumbai had filed complaints in the Industrial Court against their termination in earlier years and sought relief including re-instatement. The Management had disputed the same. On disposal of these complaints vide order dated 6th June 2018, the Industrial Court has directed the Company to reinstate these employees from 1st July, 2018 and to pay 25% of the wages last paid to each of them before their retrenchment for the period in between July, 2009 till the date of reinstatement. Against the above order of the Industrial Court, the Company as well as the concerned employees had filed separate writ petitions in the Bombay High Court. The Bombay High Court vide consolidated Order dated 5th December, 2018 dismissed the Company's writ petition and allowed employees writ petition by 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.91.13 lakhs for the period upto 31st March, 2025 (Previous Year Rs.89.41 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.
- 28.9 The Company is hopeful that on disposal of litigations as referred to in Note No. 28.2 to 28.8 above, the disputed demands will not survive. Amounts stated in Note No.28.2 and 28.3 above include interest upto 31st March, 2025. 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.28.2 to 28.3 above.
29. 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, 2025		As at 31 st March 2024	
		In Foreign Currency	Rupees in lakhs	In Foreign Currency	Rupees in lakhs
Creditors in	Euro	NIL	NIL	NIL	NIL
Creditors in	USD	NIL	NIL	NIL	NIL
Forex Cards	USD	NIL	NIL	NIL	NIL

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

30. Hotel Operations:

- 30.1 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 progressed with reference to the said project and has completed schematic design stage & currently Environmental approvals from the Central Government are awaited. Once the said approvals are received, the redevelopment work will flow.
- 30.2 During the year, management of the Company has 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. Company's 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. The matter is still under investigation and hence amount of fraud is not determinable. In the meantime some employees involved in the fraud paid Rs.1.70 lakhs to the Company and same has been accounted for as 'Other Income' in the Statement of Profit and loss for the F.Y. 2024-25.
31. In the opinion of the Board of Directors, the Current Assets, Loans and Advances and intangible assets are approximately of the value stated in the Balance Sheet, if realised in the ordinary course of the business and the provision made for all known liabilities is adequate and not in excess of the amount reasonably considered necessary. Closing cash on hand has been accepted by the auditors as certified by the Management.
32. 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.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Amounts in Balance Sheet at Year End	2024-25	2023-24
GRATUITY- FUNDED	Rupees in lakhs	Rupees in lakhs
Defined Benefit Obligation	168.49	190.93
Fair value of Plan Assets	158.85	161.57
Funded Status - (Surplus)/Deficit	9.64	29.36
(Asset)/Liability Recognised in the Balance Sheet	9.64	29.36
Amounts Recognised in Statement of Profit & Loss at Year End		
Service cost	10.84	19.19
Interest Cost	9.90	10.86
Expected Return on Plan Assets	(11.47)	(8.01)
Past Service Cost	-	-
Net Actuarial Losses/(Gains) Recognised during the year	(14.74)	24.13
Total Expense/(Income) included in "Employee Benefits Expense"	5.47	46.17
Current / Non-Current Bifurcation		
Current Benefit Obligation	Nil	Nil
Non- Current Benefit Obligation	9.64	29.36
(Asset)/Liability Recognised in the Balance Sheet	9.64	29.36
Change in Defined Benefit Obligation during the Year		
Defined Benefit Obligation at Beginning of Year	190.93	149.37
Service Cost	10.84	19.19
Interest Cost	9.90	10.85
Actuarial (Gains)/Losses	(13.69)	27.79
Benefit Paid	(29.50)	(16.27)
Past Service Cost	-	-
Defined Benefit Obligation, End of Year	168.49	190.93
Change in Fair value of Plan Assets during the Year		
Fair value of Plan Assets, at Beginning of Year	161.57	110.19
Expected Return on Plan Assets	11.47	8.01
Actual Company Contributions	14.25	55.98
Actuarial Gains/(Losses)	1.05	3.66
Benefits Paid	(29.50)	(16.27)
Fair value of Plan Assets, End of Year	158.84	(161.57)
Assumptions		
Discount rate	7.10%	7.10%
Salary escalation	4.00%	4.00%
Mortality Table	Indian Assured Lives Mortality	Indian Assured

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Amounts in Balance Sheet at Year End	2024-25	2023-24
GRATUITY- FUNDED	Rupees in lakhs	Rupees in lakhs
	(2012-14) Ultimate	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)	2024-25	2023-24
	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	6.47%	7.10%
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Actuarial Value of Compensated Absences Liability	112.35	92.27
Current / Non-Current Bifurcation		
Current Liability	82.18	60.53
Non- Current Liability	30.18	31.74
Total Liability	112.35	92.27
Amount Recognised in statement of Profit and Loss	71.35	68.79

33. Related Party Disclosures

33.1 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".

33.2 Name of related parties and description of relationship:

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

- 33.2.1 (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 (*) upto 04.11.24	11	Smayan Khanna (***)
2	Dinesh Khanna (*)	12	Samar Khanna (***)
3	Rajesh Khanna (*)	13	Neera Khanna (***)
4	Manish Khanna (*)	14	Vidur Khanna (***)
5	Ravish Khanna (*)	15	Bharat Khanna (***)
6	Aditya Dhawan (*)	16	Tushar Khanna (***)
7	Kanta Stanchina (*) w.e.f. 04.11.24	17	Sitakashi Khanna (***)
8	Ramesh Khanna (**)	18	Priyanka Khanna (***)
9	Naresh Khanna (**)	19	Geeta Dhawan (***)
10	Andree Khanna (***)		
(*) 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

- 33.2.2 Transactions carried out with related parties referred in [33.2.1 (a)] above.

Particulars	Current Year	Previous Year
EXPENSES	(Rupees in lakhs)	
Remuneration paid to :		
Manish Khanna	60.00	59.05
Dinesh Khanna	60.00	59.05
Rajesh Khanna	60.00	59.05
Ravish Khanna	60.00	59.05
Jagdish Khanna (upto 04.11.2024)	35.67	59.05
Aditya Dhawan	60.00	59.05
Kanta Stanchina (w.e.f 04.11.2024) (*)	24.50	Nil
Contribution to Provident and Superannuation Fund	Current Year	Previous Year
Manish Khanna	12.20	12.08
Dinesh Khanna	12.20	12.08
Rajesh Khanna	12.20	12.08
Ravish Khanna	12.20	12.08
Jagdish Khanna (upto 04.11.2024)	4.28	12.08

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Current Year	Previous Year
Aditya Dhawan	12.20	12.08
Kanta Stanchina (w.e.f 04.11.2024) (*)	2.94	Nil
	Rupees in lakhs	Rupees in lakhs
Gratuity Paid		
Jagdish Khanna (upto 04.11.2024)	46.62	Nil
Year end balance:		
Payable	Nil	Nil
Receivable	Nil	Nil

(*) Remuneration and contribution to PF and other Funds aggregating to Rs.27.44 lakhs to Ms. Kanta Stanchina, Executive Director is subject to approval of the shareholders of the Company in the ensuing Annual General Meeting.

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

34.1 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 11) and thus cannot be segregated.

34.2 The Company successfully completed the litigations initiated by one licensee on the first floor of Novotel Mumbai Juhu Beach and secured the possession of the concerned premises. The Company is pursuing an application for mesne profits from the licensee for user of the said premises.

35. **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

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

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

Particulars	Current Year	Previous Year
	Rupees in lakhs	Rupees in lakhs
Subscriptions and dues	15.70	0.51
Commission to Travel Agents	187.48	228.31
Professional Fees*	272.69	2.18
Payment on other accounts	155.20	78.99
Total	631.07	309.99

* includes expenses capitalised shown under CWIP.

37. 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. 3.90 lakhs (Previous Year Rs.4.43 lakhs)	3,269.77	3,369.31

38. Earnings Per Share - Basic and Diluted:

Particulars	Current Year	Previous Year
	Rupees in lakhs	Rupees in lakhs
Profit / (Loss) after taxation (Rupees in lakhs)	3,753.00	3,490.07
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)	212.83	197.92

39. 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.

EASTERN INTERNATIONAL HOTELS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

- d) The Company did not have any investment in any subsidiary, joint venture of associate entity during the year.
- e) The Company has not borrowed any funds, hence the disclosures regarding utilisation of loans, repayments of loan due and status as wilful defaults are not applicable to the Company.
- f) 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.
- g) 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, 2025

40 Financial Ratios

S.No.	Ratio	Type	Numerator	Denominator	Year Ended 31st March 2025	Year Ended 31st March 2024	Change%	Reasons for Variance, if >25%
i)	Current Ratio	In Times	Current Assets	Current Liabilities excluding current maturities of borrowings and provisions	6.92	6.37	7.97	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	18.61	20.47	(10.01)	NA
v)	Inventory turnover ratio	In Times	Cost of Goods Sold	Average Inventory	7.84	8.03	(2.47)	NA
vi)	Trade Receivables turnover ratio	In days	Average Trade Receivables	Revenue from operations per day	7.74	9.12	(17.80)	NA
vii)	Trade payables turnover ratio	In days	Average Trade Payables	Total expenses other than payroll cost, finance costs and depreciation per day	58.35	54.44	6.71	NA
viii)	Net capital turnover ratio	In Times	Net Sales	Working capital (average current assets less average current liabilities)	1.30	1.89	(45.14)	NA
ix)	Net profit ratio	In %	Net Profit/(Loss) After Tax	Total Income	27.04	26.33	2.63	NA
x)	Return on Capital employed	In %	Profit Before Interest & Taxes	Average equity + average debts + average Deferred tax liabilities	24.94	27.58	(10.57)	NA
xi)	Return on investment	In %	Dividend	Investments	572.36	716.45	(25.17)	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, 2025

41. 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

KANTA STANCHINA
(DIN: 02107640)

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: 18th July, 2025.

