EIH Limited
A MEMBER OF THE OBEROI GROUP

Dare to *dream*

EIH Limited

Integrated Annual Report 2020-21

Contents

The Oberoi, New Delhi

FY21 Highlights*

Strong Asset Base
₹ 34,251 million
Gross block

People
8,086
No. of employees

Sustainable Net Worth
₹ 31,988 million
Net Worth

Operational Strength
30
Hotels

4,567
Rooms

Optimally leveraged
0.1:1.0
Debt equity ratio

Strong Recovery
₹ 5,550 million
Revenue

Highest Rating Safety Standards
Platinum in Bureau Veritas

*Numbers are consolidated

Dare to dream

Our business is just as much about enabling more people and the community to dream bigger, as it is about our expanding ambitions of delivering world-class hospitality services to a wide domestic and international customer base. Our resilience and our values have seen us through every business cycle and changing times. They lend us the courage to keep going, always improve and outdo ourselves even when times are uncertain. In short, to continue to dream big.

For us, sustainable value creation is paramount. We believe it provides us with a solid foundation to reach for new pinnacles of success. At EIH, we move closer to this soaring vision through discipline, practice and a sense of purpose that everyone in the company holds dear. We are always proactively finding ways to redefine excellence in hospitality and help create lifelong memories for our guests. We are constantly evolving in anticipation of new customer demands; setting our standards to exceed expectations every time.

Through a very challenging time, our proudest achievement was to never lose hope, to come together stronger than ever as a team, and to do our best in the face of adverse conditions. It is in knowing that we dare to dream of better, more prosperous times and that we inspire a wide spectrum of people to do the same, that we believe to have truly emerged out of the crisis, victorious.

Wildflower Hall, An Oberoi Resort

Approach to Reporting

About this Report

The Oberoi, Marrakech

This is EIH Limited's first Integrated Annual Report, prepared to share a concise, complete and transparent assessment of our ability to create long-standing value for our stakeholders. It provides an in-depth view of the company's holistic approach to multi-dimensional value creation, covering both tangible and intangible, financial and non-financial aspects of the business.

Basis of preparation

The non-statutory section of this report is based on the principles contained in the International Integrated Reporting Framework (the International <IR> Framework) published by the International Integrated Reporting Council (IIRC). This report seeks to provide a balanced and transparent assessment of how we create value, considering both qualitative and quantitative matters that are material to our operations and strategic objectives, which may influence our stakeholders' decision-making.

Other statutory reports, including the Directors' Report, its annexures, the Management Discussion and Analysis (MDA), and the Corporate Governance Report, are as per the Companies Act, 2013 (including the Rules framed thereunder), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standards issued by The Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards.

Reporting period

The EIH Integrated Report provides material information relating to our strategy and business model, operating context, risks, performance, prospects and governance, covering the financial year between April 1, 2020 and March 31, 2021.

Our capitals

Our relevance in the hospitality industry today and in the future, and our ability to create long-term value are interrelated and fundamentally dependent on the forms of capital available to us (inputs), how we use them (value adding activities), our impact on them and the value we deliver (outputs and outcomes).

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social & Relationship Capital
- Natural Capital

Feedback

We will request our stakeholders to review this report and provide feedback by invcom@oberoigroup.com

Capital-wise Highlights

Facets that our business depends on

A business runs on various forms of enablers that give it the courage to spread its wings and achieve greater ambitions. We understand that sustainable businesses with long-term viability must use the six capitals to their disposal to generate and sustain value for our stakeholders.

Financial Capital

Our key financial resources include equity, internal accruals and debt. Our strong Balance Sheet is the foundation on which we dare to dream of realising our mission of creating exceptional value for our stakeholders.

₹ 35,401 million
Capital Employed (Consolidated)

0.11:1
Debt to Equity Ratio (Consolidated)

Page 24

Manufactured Capital

The hotels and properties we own or manage, as well as our offices, represent the physical assets. We continue to invest in our existing assets sustainably to ensure their longevity, on which our ability to generate future profitable returns rest.

39
No. of operating units (Owned + Managed)

₹ 34,251 million
Total Gross Asset Base (Consolidated)

Page 16

Intellectual Capital

Our collective capabilities are our inherent strength which differentiates us as an organisation to craft unique experiences for our guests. Our signature services, brands, standard operating procedures, OCLD (Oberoi Centre of Learning and Development), TOCE (The Oberoi Centre of Excellence), OCC (Oberoi Contact Centre) and our trademarks represent our intellectual assets. We continue to enrich these intellectual assets to sustain and enhance our competitive advantage.

38
Trademarks registered

Our unique intellectual properties in OCLD, TOCE and OCC

Page 34

Human Capital

We have embraced a culture of excellence to nurture our people, who are integral to our success. We believe in selecting the right talent, training them and instilling them with the spirit of entrepreneurship.

8,086
Employees

61,140
No. of training days

Page 52

Social & Relationship Capital

We conduct our business in a responsible manner and engage with all stakeholders, including customers, regulators, governments, suppliers and contractors, communities, and the society at large. We create long term value for all our stakeholders.

1,24,842
No. of new guests

₹ 40.14 million
CSR expenditure (Consolidated)

Page 56

Natural Capital

Our operations rely on natural resources, and we recognise the impact of our business on ecosystems. We believe in conserving natural resources and focus on utilising them in an optimal manner. From embracing renewable energy to reducing waste, we adopt a 360-degree approach to improve our ecological footprint.

34%
Reduction in total energy consumption over FY20

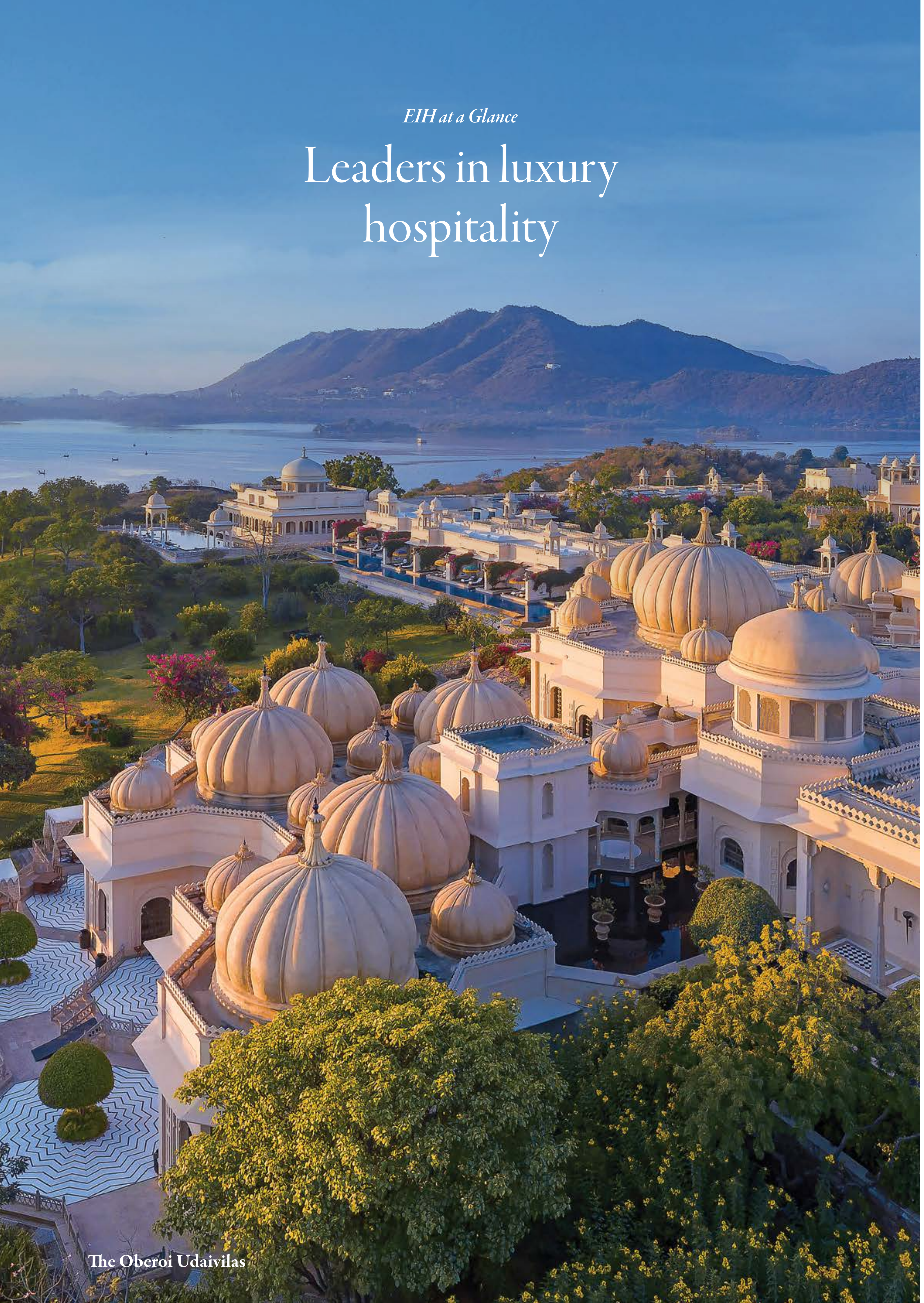
39%
Co_2 emission reduction

Page 58

World-class hospitality standards. Seeded through *one single dream.*

The Oberoi Beach Resort, Al Zorah

Who we are



The Oberoi Udaivilas

Operating under the aegis of The Oberoi Group, EIH Limited is the realisation of an earnest and hard-working visionary, The late Rai Bahadur M.S. Oberoi.

The Oberoi Group

The late Rai Bahadur M.S. Oberoi founded The Oberoi Group in 1934. Since then, the group has come a long way and today owns and manages 20 extraordinary hotels under the luxury Oberoi Hotels & Resorts brand and 10 five-star properties under the Trident Hotels brand. The group also owns and manages Clarkes Hotel, Shimla and Maidens Hotel, New Delhi. It owns and/or operates a luxury motor vessel in Kerala and two luxury River Nile cruisers in Egypt. The group employs the best environmental and ecological practices in technology, equipment and operational processes, with a keen focus on the conservation of nature and cultural heritage, whilst also supporting philanthropic activities.

Our services also extend to flight catering, airport lounges, travel and tours, car rentals, project management services and corporate air charters. Our unwavering focus on excellence, attention to detail and personalised services have always been our biggest differentiation in the line of business. We are proud to carry forward our founder's glorious legacy of leadership and entrepreneurship, and always strive to bring novelty to hospitality.

Our unyielding commitment to excellence has won us loyal customers and recognitions from the global hospitality industry.

EIH at a Glance

Oberoi Dharma

Members of the Oberoi Group apply the Oberoi Dharma to all aspects of our business. From decision making to organisational and individual behaviour.

We are committed to demonstrate conduct that:

Is of the highest ethical standards – intellectual, financial and moral – and that reflects the highest levels of courtesy and consideration for others

Builds and maintains teamwork, with mutual trust as the basis of all working relationships

Puts the customer first, the company second and the self last

Exemplifies care for the customer through anticipation of need - attention to detail, excellence, aesthetics and style - and respect for privacy, along with warmth and concern

Demonstrates two-way communication, accepting constructive debate and dissent while acting fearlessly with conviction

Considers people as our key asset, through respect for every employee, and leads from the front regarding performance achievement as well as individual development

Safeguards the security, health and environment of the guests, employees and assets of the company at all times

Eschews the short-term quick-fix for the long-term establishment of a healthy precedent

The Oberoi Group Mission

Our Guests

We are committed to meeting and exceeding the expectations of our guests through our unremitting dedication to perfection to every aspect of service.

Our People

We realise that our people are our truest asset. We are totally committed to their growth, development and welfare.

Our Distinctiveness

Together we shall continue the Oberoi tradition of pioneering in the hospitality industry, striving for unsurpassed excellence in high potential locations all the way from the Middle East to Asia-Pacific.

Our Shareholders

We believe it is our responsibility and duty to create extraordinary value for our shareholders. They have reposed their trust in us and our abilities.

Our Hotels

Exclusive properties that define service excellence

Oberoi Hotels & Resorts offers exquisite dining experiences, bespoke opulence and stays to remember. With elegant interiors and spectacular views, each room is intricately crafted to provide a luxury experience for our guests. Trident Hotels are contemporary and chic; perfect for travellers on business or leisure. Maidens Hotel offers a heritage experience with traditional Indian hospitality.

Oberoi Hotels & Resorts

The late Rai Bahadur M.S. Oberoi introduced luxury hospitality to India in 1934 with one simple philosophy: The guest is everything. Each one of us at Oberoi Hotels & Resorts upholds this philosophy. Our guests are valued as individuals, akin to family members who have come to stay with us. Synonymous with luxury, grandeur and personalised service, our hotels deliver the richest experiences and the fondest memories.

Over the years, we have grown and reached new Destinations; assuring our guests that wherever they travel, we will be there to take care of them.

19
Hotels

01
Cruises

01
Motor Vessel

07
Countries

Trident Hotels

With a reputation for premium quality service, Trident Hotels are an ideal choice for business and leisure travellers. Our hotels offer a perfect amalgamation of modern facilities and customised, dependable service, ensuring that every stay experience is a comfortable and convenient one.

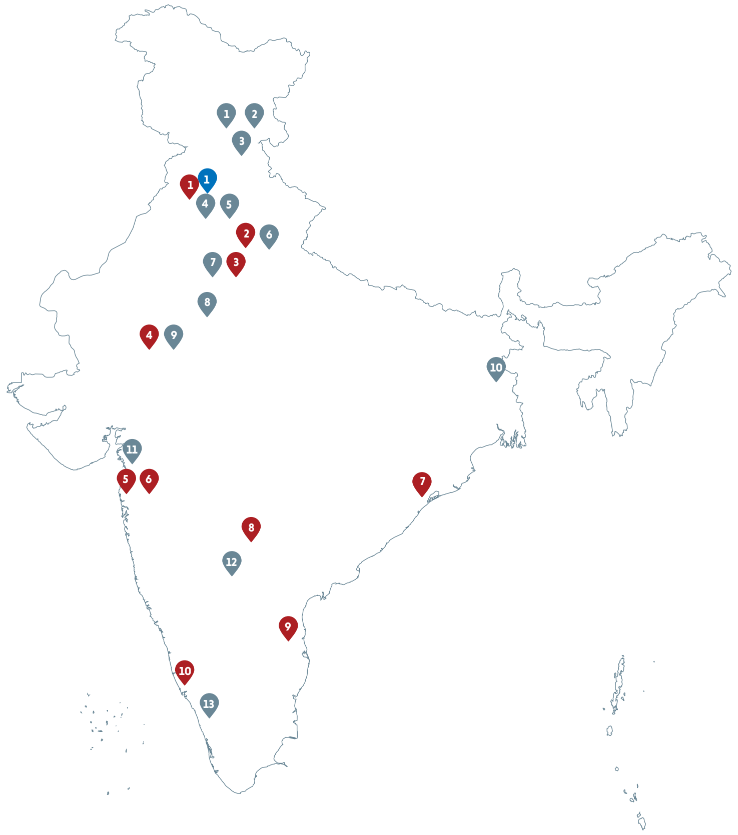
10
Hotels

09
Cities

Our Presence

Expanding hospitality outreach

We have a balanced room portfolio across key business and leisure destinations in India.



30
Hotels and Resorts in 7 countries

1
Cruise

1
Motor Vessel

OBEROI HOTELS & RESORTS

1. Wildflower Hall, An Oberoi Resort
2. The Oberoi Cecil, Shimla
3. The Oberoi Sukhvilas Spa Resort, New Chandigarh
4. The Oberoi, Gurgaon
5. The Oberoi, New Delhi
6. The Oberoi Amarvilas, Agra
7. The Oberoi Rajvilas, Jaipur
8. The Oberoi Vanyavilas, Wildlife Resort, Ranthambhore
9. The Oberoi Udaivilas, Udaipur
10. The Oberoi Grand, Kolkata
11. The Oberoi, Mumbai
12. The Oberoi, Bengaluru
13. The Motor Vessel Vrinda, Luxury Kerala Cruiser

TRIDENT HOTELS

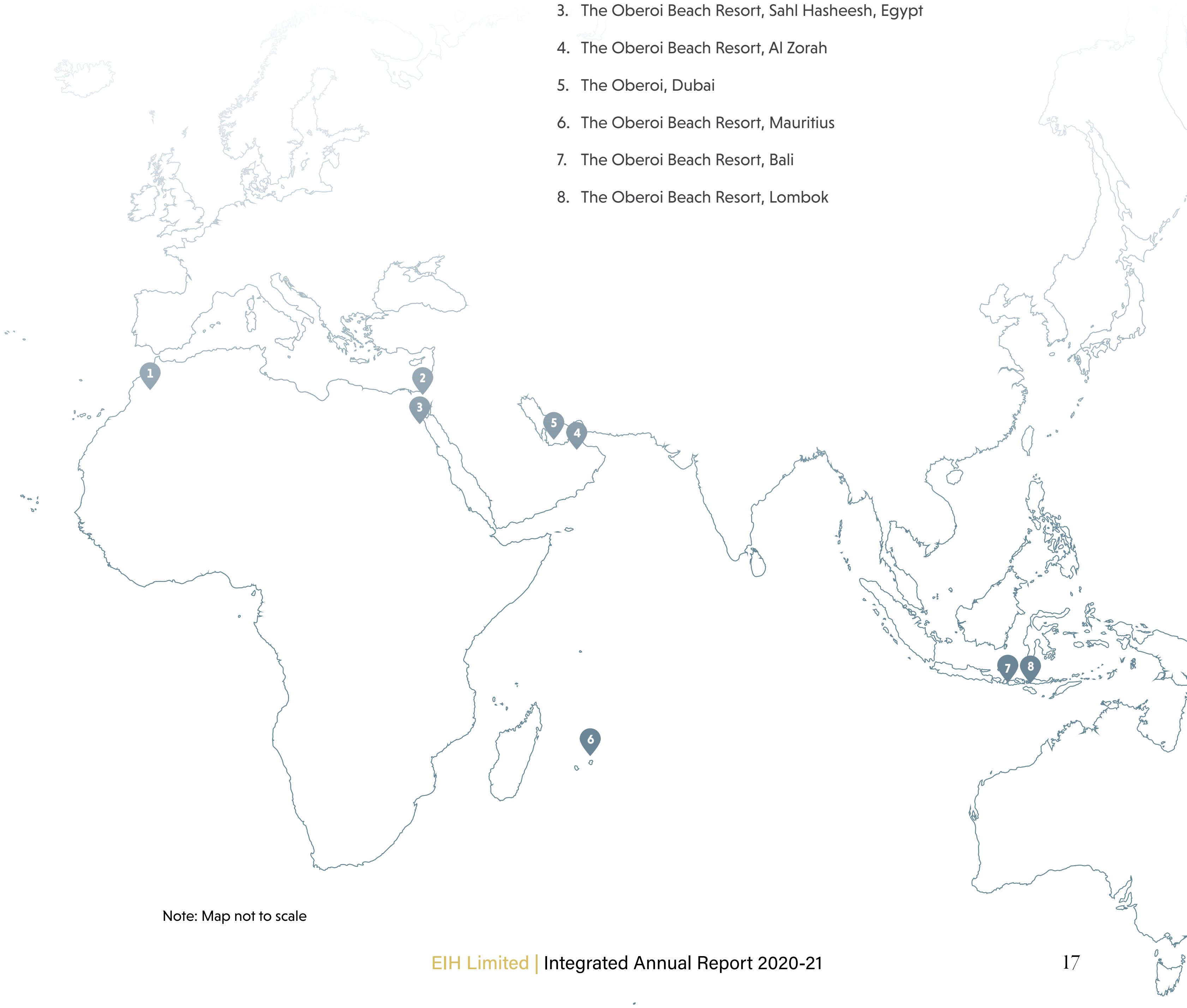
1. Trident, Gurgaon
2. Trident, Agra
3. Trident, Jaipur
4. Trident, Udaipur
5. Trident, Bandra Kurla, Mumbai
6. Trident, Nariman Point, Mumbai
7. Trident, Bhubaneshwar
8. Trident, Hyderabad
9. Trident, Chennai
10. Trident, Cochin

MAIDENS HOTEL

1. Maidens Hotel, Delhi

OBEROI HOTELS & RESORTS

1. The Oberoi, Marrakech
2. The Oberoi Zahra, Luxury Nile Cruiser
3. The Oberoi Beach Resort, Sahl Hasheesh, Egypt
4. The Oberoi Beach Resort, Al Zorah
5. The Oberoi, Dubai
6. The Oberoi Beach Resort, Mauritius
7. The Oberoi Beach Resort, Bali
8. The Oberoi Beach Resort, Lombok



Note: Map not to scale

History

The path to a dream. Paved with hard work.

Take a trip with us down memory lane.

1949

EIH Limited was incorporated as a public limited company in May, 1949

1950s

1956

Equity shares of the company were first listed on the Bombay Stock Exchange

Took the Maharaja's palace in Srinagar, Kashmir on lease and converted it into the Oberoi Palace Hotel

1957

Started flight services

1960s

1965

Commenced operations at The Oberoi Hotel, New Delhi

1968

By a scheme of merger approved by the Calcutta High Court, Associated Hotels of India Limited and Hotels (1938) Private Limited merged into EIH Limited. By virtue of the merger, the company acquired The Oberoi Grand, Kolkata; Maidens Hotel, New Delhi; and The Oberoi Cecil, Shimla

1970s

1973

Commenced operations at The Oberoi Towers, Mumbai

1974

Established a printing press in New Delhi, primarily for the company's in-house needs

1986

Entered into a 10-year contract with the International Airports Authority to operate all snack bars and restaurants at terminals in Mumbai

1990s

1994

Listing of GDRs on the London Stock Exchange

1965

Joint venture with the Government of Himachal Pradesh to promote Mashobra Resort Ltd. Shimla (Wildflower Hall, An Oberoi Resort). EIH's holding is 78.79%

1996

Change of company name from East India Hotels Limited to EIH Limited

1997

Commenced operations at The Oberoi Rajvilas in Jaipur, our first luxury leisure resort in India

Joint venture with Goyals and Bhasins to promote Mumtaz Hotels Ltd. (The Oberoi Amarvilas, Agra) in which EIH holds 60% and Goyals and Bhasins hold 40% between them

2000s

2006

Acquired 66.67% equity stake in Mercury Car Rentals Limited, a joint venture with AVIS Europe

The printing press established by the company in 1974 was granted permission by the Indian Banks' Association to print security stationery for banks

2008

Established EIH Flight Services Limited, Mauritius as a wholly owned subsidiary of the company

Trident, Nariman Point reopened after renovation

2009

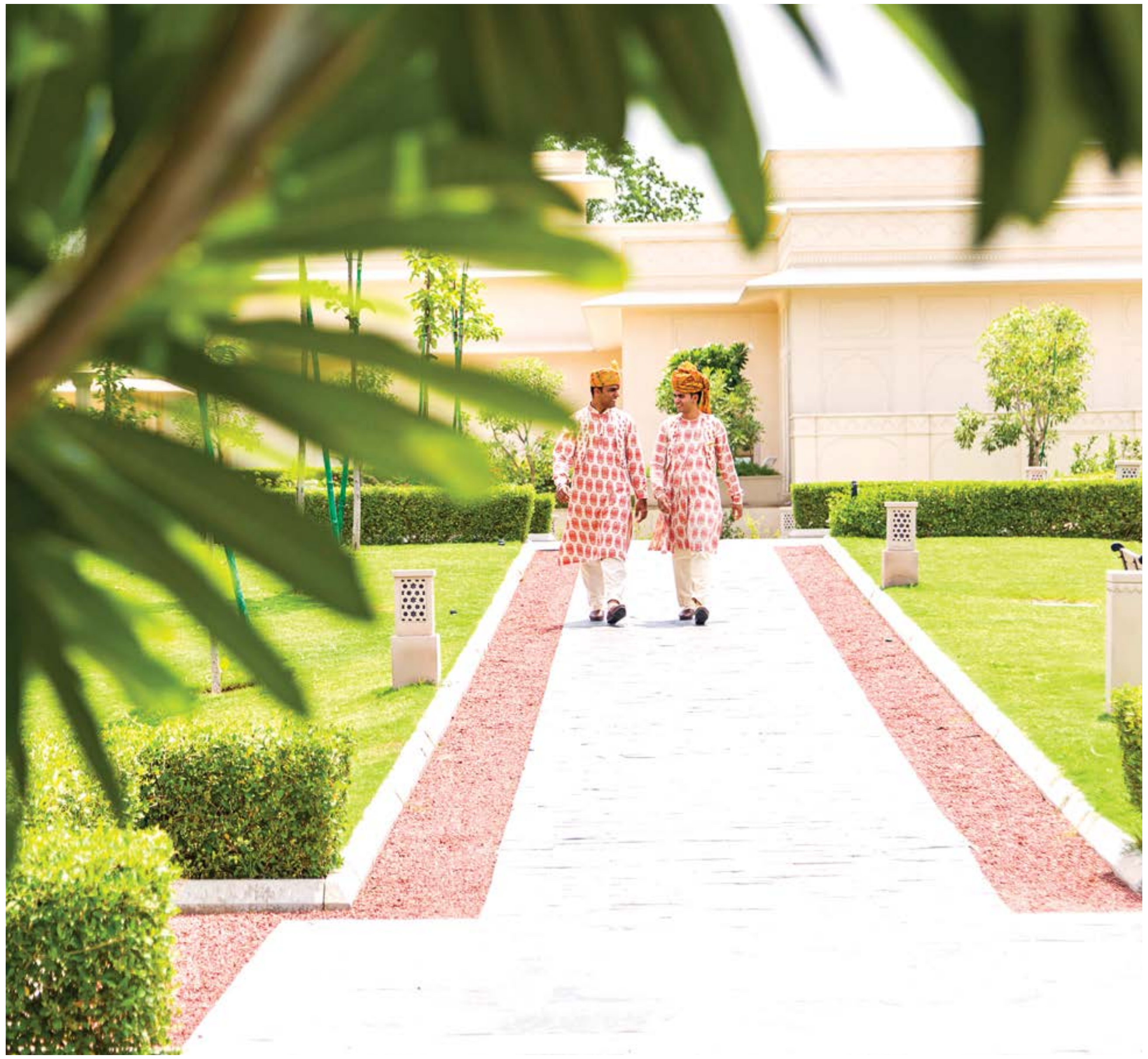
Trident, Bandra Kurla, Mumbai commenced operations

Entered into a joint venture agreement with 16% equity interest in Golden Jubilee Hotels Limited for a proposed Trident hotel in Hyderabad

2010

The Oberoi, Mumbai reopened after a full renovation.

EIH International Limited, a wholly owned subsidiary of the company, completed an acquisition of 46% equity interest in its international hotels joint venture company, EIH Holdings Limited. EIH Holdings Limited is now a wholly owned subsidiary of EIH International Limited



2011

The Oberoi, Gurgaon opened

EIH Rights issue - ₹ 1,179 crore

2012

Renovations and new constructions of industrial kitchens for flight catering operations in New Delhi, with a capacity to cater up to 18,000 meals per day

2013

Trident, Hyderabad began operations

2015

New flight catering facility started in Kolkata, with state-of-the-art equipment to maintain international hygiene standards and cater up to 3,500 meals per day

2016

The Oberoi Sukhvilas Spa Resort, New Chandigarh (a managed property) opened

2017

Global Depository Receipts were delisted from the London Stock Exchange

2018

The Oberoi New Delhi opened after a full renovation

2019

The Oberoi Marrakesh opened

2020

EIH Rights Issue - ₹ 346 crore

EIH Delisted from Calcutta Stock Exchange

Dare to dream of *performance with precision*

Year in Review

Operational Highlights

The evolving nature of hospitality

The times have been truly unprecedented, given the pandemic, within the hospitality industry. The pandemic bore an impact on demand and brought to the fore a need for businesses like ours to calibrate strengths and enhance efficiency and performance to emerge mightier. We continue to demonstrate resilience during these times, backed by strong fundamentals, extraordinary brands and our optimism for the future.

Increased F&B business

Opened new restaurants – Lapis and Wabi Sabi in Bengaluru

Hotel's OPEN spaces were promoted as dining options, our host of alfresco dining options and poolside for private events

Initiative launched for corporates engaged in virtual meetings all day where hotels would deliver business lunches

Gift wrapped and festive gifting by Oberoi Patisserie and Delicatessen

Year-end festivities introduced with focus on private dining, in-suite celebrations, open-air venues

Enhanced safety measures

Collaborated with Bureau Veritas, to validate and review our programmes

Placed highest emphasis on the safety and wellbeing of our guests with thorough standards of cleanliness and hygiene

Alliances

Announced strategic alliance with Mandarin Oriental Hotel Group

Loyalty programmes

Launched Oberoi One, a flagship guest recognition programme in August 2020 with a focus to appreciate the brand's most loyal clientele

Trident privilege – award winning loyalty programme rewarding guests with points for stays and hotel spends

Others

Rights issue oversubscribed with ₹ 561 crore being offered against the issue size of ₹ 350 crore

Financial Highlights

10 year highlights

Figures in million except Serial nos. 14, 15, & 16

	2011 - 2012	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
FOR THE YEAR										
1. Gross Revenue	11,622	11,770	12,789	13,730	14,696	13,768	14,340	16,273	14,343	4,736
2. Profit Before Tax	1,550	718	1,448	1,512	1,649	1,279	1,739	1,637	1,091	-4,431
3. Profit After Tax	1,224	510	950	966	1,090	965	1,123	1,133	1,245	-3,431
4. Total Comprehensive Income For The Year	-	-	-	-	1,025	884	1,051	1,125	1,221	-3,400
5. Dividend	629	514	629	629	629	514	514	514	0	0
6. Retained Earnings	1,435	935	1,248	1,492	1,507	1,496	1,592	1,777	2,587	-2,232
7. Foreign Exchange Earnings	4,630	4,825	5,765	5,148	5,625	4,255	4,355	5,145	4,685	378
AT YEAR END										
8. Gross Fixed Assets	28,059	28,658	29,101	29,334	18,993	20,990	24,637	25,243	29,792	30,244
9. Share Capital	1,143	1,143	1,143	1,143	1,143	1,143	1,143	1,143	1,143	1,251
10. Reserves And Surplus	25,208	25,106	25,333	25,430	25,735	26,538	27,016	27,408	28,049	28,006
11. Net Worth	26,352	26,249	26,476	26,573	26,878	27,682	28,159	28,551	29,192	29,257
12. Borrowings	2,601	3,754	2,764	2,039	2,449	2,860	4,293	4,711	4,151	2,784
13. Capital Employed	28,852	29,249	28,326	28,023	27,828	29,382	31,052	31,015	32,198	31,940
PER SHARE (₹)										
14. Networth per Equity Share	45.52*	45.34*	45.74*	45.90*	46.43*	47.82*	48.64*	49.32*	50.43*	46.78
15. Earnings per Equity Share	2.11*	0.88*	1.64 *	1.67*	1.88*	1.67*	1.94*	1.96*	2.15*	-5.72
16. Dividend Per Equity Share	1.10	0.90	1.10	1.10	1.10	0.90	0.90	0.90	0.00	0.00
RATIO										
17. Debt: Equity Ratio	0.10 : 1	0.14 : 1	0.10 : 1	0.08 : 1	0.09 : 1	0.10 : 1	0.15 : 1	0.17 : 1	0.14 : 1	0.10 : 1

* Based on the number of Equity Shares subsequent to Rights Issue of Equity shares on 20th October, 2020 increasing the number of Equity shares from 571,569,414 to 625,364,182

Notes :

a) Serial nos. 8,10,11,13,14 and 17 are inclusive of Revaluation Reserve balance as at year end.

b) Figures have been regrouped/rearranged wherever necessary.

c) Figures pertaining to the years 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 are in accordance with Ind AS while figures pertaining to the years upto 2014-15 are in accordance with previous GAAP

d) All numbers are basis Standalone Financial Statements

Executive Chairman's Message

Realising ambition with responsibility and resilience

Dear Shareholders,

I sincerely hope that all of you are safe and in good health.

I am delighted to write to you at the end of what has been quite a tumultuous year, which has forever altered the way we look at society and business. Against a challenging backdrop, the Company's business has remained resilient, reinforced by our high quality and diverse portfolio of assets and experienced Board and management team.

Our response to the pandemic, while being carefully considered and planned, was also prompt and decisive. The senior management team demonstrated exceptional leadership in establishing key priorities – to protect our people, our business and cash – and in acting effectively on those priorities. Our people responded in a positive and energetic manner and as a result of their efforts our business has shown resilience.

The year in review

Tourism continues to be one of the sectors hardest hit by the pandemic and the outlook remains highly uncertain. Encouraging news on vaccines have raised hopes for recovery but challenges remain as seen during the subsequent second wave, the sector expects to remain in survival mode until well into 2021. As per official government statistics, less than three million foreign tourists visited India in 2020, which is a drop of ~75%, compared to 2019 owing to the COVID-19 pandemic. According to the Federation of Hotel & Restaurant Associations of India (FHRAI), the Indian hotel industry has taken a hit of over ₹ 1.30 lakh crore in revenue for the fiscal year 2020-21 as part of COVID-19 impact. The Government has recently announced financial support for the sector. We believe more should be done to protect the livelihoods of people dependent upon tourism sector. Fiscal and tax policies should encourage further investments which are necessary at this time.

> "We constantly challenge ourselves in trying to reach international benchmarks for excellence, responsibility and sustainability."

More than ever before the Government should consider providing infrastructure status to the industry.

Our ability to progress in-sync with the emerging preferences of our customers and best-in-class service are our key differentiators. Our customer-centric approach, along with steadfast dedication among our people enabled us to remain among the top 2-3 players in most of the prominent segments within the hospitality sector in India.

For over 80 years, we at EIH have prioritised the health and well-being of our guests and colleagues, with thorough standards of cleanliness and hygiene. We implemented extraordinary measures, in keeping with World Health Organization and government issued guidelines, to further enhance hygiene and safety standards at our hotels. We also partnered with Bureau Veritas to validate and review our measures with regards to safety and hygiene. Our award-winning hotels continue to be regarded among the best and safest choice.

Progress on ESG

We remain fully committed to aligning environmental, social and governance priorities with our business strategy and objectives. Our goal is to go beyond owning hotels and create communities, which are positive places to live and work in, as well as providing a quality customer experience.

The hospitality industry has a key role to play in helping mitigate the effects of climate change, by taking on ambitious commitments in decarbonisation of its activities and fostering sustainable behaviour among travellers and tourists.

While first-class service is a common expectation from us, we are also putting responsible and sustainable service to preserve the planet at the forefront. We constantly challenge ourselves in trying to reach international benchmarks for excellence, responsibility and sustainability.

Care is taken to ensure that the system design and equipment deployed for each hotels are energy efficient. Highly effective chillers are used for air conditioning. Guest engagement was sustained on social media through campaigns around health, immunity boosting and healthy recipes. From providing packed meals to frontline workers and those in need, to offering soaps and hand sanitisers to the Delhi Police, we worked to contributing meaningfully in pulling the nation out of the crisis.

As we continue to evolve our approach to incorporating ESG measures across levels of our business, we are confident in delivering resilient and adaptive performance, aligned with our strategic objectives, in the future.

Way forward

COVID-19 has been a test of our resilience and flexibility as a team. We have made the safety and well-being of our people a top priority, while keeping a sharp eye on their long-term growth and development as individuals and professionals. The manner in which they adapt to the new normal and integrate in into the business, will shape our shared future.

I thank all our stakeholders for their continued faith in our abilities and unwavering support. Our solid focus on embracing best practices in the environmental, social and governance domains will enable us to create holistic value for all our stakeholders.

Regards,

Prithviraj Singh Oberoi

MD and CEO's Message

Sustainability is a hallmark of our business

Dear Shareholders,

We have all been confronted with the COVID-19 pandemic that has overwhelmed healthcare ecosystems as well as businesses and economies across the world. In an uncertain environment and with challenging industry dynamics, our most important priority was, and continues to be, the safety of our guests and colleagues, and continuity of our operations. The commitment of our people, who place the needs and wellbeing of our guests above all else, has allowed us to continue to perform in this challenging environment.

Besides the impending uncertainty in the near term of the financial impact on the hospitality business, there is also the challenge of adjusting our operational practices to ensure zero chances of transmission of the virus among our guests and staff. We have successfully vaccinated our hotel and flight catering employees and continue to follow the most stringent COVID-19 protocols without compromise. In so far as demand for hotel accommodation is concerned, we expect domestic travel to recover first, followed by international travel as restrictions ease. Governments are easing travel restrictions for people who have received both their vaccinations – we hope this practice will be adopted widely in India and internationally over the next few months. It is our firm belief that Oberoi and Trident Hotels, with strong brand recall, and EIH with its healthy balance sheet and strategic property locations, are poised to benefit from a favourable demand-supply matrix in the long run.

"At EIH, we are progressing steadily to become a truly digital organisation."

Looking back at the year

With the onset of the pandemic last year, we immediately developed detailed and comprehensive COVID-19 protocols covering every area of our operations. Grounded in the principles of The Oberoi Dharma, with the guest at the heart of everything, the group listed these detailed measures on the Oberoi and Trident websites for all to see. Hotels provided focussed training and guidelines to all associates and offered every necessary resource to combat the ongoing crisis in order to deliver a seamless experience to our guests. We deployed technology for high touch processes like check-in, check-out, restaurant and in room dining menus and billing. Furthermore, with centralised finance and other back office functions at The Oberoi Centre of Excellence, seamless continuity of operations was ensured.

For the Financial Year 2020-21 our revenue stood at ₹ 4,736 million as compared to ₹ 14,343 million in the previous fiscal year. We introduced Oberoi One, our unique guest recognition programme, aimed at enhancing guest experiences at our hotels, built on the pillars of special privileges and benefits for members. We entered into a strategic alliance with Mandarin Oriental Hotel Group for Oberoi Hotels & Resorts. By working together across all facets of the guest experience, the two groups will curate new and exclusive experiences, available at Oberoi and Mandarin Oriental hotels. We also explored new avenues of revenue growth, the very foundation on which lies the business's overall success, through a variety of Food & Beverage innovations, such as immunity enhancing menus, in-suite celebrations, customised culinary curations and private dining experiences to name a few. The effort towards implementing efficient cost structures through rationalisation of human capital and technological advancements resulted in substantial savings in fixed and variable expenses.

At EIH, we are progressing steadily to become a truly digital organisation. Our aim is to optimise data and use it as an accelerator to strengthen guest experiences and guest loyalty. The Oberoi Centre of Excellence helps in channelising collective resources, ensuring smart and efficient delivery of transactional services and driving expertise in finance, procurement, master data management, taxation, business transformation and budgeting.

Walking the talk of sustainability

Sustainability was and will continue to form the core of our business – social inclusion and business responsibility is embedded in our DNA and we will work towards further social inclusion and adoption of environment friendly practices. Adopting renewable energy sources like solar power will help resolve many environmental challenges like reducing global warming and CO_2 emissions and also drive greater socio-economic benefits by creating local employment opportunities. The Oberoi, Gurgaon and Trident, Gurgaon have introduced solar power to fulfil the electricity needs of both hotels. We are also in the process of installing solar panel facilities at a number of hotels that are owned or managed by EIH. At these hotels, approximately 30% to 70% of power will be generated through solar energy.

Successful Rights Issue

In September-October 2020, the company made a Rights issue to provide our shareholders with an opportunity to enhance their participation in the company at an attractive share price of ₹ 65/- per share. By repaying the company's debt with such funds, the company seeks to ensure that our shareholders gain once we emerge from the pandemic. We are grateful to our shareholders who reposed their unflinching support by overwhelmingly participating and subscribing 1.6 times to the issue.

"The decisions we make as we move forward will not only ascertain our impact on the environment and communities around us but will in fact, play a vital role in shaping our common future."

Moving towards the better

We continue to support the community in this time of need. Many Oberoi and Trident hotels distributed healthy packed meals and essential supplies during the lockdown through government agencies, NGOs and local authorities. These meals and supplies went to those who were struggling to make ends meet, as well as for the courageous hospital staff and other key frontline workers.

The unforeseen COVID-19 crisis brought to the fore our increased awareness and adaptability to changing times. The decisions we make as we move forward will not only ascertain our impact on the environment and communities around us, but will play a vital role in shaping our common future.

The events of 2020 have highlighted to our industry the growing importance of tailored experiences and operations, driven by a truly customer-centric mindset, supported by cutting edge technology and data analytics.

With increasing vaccination rates in many parts of the world, including India, we have reason to be optimistic that this pandemic will be defeated.

As we begin another year, I would like to extend my heartfelt gratitude to my colleagues and to our investors and shareholders. It is your continued support and faith in us that inspires us to do more and do better every day.

I wish you and your family a healthy, safe, and productive year.

Regards,

Vikramjit Singh Oberoi

COVID-19 Response

Taking care like we always have. Only better.

The global pandemic has had a deep, life-altering impact around the world. It has made us more focused on leveraging our size and scale, as well as our compassion and commitment to support and help communities worldwide.

Improved customer experience

We rolled out an enhanced health and safety programme at all Oberoi and Trident Hotels for guests and employees in the wake of COVID-19. We collaborated with Bureau Veritas (BV), a world leader in laboratory testing, inspection and certification services to authenticate and review our programme. Restaurants across all properties ensured safe distancing with necessary safety precautions without diminishing the dining experience of guests.

Guest facing brochure/presentation created underlining all safety and hygiene measures prevalent at the hotel

Visual communication strengthened with necessary posters in the lobby, front desk

Sanitisation crew was made visible in public areas and the restaurant

Keeping our stakeholders safe

BV trainings and audits: To ensure that all standards and protocols are adhered, each hotel has a dedicated Hygiene and Safety Manager, who is responsible for driving departmental trainings in association with HODs

Simulation videos were used for training purposes, especially F&B

Each team member underwent temperature screening twice a day and followed a vigorous 20 seconds handwash rule as per WHO standards, using industrial grade handwash and sanitiser

All workstations, including food receiving and processing zones, are thoroughly sanitised multiple times every day using WHO approved industrial grade chemicals

All critical touch points in our kitchens and restaurants undertook rigorous sanitisation by our dedicated Hygiene & Safety Team several times a day

These enhanced processes are supervised by a dedicated Hygiene & Safety Manager, as well as senior members of the kitchen and restaurant management team

Leveraging technology

A contactless way of operating was adopted with e-check-ins, e-bills, digital payments, and digital menus through QR codes, safe distancing messaging and automation of room features through our Oberoi Enhance platform

All restaurants are retrofitted with Samsung Tabs for billing. A cart with the food and Samsung Tab goes to each and every room

Helping communities

We undertook relief as well as long-term, impactful community development initiatives

The hotels organised packed meals daily, which were given to the local district health office to distribute to the underprivileged. Meals were provided to front-line workers

Redefining the F&B experience

Re-imagining F&B amidst a wave of evolving preferences

The Oberoi, Bengaluru

With marquee restaurant brands, partnerships with world-renowned F&B providers, a thriving innovation pipeline of dining concepts, we continued to unlock potential and enhance leadership position in this field. From introducing global cuisines to the latest trend, EIH has led the way in pioneering F&B experiences for over a century.

New openings

Lapis

Lapis is the place to lunch in Bengaluru. Our brand-new all-day restaurant promises legendary Oberoi hospitality in a setting that captures the spirit of nature; with large French windows that bathe the space in sunlight and present endless garden views.

Wabi Sabi

Inspired by the Oriental philosophy that appreciates the complexity of simplicity, Wabi Sabi presents a clever juxtaposition of colours, sounds, textures and forms, throughout.

In-Suite dining experiences

Bespoke in-suite dining experiences allow guests to come together for a meal safely and in privacy.

In-Suite celebrations

Our spacious suites provide the perfect venue for special occasions with family and friends. Coupled with our genuine care for unforgettable memories.

Blue Sky Thinking

Experience a whole new way of working. Be it your next meeting, a brain storming session, or an informal team gathering, we have the perfect workspaces for you.

Polo Club

The Polo Club is the perfect oasis in the heart of the city to enjoy great views and refreshing drinks served with warmth, flair and finesse.

Hampers and offers

We offer international delicacies and handmade goods perfectly packed for festive gifting. These gift boxes can include handcrafted cakes, single-origin chocolates and desserts, breads, homemade pasta, condiments, wines from around the globe and more, as per requirement. The tastefully curated hampers are readied using contactless technology, contactless delivery and payments.

Home delivery

Our tailor-made home delivery menu offers an eclectic culinary experience of Western favourites, DIY gourmet dishes, traditional Indian delicacies and freshly baked treats from the Oberoi Patisserie & Delicatessen. All prepared and packed in keeping with the highest safety and hygiene standards, and delivered to your doorstep.

Breakfast Delivery and Takeaway Menu

Special Home Delivery Menus for special occasions

Partners In Care: A hamper/gifting promotion aimed at sending 'a gift of good wishes' to loved ones

Eid Menu

Family Meals including

Sunday Brunch at Home and Weekend Specials Creatives carried the Mobile Phone graphic to promote our online delivery platform, where we just a click away Focus on health, immunity and wholesome Signature dishes from speciality restaurants

At EIH, technological advancements to meet and exceed the expectations of our guests have won us continued customer loyalty. The use of right technology not only helps us provide guests with an unforgettable experience, but also places us a notch above industry practices.

Leveraging technology at our properties

1. Oberoi Enhance

Our iPad interface, Oberoi Enhance, controls in-room gadgets, such as lights, window blinds and all electronics, and assists in room service and spa booking appointments. We also set up a new infotainment system, with 36 radio stations and TV channels to ensure all round entertainment for our guests.

2. Personalised emailers

Every guest who comes to stay with us receives a personalised email from Mr. Vikram Oberoi, asking for feedback on their experience. We analyse the feedback and work towards improvements, thus garnering customer satisfaction and enabling a high guest repeat.

67%

Guest repeat ratio

3. The Oberoi Centre of Excellence

We set up a new Oberoi Centre of Excellence for the smooth operations of the secretarial, legal and financial teams of the Group. The Centre, rightly called 'Heart of the House', helps centralise payments to vendors, suppliers and brand partners. Hosted via Cloud, it creates payment databases using analytics, with bots being used to reduce human intervention. We witnessed a significant reduction in the time taken to close our annual accounts due to the centrally controlled automated account systems.

The Centre received an award in the 'Business Transformation Impact' category at the prestigious SSON Impact Awards Asia 2020.

4. Paperless check-in and check-out

All the necessary guest details required during check-in and check-out are captured on iPads, with customer documents being scanned, not printed. We use Samsung tablets across our restaurants for smooth billing. Along with the food order, a tablet is sent to each guest's room to confirm the bill. We saved ₹ 40 lakhs by going paperless. It also greatly reduced our ecological impact and mitigated the spread of COVID-19 by minimising touchpoints.

5. Contactless registration

We are aware of the potential risks associated with physical touch points. We are, thus, committed to providing a 'hands-free' experience to our guests through contactless registration. Guests can register themselves at our hotels using our online registration option by adding their personal details and stay requisites. Once the guest arrives at our hotel, they can scan a QR code using their phone or tablet, confirm the booking and fill in a health declaration form.

Bespoke Experiences

Driving customer delight

Customers are at the centre of our business decisions, and we are working towards providing them with hyper-personalised experiences by deploying tools for digitalisation, data analytics, loyalty programmes, regular interactions, among others. We continue to drive innovation by creating bespoke experiences for customers. Our unique and personalised customer experiences keep them coming back for more.

Unwind with Friends Offer

During the cricket season, a day offer for guests to visit hotel with friends and spend the day at the hotel together

Celebrations by Oberoi

Boutique wedding vows and reception in the Presidential Suite and its private terrace, among other such intimate set ups across the hotel

Sunny Side Up Sunday Brunch

Launched novel concept at Oberoi Bengaluru to unwind with friends and family with grand food theatre across Lapis and Wabi Sabi and playing up the alfresco set up and design

Music Evening at The Polo Club

Musical evenings at the bar which showcased the best of the Rack Pack genre, keeping social distancing and safety protocols in view

Staycations with packages focusing on spa and wellness launched

- Work from Hotel offer: Launched an offer, which combined stay, F&B benefits and the safety and comfort of working from our many alfresco venues with high-speed internet. Introduced for business travellers with a variety of packages with different venues and price points in line with the 'Bleisure' trend. All our rooms, suites and dining spaces come with fresh, clean air, beautiful garden views, seamless internet connectivity, best-in-class hygiene standards and the legendary Oberoi efficiency, warmth and genuine care at your service
- In-suite dining launched with focus on private dining and intimate celebrations at exclusive venues

Offers and loyalty programmes

Oberoi One

A distinctive guest recognition programme designed to enhance experience, this structured recognition and rewards programme has been a long-standing request of many of our frequent guests. Members of Oberoi One will enjoy a host of personalised benefits and privileges, exclusive to the programme. From member only rates on our website and happy hours at the bar, to flexible check-in and check-out timings and complimentary stays and upgrades

Trident Privilege

A distinctive guest recognition programme designed to enhance experience, this structured recognition and rewards programme has been a long-standing request of many of our frequent guests. Members of Oberoi One will enjoy a host of personalised benefits and privileges, exclusive to the programme. From member only rates on our website and happy hours at the bar, to flexible check-in and check-out timings and complimentary stays and upgrades

Dare to dream of *resilient value creation*

Our approach to value creation

Business Model

Creating value across generations, for diverse stakeholders.

Capitals	Inputs
FINANCIAL	**₹ 31,988 million** Net worth (Consolidated) **₹ 3,412 million** Debt
MANUFACTURED	**30** No. of hotels **₹34,251 million** Total Gross asset base (Consolidated)
INTELLECTUAL	**38** No. of Trademarks
HUMAN	**8,086** Employees
SOCIAL AND RELATIONSHIP	**1,667** No. of partners **₹ 40.14 million** CSR expenditure
NATURAL	**64.9 mn kWh** Total power consumed*

Activities

We operate hotels through the following brands

Oberoi HOTELS & RESORTS

TRIDENT HOTELS

Other businesses

The Motor Vessel Vrinda

Oberoi Flight Services

EIH Press

Avis India

EIH Aviation

Oberoi Airport Services

Oberoi Corporate Centre

Institutional Catering

Strategic Priorities

Endure

Revitalise

Flourish

Read more on page 44

Outputs	Outcomes
→ Increased shareholder value → Financial stability → Contributions to growth, development and transformation	**₹ 4,736 million** Revenue **(₹ 3,431) million** PAT **(11%)** Return on capital employed
→ Safe workplaces, globally → Value to customers	**Best-in-class customer service and higher base of loyal customers**
→ Improved customer satisfaction → Loyal employees → Responsible corporate citizen → Brand and social relevance elevated	**99,965** Bookings through digital channels
→ Workforce committed to growth, development and transformation → Living the values → Strategic business objectives are met → Improved retention	**9.41** Training person-days per executive **Attrition rate** **8.7%** Executive **29.7%** Staff
→ Improved relationship with key stakeholders → Long-term sustainability	**92.35%** NPS score for staff friendliness and staff promptness **Long-lasting and rewarding associations with suppliers, customers, vendors and development partners**
→ Operational excellence for resource conversation → Restoring ecosystem	**34%** Energy consumption reduction **39%** Co_2 emission reduction

* For EIH India hotel operations

Stakeholder Engagementt

It is all about sharing. Dreams. Purpose. Future.

Engagement and collaboration along the value chain is essential. By partnering with our stakeholders, understanding their challenges and managing risks, we can find solutions for our shared success.

We recognise our accountability to stakeholders and acknowledge that our success depends on being able to meet their requirements. We endeavour to find common and acceptable solutions., Our stakeholders' input is integral to our business impact.

Key Stakeholders	Stakeholder Concerns	Frequency of Engagement	Mode of Engagement and Communication
INVESTORS AND SHAREHOLDERS	→ Compliance to laws and regulatory requirements → Return on investment/ dividend → Timely interest and debt repayment → Socially/environmentally responsible investment → Company strategies → Corporate governance → Proactive/timely communication → Anti-corruption and ethical behaviour	→ Quarterly, Annual, Need-based	→ Quarterly investor calls/presentations → Annual General Meeting → Annual Report → Annual Business Responsibility Report and Sustainability Report → Analyst Discussions
EMPLOYEES	→ Respect and dignity → Non-discrimination and fair treatment → Talent management, learning and skill development → Career planning and growth → Work-life balance → Work environment → Health and safety → Grievance redressal → Proactive communication → Ethical behaviour/statutory compliance	→ Continuous, Monthly, → Half-yearly, Need-based	→ Appraisal → Monthly newsletters → HR online surveys → Emails → Town hall/open-house meetings → Health, Safety and Environment (HSE) committee meetings → Policy communication → Portal/intranet → Family get-togethers
CUSTOMERS	→ Service quality → Differentiation and product relevance → Digitally enabled and positive experience → Safety and privacy → Ethical business practices → Environmental impact	→ Continuous, Need-based	→ Direct feedback from guests → Loyalty programme → Real-time social media engagement → Market research → Feedback through surveys → Oberoi Contact Centre
GOVERNMENT AND REGULATORY AUTHORITIES	→ Compliance and taxes → Timely responses to queries → Anti-corruption → Disaster and relief management	→ Need-based	→ Continued engagement and representation → Quarterly and Annual compliance reports → Representation through trade bodies
PARTNERS	→ Fairness and transparency in contractual process → Competence development of supply chain partners → Security at workplace → Timely payment and honouring commitments → Long-term association → Create a win-win situation → Clarity in terms and conditions → Operational and resource efficiencies	→ Continuous, Need-based	→ Supplier meets → In-person meetings → Operational review
LOCAL COMMUNITIES AND NGOS	→ Positive, social and economic contribution → Support for long-term → Climate change and other environmental issues	→ Continuous, Need-based	→ Community engagement and local community meetings → Minimisation of environmental footprint

Strategic Priorities

A purpose-led strategy for future growth

Our strategy aims to deliver strong returns to shareholders, best-in-class services to customers and consistent value to all stakeholders. We have initiated various steps to revitalise these priorities for success during these challenging times. They have been designed to endure our business through the rough patch in the industry and help us flourish when business returns to normalcy. While crisis management has been our primary focus in the last year, we have never lost sight of our goals to achieve consistent progress on our strategic priorities.

Endure

FY21 INITIATIVES

Through this health crisis, employee safety has been a pertinent focus. Throughout the pandemic, EIH demonstrated commitment to ensure the safety of its employees and business continuity for its customers and partners.

Our rights issue got oversubscribed with ₹ 561 crore being offered against the issue size of ₹ 350 crore. These funds were used for debt repayment and general corporate purposes. The rights issue received strong institutional support and good participation from retail investors. Coming at a time when the hospitality industry navigates the aftermath of the first wave, the success of this issue reinforces the confidence that the markets have reposed on our company's management and in our ability to deliver long-term performance and growth.

We initiated major steps to bring down costs and become more efficient. We managed to reduce fixed overhead by 28%, a majority of which is salary and admin related. We depended on process efficiencies like back-office automation, using AI, paperless processing, solar panels to bring down power costs, and other expertise-driven services in finance and data management.

Revitalise

FY21 INITIATIVES

Technology Driven Business Transformation
Our digitalisation initiatives encompass key functions and organisational processes. We are leveraging data analytics to help our executive leadership team with decision-making processes. We are also deploying Robotic Process Automation (RPA); building intelligent process automation tools to achieve higher operational efficiencies. We continue to strengthen the digital apps and platforms used by our people and our guests.

Strategic Initiatives

- → The Oberoi Centre of Excellence (TOCE) has facilitated seamless onboarding of new properties with minor incremental costs. Technological advancements have also reduced turnaround times
- → Oberoi and Mandarin Oriental announce partnership - The O&MO alliance brings together two of the world's leading luxury hotel brands, enabling us to provide curated, unique and exclusive experiences for loyal members of both brands through promotions, cross exposure and employee trainings.
- → Oberoi One - Our distinctive guest recognition programme has been designed so that you can avail personalised privileges and upgrades, to enhance your Oberoi experience even more.

Introduced New Transparent Safety and Hygiene Norms - At EIH, we have always prioritised the health and well-being of our guests and colleagues. Detailed processes have been put in place to enhance the standards of hygiene and safety across all operations.

Integrated Risk Management - Our robust governance structure, effective risk management, and ethical and transparent practices provide a sound platform for long-term value creation. We have a rigorous market scanning and risk review process in place to facilitate prompt corrective actions, if required.

IT Infrastructure - We use cloud computing for data storage and access. We also have a data centre on our premises, which allows us to deploy applications in multiple regions in just a few clicks with lower latency.

De-Risking – Enhanced F&B offerings with innovative stay and dine initiatives. The objective being to attract families and small social groups to highly safe, sanitised, and hygienic environments where they can relax in luxurious private spaces, experience all-inclusive culinary delights, and hassle-free holidays after prolonged isolation.

Reducing our Carbon Footprint – We are focused on playing our part in addressing the risks of climate change and the protection of the environment. We are engaging with our stakeholders to ensure they also put sustainability first. Roof top solar panels have been installed in all hotel, where feasible. Our hotels also use Vapour Absorption Chillers that do not cause ozone depletion.

Flourish

FY21 INITIATIVES

We have extensive in-house project management and development experience of creating niche properties. At the same time, strong relationships with domestic and foreign clientele and intermediaries is an added advantage. By the time normalcy returns, we would have strengthened on the 'revitalise' aspect and be prepared to hit the growth graph.

Dare to Dream with *integrity at the core*

Governance

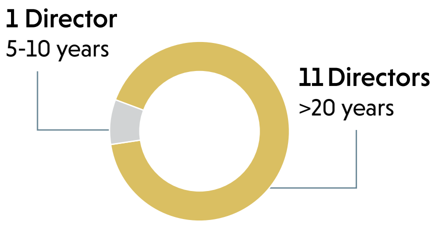
Governance

Working with integrity

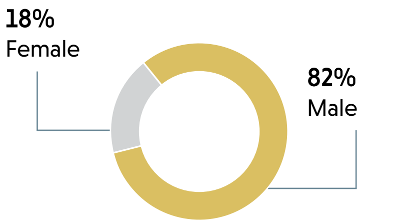
Corporate Governance is about fostering fairness, transparency, accountability, commitment to values, ethical business conduct and prioritising stakeholder interests. It is a manifestation of our values and policies and, being rooted in our day-to-day business practices, leads to value driven growth. Running business in a fair and responsible manner is our path to profitable growth and long-term value creation for all those connected with us.

Board Demographics

Experience



Diversity



Role of Board of Directors

Our Board of Directors supervises the overall operation of our company. The Board plays a key role in setting the strategic direction. It also provides continuous supervision of material matters, acting as an independent check and balance for the executive management team, whose main responsibility remains the management of the business.

Board of Directors

Prithvi Raj Singh Oberoi
Executive Chairman
NRC

Mr. Shib Sanker Mukherji
Executive Vice Chairman
CSRC | AC | SRC

Mr. Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
SRC | RMC | CSRC

Mr. Arjun Singh Oberoi
Managing Director – Development
AC | SRC | RMC | CSRC

Mr. Anil Kumar Nehru
Independent Director
SRC | RMC | AC | NRC

Mr. Lakshminarayan Ganesh
Independent Director
NRC | AC | RMC

Mrs. Nita Mukesh Ambani
Non-Executive Director

Mr. Manoj Harjivandas Modi
Non-Executive Director

Mr. Rajeev Gupta
Independent Director
AC | NRC | CSRC

Mr. Sudipto Sarkar
Independent Director
AC

Dr. Chhavi Rajawat
Independent Director

Mr. Sanjay Gopal Bhatnagar
Independent Director

COMMITTEE		Chairperson	Member
Audit Committee	AC	●	●
Stakeholders' Relationship Committee	SRC	●	●
Nomination and Remuneration Committee	NRC	●	●
Corporate Social Responsibility Committee	CSRC	●	●
Risk Management Committee	RMC	●	●

Auditor - Deloitte Haskins & Sells LLP

Risk Management

A proactive and disciplined approach

We recognise that managing risk effectively is integral to executing our strategy. To achieve excellence through our business model, both operationally and financially, we maintain a balance between safeguarding against potential risks and taking advantage of budding opportunities. Our aim is to foster a culture of effective risk management by encouraging appropriate and monitored risk-taking so as to achieve the Group's strategic priorities.

Our risk management policy encompasses the identification and evaluation of business risks. We implement mitigative steps to manage these on a continuous basis. We have been following enterprise risk management (ERM) since 2006 with periodic reviews.

ERM involves internal participation, objective setting, risk assessment, control activities, information and communication, as well as monitoring. This framework seeks to create transparency, minimise adverse impact on business objectives and enhance our competitive advantages. Our risk management committee oversees the entire process.

To know more about the various risk and mitigating factors, please refer MDA on page 77

Dare to Dream of *a sustainable world for all*


The Oberoi, Gurgaon

Measuring our impact

People

Enabling an inclusive and growth-oriented culture

The excellent quality of our service and offerings are thanks to the dedication and commitment of our people. We strive to create a collaborative environment and a culture of shared ideas, as we focus on developing expertise and advancing careers. We aim to support our workforce by providing a safe and respectful work environment.

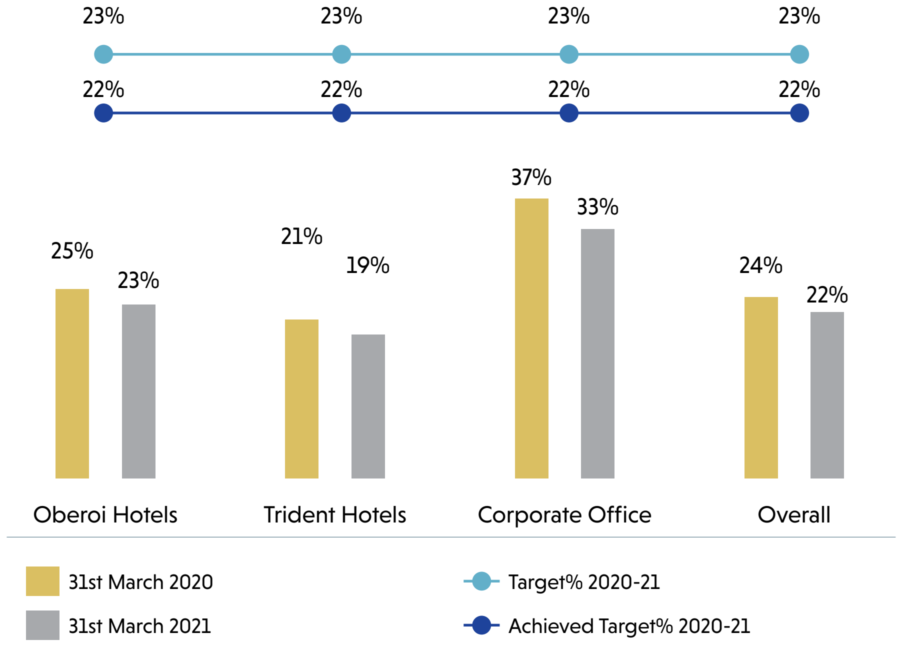
Throughout the COVID-19 pandemic, our management and leadership regularly communicated with employees about ways to keep safe at home and work, and ways to stay emotionally and physically well.

Driving inclusion and diversity

We aim to ensure that our employees feel included and valued for their efforts at all times. Although we have made strides towards developing a more diverse and inclusive organisation, it takes enduring commitment to make sustainable progress. So, we continue to build awareness at all levels of the organisation and focus on behaviours and processes that foster an environment where everyone has not only an opportunity to dream but the chance to realise them.

We embed inclusion considerations at each step of the recruitment process. From drafting job descriptions to using intentionally diverse interview panels and candidate selection methodologies.

GENDER DIVERSITY



People

Learning and development

We are committed to developing leaders of the future. By nurturing a culture of continuous development for our employees, we aim to ensure that we have the talent and capabilities needed to drive performance, now and in the future. As part of the corporate learning and development curve, in-house virtual programmes were run for executives during the year. Competencies covered under these initiatives included leadership, coaching and productivity.

The overall training person-days for executives was 7,465 with an average of 9.41 person-days per executive. The overall training person-days for staff was 84,634 with an average of 16.65 person-days per staff member.

9.41
Training person-days per executive

Health and hygiene practices

Created and imparted a training module on hygiene practices

Conducted train-the-trainer workshops for hygiene practices

Revised department operating standards

Conducted training sessions for department managers on operating standards

Supported hotels with training guidelines, audio-visual and reference aids

Conducted virtual wellness sessions for colleagues at hotels during lockdown

Platinum rating for all hotels by Bureau Veritas

Gurukul programme

Workshop for managers, supervisors and assistants in the training department

Train-the-Trainer as a key component of the workshop

Guest interaction module focused on providing exemplary services despite safety measures pertaining to the pandemic

92.35%
NPS score for staff friendliness and staff promptness
(compared to 89.74% in FY20)

Connecting with our employees

We believe that an engaged workforce is a powerful determinant of business success. A culture of open communication drives our understanding of our employees' needs while enabling them to acquire the skills needed to deliver in line with our strategic vision and succeed in their careers. Our strong communication programmes proved helpful in providing employees with critical information surrounding our policies, requirements and expectations during the COVID-19 pandemic. Our leaders have played a crucial role in this communication, regularly engaging with employees through videos, town hall meetings and other online tools to help them navigate the changing situation.

Corporate Social Responsibility

Supporting communities. Building better lives.

At EIH, we believe in the power of empowering people and communities in bringing development that is sustainable. We also trust that in every human being and organisation there is a latent need to 'give back to society'. It is with this perspective that we focus on sustainable livelihoods, healthcare and quality education.

Project Saksham

EIH and EIH Associated Hotels Limited (the flagship companies of The Oberoi Group), under their Corporate Social Responsibility (CSR) initiatives, inaugurated Project Saksham in November 2014. A collaborative effort with SOS Children's Villages of India, the project has been implemented across Delhi, Mumbai, Kolkata, Bengaluru, Chennai, Kochi, Jaipur and Bhubaneshwar.

The Oberoi Group supports

21
Family homes

210
Children

21
SOS mothers

61
Youngsters for higher education

SOS India has been supporting over 24,000 children through its two flagship programmes: Family Based Care and Family Strengthening. Project Saksham now supplements its efforts and reaches out to SOS children from various SOS Children's Villages across the country. With special emphasis on extracurricular activities to nurture creativity and imagination, the project provides a space for growth and to expand the horizons for blossoming minds.

Affirming that children are the future, The Oberoi Group is committed to ensuring their well-being through quality education, healthcare and family support. The efforts made by SOS Children's Villages towards ensuring good education and healthcare for these children resonates with The Oberoi Group's philosophy. For these children, the world acquires a new dimension, offering them a new sense of belonging and joy. By giving every child a loving home, Project Saksham is committed to creating healthy and happy childhoods.

Help Age India

We support primary healthcare services, basic diagnostics tests, and awareness regarding communicable and non-communicable diseases along with their prevention, through Information Education and Communication (IEC) activities for the elderly in select areas through Help Age India.

Environment

The colour of our dream is green

Ecological considerations are deeply integrated into our business decisions. We striveto minimise our environmental footprint and step up our contributions to solving environmental challenges, such as climate change, air quality, circular economy, water, land use and biodiversity.

The Oberoi Amarvilas

Energy Conservation

New designs, construction and renovation of our hotels emphasise energy-efficiency. Each Oberoi hotel has a GreenTeam that comprises the Heads of all Departments. This team conceptualises and implements innovative ideas to conserve energy and preserve the environment.

Energy-Efficient Buildings and Architectural Design

Across our properties, highly efficient chillers are used for air-conditioning, pumps, fans, compressors, blowers and other equipment. Energy recovery systems and variable speed drives are used extensively to save energy. High efficiency boilers and heaters are used with energy recovery systems to recover waste heat. Energy-efficient lighting to enable optimal use of natural light has been configured.

Focus on Renewable Energy

Roof top solar panels have been installed across our hotels, wherever feasible. Taking a step towards a greener future, The Oberoi, Gurgaon and Trident, Gurgaon have introduced solar power to fulfil 100% of the energy needs of both hotels. A captive power plant in Balasar, Haryana generates 7.5 MW of electricity to meet the energy demands of the two hotels. The solar power plant has been equipped with Polycrystalline technology and is spread over 25 acres. With 27,000 solar panels installed, the plant's performance ratio is set to be 76.5%. Oberoi and Trident hotels in Gurgaon aim to reduce their CO_2 emissions by 12,344 tonnes per year.

Use of Sustainable Materials

The Group's hotels use cloth instead of plastic bags for newspapers and laundry. Plastic covers for room tumblers have also been taken out of service. Business kits and greeting cards are made of recycled paper. Soaps are recycled and given to charity. All cleaning agents and washing detergents are biodegradable. Bathroom amenities provided to guests are made of natural, botanical extracts and Indian herbs.

12,344 tonnes

Co_2 emissions reduction by Oberoi and Trident per year

Partnership with Energy Efficiency Services Limited (EESL)

The Oberoi Group has signed a Memorandum of Understanding (MoU) with Energy Efficiency Services Limited (EESL).

With this partnership, EESL, through its nationwide network, will collaborate with all Oberoi Hotels & Resorts to evaluate opportunities for saving energy and lowering emissions. EESL will recommend select energy programmes from its portfolio with proven track records of successful implementation.

Additionally, as a part of The Oberoi Group's efforts towards sustainability, tailor-made energy efficiency initiatives for each of its hotels and resorts will be executed. EESL will provide technical support and extend its procurement advantage through its partners across the energy sector. The potential energy efficiency measures will include lighting, electric motors and pumps, air-conditioning, ventilation systems, indoor air quality systems and electric vehicles, along with charging infrastructure.

Water Management

Rainwater harvesting systems are installed across the majority of our hotels. Hotels have also have sewage treatment plants (STPs) through which treated water gets recycled for use in horticulture and cooling towers. Technology for treating and recycling used water from the laundry back to the laundry is an option under active consideration which will save water and maintain the heat, which gets otherwise lost. A pilot plant at one our larger city hotels has been evaluated. Low water usage plumbing fixtures are used to reduce water consumption. Irrigation systems use automation to control water usage.

Waste Management

We are constantly striving to minimise waste and improve waste management across our value chain. We are dedicated to complying, as a minimum, with all regulations concerning the safe and responsible management of waste materials.

In several hotels, wet garbage is treated in organic waste converters and recycledor used as animal feed. Metal, paper and plastic are segregated and recycled. Electronic waste is disposed responsibly to authorised agencies, as per regulations. Printed stationery and old linen is reused and recycled. Business kits and cards are made from recycled paper.

We have a lot to be grateful for

Oberoi Hotels & Resorts received the Editor's Choice Award for the best safety and hygiene protocols as one of the best in the industry and must experience in 2021.

The Oberoi, Mumbai, India

Awards

- Top 15 Asia City Hotels (Ranked 1st) – Travel+Leisure, US World's Best Awards 2020
- Best B Leisure Hotel – Travel & Leisure, India Best Awards, 2021.

The Oberoi Udaivilās, Udaipur, Rajasthan, India

Awards

Favourite Indian Hotel for design – Conde Nast Traveller, India Readers' Travel Awards 2020

Most prestigious venue for weddings – Travel+Leisure, India's Best Awards 2020

Gold List, 2020 – Condé Nast Traveller, USA & UK

Gold List, 2019 – Condé Nast Traveller, USA

Gold List, 2019 – Condé Nast Traveller, UK

Gold List, 2019 – Condé Nast Traveller, Middle East

The Oberoi Vanyavilās, Wildlife Resort, Ranthambhore, Rajasthan, India

Awards

Favourite Safari Lodge in India, Runner Up – Conde Nast Traveller, India Readers' Travel Awards 2020

The Oberoi Beach Resort, Mauritius

Awards

2020 Star Award Winners – Forbes Travel Guide, USA

The Oberoi, New Delhi, India

Awards

- Favourite Business Hotel in India – Conde Nast Traveller, India Readers' Travel Awards 2020
- The 2020 Gold List – Condé Nast Traveller, USA and UK

The Oberoi Cecil, Shimla, India

Awards

Favourite Heritage Hotel in India, Runner Up – Conde Nast Traveller, India Readers' Travel Awards, 2020

The Oberoi, Marrakech, Morocco

Awards

- Best New Hotel openings in Major Cities – Honouree in the departures, USA 2020 Legend awards
- Best New Hotel openings in the World – Travel + Leisure, US, IT List 2020
- Best Hotel Exterior (Africa and West Asia) – Prix Versailles- World Architecture and Design Awards, 2020
- Best New Hotel openings in the World – Conde Nast Traveller USA 2020 Hot List
- Best New Hotel openings in the World – Conde Nast Traveller UK 2020 Hot List
- Best New Hotel openings in the World – Conde Nast Traveller Middle East 2020 Hot List
- Best New Hotel openings in the World – Conde Nast Traveller India 2020 Hot List
- The Most over the top luxurious suites of the year – Departures, USA Legend Awards
- The most stunning hotel pools of the year – Departures, USA Legend Awards
- Best Hotel for landscaping and outdoor spaces – AHEAD Middle East and Africa 2020
- Best Resort Hotel – AHEAD Middle East and Africa 2020

The Oberoi, Marrakech

Directors' Report

The Board presents the Seventy first Annual Report together with the Audited Financial Statement and the Auditor's Report for the Financial Year ended on March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial highlights are set out below:

(₹ in million)

Particulars	Standalone		Consolidated	
Year	2020-21	2019-20	2020-21	2019-20
Total Income	4,736.42	14,343.08	5,549.68	16,746.94
Earnings Before Interest, Depreciation, Taxes, Amortisations and Exceptional items (EBIDTA)	(2,336.73)	3,094.21	(2,339.84)	3,686.98
Finance Costs	404.30	495.15	457.41	556.05
Depreciation	1,199.62	1,342.03	1,326.60	1,464.61
Exceptional Items	(489.95)	(166.07)	(24.93)	(4.67)
Share of Profit / (Loss) of Associate and Joint Venture Companies	-	-	(608.18)	(1.44)
Profit / (Loss) Before Tax	(4,430.50)	1,090.96	(4,756.96)	1,660.21
Current Tax	12.05	209.91	76.48	372.39
Deferred Tax	(1,011.31)	(363.62)	(1,078.98)	(363.61)
Profit / (Loss) for the year	(3,431.24)	1,244.67	(3,754.46)	1,651.43
Other Comprehensive Income / (Loss) for the year, net of tax	30.88	(23.29)	(84.47)	550.82
Total Comprehensive Income / (Loss)	**(3,400.36)**	**1,221.38**	**(3,838.93)**	**2,202.25**
Less: Share of Profit / (Loss) of Non-Controlling Interest	-	-	(53.33)	173.09
Total Comprehensive Income / (Loss) attributable to Group	-	-	(3,785.60)	2,029.16
Profit / (Loss) for the Year attributable to the Group	-	-	(3,697.08)	1,488.17
Balance Brought Forward	5,502.42	4,861.01	6,236.57	5,398.59
Adjustment for new Ind AS	-	6.69	-	8.09
Accumulated Balance	2,102.06	6,089.08	2,581.26	6,894.85
Adjusted to Opening Retained Earnings		-		-
Final Dividend Paid	-	(514.41)	-	(514.41)
Dividend Tax	-	(72.25)	-	(91.34)
Transfer to General Reserve	-	-		-
Balance carried over	2,102.06	5,502.42	2,581.26	6,236.57

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013 ("the Act") and, based upon representations from the Management, the Board states that:

a) in preparing the Annual Accounts, applicable accounting standards have been followed and there are no material departures;

b) the Directors have selected accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;

c) the Directors have taken proper and sufficient care in maintaining adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the Annual Accounts of the Company on a "going concern" basis;

e) the Directors have laid down internal financial controls to be followed by the Company. These internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws. These systems are adequate and are operating effectively.

PERFORMANCE

The annexed Management Discussion and Analysis forms a part of this report and covers, amongst other matters, the performance of the Company during the FY21 as well as the future outlook.

BUSINESS RESPONSIBILITY REPORT

In accordance with regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Business Responsibility Report describing the initiatives taken by the Company from the environmental, social and governance perspective is attached and forms part of this Report.

CORPORATE GOVERNANCE REPORT

In accordance with regulation 34(3) read with Schedule V(C) of the listing regulations, the report on Corporate Governance along with the certificate from the Practicing Company Secretary is attached and forms part of this Report.

DIVIDEND

As the Company has incurred loss in the Financial Year, the Board of Directors have decided not to recommend any dividend to the shareholders for the FY21.

RAISING OF CAPITAL BY RIGHTS ISSUE

During the year, the Company raised capital by issue of further shares to eligible equity shareholders of the Company on rights basis in the ratio of 8 shares for every 85 shares held. The shares were issued at a price of ₹ 65 per share (including a premium of ₹ 63 per share). The Company issued 53,794,768 fully paid equity shares aggregating to ₹ 3,496.66 million. The capital was raised for repayment of short term and long term loans availed from banks and for general corporate purposes. The trading permission for the rights shares were received from the BSE Ltd. and the National Stock Exchange of India Ltd. on October 27, 2020 and from the Calcutta Stock Exchange Ltd. on November 02, 2020.

VOLUNTARY DELISTING OF EQUITY SHARES

In accordance with regulation 6(a) read with regulation 7 of the SEBI (Delisting of Equity Shares) Regulations, 2009, the Board at the Board meeting held on January 29, 2021, approved voluntary delisting of Company's 625,364,182 equity shares of face value ₹ 2 each from the Calcutta Stock Exchange Limited ("CSE"). By its letter dated March 04, 2021, the CSE granted permission for voluntary delisting of the equity shares of the Company on the CSE with effect from March 05, 2021. The equity shares of the Company continue to be listed on the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE), having nationwide trading terminals.

BOARD MEETINGS

During the year, Seven Board Meetings were held on June 26, 2020, August 13, 2020, September 07, 2020, September 21, 2020, November 04, 2020, January 29, 2021 and March 26, 2021 respectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the first meeting of the Board of Directors for the FY22 held on May 07, 2021, as required under sub section (7) of Section 149 of the Act read with Regulation 25(8) of the listing regulations, the Independent Directors have confirmed that they meet the criteria of independence required under sub-section (6) of Section 149 of the Act and clause (b) of sub-regulation (1) of Regulation 16 of the listing regulations. The Board, after undertaking due assessment of the veracity of the declarations submitted by the Independent Directors under sub section (6) of Section 149 of the Act read with sub-regulation (9) of regulation 25 of the listing regulations, was of the opinion that the Independent Directors meet the criteria of independence.

Mr. Arjun Singh Oberoi retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Directors recommend re-appointment of Mr. Arjun Singh Oberoi as a Director on the Board.

CORPORATE SOCIAL RESPONSIBILITY

The Company's Corporate Social Responsibility (CSR) Policy formulated in accordance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/corporate-social-responsibility-policy/eih-csr-policy-18.pdf.

The Annual Report on Corporate Social Responsibility activities for the FY21 is attached in the prescribed format [Annexure–II to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021] and forms part of this report.

In addition to the mandatory CSR spend in accordance with the Act, during the year, the Company's hotels and service units have also taken the following CSR initiatives:

The Oberoi Grand, Kolkata reached out to Mother House and St. Teresa's Church, Moulali during the nationwide lockdown due to Covid-19. The hotel distributed freshly prepared food and dry rations to the less privileged throughout the lockdown. The hotel also supported the local police station with sanitisation products and dry rations.

In December 2020, the hotel engaged with Jungle Crows 'Khelo Rugby' which is an annual 10 day Winter Camp coordinated by Mr. Paul Walsh and Chef Shaun Kenworthy. Keeping in mind the social distancing norms, only 200 children from the economically deprived sections of the city were present at the event to play Rugby under the guidance of Mr. Walsh. Besides, organising breakfast for the camp, the

Directors' Report (Contd.)

General Manager along with the hotel team spent time with the children and at all times followed the safety protocols.

The hotel also extended support to Sasha working with local artisans to support fair trade by purchasing their products for the hotels guest delight and empower program. Besides this, the hotel also donated discarded uniforms, bath and bed linen, Food & Beverage linen and newspapers to a few other NGOs who work with women and children.

The Oberoi, Udaivilas, Udaipur supported people who were bravely performing their duties in Udaipur during Covid-19 pandemic. The hotel distributed masks and food packages to Government officials who were on duty during this difficult time. Approximately one thousand hand stitched masks were distributed in various Government offices including the collector's office, superintendent of police office, Nagar Nigam, excise department, tourism department etc. The hotel also served food to people in hospital and the migration office.

The Oberoi and Trident Nariman Point, Mumbai In Mumbai, the BMC officials were at the frontline, testing, tracing and quarantining people in various localities. Trident, Nariman Point and The Oberoi, Mumbai provided meals prepared by our Chefs to BMC workers in South Mumbai. (Brihanmumbai Municipal Corporation) The menus were designed on a daily basis keeping nutritional needs in mind, ensuring that meals are hygienically packed and handled.

The two hotels supported the Marine Drive Police Station with breakfast and snacks on multiple occasions and also served meals for 150 police Officials daily during the lock down period.

Trident Bandra Kurla, BKC launched a community driven initiative by providing 150 pre-packed cooked meals daily for over two months to the vulnerable communities and daily wage workers in the neighboring areas of Chunabhatti and Kalina during the first phase of the Covid-19 pandemic and the nationwide lockdown. This was undertaken to help those who, during the lockdown, were unable to get daily meals and access to safe and hygienic food and nourishment.

The hotel also supplied rations of food and cleaning essentials to the Shanti Avedna Sadan Hospice for the entire duration of the lockdown. Food rations like oil, sugar, rice, flour, tea and milk along with detergents were provided on a bi-monthly basis to 100 patients residing in the hospice and were affected by the lockdown. Shanti Avedna Sadan is India's first Hospice, an institution that takes care of the advanced terminally ill cancer patients. The Shanti Avedna Sadan Trust is a Charitable Trust with its main branch situated in Bandra, Mumbai.

The Oberoi, Bengaluru reached out to the employees of the hotel who found difficulty in securing food supplies during the lockdown. To help the medical fraternity who were fighting the Covid-19 pandemic from the frontlines, the hotel also took the initiative of supplying daily packed meals for lunch and dinner containing rice, lentils and a vegetable preparation to St. Philomena's Hospital. The initiative commenced on March 30, 2020 and ended in June 2020, post lifting of lockdown.

The hotel also contributed to Friends in Need Society which helps the homeless and the elderly.

The Oberoi Vanyavilas, Ranthambore supports "Dhonk", a socially responsible enterprise that aims at creating sustainable jobs for local villagers through art and crafts. The hotel promotes the organisation to display their products within the premises of the hotel for guests. The hotel also provided seasonal fruits, tea and snacks every day to the quarantined patients at Sevika Hospital, Sherpur.

Trident, Gurgaon collaborated with the Delhi based organisation, Pallavanjali which offers education, training and therapy to young adults with special needs during the lockdown period. The hotel participated in virtual learning with their students to provide an environment that presents equal opportunities to all young adults who do not function optimally in a traditional academic set up. As part of the initiative, the hotel held special sessions on topics which will enable students at Pallavanjali to have exposure in the hospitality industry. These sessions also groom them better for their interviews and overall personality development.

The hotel also distributed essential items like bed sheets, towels, t-shirts, trousers and rations to "The Earth Saviors Foundation." This internationally recognised non-profit organisation based in Gurgaon is dedicated to serve less privileged people and puts in every effort to protect the environment.

Some of the STEP associates of the hotel worked on various projects during the Covid-19 pandemic outbreak, viz: Milaap Fundraisers Project, "Project Srishtipath" associated with Humanity Welfare Council which focuses on the development of backward classes and was involved during the Covid-19 pandemic in April and May 2020, donating homemade cloth masks and distributing packed meals.

The Oberoi, Gurgaon supports Harmony House, a charitable organisation for street children in India. Established in 2009, it supports destitute children through education, food, health, and future employability. They have two shelters supporting over 450 children, whilst providing vocational services and training programs for women and older children alike. They support each child's right to a childhood – a chance to learn, grow, and most importantly dream. The hotel has been associated with them for the last couple of years by sending food items every Friday for these children.

The hotel has also provided 6,000 packed meals for the underprivileged people during the lockdown in the months of April, May and June 2020.

Maidens Hotels, Delhi took the initiative of providing an estimated 13,500 packed meals for the stranded international travelers during the lockdown through the office of the district magistrate. The initiative by the hotel was appreciated in the ET Hospitality World and Travel + Leisure digital editions.

The Oberoi, New Delhi distributed over 10,000 boxes of freshly cooked and healthy packed meals to those in need with the support of government agencies, NGOs and local authorities, during the outbreak of the Covid-19 pandemic and the lockdown. The hotel also provided soaps and hand sanitisers to the Delhi Police who were working round the clock to battle the pandemic. The hotel supported several families with ration essentials who were struggling to make ends meet as a result of the ramifications of the Covid-19 outbreak. Over 200 ration bags were distributed to the vulnerable.

AUDIT COMMITTEE

The composition of the Audit Committee is as under:

- Mr. Sudipto Sarkar - Independent Director & Chairperson
- Mr. Lakshminarayan Ganesh - Independent Director
- Mr. Anil Kumar Nehru - Independent Director
- Mr. Rajeev Gupta – Independent Director
- Mr. Shib Sanker Mukherji – Executive Vice Chairman; and
- Mr. Arjun Singh Oberoi - Managing Director, Development

For other details relating to the Audit Committee, please refer to the Corporate Governance Report.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION AND SENIOR MANAGEMENT PERSONNEL APPOINTMENT AND REMUNERATION

The Company's Policy on Directors Appointment and Remuneration Policy (revised), 2019, ("Director Appointment Policy") and Senior Management Appointment and Remuneration Policy ("Senior Management Policy") formulated in accordance with Section 178 of the Act read with regulation 19(4) of the listing regulations can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/other-policies/sr-management-policy.pdf.

The salient features of the Directors Appointment Policy are as under:

- The Policy aims to engage Directors (including non-executive and independent non-executive directors) who are highly skilled, competent and experienced persons within one or more fields of business, finance, accounting, law, management, sales, marketing, administration, corporate governance, technical operations or other disciplines related to the business of the Company. The Directors are able to positively carry out their supervisory role on the management and the general affairs of the Company;
- Assessing the individual against a range of criteria including but not limited to industry experience, background, and other qualities required to operate successfully in the position with due regard to the benefits of diversity of the Board;
- The extent to which the individual is likely to contribute to the overall effectiveness on the Board and work constructively with existing Directors;
- The skills and experience the individual brings to the role and how these will enhance the skillsets and experience of the Board as a whole;
- The nature of positions held by the individual including directorships or other relationships and the impact they may have on the Directors ability to exercise independent judgment;
- The time commitment required from a Director to actively discharge his or her duties to the Company.

The Salient features of the "Senior Management Policy" are as under:

- The objective of this Policy is to provide a framework and set standards for the appointment, remuneration and termination of Key Managerial Personnel (KMP) and the Core Management Team (within the Senior Management Personnel) who have the capacity and responsibility to lead the Company towards achieving its long term objectives, development and growth;
- Appointment & Remuneration of Key Managerial Personnel and Core Management Team are aligned to the interests of the Company and its Shareholders within an appropriate governance framework;
- Remuneration is structured to align with the Company's interests, taking into account the Company's strategies and risks;
- Remuneration is linked to individual and Company performance which in turn impacts the quantum of variable pay;
- Remuneration is designed to be competitive within the hospitality industry or other industries in general for applicable roles;
- Executives performing similar complexity of jobs are paid similar compensation.

The remuneration paid to Senior Management personnel is categorised under the following major heads:

Fixed Salary: This includes basic salary, other allowances, perquisites and retirement benefits;

Variable Salary: This includes variable pay linked to Company and Individual performance.

ENERGY CONSERVATION MEASURES

During the year, energy conservation measures taken by the Company include:

- replacement of conventional lamps with energy efficient LED lamps;

Directors' Report (Contd.)

- variable frequency drives for cooling towers;
- heat pumps for hot water generation;
- inverter based air-conditioning units;
- waste heat recovery system for steam;
- water saving aerators; and
- sensor based wash basin faucets.

Furthermore, an advanced action plan for controlling energy consumption was activated prior to the lockdown. The plan included steps of creative and smart adaptation to the unfolding situation. Building systems were operated at minimum levels mandated for maintaining a safe and hygienic environment. At the same time, an operation and maintenance strategy was implemented to ensure periodic maintenance of plant and machinery. This warranted that all equipment was kept in the most efficient state by carrying out all maintenance routines. Furthermore, as and when hotels opened, conservation measures were continued in the form of tight operational control of lighting and other equipment's, regulation of air conditioning set points according to the ambient temperatures, taking guest floors out of order and optimisation of laundry and boiler operation.

With various energy conservation measures taken in the FY21, we were able to reduce our total equivalent energy consumption by about 34 million KWh which is about 34% reduction over the previous Financial Year. The consequent reduction in CO2 emissions has been about 16 million kgs which is a reduction of 39% over the previous Financial Year.

Actions planned for the next year are –

- replacement of remaining conventional lamps with LED lamps;
- installation of IoT based BMS system and energy valves for air handling units;
- installation of energy efficient pumps;
- upgradation of chillers with variable frequency drives;
- installation of heat pumps in place of conventional fuel based water heaters;
- installation of demand based ventilation controls;
- installation of water flow optimisers in taps;
- installation of in-house solar power plant with optimum capacity at The Oberoi Vanyavilas and The Oberoi Udaivilas.

In addition, operational measures include setting up of benchmarks with respect to the current year with targets for increased savings, initiatives by energy conservation committees comprising of cross functional groups, close monitoring and performance evaluation of plant and machinery by conducting regular self-audits and upgrading plant room equipment.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the FY21, the foreign exchange earnings of the Company amounted to ₹ 378.42 million as compared to ₹ 4,685.10 million in the previous year. The expenditure on foreign exchange during the Financial Year was ₹ 167.74 million as compared to ₹ 697.01 million in the previous year.

AUDITOR AND AUDITOR'S REPORT

At the 67th Annual General Meeting of the Company held in the year 2017, the Shareholders had approved the appointment of M/s. Deloitte, Haskins & Sells LLP, Chartered Accountants, (Firm's Registration No.-117366W/W-100018) ("Deloitte") as the Statutory Auditors of the Company to hold office for 5 (five) consecutive years from the conclusion of the 67th Annual general meeting till the conclusion of the 72nd Annual General Meeting.

The Report of Auditors does not contain any qualification, reservation or adverse remarks.

SECRETARIAL AUDITORS

In accordance with the provisions of Section 204 of the Act, M/s. JUS & Associates were appointed as the Secretarial Auditors of the Company for the Financial Year ended on March 31, 2021. The Secretarial Audit Report submitted by the Secretarial Auditors does not contain any qualification, reservation or adverse remarks. The Secretarial Audit Report is annexed and forms part of the Annual Report. The certificate from the Practicing Company Secretary pursuant to Regulation 34(3) and schedule V Para C clause (10) (i) of the listing regulations with respect to non-disqualification of Directors of the Company is also **annexed** and forms part of this report.

SECRETARIAL STANDARDS

During the year, the Company has complied with the applicable Secretarial Standards.

RELATED PARTY TRANSACTIONS

The contracts, arrangements and transactions entered into by the Company during the Financial Year with related parties were in the ordinary course of business and are on an arm's length basis. During the year, the Company has not entered into any contract, arrangement or transaction with Related Parties that could be considered material in accordance with the Related Party Transaction Policy of the Company. The Policy on Related Party Transactions approved by the Board can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/related-party-transaction-policy/eih-rpt-policy-revised_2019.pdf

The details of Related Party Transactions are set out in Note nos.44 and 43 to the Standalone and Consolidated Financial Statements respectively.

ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013 read with rules made thereunder, the Annual Return of the Company in Form MGT-7 has been placed on the website of the company, https://www.eihltd.com/investors/annual-reports/.

LOAN, GUARANTEES OR INVESTMENTS

Particulars of loans given, investment made, guarantees given, if any, and the purpose for which the loan, guarantee and investment will be utilised are provided in the Standalone Financial Statement in Note nos. 8 & 45.

DEPOSITS

During the year, the Company did not accept any deposits from the public.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with the Section 177(9) of the Act and rules made thereunder read with regulation 22 of the listing regulations, the Company has a Whistle blower Policy in place for its Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, *"The Oberoi Dharma"*. The Policy provides for protected disclosures for the Whistle blower. Disclosures can be made through e-mail or letter to the Whistle Officer or to the Chairperson of the Audit Committee. The Whistle blower Policy can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/other-policies/whistleblowerpolicyeih139final.pdf.

During the year ended on March 31, 2021, there were no complaints received under the vigil mechanism.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Subsidiaries/Joint Ventures

The Company has three Indian subsidiaries which are also Joint Ventures, namely, Mumtaz Hotels Limited, Mashobra Resort Limited and Oberoi Kerala Hotels and Resorts Limited.

The Company's overseas subsidiaries are i) EIH Flight Services Ltd., Mauritius; ii) EIH International Ltd., BVI; iii) EIH Holdings Ltd., BVI; iv) PT Widja Putra Karya, Indonesia; v) PT Waka Oberoi Indonesia, Indonesia and vi) PT Astina Graha Ubud, Indonesia.

In accordance with regulation 16 read with regulation 24 of the listing regulations, the Board at its meeting held on June 26, 2020, on the recommendation of the Audit Committee, identified the following unlisted subsidiary companies of the Company as "material subsidiary" for the FY21 (based on Income/Net worth in the preceding accounting year 2019-20):

S.No.	Name of the subsidiary	Percentage	Action required under the listing regulations
1.	Mumtaz Hotels Limited	24.68 (based on income)	i) Secretarial Audit for FY 21; ii) Independent Director of EIH has already been appointed on the Mumtaz Hotels Ltd. Board in the year 2019.
2.	EIH International Limited	24.36 (based on Net worth)	Independent Director of EIH has already been appointed on EIH International Ltd. Board in the year 2019.
3.	Mashobra Resort Limited	14.16(based on Income)	Secretarial Audit for the FY 21;
4.	EIH Holdings Limited	12.40 (based on Net worth)	No action required.

Therefore, in accordance with regulation 24A of the listing regulations, Secretarial Audit of the records of the unlisted material subsidiaries, Mumtaz Hotels Limited and Mashobra Resort Limited, both incorporated in India, was conducted by JUS & Associates, Practicing Company Secretary for the FY21. The Secretarial Audit Report submitted by the Practicing Company Secretary does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report of Mumtaz Hotels Limited and Mashobra Resort Limited are annexed and forms part of the Annual Report.

ASSOCIATES

The Company has two domestic Associate Companies, namely, EIH Associated Hotels Ltd. (a listed entity) and USmart Education Ltd. (an unlisted entity) and one overseas Associate Company, namely, La Roseraie De L'Atlas (which is also a Joint Venture) through its wholly owned foreign subsidiary.

JOINT VENTURES

The Company has two Joint Venture Companies, one domestic, namely, Mercury Car Rentals Private Ltd. and one overseas, namely, Oberoi Mauritius Ltd. through its wholly owned foreign subsidiary.

A Report on the performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies are provided in the Annexure to the Consolidated Financial Statement and hence are not repeated here for the sake of brevity.

The policy on material subsidiaries can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/other-policies/eih-material-subsidiaries-policy-revised-2019.pdf.

DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP) REMUNERATION

a) In accordance with Section 197 read with schedule V of the Companies Act, 2013, in view of the loss incurred by the Company in the FY21, the Board of Directors at their meeting held on March 26, 2021, on the recommendation of the Nomination and Remuneration committee, approved payment of minimum remuneration to Mr. Prithvi Raj Singh Oberoi, Executive Chairman (DIN:00051894), Mr. Shib Sanker Mukherji, Executive Vice Chairman (DIN: 00103770), Mr. Vikramjit Singh Oberoi, Managing Director and Chief Executive Officer

Directors' Report (Contd.)

(DIN: 00052014) and Mr. Arjun Singh Oberoi, Managing Director- Development (DIN: 00052106), for the FY21, subject to the approval of the shareholders.

b) The ratio of the remuneration of each Director to the median employees remuneration for the Financial Year is as under:

(₹ in million)

S. No	Name of the Director	Directors' Remuneration	Median Employees Remuneration	Ratio
1.	Mr. Prithvi Raj Singh Oberoi, Executive Chairman	2.90	0.45	6:1
2.	Mr. Shib Sanker Mukherji, Executive Vice Chairman	1.70	0.45	4:1
3.	Mr. Vikramjit Singh Oberoi Managing Director & CEO	7.23	0.45	16:1
4.	Mr. Arjun Singh Oberoi Managing Director-Development	4.21	0.45	9:1

Directors' remuneration includes retirement benefits, wherever applicable

c) The percentage increase in remuneration of each Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any in the Financial Year:

(₹ in million)

S. No	Name	Total Remuneration 2020-21	Total Remuneration 2019-20	Percentage Increase/ Decrease
1.	Mr. Prithvi Raj Singh Oberoi	2.90	28.25	(89.73)
2.	Mr. Shib Sanker Mukherji	1.70	29.40	(94.22)
3.	Mr. Vikramjit Singh Oberoi	7.23	33.49	(78.41)
4.	Mr. Arjun Singh Oberoi	4.21	30.72	(86.30)
5.	Chief Financial Officer	14.44	14.92	(3.22)
6.	Company Secretary	7.01	8.25	(15.03)

Total remuneration includes retirement benefits, wherever applicable

d) The percentage increase in the median remuneration of employees in the Financial Year is 4.97%.

e) The number of permanent employees on the rolls of the Company at the end of the Financial Year are 3,204.

f) The average percentage increase already made in the salaries of employees of the Company other than the managerial personnel in the last Financial Year was Nil. The average percentage increase in the managerial remuneration was Nil.

It is hereby affirmed that the remuneration of the Executive Directors and Key Managerial Personnel are as per the Remuneration Policy of the Company.

Internal Financial Controls and Risk Management Systems

Compliance of the Internal Financial Controls and Risk Management Systems are given in the Management Discussion & Analysis report.

Board Evaluation

In accordance with the provisions of the Act and Regulation 17(10) of the Listing regulations, the Company has a Board evaluation policy for evaluation of Chairperson, individual directors, Board Committees and the Board. A structured questionnaire by an independent external agency covering various aspects of the Board's functioning, Board culture, performance of specific duties by Directors and contribution to the Board proceedings was circulated to the members of the Board for the FY21. Based on the responses received, the Board as a whole, the Committees, the Chairperson and individual Directors were separately evaluated in the meeting of the Independent Directors and at the meeting of the Board of Directors.

The process of review of Non-Independent Directors, the Board as a whole and also its Committees were undertaken in a separate meeting of Independent Directors held on March 26, 2021 without the attendance of Non-Independent Directors and members of management. At the meeting, the performance of the Chairman of the Company was reviewed taking into account the views of the Executive Directors, Non-executive Directors and Independent Directors. The meeting also assessed the quality, quantity and timeliness of information required for the Board to perform its duties properly. The Independent directors also discussed various matters including the effect of Covid-19, performance of the company, board processes on issues like capex approval and development of future management of the company.

The entire Board, excluding the Director being evaluated, evaluated the performance of each Independent Director.

The Directors have expressed their satisfaction with the evaluation process conducted by the independent external agency.

Based on the findings from the evaluation process, the Board will continue to review its procedures, processes and effectiveness of Board's functioning, individual Directors effectiveness and contribution to the Board's functioning in the FY22 with a view to practice the highest standards of Corporate Governance.

Cost Records

The Company is not required to maintain cost records in accordance with Section 148 of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014 as the services of the Company are not covered under the said rules.

Significant and Material orders, if any

During the Financial Year, there were no significant or material orders passed by regulators, courts or tribunals impacting the going concern status and the Company's operation in future.

Prevention of Sexual Harassment at the Workplace

The Company has a policy for prevention of sexual harassment at the workplace. In accordance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and rules made thereunder, the Company has constituted an Internal Compliant Committee (ICC) in all its hotels, Oberoi Flight Services (OFS), Oberoi Airport Services (OAS), Printing Press and its Corporate Office.

During the year, no complaints were received by the ICC from the Company's hotels, flight and airport service units, printing press and the corporate office. The Company has filed necessary returns as required to be filed under the POSH Act.

Particulars of Employees

In accordance with Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 the following are **annexed** and forms part of this report:

i) List of top ten employees of the Company in terms of remuneration;

ii) List of employees who received remuneration for the year which in the aggregate was not less than ₹ 10.2 million;

iii) List of employees who were employed for a part of the year and who received remuneration which in the aggregate, was not less than ₹ 0.85 million per month.

Cautionary Statement

Risks, uncertainties or future actions could differ materially from those expressed in the Directors' Report and the Management Discussion and Analysis. These statements are relevant on the date of this report. We have no obligation to update or revise any statements, whether as a result of new information, future developments or otherwise. Therefore, undue reliance should not be placed on these statements.

Acknowledgement

The Board takes this opportunity to thank all employees for their commitment, dedication and co-operation.

For and on behalf of the Board

Delhi
Dated May 07, 2021

Arjun Singh Oberoi
Managing DIrector - Development

Vikramjit Singh Oberoi
Managing Director and
Chief Executive Officer

Format for the Annual Report on CSR Activities to be included in the Board's Report for the Financial Year commencing on or after April 1, 2020 (ANNEXURE –II)

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The Board of Directors, on the recommendation of the CSR Committee, formulated a Corporate Social Responsibility Policy ("CSR"). During the year, the policy was amended to include the activity with respect to "Contribution to PM CARES Fund". As per the policy statement, the Company will focus on any one or more of the following CSR activities:

i) addressing the critical social, economic and educational needs of the marginalised under-privileged children of the society, especially to orphan and homeless children and care for their educational, nutritional, health and psychological development needs;

ii) caring for the elderly and addressing their health issues;

iii) addressing the sanitation issues including contribution to the Swachh Bharat Kosh set up by the Central Government for promotion of sanitation;

iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water including contribution to the clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;

v) Contribution to PM National Relief fund and PM CARES Fund.

The Board of Directors, at the Board meeting held on August 13, 2020, on the recommendation of the CSR Committee held on the same day, approved a CSR spend of ₹ 26.44 million for the FY21, being 2% of average net profit of the Company in the last three Financial Years. The amount was spent on the following activities:

a) Contribution to SOS Children's Villages of India;

b) Contribution to PM CARES Fund for Covid-19 pandemic.

The CSR Policy and the activities of the Company are available on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/corporate-social-responsibility-policy/eih-csr-policy-18.pdf

2. COMPOSITION OF THE CSR COMMITTEE

S. No.	Name of Director	Designation /nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Shib Sanker Mukherji	Chairperson / Executive Vice Chairman	1	1
2	Mr. Vikramjit Singh Oberoi	Member / Managing Director & CEO	1	1
3.	Mr. Arjun Singh Oberoi	Member / Managing Director - Development	1	1
4.	Mr. Rajeev Gupta	Member / Independent Director	1	-

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

The Composition of the CSR Committee of the Company and the CSR projects approved by the Board are available on the Company's website, https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/corporate-social-responsibility-policy/eih-csr-policy-18.pdf.

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT):

Not applicable as CSR spent is less than ₹ 100 million.

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET-OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not applicable			

6. Average Net Profit of the company as per Section 135(5): ₹ **1,321.81 million**

7. (a) Two percent of average net profit of the company as per Section 135(5): ₹ **26.44 million**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **26.44 million.**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (` in million)	Amount Unspent (in ₹ in million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
26.44	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (₹ in million)	Amount spent in the current financial Year (₹ in million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	NOT APPLICABLE											
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount allocated for the project (₹ in million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Promoting social, economic and educational needs of the marginalised under-privileged children.	(ii)-Promoting Education including special education etc.	Yes	West Bengal Maharashtra Delhi Odisha Rajasthan Uttar Pradesh	Kolkata Mumbai Delhi Bhubaneshwar Jaipur, Udaipur Agra	23.44	No	SOS Children's Villages of India	CSR00000692
2	Contribution to the PM CARES fund for Covid-19 pandemic	(viii)-Contribution to PM CARES fund	No	Not Applicable		3.00	Yes	NA	
	Total					**26.44**			

(d) Amount spent in Administrative Overheads: **NIL**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **26.44 million**

(g) Excess amount for set-off, if any: **Nil**

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

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
	Total	NIL					

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
	Total	NIL						

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): **N.A.**

(b) Amount of CSR spent for creation or acquisition of capital asset: **N.A.**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **N.A.**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **N.A.**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

The Company has fully spent the two percent of the average net profit as per Section 135(5) in the FY21.

For and on behalf of the Board

Kolkata / Delhi
Dated May 7, 2021

Shib Sanker Mukherji
Chairperson-CSR Committee

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer

Management Discussion and Analysis

1. ECONOMIC OVERVIEW

1.1. Global Economy

The year 2020 witnessed an unprecedented global crisis, with COVID-19 disrupting economies, governments and societies. Economic activities came to a grinding halt during the second quarter of 2020. The global economy contracted by 3.5% in 2020.

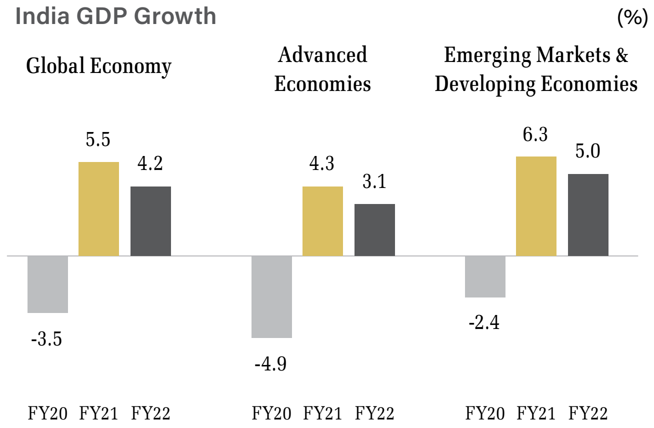
Growth in advanced economies contracted by 4.9% in 2020 and is projected to grow by 4.3% in 2021. Though the contraction was less severe than initially anticipated, a resurgence of COVID-19 dampened recovery. Central bank frameworks across the world are being reassessed as additional monetary policy support is limited. Fiscal policy is focused on stabilising the macro economy. In the US, recovery was initially supported by substantial fiscal support to household incomes, but it remained muted due to surge in COVID cases. The situation was similar in Europe and Japan, where strict lockdown measures were imposed to contain the second surge of the pandemic. Tourism has been severely impacted, while manufacturing has continued to recover due to the strengthening of foreign demand.

For emerging market and developing economies, the International Monetary Fund (IMF) had projected a contraction of 2.4% in 2020 and a recovery of 6.3% in 2021. The drastically falling per capita income (90%) has pushed millions into poverty in emerging markets and developing economies.

There is a giant surge in the debt levels – both of the government and the private sector. Slow cross-border tourism and subdued outlook for oil prices impacted economies dependent on oil and tourism. In China, the economic recovery had been rapid albeit sporadic with consumer services trailing industrial production. However, effective containment measures, forceful public investment response and liquidity support from the central bank have resulted in a growth rate of 2.3% in 2020 for the country.

In low-income countries, growth shrank by 0.8% – the steepest decline in three decades. Weak state capacity and limited fiscal space have made it difficult for authorities to respond decisively to the pandemic. Government indebtedness increased with expanded government spending to address the health crisis and to mitigate the adverse economic impact.

The uncertainty across the globe was further exacerbated by risks to financial stability – trade tensions, prolonged loose monetary conditions, rapid credit growth in some emerging economies and high debt levels.



(Source: World Economic Outlook)

1.1.1. Outlook

Global growth was projected at 5.5% for 2021 and 4.2% for 2022. Economic activity is expected to strengthen post the roll-out of vaccines against the virus and pursuant to additional policy support in a few large economies.

Advanced economies are projected to recover, with growth reaching 4.3% and 3.1% in 2021 and 2022, respectively. The recovery will be aided by widespread vaccination and sustained monetary policy, which is expected to offset the partial unwinding of fiscal support. For Emerging Markets and Developing Economies, excluding China, growth is expected to be 6.3% in 2021 as the lingering effects of the pandemic continue to affect consumption and investment. Furthermore, the drastically falling per capita income (90%) has pushed millions into poverty in the Emerging Markets and Developing Economies. Growth is forecast to resume at a moderate pace in low-income countries as the vaccine rollout is expected to be slow.

(Source: World Economic Outlook)

1.2. Indian Economy

India's economy was witnessing a slowdown much before the COVID-19 pandemic. Private consumption was sluggish and investment sentiments were weak. Industrial output contracted and tax revenues declined, with growth slowing to a six-year low at the end of 2020-21.

Economic activities came to a halt as the Government of India imposed a nationwide lockdown to contain the virus spreading on March 24, 2020. The lockdown measures were eased June 2020 onwards and economic activities resumed. However, it was not enough to overcome the losses of the first two months. Barring agriculture, all sectors recorded

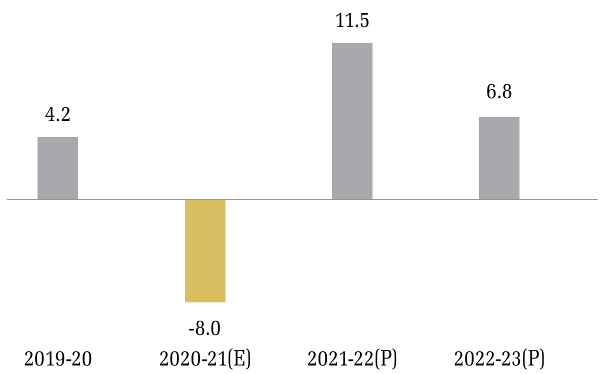
Management Discussion and Analysis (Contd.)

de-growth due to severe restrictions. The agriculture sector grew by 3.4% due to a good rabi harvest, kharif sowing and the monsoon.

As activities started normalising in second quarter of 2020, pent-up demand started to play out. Despite staging a sharp recovery, India entered into a technical recession with two successive quarters of contraction. With festive demand beginning to gather steam, third quarter of 2020 witnessed the return to positive growth.

The Government of India, along with the Reserve Bank of India (RBI), announced a series of measures to provide immediate relief to the vulnerable sections, stabilise the economy, boost liquidity and credit flow. The cumulative stimulus amounted to ₹ 29.7 Lakh Crore (equivalent to 15% of GDP), with a focus on boosting domestic manufacturing and strengthening supply chains.

India GDP Growth (%)



E – Estimate; P - Projection

(Source: IMF, WEO)

1.2.1. Outlook

According to the IMF, the economy is expected to grow by 11.5% in FY 22. The recovery will be aided by the vaccination drive. The industrial sector is expected to witness buoyancy with mining, manufacturing and construction registering double-digit growth rates. Increase in commodity prices and a revival of domestic demand, and improved Goods and Services Tax (GST) collections indicate a sharper-than-expected recovery. Proactive policy measures by regulators and the government are expected to ensure smooth functioning of businesses, domestic markets and financial institutions. However, risks to the forecast remain, due to renewed fears of localised lockdowns or restrictions on mobility following the second wave of the pandemic.

2. OVERVIEW OF THE TRAVEL AND HOSPITALITY INDUSTRY

2.1. Global Scenario

In 2019, the global travel and tourism industry contributed ~US$ 8.9 Trillion to the world GDP. This was prior to the COVID-19 pandemic. When the pandemic reared its head, borders were shut, holidays and business trips cancelled, and the number of flights reduced, thus dealing a devastating impact to the industry. In the first 10 months of 2020, the industry lost US$ 935 Billion of revenue worldwide (Source: Forbes).

International tourist travels dropped by 87% between January and October 2020 due to COVID restrictions across the world. During the same period, Asia-Pacific witnessed an 96% decrease in arrivals, the Middle East 84%, Africa and Europe 85%, and the Americas recorded a 77% decline (Source: UN World Tourism Organisation). The pause of travel also caused an unprecedented number of job losses within the global tourism sector.

Travel and tourism is one of the primary drivers of the hospitality industry. Hotels found themselves empty and had to reduce room tariffs due to meagre demand. However, on the upside, several hotels provided their premises to house medical staff, first responders, or hospital patients suffering from the virus.

As restrictions were eased towards the end of 2020, hotels world over began gradually reopening for dine-in with reduced capacity and social distancing.

2.1.1. Outlook

The UN World Tourism Organisation has predicted a rebound in the internal tourism industry in the coming years based on some assumptions – roll out of the vaccine, successful inoculation worldwide, significant improvement in traveller confidence and lifting of travel restrictions. Travel rebound is expected by September 2021, leading to a 22% increase in arrivals compared to last year. However, this would still be 67% below the levels of 2019.

2.2. Indian Scenario

The rich and varied culture of India makes it a major travel destination for many international tourists. However, 2020 turned out to be one of the worst years for the country's travel and hospitality sector as a result of the pandemic. Travel restrictions imposed by the Indian government and fears associated with COVID-19 compelled travellers to cancel their business trips, conferences and leisure travels both domestic and international. Summer holiday bookings to destinations within India were cancelled. Most international and domestic flights remained suspended during the two-month lockdown from April to May 2020. The latter half of 2020 saw the resumption of domestic leisure travel to many popular leisure destinations and to staycations in primary cities. Despite these positive trends, the Indian hotel industry was staring at a loss of ₹ 90,000 Crore in revenue by December 2020 due to the continued curb on travel. The occupancy rate fell to 18%-20% while Revenue Per Available Room (RevPAR) was down by 80%.

2.2.1. Outlook

To boost the sector, the travel and hospitality industry has come up with new policies and concepts that prioritise health and hygiene. 'Digital' is the way forward for the industry as many hotels are adopting contactless methods for check-ins, check-outs and payments. The 'Dekho Apna Desh' campaign launched by the Union Ministry of Tourism last year to promote travel to destinations in India is expected to gather steam in the coming years as the pandemic is brought under control. This is expected to aid hotel recovery in the coming years.

According to ICRA, in FY 22, the hospitality industry will witness over 120% growth in revenues and 13-15% in operating margins supported by a pick-up in revenues and some continued benefits of the large-scale cost rationalisation measures undertaken during the pandemic, particularly in staffing. With closed international borders, domestic tourism is expected to recover faster. However, it is going to be a long journey for the industry to reach pre-COVID levels.

3. INDUSTRY TRENDS POST PANDEMIC

- According to the International Air Transport Association, the X and Y generation of travellers (between 34-54 years) hold the most weight and resilience when it comes to air travel in the near-term (20.4% of travellers). They are expected to travel soon as the presence of higher safety standards will put their minds at ease.
- Visiting friends and relatives is a niche market that is expected to gain momentum as international and domestic travel returns. This type of travel is seen to be safer as tourists can reduce their interactions with others and stay with family or friends.
- Artificial Intelligence (AI) is continually evolving to allow the tourism businesses to improve the digital experiences they provide their customers.
- Building on the idea of contactless interactions from voice assistant technology, payment methods and check-in and check-out functions, touchpoints will become increasingly automated and digitised to reduce the spread of COVID-19.
- As per Booking.com, ~72% of global travellers see sustainable tourism choices as a priority. Sustainable transport options such as walking, biking and hiking are considered a great option by 52% of these people.

4. FINANCIAL AND OPERATING PERFORMANCE

The revenue and profitability of EIH Limited have been severely impacted due to the pandemic, which hit the tourism and hospitality sector the hardest. [More information on the impact of Covid-19 on the Company's operations is given in Note No. 58 of the Notes to the Accounts.]

The Company recorded a revenue of ₹ 4,736 Million in FY 21, a decrease of 67% year-on-year from ₹ 14,343 Million in FY 20. EBITDA was at ₹ (2,337) Million, down 176% year-on-year from ₹ 3,094 Million. The Company incurred a loss of ₹ 4,431 Million compared to a Profit Before Tax (PBT) ₹ 1,091 Million in the previous year. Overall, the net loss for the year was ₹ 3,431 Million compared to the net profit ₹1,245 Million in the previous year. The comprehensive income was ₹ (3,400) Million as against ₹ 1,221 Million in FY 20.

The Company and its hotels have taken various initiatives to protect the health and safety of guests and employees. They have been implementing and are adhering to all precautions and guidelines issued by the World Health Organisation (WHO). The exhaustive measures that have been introduced at the hotels are available on their websites Oberoi Hotels & Resorts and Trident Hotels.

5. INTERNAL CONTROL MECHANISM AND ADEQUACY

The organisation's commitment to the internal control mechanism flows from *The Oberoi Dharma*, which states that "We, as members of The Oberoi Group, are committed to a conduct which is of the highest standards – ethical, intellectual, financial and moral". Adequate internal control processes have been laid down at the entity level as well as at the process level to provide an assurance on the orderly and efficient conduct of operations, safeguarding of assets, prevention and detection of fraud and errors, accurate and timely completion of accounting records, timely preparation of reliable financial information and compliance towards laws and regulations.

Appropriate checks and balances have been built in the internal control mechanisms to reflect its necessary concomitance to the principle of governance without affecting the ease of operations and management.

5.1. Internal Financial Controls (IFC)

The Directors have devised a framework for IFC to be followed by the Company that conforms to the requirements of Section 134(5) (e) of the Companies Act, 2013 and incorporates measures that ensure the adequacy and continuing operating effectiveness of such IFC. Furthermore, in accordance with Section 149(8), read with the Code for Independent Directors laid down under Schedule IV, Clause II (4) of the Companies Act, 2013, the Independent Directors have satisfied themselves on the integrity of financial information and ensured that financial controls and systems of risk management are robust and defensible.

To enable the Directors to meet these responsibilities, the Board has devised the necessary systems, frameworks and mechanisms within the Company and has empowered the Audit Committee to periodically review and confirm that the mechanism remains effective and fit for purpose.

In line with global best practices applicable to organisations of a similar size, nature and complexity, the Company's internal control framework has been designed through structured control risk assessments by way of Standard Operating Procedures (SOPs), Risk and Control Matrices (RACM), Information Technology (IT) policies, ERP-based information systems including MIS and automated system controls inbuilt within the ERP and other IT systems. Periodic testing of the RACM is conducted by the internal audit team as part of management testing, which is automated through a data analytics tool.

Management Discussion and Analysis (Contd.)

With increased instances of information security breaches and data leakages being reported from across the globe, the Company has a policy of reviewing its IT security infrastructure. Commensurate actions are taken to scale up infrastructure, wherever required.

As part of continuous audit monitoring, a data analytics tool has been implemented by the internal audit team to observe the deviations from the standard. The exceptions are then reported back to the functional/unit heads with the responsibility of rectifying such exceptions within a definitive time frame.

The audit team has been entrusted with the responsibility of devising adequate monitoring mechanisms and procedures to ensure prevention and detection of failures and faults in processes and reporting their observations along with mitigating actions within defined target dates to the Audit Committee of the Board of Directors every quarter.

5.2. Internal Audit Mechanism and Review Systems

The internal audit department is headed by the Chief Internal Auditor and comprises a strong internal workforce of ERP-trained Chartered Accountants with specialised skillsets in the areas of information security, financial, business, legal, statutory, projects and process audits. The audit team regularly works with reputed co-sourced firms for audits and specialised tasks undertaken by the audit team. This ensures best practices, followed by the industry.

The department works on matured Computer Assisted Audit Techniques (CAATs) and deploys online monitoring mechanisms across the IT systems of all functions and units of the Company. Focus areas for specific audits are determined based on structured assessment of risk and a yearly internal audit plan approved by the Audit Committee. All reported observations of audits are maintained in online databases for comprehensiveness, ease of accessibility and structured follow-ups.

Periodically, IT security audits are conducted by the joint teams of internal audit and the IT department. Audits for vulnerability assessment and penetration testing are also done by specialised external agencies.

The Company has a structured follow-up team of senior executives who meet periodically under the aegis of the Managing Director and Chief Executive Officer to address and resolve pending audit issues. The Chief Internal Auditor is responsible for and presents the findings to the Audit Committee every quarter, in the order of the impact of risks involved and probabilities of their occurrence, and the pendency of issues in various units, together with the periodicity and status thereof.

The Audit Committee takes cognisance of the presentation and provides its directions and guidance for further action.

Besides, the Chief Internal Auditor has also been entrusted with the responsibility of reporting to the Audit Committee on the adequacy of IFC in accordance with Section 177 (4) (vii) of the Companies Act, 2013.

During FY 21, separate presentations on internal audit findings on four occasions and IFC controls on one occasion were shared with the Audit Committee in its meetings. The Audit Committee was satisfied with the adequacy of the internal control systems and procedures of the Company and the performance of the internal audit department in respect of monitoring of such systems.

6. MANAGING RISKS

The Risk Management Committee (RMC) of the Company comprises Board Members and Senior Executives of the Company, with the majority of members belong to the Board:

Name	Designation
Mr. Anil Kumar Nehru	Independent Director and Chairperson
Mr. Lakshminarayan Ganesh	Independent Director
Mr. Vikramjit Singh Oberoi	Managing Director and Chief Executive Officer
Mr. Arjun Singh Oberoi	Managing Director, Development
Mr. Kallol Kundu	Chief Financial Officer
Mr. Sameer Nayar	Executive Vice President, Strategic Development

During the year, RMC met on September 02, 2020 and on March 24, 2021. The RMC has formulated a risk charter and laid down a risk management framework to safeguard the Company against actual and potential risks by implementing appropriate mitigating measures on an ongoing basis.

6.1. Risk Charter

The RMC relies on reviews and reports to periodically assess risks while effectively executing business strategy and reviewing key leading indicators. It reviews with the management, the Company's risk appetite and strategy relating to key risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks. The key areas of risks addressed are those relating to credit, liquidity and funding, market, product, reputation and all short- and long-term outcomes that could significantly affect the operations of the Company.

Key Responsibilities of the RMC

- Annual review and approval of the risk management framework of the Company
- Periodic review of the risk management processes and practices of the Company to ensure that appropriate measures are taken to achieve a prudent balance between risk and reward in both ongoing and new business activities
- Evaluation of significant risk exposures of the Company and assessment of the management's actions to mitigate the exposures in a timely manner
- Reporting to the Board its evaluations, actions and recommendations

6.2. Risk Management Framework

The risk management framework of the Company includes the guidelines, policies and processes for risk assessment and risk management. The RMC has identified the following 12 key risks that could potentially impact the business.

- Risk of revenue contraction
- Risk of low or negative returns
- Risk of inadequate growth
- Risk of deterioration of financial health
- Risk of business interruption
- Risk of impact on environment
- Risk of impact on reputation
- Safety, health, and security risk
- Cyber risk
- Risk of inadequate compliance
- Fraud risk
- Risk related to talent management

The RMC has also constituted a Functional Risk Management Sub-Committee (FRMS-C) comprising Mr. Arjun Singh Oberoi as Chairperson and Mr. Vikramjit Singh Oberoi as Co-Chairperson.

The Committee shall closely monitor the risks listed above and report its findings regularly to the Board.

7. THE OBEROI CENTRE OF EXCELLENCE

The Oberoi Centre of Excellence (TOCE) commenced operations on October 01, 2019, with the broad objective of introducing contemporary IT-enabled processes, modifying various processes across the organisation to enhance efficiency, eliminating manpower redundancy, promoting scalability and achieving economies of scale. The centre helps in channelising collective resources, ensuring smart and efficient delivery of transactional services and driving expertise in finance, procurement, master data management, taxation, business transformation and budgeting. This results in realisation of benefits from scale, standardisation, collective experience, high-end technology, R&D and mitigation of attrition risk.

Benefits of TOCE

- Optimise manpower in various functions such as Finance, Procurement and IT, simplifying the approval system
- Better delegation of authority-based workflow
- Improved compliance and optimised controls with reduced manual intervention
- Better vendor management
- Robust budget control system
- Financial planning and analysis
- BOT-based accounting and reconciliations, reducing human intervention

The services are provided to all Business Units in the Group to streamline and better control functional and operational processes.

Objectives of TOCE

- **Consistent brand experience:** Standardised, SLA-bound processes with defined accountability of the end-to-end process chain and a service-driven culture ensuring greater consistency of customer, employee and supplier experience.
- **Business focus:** Consolidation of transactional processes and focus on expertise-driven, value-added services to the business, providing more time and resources to focus on running the business.
- **Digital COE:** Leveraging best-in-class technology, thus reducing paper flow, tool-based and mobile-enabled approvals and optimised manual controls.
- **Cost efficiency:** Improved visibility over cost consumption and behaviour, improved employee productivity and efficiency.
- **Analytics:** Timely visibility on business insights and key performance indicators to aid faster decision-making.
- **Innovation:** Creative and innovative methods of achieving business value, leveraging continuous process improvement practices and evolving technology, thus offering differentiated value to our existing and new units/businesses.
- **Scalability:** Quick onboarding of new hotels/businesses, leveraging the combined experience of existing teams to support new units.

Know more about TOCE on page 35 of our Annual Report FY 21.

8. STRATEGIC ALLIANCE BETWEEN THE COMPANY AND MANDARIN ORIENTAL HOTEL GROUP

During the year, the Company entered into a strategic alliance with Mandarin Oriental Hotel Group for Oberoi Hotels & Resorts. The alliance does not involve any cost, fee or revenue share. The two groups will collaborate in the areas of marketing, sales, food and beverages, human resources, spa and sustainability.

The objective of the alliance is to:

- Bring both brands – Oberoi and Mandarin Oriental – together as equal partners on a global stage
- Offer something unique in the global luxury hospitality market
- Create exceptional experiences for Oberoi and Mandarin Oriental guests

Management Discussion and Analysis (Contd.)

- Get an opportunity to collaborate and learn from each other
- Grow the Oberoi and Mandarin Oriental brands reach beyond their current base by leveraging both brands' strong recall and loyalty in their respective markets

Benefits to the Company from this Alliance

It is a matter of prestige for the Company to be associated with a globally recognised brand such as the Mandarin Oriental, and the Company expects to leverage Mandarin Oriental's wider hotels and sales network in key geographies, with access to a larger audience of luxury hotel users globally.

9. BUSINESS CONSOLIDATION AND EXPANSION

Hotels and Resorts under Planning and Development

- Construction of The Oberoi Doha is currently underway. This luxury hotel will consist of 237 rooms and suites. In addition, forty-five service apartments are being built within the development. The hotel is likely to open in the fourth quarter of 2022. The property will be managed by a wholly owned subsidiary of the Company
- Work on The Oberoi Rajgarh Palace located near Khajuraho, Madhya Pradesh is in progress. The resort will provide luxury accommodation on a 62-acre site next to the Panna forest reserve
- Land use consent for the Company's 55-acre beach-front site at Goa has been obtained. Further approvals will be sought once planning of the resort has been completed
- Planning of the Oberoi Hotel as part of a mixed-use development in Bengaluru is in progress
- The Oberoi Wildlife Resort Bandhavgarh is located on a 22-acre site, five kilometers from Bandhavgarh National Park in Madhya Pradesh. The jungle resort will consist of luxury tents, a restaurant and a spa. The construction of the resort is underway and is likely to open in Q3 FY22. This resort will be managed by EIH Limited
- An overseas subsidiary of the Company will operate two resorts, i.e. The Oberoi and Trident, on the island of KohTan located five kilometres south-west of Koh Samui, Thailand. The lush green 100-acre site overlooks a two-kilometre pristine beach. The plan incorporates an Oberoi Resort and a Trident Resort with several restaurants, meeting and recreation facilities, spas and wellness centres. Planning of both hotels is in progress
- The Oberoi Kathmandu will be developed on a greenfield site measuring six acres. The proposed luxury hotel will be near important tourist attractions of the Royal Palace, Thamel and other important business locations. The hotel will incorporate 80 keys and shall be developed as a low-rise garden hotel with multiple restaurants, meeting facilities, spa and wellness centre and recreational facilities. The hotel will be managed by a wholly owned subsidiary of the Company.
- The Oberoi Wildlife Resort located next to Bardia National Park Nepal will be developed on a greenfield site measuring ~30 acres. The resort will comprise 20 luxury tents, a restaurant, a spa and a wellness centre. The hotel will be managed by a wholly owned subsidiary of the Company.

10. AWARDS

Oberoi Hotels & Resorts was voted the Editor's Choice Award for the best safety and hygiene protocols as one of the best in the industry and must experience in 2021 by Travel & Leisure, India best awards, 2021.

Oberoi Hotels & Resorts was voted the Best Hotel Group for the third consecutive year by Telegraph Travel Awards, UK – 2019, 2018 and 2017.

Oberoi Hotels & Resorts was voted the Best Indian Hotel Group in the Travel + Leisure, India & South Asia India's Best Awards, 2019.

Oberoi Hotels & Resorts was voted the Best Luxury Hotel Brand by Business Traveller UK Awards, 2019

Oberoi Hotels & Resorts was ranked second amongst the Best Hotel Brand in the World by Travel + Leisure, US, World's Best Awards, 2019.

HOTEL	AWARD	AWARDED BY
The Oberoi, Mumbai, India	Top 15 Asia City Hotels (Ranked 1st)	Travel+Leisure, US World's Best Awards 2020
	Best B Leisure Hotel	Travel+Leisure, India's Best Awards 2020
	10 Best City Hotels in Asia (Ranked 2nd)	Travel+Leisure World's Best Awards 2019
The Oberoi Rajvilās, Jaipur, Rajasthan, India	Top 25 Hotels – India (Ranked 1st)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Luxury Hotels – Asia (Ranked 2nd)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Luxury Hotels – India (Ranked 1st)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Hotels for Service – India (Ranked 1st)	Trip Advisor Travellers' Choice Awards 2019
The Oberoi Amarvilās, Agra, Uttar Pradesh, India	Top 10 Hotels for Romance – India (Ranked 1st)	Trip Advisor Travellers' Choice Awards 2019
	5 Best Resort Hotels in India (Ranked 1st)	Travel+Leisure, USA World's Best Awards, Readers' Survey 2018
The Oberoi Vanyavilās, Wildlife Resort, Ranthambhore, Rajasthan, India	Favourite Safari Lodge in India, Runner Up	Conde Nast Traveller, India Readers' Travel Awards 2020
	Top 25 Small Hotels – India (Ranked 1st)	TripAdvisor Travelers' Choice Awards 2019
The Oberoi Udaivilās, Udaipur, Rajasthan, India	Favourite Indian Hotel for design	Conde Nast Traveller, India Readers' Travel Awards 2020
	Most prestigious venue for weddings	Travel+Leisure, India's Best Awards 2020
	Gold List, 2020	Condé Nast Traveller, USA & UK
	Gold List, 2019	Condé Nast Traveller, USA
	Gold List, 2019	Condé Nast Traveller, UK
	Gold List, 2019	Condé Nast Traveller, Middle East
The Oberoi Sukhvilās Spa Resort, New Chandigarh, India	Best destination Spa for International Travellers	Travel + Leisure, India & South Asia India's Best Awards 2019
	Best Wellness Cuisine	GeoSpa GlobalSpa Awards 2019
	Best Destination Spa	GeoSpa GlobalSpa Awards 2019
The Oberoi Beach Resort, Sahl Hasheesh, Red Sea, Egypt	Top 10 Luxury Hotels – Egypt (Ranked 2nd)	Trip Advisor Travelers' Choice Awards 2019
The Oberoi Beach Resort, Mauritius	2020 Star Award Winners	Forbes Travel Guide, USA
	Top 10 Luxury Hotels – Mauritius (Ranked 2nd)	Trip Advisor Travelers' Choice Awards 2019
	Top 10 Hotels for Romance – Mauritius (Ranked 2nd)	Trip Advisor Travelers' Choice Awards 2019
The Oberoi, New Delhi, India	Favourite Business Hotel in India	Conde Nast Traveller, India Readers' Travel Awards 2020
	The 2020 Gold List Hotel of the year	Condé Nast Traveller, USA and UK Travel + Leisure, India & South Asia India's Best Awards 2019
	Favourite Business Hotel in India	Condé Nast Traveller Readers' Travel Awards 2019
	IT List 2019	Travel+Leisure, USA
	The World's Best Hotels and Resorts for families 2019	Travel+Leisure, USA

Management Discussion and Analysis (Contd.)

HOTEL	AWARD	AWARDED BY
The Oberoi, Dubai United Arab Emirates	Best Business Hotel - International	Travel+Leisure, India & South Asia India's Best Awards 2019
	Top 25 Hotels for Service – UAE (Ranked 2nd)	Trip Advisor Travellers' Choice Awards 2019
The Oberoi Beach Resort, Al Zorah, Ajman, UAE	Best Luxury Resort International	Travel+Leisure, India & South Asia India's Best Awards 2019
	Ajman's Leading Luxury Resort	World Travel Awards Middle East 2019
The Oberoi, Bengaluru, India	Top 25 Hotels – India (Ranked 13th)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Luxury Hotels – India (Ranked 13th)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Hotels for Service – India (Ranked 12th)	Trip Advisor Travellers' Choice Awards 2019
The Oberoi Cecil, Shimla, India	Favourite Heritage Hotel in India, Runner Up	Conde Nast Traveller, India Readers' Travel Awards, 2020
	Top 25 Hotels – India (Ranked 11th)	Trip Advisor 2019 Travellers' Choice Awards
	Top 25 Luxury Hotels – Asia - (Ranked 21st)	Trip Advisor 2019 Travellers' Choice Awards
	Top 25 Luxury Hotels – India - (Ranked 5th)	Trip Advisor 2019 Travellers' Choice Awards
	Top 25 Hotels for Service – India – (Ranked 8th)	Trip Advisor 2019 Travellers' Choice Awards
The Oberoi, Madina, Saudi Arabia	Top 25 Hotels – Saudi Arabia (Ranked 1st)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Luxury Hotels – Middle East	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Luxury Hotels – Saudi Arabia (Ranked 1st)	Trip Advisor Travellers' Choice Awards 2019
	Top 25 Hotels for Service – Saudi Arabia (Ranked 2nd)	Trip Advisor Travellers' Choice Awards 2019
The Oberoi, Marrakesh, Morocco	Best New Hotel openings in Major Cities	Honouree in the departures,USA 2020 Legend awards
	Best New Hotel openings in the World	Travel + Leisure, US, IT List 2020
	Best Hotel Exterior (Africa and West Asia)	Prix Versailles- World Architecture and Design Awards,2000
	Best New Hotel openings in the World	Conde Nast Traveller USA 2020 Hot List
	Best New Hotel openings in the World	Conde Nast Traveller UK 2020 Hot List
	Best New Hotel openings in the World	Conde Nast Traveller Middle East 2020 Hot List
	Best New Hotel openings in the World	Conde Nast Traveller India 2020 Hot List
	The Most over the top luxurious suites of the year	Departures, USA Legend Awards
	The most stunning hotel pools of the year	Departures, USA Legend Awards
	Best Hotel for landscaping and outdoor spaces	AHEAD Middle East and Africa 2020
	Best Resort Hotel	AHEAD Middle East and Africa 2020
	Hotel of the year	The Gallivanter's Guide, UK Editor's choice Awards 2019
	World's best new luxury hotels	LTI World's Best 2019

11. HUMAN RESOURCES

The Oberoi Group continues to place a great deal of importance in creating the best teams possible who are aligned with the Company's values and The Oberoi Dharma. Our values guide and inspire us to do what is the right and not what is the easiest by placing the guest first, the Company second and self, last. We continuously review and realign our people practices and policies with an aim to provide our employees with the best working environment.

It is these values that have led The Oberoi Group to be recognised once again as one of the best employers in the 'Kincentric Best Employers India' 2020 survey.

Our people philosophy has always guided us to continuously review and realign our people practices, which have been instrumental in making the Oberoi Group an employer of choice:

1. **Diversity and inclusion:** One of our key focus areas for FY 21 was to continue to maintain gender diversity. Our endeavour was to provide the best working environment and be an employer of choice for women. We achieved our goals, despite the challenges posed by pandemic and were able to maintain a healthy diversity in our Hotels.

2. **Performance management:** Focus on performance management continued with adherence to the bell curve across all Group hotels and business units. Review of balance scorecards for each level and creation of uniform formats of balanced scorecards for all levels were the highlights this year.

3. **Employee welfare and well-being:** One of the important aspects of employee welfare this year was to provide physical and emotional support to employees and their families when needed. We also engaged with a team of psychologists to support the emotional and mental well-being of employees. Multiple online workshops were held which covered topics such as physical well-being, financial planning and ways to boost immunity.

   Work from home was implemented to support colleagues who could not travel during the pandemic.

4. **Organisational agility:** Various innovative measures were proactively implemented to adapt to the new normal posed by the pandemic.

5. **Industrial relations:** They remained stable throughout the year.

Learning and Development

Despite major disruptions due to the COVID-19 pandemic, The Oberoi Group, along with The Oberoi Centre of Learning and Development (OCLD), stayed committed to ensuring the learning and development of its people.

The Oberoi Centre of Learning and Development (OCLD) continued to be focused on its core programmes – Post-graduate Management Programmes in Guest Service, Housekeeping, Kitchen and Sales Management and the three-year undergraduate Systematic Training and Education Program (STEP). The curriculum moved to a virtual platform for part of the year and the structure was adapted to the dynamic changes brought about by the pandemic.

OCLD introduced significant pedagogical innovations to the curriculum and assessments. Student-based learning and a problem/solution-centred approach was implemented.

As part of the corporate learning and development initiatives, in-house virtual programmes were run for executives during the year. Competencies covered included leadership, coaching and productivity.

The overall training man-days for executives of the group was 7,465 with an average of 9.41 man-days per executive. The overall training man-days for staff of the group was 84,634 with an average of 16.65 man-days per staff member.

Some of the sessions conducted were:

- Workshops on productivity, leadership and coaching
- Sessions on new finance software and processes
- Certified departmental trainer workshops and qualifications
- Beverage and culinary sessions
- Wellness sessions on meditation, yoga, fitness and personal finances during the lockdown
- Online courses on Typsy.com

Workshops were conducted to enhance the capabilities of the Human Resources and Training managers within the organisation. These included:

- Training modules on hygiene practices and train-the-trainer sessions
- Under our Gurukul programme, training sessions were conducted for teams on upselling, profit awareness, guest interaction and managing biases and a train-the-trainer workshop was conducted for training managers
- The Human Resources Strategy Meet 2020-21 focused on bringing agility to human resource practices and establishing priorities for the year
- A two-day train-the-trainer workshop for HR managers focused on behaviour-based interviewing techniques to evaluate executive leadership competencies
- Virtual webinars and online training resources were also shared with colleagues

There was continued focus to identify, nurture and retain our top talent. High-potential executives were identified in collaboration with general managers and function heads. Individual development plans were made for 39 executives. Thirteen managers had cross-exposure in departments identified for their development.

The Oberoi Group Coaching and Mentorship Programmes were expanded.

- **The Oberoi Group Coaching programme** started in September 2019 to facilitate the transition of new department heads into their roles. It completed one successful year with positive reviews from all participants. From October 2020, the programme was expanded to include 13 more young department heads, in addition to the six existing ones. Coaches are experienced department heads with domain expertise and experience in managing teams.

  The programme has a defined structure for the one-year engagement between a coach and the coached with goals based on individual needs. Sessions were held with the coaches and those being coached to introduce them to the programme.

- **The Oberoi Group Mentorship programme** started in November 2019 to facilitate the transition of new general managers into their roles. It completed one successful year with positive reviews. From November 2020, the programme was revised and expanded to 12 young leaders. Mentors are experienced senior leaders with a long tenure and aligned with the culture of the organisation. The programme has a defined structure for the one-year engagement between a mentor and mentee with goals based on individual needs.

As on March 31, 2021, the number of people employed by the Group was **8,086**.

The Board takes this opportunity to thank all employees for their unwavering commitment to guests and the organisation and for their dedication and co-operation.

For and on behalf of the Board

	Arjun Singh Oberoi	**Vikramjit Singh Oberoi**
Delhi	Managing Director-Development	Managing Director and Chief Executive Officer
Dated May 07, 2021		

Business Responsibility Report

The Business Responsibility Report of the Company for the Financial Year ended on March 31, 2021 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in the prescribed format by the Securities and Exchange Board of India ("SEBI") is as under:

SECTION 1: GENERAL INFORMATION

1	Corporate Identity Number (CIN) of the Company	L55101WB1949PLC017981
2	Name of the Company	EIH Limited
3	Registered address	4, Mangoe Lane, Kolkata-700001 Telephone No.- 91-33-40002200 Fax No.- 91-33-22486785
4	Website	www.eihltd.com
5	E-mail address	isdho@oberoigroup.com invcom@oberoigroup.com
6	Financial Year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Hotels- 9963/99631110
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Hotel Services
9	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations – Six Countries (through wholly owned subsidiary/(ies)); ii. Nine directly owned hotels in India – (Delhi, Mumbai, Kolkata, Bengaluru, Udaipur and Ranthambore); iii. Thirteen managed hotels in India.
10	Markets served by the Company	The Company caters to both national and international markets

SECTION 2: FINANCIAL DETAILS

1	Paid up Capital (₹ in Million)	1,250.73
2	Total Turnover (₹ in Million)	4,736.42
3	Total profit/(loss) after taxes (₹ in Million)	(3,431.24)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	-
5	List of activities in which expenditure in Point 4 above has been incurred:	• The Company has been supporting SOS Children's Villages of India under "Project Shaksham" since 2014 which continued for FY21 as well. Under this project, the Company provides family-based care including education, healthcare, nutrition, and career development needs for children who have been abandoned, orphaned and are homeless. The program extends to 150 children in 15 family homes in Mumbai (Alibaug), Delhi, Bengaluru and Kolkata. • The Company also sponsors higher education programs for 46 young persons at various educational institutes. **Other notable CSR activities:** • **The Oberoi Grand, Kolkata:** Supported Sasha, an NGO which works to educate children and self-employment of women by purchasing their hand-crafted products. Also supported Mother House and St. Teresa's Church by distributing freshly prepared food and dry rations for the less privileged throughout the lockdown period in April and May 2020. • **The Oberoi and Trident Nariman Point, Mumbai:** Celebrated "National Doctor's day" on July 01, 2020 and honored in-house medical team for their contributions to the guests and employees during Covid-19 pandemic during the year. Throughout the lockdown period, helped Bombay Municipal Corporation workers by giving them nutritious food.

Business Responsibility Report (Contd.)

5	• **The Oberoi, Bengaluru:** Reached out to St. Philomena's Hospital and helped the medical fraternity there by providing them nutritious packed meals throughout the lockdown period. • **The Oberoi Vanyavilas, Ranthambore:** supported "Dhonk", a socially responsible enterprise that aims at creating sustainable jobs for local villagers through art and crafts. Also supported Sevika Hospital, Sherpur's Covid-19 patients by giving them nutritious snacks to build their immunity. • **The Oberoi Udaivilas, Udaipur** supported Government officials viz: Collectorate, Police, and Excise and tourism office in Udaipur by supplying masks. The hotel also served food packets to hospital, migration office throughout the lockdown period. • **The Oberoi New Delhi** supported government agencies, NGO's and local authorities by serving them freshly cooked food packets throughout the lockdown period. Also supplied 200 packets of ration essentials to the needy and vulnerable. • **Trident Bandra Kurla, Mumbai** launched a community driven initiatives by providing 150 freshly cooked meals for 65 days to be distributed to vulnerable communities and daily wage workers in the nearby areas throughout the lockdown period. Also supported Shanti Avedna Sadan Hospice, a Charitable Institute for the terminally ill cancer patients, by providing them essential food items and cleaning materials to its 100 patients in the Hospice.

SECTION 3: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	As at March 31, 2021, the Company has 9 subsidiaries. Of these, three are domestic companies and the rest are overseas bodies corporate.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The operative domestic subsidiary companies viz: Mumtaz Hotels Ltd. and Mashobra Resorts Ltd. participate in the Business Responsibility initiatives of the Company. Overseas subsidiary companies are also encouraged to follow the Business Responsibility initiatives of the Company. However, these overseas subsidiaries adhere to their local regulatory and compliance requirements.

SECTION 4: BR INFORMATION

1. Details of BR head:

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	00052014
2	Name	Vikramjit Singh Oberoi
3	Designation	Managing Director and Chief Executive Officer
4	Telephone No.	91 11 23890505
5	Email id	vikram.oberoi@oberoigroup.com

SECTION 5: COMMITMENT TO RESPONSIBLE BUSINESS

As the owner and operator of leading luxury and five star hotels, the Company is committed to undertaking responsible business practices which are fully aligned with the principles enunciated under the Business Responsibility Reporting framework on social, environmental and economic responsibilities of business. The context of these principles are embedded firmly within the "The Oberoi Dharma" and "The Oberoi Group Mission" guiding our business practices and corporate governance. This philosophy allows us to work relentlessly towards delighting our guests and enriching the lives of our employees through an open and participative work culture and by providing opportunities for learning, development and growth.

The Company recognises the importance of society and the environment in which it operates. We strongly believe in mobilising our resources and efforts to strengthen and empower the socially and economically disadvantaged and to conduct business in a manner which is environmentally responsible. Through our policies, processes and initiatives, we conduct business in a responsible and sustainable manner. The Company continuously reviews and improves its policies and processes and in so doing, ensures the highest standards of service and business practices.

This Business Responsibility Report details the various initiatives undertaken by the Group during the Financial Year.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

The Company's guiding philosophy on ethics, transparency and accountability is articulated in the "The Oberoi Dharma" and specific details are provided in the Company's "Code of Conduct and Ethics Policy". The Oberoi Dharma extends to the entire Company and is central to all that we do, individually and as an organisation. It binds all employees to act with honesty, integrity and ethics at all times. Every year, Directors, Key Managerial Personnel and Senior Management Personnel of the Company, give a written affirmation of compliance to "The Oberoi Dharma".

All employees are required to sign "The Code of Conduct and Ethics Undertaking" at the time of joining the Company. "The Code of Conduct and Ethics" espouses honest and ethical conduct, while also emboldening the Company to act strongly against:

- Theft, pilferage and fraud;
- Violence and abuse;
- Physical harm or assault;
- Sexual harassment of women at the workplace;
- Vandalism of Company property or assets.

The Company also has a "Whistleblower Policy" which allows the Company to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Policy provides a mechanism for the Directors and employees of the Company to raise concerns regarding any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements, reports, fraud etc. The Policy applies to all employees of the hotels, business units and corporate office of "The Oberoi Group" in India.

The Policy enables and facilitates an employee and other stakeholders to report instances of misconduct, leakage of unpublished price sensitive information, fraud, and misdemeanour to the Whistle Officer, CEO or Chairperson of the Audit Committee.

The implementation of the Whistleblower Policy is anchored by the Executive Vice President, Human Resources and is overseen by the MD & CEO of the Company.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

The Company maintains the highest standards of safety and sustainability in accordance with the Oberoi Dharma and Vision which clearly states:

- "We see an organisation which is committed to the environment, using natural products and recycling items, thus ensuring proper use of diminishing natural resources."- Oberoi Vision
- "Conduct which at all times safeguards the safety, security, health and environment of customers, employees and the assets of the company." – Oberoi Dharma
- "Conduct which eschews the short-term quick-fix for the long term establishment of healthy precedent." – Oberoi Dharma.

The Company takes great care in ensuring sustainable practices. Measures implemented by the Company include the following:

- All laundry chemicals are bio-degradable
- Detergents used require less water to rinse out of the fabric and are therefore water efficient
- Cloth bags are used instead of plastic bags for collecting and delivering guest laundry, dry cleaning and pressing
- Bio-degradable garbage bags are used in most hotels
- Guests are encouraged to adopt environment conscious practices like optimised changing of bed linen and towels during their stay
- All stationery and shopping bags are made of recycled paper
- Some of the hotels have implemented efficient WC systems with dual water flow for saving water
- Garden irrigation is carried out through recycled water
- Compost pits have been created in hotels with large gardens
- Compost machines have been installed in majority of hotels to recycle waste.

Safety initiatives underpin the Company's business and operational practices. These include physical structures resilient to intrusive and/or other damaging interventions to the extent feasible, fire-safety measures, focus on guest, employee safety, safety towards women in the workplace and overall operational safety across all functions. In addition, initiatives are taken to review the safety and security situation as follows:

- Internal security audit reviews of each hotel twice a year
- Following up on pending audit review points on a monthly tracking report

Business Responsibility Report (Contd.)

- Investigate any incident which is followed by a detailed Incident Report
- An exhaustive check list for risk assessment as a part of internal security audit
- Issuance of high alerts/security advisories from time to time based on prevailing security situations that arise in the city or country in which the hotel is located

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

The Oberoi Dharma is the Company's central philosophy towards ensuring the wellbeing of its employees as follows:

- "Conduct which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievement as well as individual development"

  The Company is committed to making the employee experience enriching. This is done by ensuring a work culture that is caring, open and respectful and provides opportunity for learning, development and growth. Through various policies which guide employee engagement, we have fostered a culture that ensures guest centricity, high standards of personalised service and an enabling work environment.

The Company strongly espouses gender equality, diversity and equal opportunity:

- For the Company, gender equality is a commitment. The team comprises employees of both genders with increasing emphasis on providing opportunities to women. We are constantly working to improve on the gender diversity ratio. In addition, to ensure we do not lose lady team members, we actively create an ecosystem that supports their personal commitments thereby ensuring the right conditions necessary for their career growth and progression.
- Our teams comprise a diverse mix from different cultures, regions and social backgrounds. The Company has expatriate employees, adding a flavour of diversity to the organisational culture.
- Given the varied age and interest demographics of team members, we design events on multi aspects such as entertainment, learning, environment, sports, health and pay back to society.

Presented below are the details on human resources of the Company:

1	Total number of employees (total number of permanent employees).	3,204
2	Total number of employees hired on temporary/ contractual/casual basis.	973
3	Number of permanent women employees.	523
4	Number of permanent employees with disabilities	1
5	List of employee associations that are recognized by management	The Company's business is spread over several states and comprises of multiple hotels, business units and offices. There are several employees associations recognised by the management depending on the laws of the particular state.
6	Percentage of permanent employees who are members of recognised employee associations	Because of multiple employees associations in various hotels, business units and offices, permanent employees change their membership to the various associations from time to time. Accordingly, the exact percentage keeps on changing. However, recognised associations always have majority numbers.
7	Number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in FY21	

	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
7.1	Child labor/forced labor/involuntary labour	We do not employ child labour, forced labour or involuntary labour.	
7.2	Sexual harassment	Nil	Nil
7.3	Discriminatory employment	We do not discriminate while selecting employees.	
7.4	Number of man-days of executive level training	4,738 (8.67 man-days per executive)	
7.5	Number of man-days of staff level training	56,402 (16.49 man-days per staff)	

The Company ensures continuous improvement of skills and capabilities of our already distinguished talent pool.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

The Company acknowledges and believes that it has a strong role to play in giving back to the communities and stakeholders it works with. Guided by the Corporate Social Responsibility Policy, the Company reaches out to stakeholders who are socially disadvantaged, vulnerable and marginalized. The Company takes particular attention in ensuring that the initiatives are designed to provide adequate help and relief to the following:

- Underprivileged children, including orphans and homeless children
- Elderly people
- Local communities
- Environment – tree plantations

The Company's initiatives focus on providing critical social, economic and developmental support like education, necessary vocational training and welfare support to the stakeholders so that they lead better lives. (Refer to section 2(5) of this report).

Some notable initiatives are:

- The Company's managed hotels The Oberoi and Trident Gurgaon support Pallavanjali which offers education, training and therapy to young adults with special needs. In the last eight years, the hotels have fostered an environment which presents equal opportunities to young adults who do not function optimally in a traditional academic set up to get trained and learn hospitality skills . Students of Pallavanjali get trained at these two hotels, thrice a week, in the uniform room, laundry, flower room, bakery and finance department. Due to the pandemic in the FY21, we did not have a batch to train with us.
- The company provides employment to differently abled people and works with young adults with speech and hearing impairments. This is applicable at Wildflower Hall, Shimla.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company exercises utmost care in the promotion and protection of Human Rights. As already noted, the Oberoi Dharma sets in stone the Company's central philosophy towards its employees and in its outlook regarding various stakeholders across its value chain. This approach is reiterated through the statement "conduct which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievement as well as individual development".

The company strongly values and upholds issues related to gender equality, diversity and provision of equal opportunities for all. The employees are sensitised regarding all aspects of socially inclusive behaviour and the need to have a humanitarian approach to all actions. The Company's HR policies espouse these principles and these are clearly demonstrated in the way we conduct our recruitment, where nobody is discriminated on the basis of gender, caste or religion. Any incidence of misconduct or harassment is dealt with seriously within the organisation. This helps in building a healthy and lively work place strengthened through mutual trust and ethical behaviour.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

The Company is committed to protecting the environment within which it operates. The Oberoi Group vision and dharma places utmost importance to sustainability while conducting business. Some of the environmental initiatives are:

- **Energy efficient building and architectural design:**

  New construction emphasizes on energy efficient building design and materials. The roofs and external walls have high thermal resistance insulation to minimise energy loss. Building fenestration is incorporated with high performance insulated glass to reduce energy loss. Roof tops have reflective tiles or an albedo coating to minimise the impact of heat.

- **Use of energy efficient designs and equipment:**

  Care is taken to ensure that the system design and equipment deployed are energy efficient. Highly efficient chillers are used for air conditioning. Pumps, fans, compressors, blowers and other equipment are selected carefully considering their energy efficiency. Energy recovery systems and variable speed drives are used extensively to save energy. High efficiency boilers and heaters are used with energy recovery systems to recover waste heat. Energy efficient lighting with optimal use of natural light is practised. Building Management systems are used for monitoring and control.

- **Sustainable landscape and water use:**

  Sustainable landscaping and horticulture are essential features of every hotel. The design of new hotels ensures a high percentage of green area, trees and shrubs. Local plants species are extensively used to encourage biodiversity. The use of natural fertilizers and bio-pesticides support sustainable practices. While building hotels, natural contours of the site are maintained to limit disturbance to natural water flow and increase infiltration of storm water. Rain water harvesting systems are installed in the majority of hotels. Hotels have Sewage Treatment Plants (STPs). Treated water from STPs gets recycled for use in horticulture and cooling towers. Technology for treating and recycling used water from laundry back to the laundry is an option under active consideration which will not only save water but also reclaim the heat which gets lost otherwise. A pilot plant at one our larger city hotels has been evaluated. Low water usage plumbing fixtures are used to reduce water consumption. Irrigation systems use automation to control water usage.

Business Responsibility Report (Contd.)

- **Use of sustainable materials:**

  Fly-ash, a waste product from power plants is used in building structures. Low embedded energy materials (material with recycled content, rapidly renewable wood/composite wood products) are extensively used in developing interiors. FSC certified wood and composite products made from recycled wood scrap are used. Priority is given on use of locally available materials like tiles, granite, marble etc. This reduces transportation and minimises carbon emissions. Biodegradable organic chemicals are used in washing machines. Bathroom amenities are made from natural botanical extracts and herbs. Use of plastics is discouraged and there is preference for renewable and organic products. The refrigerants used have low global warming and low ozone depletion properties.

- **Waste Reduction, recycle and reuse:**

  Wet garbage is treated in organic waste converters and recycled in several hotels. Alternatively, it is used as animal feed. Metal, plastic and other recyclable waste are segregated and sold as scrap for recycling. Electronic waste is disposed responsibly to authorized agencies as per regulations. Printed stationary is reused. Old linen is recycled for back of the house use. Business kits and cards are made from recycled paper.

- **Indoor environmental quality:**

  Hotel designs give attention to indoor environmental quality for maintaining the environment for users, occupants and guests. Good ventilation is provided in all areas and air is treated to give good indoor air quality. Smoking zones are clearly identified and ventilation systems ensure there is no exposure of smoke outside these areas. Low VOC materials like paints, coatings, plywood, timber and fabrics are used to minimise exposure to VOCs. Carpets used are environment friendly and comply with CRI standards. Buildings are carefully treated for acoustic comfort and to minimise ingress of noise from outside. Wet and dry scrubbers are installed to reduce emissions of gases and particulate matter.

- Special attention is paid towards safety and detailed safety procedures are listed for operational guidance of hotels.
- Hotel designs ensure accessibility for differently abled guests.
- In addition, the Company continues to ramp up its reliance on renewable energy, some of which is listed below:

The Company has invested in a local wind generating company and 3.6 million units of electricity per year from wind energy have been contracted on a long term basis for The Oberoi, Bangalore. The Company and its Associate have invested in a local wind generating company and 1.5 million units of electricity per year from wind energy have been contracted on a long term basis for Oberoi Flight Services, Chennai besides 2.8 million units for the Trident Chennai. Roof top solar panels have been installed in all hotels of as much capacity feasible. In addition to the roof top solar plants, it is planned to utilisethe unused land parcels within the hotel boundary to add to the existing solar power plant capacity which is estimated to deliver 35% to 40% of the total power consumed at The Oberoi Vanyavilas, The Oberoi Udaivilas, Trident Udaipur and Trident Agra. This project is estimated to be commissioned by first quarter in the FY22.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

The Company takes up with responsibility and commitment matters concerning the hotel industry across the country through active participation in apex industry associations including the following:

- Hotel Association of India (HAI)
- Federation of Hotels and Restaurant Association of India (FHRAI)
- Federation of Associations in Indian Tourism & Hospitality (FAITH)
- Tourism & Hospitality Skills Council (THSC)
- Skills Council for People with Disability (SCPwD)

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

The Company continues to regularly identify and engage with different sections of the communities. Please refer to Point 5 of Section 2 of this Business Responsibility Report for further details.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

The Company has an uncompromising and unrelenting commitment to delivering excellence and value to its guests through efficient, personalised and caring service. This is based on "The Oberoi Dharma". Our commitment to excellence, attention to detail and personalised service continues to be acknowledged and appreciated globally. The Oberoi Hotels & Resorts has won the Editor's Choice Awards for the best safety and hygiene protocols as one of the best in the industry and a must experience in 2021 by Travel+ Leisure, India's Best Awards, 2020. The Oberoi Hotels and Resorts has also been voted the Best Hotel Group for the third consecutive year by Telegraph Travel Awards, UK - 2019. Oberoi Hotels & Resorts was voted Best Indian Hotel Group in the Travel + Leisure, India & South Asia India's Best Awards, 2019. Oberoi Hotels & Resorts was voted as the Best Luxury Hotel Brand by Business Traveller UK Awards, 2019. Oberoi Hotels & Resorts was ranked second amongst the Best Hotel Brand in the World by Travel + Leisure, US, World's Best Awards, 2019.

The many accolades that our hotels receive is recognition of the commitment and dedication of employees at all levels to deliver exceptional guest experiences.

The overall service and product classification of hotels in India is governed by The Ministry of Tourism via the Hotel and Restaurant Approval and Classification Committee (HRACC). HRACC has developed stringent guidelines for hotels to follow. Based on a detailed inspection, hotels are classified as 5 Star deluxe, 5 star and so on. All our hotels have been classified under 5 Star Deluxe, 5 star and Heritage hotels. This certificate is issued after a detailed inspection every five years.

The various channels that are used by the Company for marketing communication include:

- Direct & Foreign Tour Operator engagement
- Meetings, Incentives, Conference & Exhibition (MICE) Focus
- Multi resort use policy
- Online Travel Agent growth
- Customised itineraries to International Free Independent Traveller (FIT) – Exotic Vacations
- Enhancing sales force productivity & effectiveness
- Enhance focus on Digital Marketing
- Establishing a robust CRM approach and process
- Aggressive re-marketing via the Oberoi Contact Centre
- Targeting priority International Markets for FIT
- Ongoing engagement through Trident Privilege

Internationally, the Company has leveraged several reputed magazines to reach out to its large base of international customers.

Within the hotels a variety of media is used to display information for guests to better understand the special offers and general information about the hotel. To ensure continuous improvement, the Company's hotels rely on the "GQA – Guest Questionnaire" feedback process, which enables us to understand guest needs and experiences better.

The continuous endeavour of the Company is to maximise and increase satisfaction, loyalty and referrals from guests. This is based on the belief that loyal guests will actively promote and recommend our hotels. All customer complaints are immediately addressed to ensure that the guests continue to have a positive association and remain loyal to our hotels.

For the past two decades, the Company has consistently commissioned reputed independent third party agencies to conduct anonymous mystery audits at each of our hotels to ascertain that established quality standards pertaining to both service and product are met.

All the operating standards applicable at Oberoi Hotels and Trident Hotels have been approved by the Company's Executive Chairman. The MD and CEO of the Company, with support from management and staff, ensure the highest operating standards across all hotels.

For and on behalf of the Board

Delhi
Dated May 7, 2021

Arjun Singh Oberoi
Managing Director-Development

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on governance is documented in **"The Oberoi Dharma"** which is the fundamental code of conduct of the Company and in its **"Mission Statement"**.

The texts of **"The Oberoi Dharma"** and the **"Mission Statement"** appear on page nos 12 and 13 of this Annual Report.

2. Board of Directors

a) Board Composition

As on March 31, 2021 there were twelve Directors on the Board. Four are executive directors and eight are non-executive directors. Six of the non-executive directors are Independent Directors.

b) Meetings and Attendance

During the Financial Year, the Board met seven times on June 26, 2020, August 13, 2020, September 07, 2020, September 21, 2020, November 04, 2020, January 29, 2021 and March 26, 2021. All the Board Meetings were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to the Covid-19 pandemic.

Details of attendance of Directors at the Board Meetings during the Financial Year and at the company's Seventieth Annual General Meeting together with the number of other directorships and Committee memberships held by them are as follows:

Name	Designation	Category	Attendance		No. of other Directorships*	@No. of other Board Committees in which he is a member or Chairperson (other than EIH)
			Board Meeting	Last AGM		
Mr. Prithvi Raj Singh Oberoi	Executive Chairman	Executive	5	Yes	2	0
Mr. Shib Sanker Mukherji	Executive Vice Chairman	Executive	7	Yes	1	2**
Mr. Vikramjit Singh Oberoi	Managing Director & Chief Executive Officer	Executive	7	Yes	4	1
Mr. Arjun Singh Oberoi	Managing Director – Development	Executive	7	Yes	3	-
Mr. Sudipto Sarkar	Director	Non-Executive Independent	6	Yes	3	3
Mr. Anil Kumar Nehru	Director	Non-Executive Independent	7	Yes	2	2
Mr. Lakshminarayan Ganesh	Director	Non-Executive Independent	7	No	6	6
Mrs. Nita Mukesh Ambani	Director	Non-Executive Non-Independent	6	No	2	-
Mr. Manoj Harjivandas Modi	Director	Non-Executive Non-Independent	6	Yes	2	2
Mr. Rajeev Gupta	Director	Non-Executive Independent	5	No	4	3
Dr. Chhavi Rajawat	Director	Non-Executive Independent	4	No	1	-
Mr. Sanjay Gopal Bhatnagar	Director	Non-Executive Independent	6	No	1	1

* Excludes Directorship if any, in private companies/foreign companies and companies under Section 8 of the Companies Act, 2013.

** Chairperson of one committee.

@ Only Audit Committee & Stakeholders Relationship Committee has been considered as per listing regulations.

c) Names of the listed entities where the above Directors are Director(s) and the category of Directorship

Name of the Director	Name of the listed Company	Category of Directorship
Mr. Prithvi Raj Singh Oberoi	EIH Associated Hotels Limited	Non-Executive Chairman
Mr. Shib Sanker Mukherji	EIH Associated Hotels Limited	Non-Executive Vice Chairman
Mr. Vikramjit Singh Oberoi	EIH Associated Hotels Limited	Managing Director
Mr. Arjun Singh Oberoi	-	-
Mr. Sudipto Sarkar	EIH Associated Hotels Limited	Independent Director
	Vesuvius India Limited	Independent Director
	Triveni Engineering & Industries Limited	Independent Director
Mr. Anil Kumar Nehru	EIH Associated Hotels Limited	Independent Director
Mr. Lakshminarayan Ganesh	Rane Holdings Limited	Chairman and Managing Director
	Rane Brake Linings Limited	Chairman and Non-executive Director
	Rane (Madras) Limited	Chairman and Non-executive Director
	Rane Engine Valve Limited	Chairman
	EIH Associated Hotels Limited	Independent Director
	Sundaram Finance Limited	Independent Director
Mrs. Nita Mukesh Ambani	Reliance Industries Limited	Non-Executive Director
Mr. Manoj Harjivandas Modi	-	-
Mr. Rajeev Gupta	United Spirits Limited	Independent Director
	Vardhaman Special Steels Limited	Independent Director
	TV Today Network Limited	Independent Director
	Rane Holdings Limited	Independent Director
Dr. Chhavi Rajawat	-	-
Mr. Sanjay Gopal Bhatnagar	Metropolis Healthcare Limited	Independent Director

d) Inter-se Relationship of Directors

Mr. Prithvi Raj Singh Oberoi and Mr. Vikramjit Singh Oberoi are related to each other, being father and son. None of the other Directors are related to any other Director.

e) Shareholding of Non- executive Directors

None of the Non-Executive Directors hold any shares in the Company.

f) Web link where details of Familiarisation Program for Independent Directors is disclosed

The familiarisation program for Independent Directors is given on the Company's website https://www.eihltd.com/investors/independent-directors/

g) Skill, Expertise and Competence of the Board of Directors

The matrix setting out the skills, expertise and competence of the Board of Directors are as under:

i) Qualifications

- Degree holder in relevant disciplines (e.g. management, accountancy, legal, sales, marketing, administration, finance, corporate governance and hospitality industry related disciplines); or
- Recognised specialist.

ii) Experience

- Experience of management in a diverse organization;
- Experience in accounting and finance, administration, corporate, legal and strategic planning;
- Ability to work effectively with other members of the Board.

iii) Skills

- Excellent interpersonal, communication and representational skills;
- Leadership skills;
- Extensive team building and management skills;
- Strong influencing and negotiating skills;
- Continuous professional development to refresh knowledge and skills;

Report on Corporate Governance (Contd.)

iv) Abilities and Attributes

- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to observe "The Oberoi Dharma" and the fundamental code of conduct.

v) Name (s) of Directors who have these expertise and skills

S. No.	Name of the Director	Area of Expertise/ Skill
1.	Mr. Prithvi Raj Singh Oberoi	Hospitality Industry Veteran with more than 70 years' experience in running the internationally renowned brand "Oberoi Hotels & Resorts". An acclaimed and a recognised leader.
2.	Mr. Shib Sanker Mukherji	Expertise in Finance, Accounts, Strategy and General Management and a Hospitality industry veteran.
3.	Mr. Vikramjit Singh Oberoi	Expert in Hotel operations, guest relations and overall General Administration.
4.	Mr. Arjun Singh Oberoi	Expert in strategising and development of new hotel projects and execution of the projects.
5.	Mr. Anil Kumar Nehru	Experience in Management of diverse organisations. Ability to work effectively with other members of the Board, excellent inter personal communication and representational skills.
6.	Mr. Lakshminarayan Ganesh	Experience in Management of diverse organisations. Expertise in Finance, Accounts, Strategy and General Management, excellent inter personal communication and representational skills
7.	Mr. Sudipto Sarkar	Recognised specialist in law, compliance, Corporate Governance and litigation.
8.	Mr. Rajeev Gupta	Recognised specialist in strategy, restructuring, mergers and acquisitions.
9.	Mr. Manoj Harjivandas Modi	Experience in Management of diverse organisations. Expertise in accounting and finance, administration, corporate, legal and strategic planning.
10.	Mrs. Nita Mukesh Ambani	Experience in Management of diverse organisations, strong influencing and negotiating skills, a recognised leader.
11.	Mr. Sanjay Gopal Bhatnagar	Experience in Management of diverse organisations and Management skills. Ability to work effectively with other members of the Board, excellent inter personal communication and representational skills.
12.	Dr. Chhavi Rajawat	Experience in Management of diverse organisations, strong interpersonal skills.

h) Independent Directors

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and are independent of the management.

i) Confirmation of the Compliance of the Codes

All Directors and members of Senior Management have, as on March 31, 2021, affirmed their compliance with:

- The Oberoi Dharma, the fundamental code of conduct for The Oberoi Group;
- The Company's Code of Conduct for Prevention of Insider Trading in its shares;
- Disclosures relating to all material and financial transactions;
- Annual Disclosure(s) as required under the Code of Conduct of Prevention of Insider Trading.

3. AUDIT COMMITTEE

Composition, Meetings and Attendance

The Audit Committee comprises of six Board Members, namely, Mr. Sudipto Sarkar, Mr. Anil Kumar Nehru, Mr. Rajeev Gupta, Mr. Lakshminarayan Ganesh, Mr. Shib Sanker Mukherji and Mr. Arjun Singh Oberoi. Mr. Sudipto Sarkar is the Chairperson of the Audit Committee.

The members of the Audit Committee except Mr. Arjun Singh Oberoi and Mr. Shib Sanker Mukherji are Non-Executive Independent Directors. The quorum for an Audit Committee Meeting shall be either two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

Mr. Sudipto Sarkar, the Chairperson of the Audit Committee is a graduate in Mathematics from Presidency College, Kolkata and obtained his TRIPOS in law from Jesus College, Cambridge. Mr. Anil Kumar Nehru has studied Business Management from IIM, Ahmedabad, Harvard Business School and Columbia University. Mr. Rajeev Gupta is a Management Graduate from IIM, Ahmedabad and an Investment Banker. Mr. Shib Sanker Mukherji is a Chartered Accountant and has completed an advanced Management Program from Harvard Business School. Mr. Lakshminarayan Ganesh is a Chartered Accountant and holds a Masters degree in Business Administration and Mr. Arjun Singh Oberoi is a Graduate in Science (Economics) from the University of Buckingham, UK. Accordingly, the Chairperson and all the members of the committee are financially literate within the meaning of explanation under regulation 18(1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Audit Committee met five times during the Financial Year on June 25, 2020, August 13, 2020, November 04, 2020, January 29, 2020 and March 26, 2021.

Attendance of the members of the Audit Committee during the FY21 is given below:

Name of the Member	Number of Meetings attended
Mr. Sudipto Sarkar, Chairperson	5
Mr. Anil Kumar Nehru	5
Mr. Lakshminarayan Ganesh	4
Mr. Shib Sanker Mukherji	5
Mr. Arjun Singh Oberoi	5
Mr. Rajeev Gupta	2

Note: *All the meetings in the FY21 were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to the Covid-19 pandemic.*

Mr. Vikramjit Singh Oberoi, Managing Director & Chief Executive Officer is an invitee to the Audit Committee Meetings. The Statutory Auditor, the Chief Financial Officer and the Chief Internal Auditor also attend Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

Role of Audit Committee

The Role of the Audit Committee is in accordance with Regulation 18, Part C of Schedule II to the listing regulations and Section 177 of the Companies Act, 2013.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition, Meetings & Attendance

The Stakeholders Relationship Committee (SRC) comprises of four Board Members, namely, Mr. Anil Kumar Nehru, Mr. Shib Sanker Mukherji, Mr. Vikramjit Singh Oberoi and Mr. Arjun Singh Oberoi. Mr. Anil Kumar Nehru, Independent Director is the Chairperson of the SRC. Mr. S. N. Sridhar, Company Secretary, who is also the Compliance Officer of the Company, acts as Secretary to the Committee.

The quorum for a meeting of SRC is two members.

The SRC met four times during the Financial Year on September 02, 2020, November 16, 2020, January 29, 2021 and March 26, 2021.

Attendance of the members of the SRC during the FY21 is given below:

Name of the Member	Number of Meetings attended
Mr. Anil Kumar Nehru	4
Mr. Shib Sanker Mukherji	3
Mr. Vikramjit Singh Oberoi	4
Mr. Arjun Singh Oberoi	4

Note: *All the meetings in the FY21 were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to the Covid-19 pandemic.*

Role of Stakeholders Relationship Committee

The Role of SRC is in accordance with Regulation 20 and Part D of Schedule II to the listing regulations and Section 178 of the Companies Act, 2013. The Committee monitors the Company's response to investor complaints. It has also been authorised to approve the issue of duplicate share certificates in lieu of those lost or destroyed.

Pursuant to Regulation 40(2) of the listing regulations, the power to approve transposition, transmission, and name deletion etc. of shares in their physical form have been delegated to a committee of executives of the Company.

As on March 31, 2021, there were no request for dematerialisation of shares which were pending.

During the Financial Year, 141 complaints were received from investors. These complaints mainly related to non-receipt of application forms, rights entitlement, non-receipt of shares in demat accounts after allotment in the Company's Rights Issue and dividends. All complaints have been resolved. There were no complaints pending as on March 31, 2021.

Report on Corporate Governance (Contd.)

5. RISK MANAGEMENT COMMITTEE

Committee and its Composition

The Risk Management Committee (RMC) comprises of a mix of Board Members and Senior Executives of the Company as under:

- Mr. Anil Kumar Nehru -Independent Director;
- Mr. Lakshminarayan Ganesh – Independent Director
- Mr. Vikramjit Singh Oberoi-Managing Director and Chief Executive Officer;
- Mr. Arjun Singh Oberoi, Managing Director - Development;
- Mr. Kallol Kundu - Chief Financial Officer; and
- Mr. Sameer Nayar-Executive Vice President-Strategic Development.

Mr. Anil Kumar Nehru is the Chairperson of the Committee. The quorum of the RMC shall be three members comprising of any two Board Member along with any one Senior Executive. The Company Secretary act as Secretary to the Committee.

Role of Board Committee on Risk Management

The Role of RMC is as under:

- Identifying new risks facing the Company and reviews existing risks for continuity and relevance;
- Identifying key risk owners who will be responsible for managing individual risks;
- Recommending key risk indicators (KRIs) and measurement criteria;
- Recommending mitigation plans as identified by individual key risk owners;

During the Financial Year, the RMC met twice on September 02, 2020 and on March 24, 2021.

Attendance of the members of the RMC during the FY21 is given below:

Name of the Member	Number of Meetings attended
Mr. Anil Kumar Nehru	2
Mr. Lakshminarayan Ganesh	2
Mr. Vikramjit Singh Oberoi	2
Mr. Arjun Singh Oberoi	2
Mr. Kallol Kundu	2
Mr. Sameer Nayar	2

Note: *Both meetings in the FY21 were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to the Covid-19 pandemic.*

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition, Meetings and Attendance

The Corporate Social Responsibility Committee (CSR Committee) comprises of four Board Members, namely, Mr. Rajeev Gupta, Independent Director, Mr. Shib Sanker Mukherji, Mr. Vikramjit Singh Oberoi and Mr. Arjun Singh Oberoi. Mr. Shib Sanker Mukherji, Executive Vice Chairman is the Chairperson of the Committee.

The quorum for a meeting of the CSR Committee is two members. The Company Secretary acts as Secretary to the Committee.

The CSR Committee met on August 10, 2020 during the Financial Year.

Attendance of members of the CSR Committee during the FY21 is given below:

Name of the member	No. of Meetings attended
Mr. Shib Sanker Mukherji, Chairperson	1
Mr. Vikramjit Singh Oberoi	1
Mr. Arjun Singh Oberoi	1
Mr. Rajeev Gupta	-

Note: *The meeting in the FY21 was held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to the Covid-19 pandemic.*

Role of CSR Committee

The Role of the CSR Committee is to formulate the CSR Policy and to take CSR initiatives in accordance with Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policies) Rules, 2014.

7. NOMINATION AND REMUNERATION COMMITTEE

Composition, Meetings & Attendance

The Nomination and Remuneration Committee ("NRC") comprises of four Board Members, three Non-Executive Independent Directors, namely, Mr. Anil Kumar Nehru, Mr. Lakshminarayan Ganesh, Mr. Rajeev Gupta and Mr. Prithvi Raj Singh Oberoi, Executive Chairman.

Mr. Lakshminarayan Ganesh is the Chairperson of the NRC.

The quorum for a meeting of the NRC is either two members or one third of the members of the Committee, whichever is greater, including one Independent Director in attendance. The Company Secretary acts as the Secretary to the Committee.

The NRC met three times during the Financial Year on June 26, 2020, August 13, 2020 and March 26, 2021

Attendance of the members of the NRC during the FY21 is given below:

Name of the Member	Number of Meetings attended
Mr. Lakshminarayan Ganesh, Chairperson	3
Mr. Anil Kumar Nehru	3
Mr. Rajeev Gupta	3
Mr. Prithvi Raj Singh Oberoi	2

Note: *All the meetings in the FY21 were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to the Covid-19 pandemic.*

Role of the Nomination and Remuneration Committee

The Role of the NRC are in accordance with regulation 19 and Part D of Schedule II to the listing regulations and sub-section (2), (3) and (4) of Section 178 of the Companies Act, 2013.

The NRC has formulated the following policies in accordance with the aforesaid provisions:

i) Director Appointment and Remuneration Policy;

ii) Senior Management Personnel (excluding Executive Directors) Appointment and Remuneration Policy.

The aforesaid policies are available on the Company's website https://www.eihltd.com/investors/corporate-governance/

Performance evaluation criteria for Independent Directors is as per the approved Board Evaluation Policy of the Company.

8. REMUNERATION OF DIRECTORS

a) Remuneration to Executive Directors

(Rupees million)

Name	Salary	Perquisites	Commission on Profits (Accrued)	Total
Mr. Prithvi Raj Singh Oberoi	-	2.90	-	2.90
Mr. Shib Sanker Mukherji	1.47	0.23	-	1.70
Mr. Vikramjit Singh Oberoi*	4.22	3.01	-	7.23
Mr. Arjun Singh Oberoi*	3.64	0.57	-	4.21
TOTAL	**9.33**	**6.71**	**-**	**16.04**

* including Retirement Benefits

Note: No stock option was given

b) Remuneration to Non-Executive Directors

Non-Executive Directors are not paid any remuneration by the Company. Non-Executive Directors who attend Board or Committee meetings are paid a sitting fee of ₹ 50,000 (Rupees fifty thousand only) for each sitting of the Board or Committee thereof. During the Financial Year, the Directors took a voluntary 50% reduction in the setting fee in view of uncertain business circumstances due to the Covid-19 pandemic. Accordingly, sitting fee of ₹ 25,000 was paid for each sitting of the Board or Committee thereof. During the year, the total amount paid to Non-Executive Directors for attending Board and Committee meetings amounted to ₹ 2.38 Million. No stock option was given to Directors of the Company.

c) Service Contracts of Executive Directors

Name	Tenure	Notice Period	Severance Fees
Mr. Prithvi Raj Singh Oberoi	27 Jun 17 to 26 Jun 22	6 months	As per Agreement
Mr. Shib Sanker Mukherji	27 Jun 17 to 26 Jun 22	6 months	As per Agreement
Mr. Vikramjit Singh Oberoi	01 Jul 19 to 30 Jun 24	6 months	As per Agreement
Mr. Arjun Singh Oberoi	01 Jul 19 to 30 Jun 24	6 months	As per Agreement

Report on Corporate Governance (Contd.)

d) Severance Fees

Severance fee, if any to Executive Directors is in accordance with Section 202 of the Companies Act, 2013.

9. GENERAL BODY MEETINGS

i) Location and time of the last three Annual General Meetings (AGMs) and Special Resolutions passed at these Meetings:

Financial Year ended	Location	Date	Time	Special Resolutions Passed
31 Mar 18	The Oberoi Grand, Kolkata	01 Aug 18	11.30 A.M	None
31 Mar 19	The Oberoi Grand, Kolkata	14 Aug 19	11.30 A.M	None
31 Mar 20	VC/ OAVM	14 Aug 20	11.30 A.M	None

(ii) Special Resolution passed through postal ballot: None

(iii) Person who conducted the postal ballot exercise

Not Applicable

(iv) Procedure for postal ballot

The postal ballot is conducted in accordance with the procedure set out in Section 110 of the Companies Act, 2013 read with rule 22 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations.

(v) Proposal to pass any special resolution through postal ballot

At the Board Meeting held on March 26, 2021, on the recommendation of the Nomination and Remuneration Committee held on the same day, the Board approved passing of the following four special resolutions through postal ballot:

- Payment of minimum remuneration to Mr. Prithvi Raj Singh Oberoi, Executive Chairman (DIN:00051894) for the FY21;
- Payment of minimum remuneration to Mr. Shib Sanker Mukherji, Executive Vice Chairman (DIN: 00103770) for the FY21;
- Payment of minimum remuneration to Mr. Vikramjit Singh Oberoi, Managing Director and Chief Executive Officer (DIN: 00052014) for the FY21;
- Payment of minimum remuneration to Mr. Arjun Singh Oberoi, Managing Director-Development (DIN: 00052106) for the FY21.

10. GENERAL DISCLOSURES

a) Related Party Transactions

(i) A summary of transactions with related parties, in the ordinary course of business and at arm's length is placed before the Audit Committee every quarter;

(ii) There were no material individual transactions with related parties that were not in the ordinary course of business and at arm's length during the Financial Year ended on March 31, 2021;

(iii) There were no material significant transactions during the Financial Year with related parties such as the promoters, directors, key managerial personnel, relatives or subsidiaries that could have potential conflict of interest with the Company;

(iv) The mandatory disclosure of transactions with related parties, in compliance with the Indian Accounting Standard (Ind AS-24), forms part of this Annual Report;

(v) The Related Party Transactions policy of the Company can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/related-party-transaction-policy/eih-rpt-policy-revised_2019.pdf

b) Capital Market non- compliances, if any

There were no instances of non-compliance by the Company on any matter relating to the capital markets during the past three years;

c) Vigil Mechanism/ Whistleblower Policy

The Company has a Whistleblower Policy which can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/other-policies/whistleblowerpolicyeih139final.pdf. It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee in terms of the policy. During the Financial Year, no complaint was received by the Whistle Officer or the Audit Committee.

d) Policies

In accordance with the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated the following policies which can be accessed on the Company's website https://www.eihltd.com/investors/corporate-governance/

i) Policy on Material Subsidiaries;

ii) Policy on Distribution of Dividend;

iii) Policy on Determination and Disclosure of Material Events;

iv) Policy on Preservation and Archival of Documents;

v) Risk Management Policy.

e) Insider Trading

The Company has formulated a Code of Conduct for prevention of insider trading in the shares of the Company for Directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment), Regulations, 2018. The Code of Conduct for Prevention of Insider Trading, Code of Fair Disclosure of Unpublished Price Sensitive Information and Policy and procedure for inquiry in case of leak of Unpublished Price Sensitive Information can be accessed on the Company's website https://www.eihltd.com/-/media/eihltd/pdf-files/polices-and-code-of-conduct/insider-trading/code-of-conduct-for-insider-trading-with-amendments-jan-2020.pdf

f) Independent Directors Meeting

During the year, one Independent Directors Meeting was held through video conference on March 26, 2021 to review the performance of the Non-Independent Directors, performance of the Committees, performance of the Chairperson and the Board as a whole. The Independent Directors also evaluated the quality, quantity and timeliness of information exchange between the Company Management and the Board.

g) Board Evaluation

The Company has put in place a Board Evaluation process. A note on this is provided in the Directors' Report.

h) Prevention of Sexual Harassment at Workplace

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") the complaints received and resolved during the Financial Year is as under:

Number of Complaints filed during the year	Nil
Number of Complaints disposed of during the year	Nil
Number of Complaints pending as at the end of the Financial Year	Nil

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) and filed necessary returns required to be filed under the POSH Act.

i) Internal Controls

The Company has put in place adequate Internal Control Systems and Procedures including adequate Financial Controls with reference to Financial Statement.

j) Certificate from Company Secretary in Practice regarding Non-disqualification of Directors

In accordance with regulation 34(3) and schedule V para C of clause (10) (i) of the listing regulations, a certificate from the Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is attached and forms part of this report.

k) Fee to Statutory Auditors

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the Financial Year is ₹ 28.92 million.

l) Committee Recommendations

There has been no instance where the Board has not accepted any recommendation of/submission by any Committee which is mandatorily required, in the FY21.

m) Non- mandatory requirements

The Company is complying with the non-mandatory requirement of separation of the post of Chairperson and Managing Director.

11. MEANS OF COMMUNICATION

The Annual report for each Financial Year is mailed to all shareholders in the month of July of each calendar year. Each report contains standalone and consolidated financial statement of the company for the Financial Year along with notes to accounts, the Directors' and Auditor's reports and its annexures, secretarial auditor's report and its annexures, Business Responsibility Report, Management Discussion and Analysis and the Corporate Governance Report.

Report on Corporate Governance (Contd.)

The financial results or the extract of the financial results, as the case may be, of the Company were officially released or will be released in accordance with the following schedule:

SL No	Nature of Communication	Media used for Publication	Dates of Publication	Forwarded/to be forwarded to Stock Exchanges on
1	Quarterly unaudited financial results (Q1 FY21)	Newspapers	15 Aug 20	13 Aug 20
2	Half-yearly unaudited financial results (Q2 FY21)	Newspapers	05 Nov 20	04 Nov 20
3	Quarterly unaudited financial results (Q3 FY21)	Newspapers	30 Jan 21	29 Jan 21
4	Annual audited financial statement FY 21	Newspapers	08 May 21	07 May 21

Note: only extract of the financial results are being published.

The financial result is published in The Economic Times, The Times of India and Eoi Samay (Bengali).

The presentation on Financial Results made for Analyst/ Institutional Investors call/meetings are shared with the stock exchanges and Analyst/ Institutional Investors within 30 minutes of the conclusion of the Board Meeting along with the Financial Results. The presentation is also uploaded on the Company's website https://www.eihltd.com/investors/disclosure

All corporate information filed by the Company with the stock exchanges are uploaded on https://neaps.nseindia.com/NEWLISTINGCORP/ (NSE) and www.listing.bseindia.com (BSE) and can be viewed on the website of stock exchanges i.e. www.nseindia.com, www.bseindia.com. The information is also available on the Company's website https://www.eihltd.com/investors/disclosure

The Management Discussion and Analysis and Business Responsibility Report for the Financial Year forms part of the Directors' Report.

12. GENERAL SHAREHOLDER INFORMATION

a. The Seventy First Annual General Meeting (AGM) will be held at 11.30 A.M. on Friday July 30, 2021. The AGM will be conducted through Video Conference ("VC")/Other Audio Visual Means ("OVAM") in accordance with Ministry of Corporate Affairs ("MCA") circulars dated April 08, 2020, April 13, 2020, May 05, 2020, June 15, 2020 and January 13, 2021 which permits Companies to hold the Annual General Meeting up to December 31, 2021 through Video Conference without the physical presence of the members. In compliance with the circulars, the Annual General Meeting is being held through Video Conference/ Other Audio Visual Means.

b. The tentative Financial calendar is as follows:

Audited Financial Statement for 2020-21	Friday	07 May 21
E-mailing of Annual Report for 2020-21	on or before	08 Jul 21
Unaudited First Quarter Financial Result 2021-22	Thursday	29 Jul 21
Seventy first Annual General Meeting	Friday	30 Jul 21
Unaudited Second Quarter Financial Result 2021-22	Friday	29 Oct 21

c. Register of Shareholders

The Register of Shareholders will remain closed from July 23, 2021 to July 25, 2021, both days inclusive.

d. Payment of dividend

As the Company has incurred a loss in the Financial Year, the Board of Directors have decided not to recommend a dividend to the shareholders for the FY21.

e. Listing of Shares on Stock Exchanges

During the year, the Company voluntarily delisted its equity shares from the Calcutta Stock Exchange Ltd. The other Stock Exchanges having nationwide trading terminals where the Company's shares are continued to be listed along with their respective stock codes are as follows:

Name & Address of the Stock Exchange	Stock Code
BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001	500840
The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai – 400 051	EIHOTEL

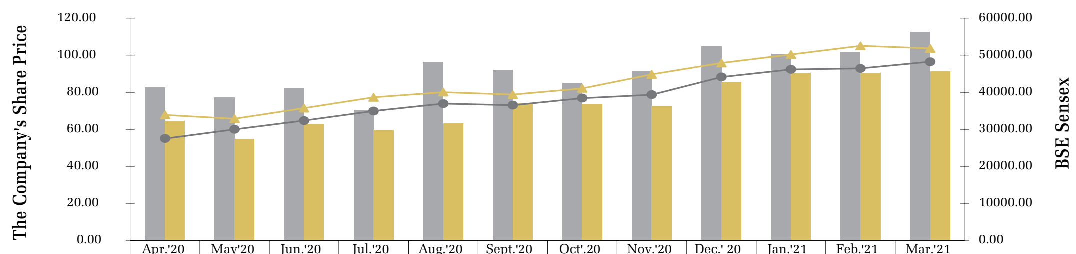
The ISIN Number of the company's shares in the dematerialised mode is INE 230A01023.

There are no arrears of listing fees to the stock exchanges.

f. Market Price of the company's share versus Sensex and Nifty (in Rupees)

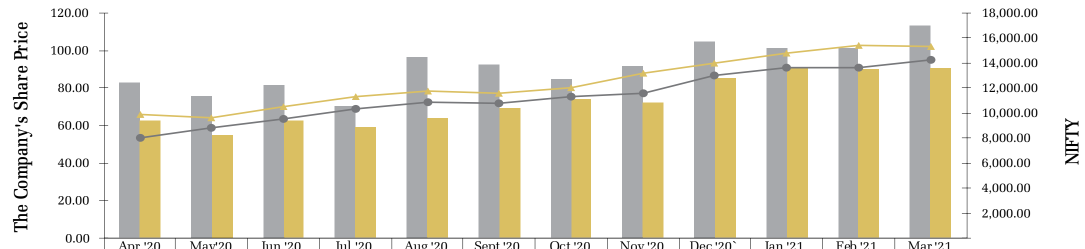
The Company's monthly share price pattern during the Financial Year versus the Sensex and the Nifty has been as follows:

A. The Company's Share Price versus Sensex



	Apr.'20	May'20	Jun.'20	Jul.'20	Aug.'20	Sept.'20	Oct'.20	Nov.'20	Dec.' 20	Jan.'21	Feb.'21	Mar.'21
Sh.Price(High)	82.45	77.00	82.00	70.35	96.40	92.00	84.90	91.25	104.85	100.65	101.50	112.50
Sh.Price(Low)	64.50	54.70	62.75	59.50	63.00	74.00	73.45	72.45	85.20	90.30	90.30	91.25
Sensex(High)	33887.25	32845.48	35706.55	38617.03	40010.17	39359.51	41048.05	44825.37	47896.97	50184.01	52516.76	51821.84
Sensex(Low)	27500.79	29968.45	32348.10	34927.20	36911.23	36495.98	38410.20	39334.92	44118.10	46160.46	46433.65	48236.35

B. The Company's Share Price versus Nifty



	Apr.'20	May'20	Jun.'20	Jul.'20	Aug.'20	Sept.'20	Oct.'20	Nov.'20	Dec.'20`	Jan.'21	Feb.'21	Mar.'21
Sh.Price(High)	82.70	76.00	81.50	70.50	96.30	92.15	84.50	91.50	105.00	101.00	101.35	113.00
Sh.Price(Low)	62.90	54.75	62.45	59.30	64.00	69.30	74.00	71.90	85.30	90.35	90.10	90.45
Nifty(High)	9,889.05	9,598.85	10,553.1	11,341.4	11,794.2	11,618.1	12,025.4	13,145.8	14,024.8	14,753.5	15,431.7	15,336.3
Nifty(Low)	8,055.80	8,806.75	9,544.35	10,299.6	10,882.2	10,790.2	11,347.0	11,557.4	12,962.8	13,596.7	13,661.7	14,264.4

Report on Corporate Governance (Contd.)

g. Unclaimed Suspense Account

The Company has a demat account namely "EIH Ltd-Unclaimed Suspense A/c" with ICICI Bank Limited. The Shares remaining unclaimed as on March 31, 2021 in the Suspense Account are as under:

Particulars	No. of Shareholders	No. of Shares	%of Shares capital
Aggregate number of Shareholders and outstanding shares as on 01 Apr 20	300	122,805	0.02
Shareholders who had approached the Company and whose shares were transferred from the suspense account during the year	-	-	-
Shareholders whose shares were transferred to Investor Education and Protection fund	65	23,197	0.01
Aggregate number of Shareholders and outstanding shares lying as on 31 Mar 21	235	99,608	0.01

Note: voting rights on these shares will remain frozen till the rightful owner claim these shares.

During the year, the Company issued and allotted equity shares to the existing shareholders on rights basis. Some of the shares allotted remain unclaimed and are lying in the EIH RIGHTS ALLOTMENT SUSPENSE DEMAT ACCOUNT maintained by the Company in accordance with SEBI (Issue of capital and disclosure requirements) Regulations, 2018 (ICDR Regulations) for want of documents and/or opening of demat account(s) by the shareholders. As per ICDR Regulations, the shares can be allotted by the Company only in the dematerialised mode even to those shareholders holding shares in physical mode and have applied in the rights issue. As on March 31, 2021, 41 shareholders aggregating to 2,511 shares have not claimed their shares and are lying unclaimed in the EIH RIGHTS ALLOTMENT SUSPENSE DEMAT ACCOUNT.

h. In accordance with Section 20, 101 and 136 of the Companies Act, 2013 and rules made there under, the Annual Report, Notices of the Annual General Meeting, Postal Ballot notice, circulars etc., are being sent by electronic means to those Shareholders whose e-mail addresses are made available to the Company by the Shareholders and the depository. Documents e-mailed to Shareholders are also available on the Company's website https://www.eihltd.com/investors/annual-reports/ to enable Shareholders to read and download a copy, if required.

13. SHARE TRANSFERS

The Company is a SEBI recognised Category-II Share transfer Agent. Requests for dematerialisation and re-materialisation should be sent to the Company's Investors Services Division, ("ISD"), 7, Shamnath Marg, Delhi - 110 054.

The Company's Shares are traded on the Stock Exchanges in the compulsory dematerialised form. Shareholders are requested to ensure that their depository participants ("DPs") promptly send physical documents, i.e. Dematerialisationrequest form ("DRF"), Share certificates, etc. to the ISD by providing the DematerialisationRequest Number ("DRN").

Dematerlization

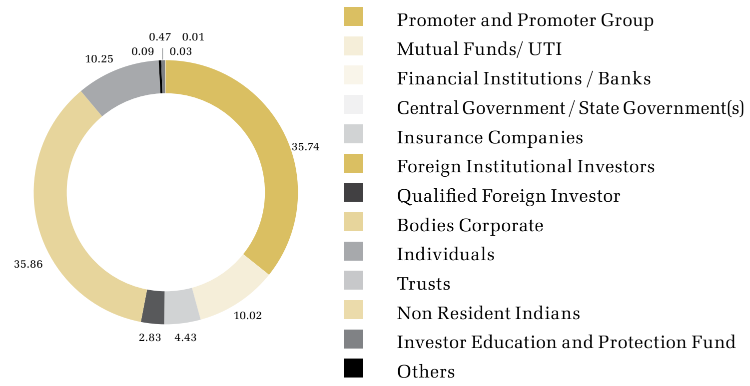
As on March 31, 2021, 620.33 million Shares of the Company (representing 99.20% of the total shares) were held in the dematerialised form and 5.03 million Shares (representing 0.80% of the total shares) were held in the physical form. As on March 31, 2021, the total number of shareholders were 91,251 out of which 82,447 (90.35%) were holding shares in a dematerialised form. The balance 8,804 (9.65%) shareholders continued to hold shares in the physical form. Shares of Company are listed on the two stock exchanges with nationwide terminal viz. BSE and NSE. The shares are frequently traded on these exchanges.

14. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Shareholding Range	No. of Shareholders	% of Shareholders	No. of shares	% of Shareholding
Up to – 1000	77,975	85.45	1,54,10,023	2.46
1001 – 5000	11,377	12.47	2,37,28,006	3.79
5001 – 10000	1,148	1.26	81,23,763	1.30
10001 – 50000	597	0.65	1,16,57,418	1.87
50001 – 100000	48	0.05	33,36,606	0.54
100001 and above	106	0.12	56,31,08,366	90.04
Total	**91,251**	**100.00**	**62,53,64,182**	**100.00**

15. PATTERN OF SHAREHOLDING AS ON MARCH 31, 2021

Sr. No.	Particulars	Total Shareholdings as % of total no of equity shares
1	Promoter and Promoter Group	35.74
2	Mutual Funds/ UTI	10.02
3	Financial Institutions / Banks	0.01
4	Central Government / State Government(s)	0
5	Insurance Companies	4.43
6	Foreign Institutional Investors	2.83
7	Qualified Foreign Investor	0
8	Bodies Corporate	35.86
9	Individuals	10.25
10	Trusts	0
11	Non Resident Indians	0.3
12	Investor Education and Protection Fund	0.47
13	Others	0.09
	Total	**100**



16. UNCLAIMED DIVIDENDS

All unclaimed dividends up to and including the Financial Year ended on March 31, 2013 have been transferred to the Investor Education and Protection Fund ("IEPF") as mandated under law.

In accordance with Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules), the Company has uploaded a Statement of Unclaimed Dividend amounts as on the date of the last Annual General Meeting in Form IEPF-2 on the website of Ministry of Corporate Affairs, www.mca.gov.in. This statement and details of Unclaimed Dividends have also been uploaded on the Company's website, https://www.eihltd.com/investors/disclosure/. The year-wise Unclaimed Dividend position as on March 31, 2021 is: 2013-14- ₹ 4.69 Million, 2014-15- ₹ 4.84 Million, 2015-16 - ₹ 4.78 Million, 2016-17- ₹ 4.03 Million, 2017-18- ₹ 2.27 Million and 2018-19 – ₹ 2.08 Million.

Shareholders who have not encashed their dividend warrants relating to the subsequent Financial Years are reminded by the Investors Services Division (ISD) of the Company, from time to time, to claim their Dividends before transfer to the IEPF. Shareholders who have not encashed their dividend warrants relating to the Financial Year ended on March 31, 2014 and subsequent years are requested to contact the ISD.

17. TRANSFER OF SHARES HELD BY SHAREHOLDERS IF THEIR DIVIDEND REMAINED UNCLAIMED FOR SEVEN CONSECUTIVE YEARS TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY (IEPF)

In accordance with the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) (as amended), the Company is required to statutorily transfer the shares held by the Shareholders whose dividend has remained unclaimed for a consecutive period of seven years or more to IEPF.

The Company had sent notices by registered post to those shareholders who have not claimed their dividend for the past seven years or more to claim their dividend. Notices were also published in the newspapers on June 16, 2020 requesting shareholders to claim their dividend failing which their shares will be transferred to IEPF. As per IEPF Rules, the cut-off date for drawing the list of Shareholders was September 21, 2020.

Shareholders who have responded to the notice have been paid the dividend amount. For Shareholders from whom no response was received, the Company has transferred their shareholding to the demat account of the IEPF between November 03, 2020 to November 24, 2020. The details of shares transferred to IEPF are as under:

No. of Shareholders	No. of shares transferred
304	1,25,555

In accordance with the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended and as per explanation to IEPF Rules, all shares in respect of which dividend has been transferred to the Investor Education and Protection Fund on or before September 07, 2016, shall also be transferred by the Company to the Investor Education and Protection Fund.

In accordance with the aforesaid IEPF Rules, the corresponding shares in respect of the dividend for the below mentioned Financial Years were also transferred to IEPF. The details of shares transferred to IEPF are as under:

Financial Year	No. of Shareholders	No. of shares transferred
1998-99	22	12,687
2000-01	23	4,826
2002-03	10	1,604
2003-04	7	351
2004-05	25	5,996
2005-06	6	2,422
2006-07	9	1,913
2007-08	6	1,265

Report on Corporate Governance (Contd.)

The Company has also filed form IEPF-4 with the IEPF authority giving the details of shares transferred. The details of shares transferred are also available on the Company's website https://www.eihltd.com/investors/transfer-of-shares-to-iepf/. Shareholders are requested to follow the below mentioned procedure for claiming their shares/unclaimed dividend from IEPF:

a) Make an online application in Form IEPF-5 available on the website www.iepf.gov.in ;

b) Send a copy of the online application duly signed on each page by Shareholders/claimant along with copy of challan and all documents mentioned in Form IEPF-5 to the Company's Investors Services Division, 7, Shamnath Marg, Delhi-110 054 for verification of his/her claim;

c) The Company shall, within 15 days of receipt of the claim form, send a verification report to the IEPF Authority along with all documents submitted by the claimant;

d) On verification, the IEPF Authority shall release the shares/dividend directly to the claimant.

18. LOCATION OF HOTELS

A list of hotels and other business units owned as well as managed by the Company appears as an Annexure to this Report.

19. ADDRESS FOR CORRESPONDENCE

The Company's Registered Office is located at 4, Mangoe Lane, Kolkata-700 001.

Correspondence from shareholders on all matters should be addressed to:

The Investors Services Division (ISD)

EIH Limited

7, Shamnath Marg,

Delhi-110 054

Telephone No.:	91-11-2389 0505
Fax Nos.:	91-11-2389 0605
e-mail:	isdho@oberoigroup.com
e-mail for Investors Grievances:	invcom@oberoigroup.com

20. INFORMATION AS PER REGULATION 36(3) OF THE LISTING REGULATIONS

Information pursuant to regulation 36(3) of the listing regulations pertaining to particulars of directors to be reappointed at the forthcoming Annual General Meeting is enclosed as an annexure to the notice convening the Annual General Meeting.

21. COMPLIANCE CERTIFICATE

The Certificate from JUS & Associates, Practicing Company Secretaries regarding compliance of conditions of corporate governance in accordance with the provisions of the listing regulations is annexed and forms part of the report.

For and on behalf of the Board

Vikramjit Singh Oberoi
Managing Director &
Chief Executive Officer

Place: Delhi
Date: May 7, 2021

DECLARATION BY THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER UNDER REGULATION 34(3) AND SCHEDULE V (D) OF LISTING REGULATION REGARDING ADHERENCE TO THE CODE OF CONDUCT.

In accordance with regulation 34(3) and schedule V (D) of the listing regulations, I hereby confirm that all Directors and Senior Management Personnel of the Company have affirmed compliance with *The Oberoi Dharma*, the Code of Conduct, as applicable to them, for the Financial Year ended March 31, 2021.

Place: Delhi
Dated: May 7, 2021

Vikramjit Singh Oberoi
Managing Director & Chief Executive Officer

LIST OF SUBSIDIARY COMPANIES

A. Companies Incorporated in India

(1) Mumtaz Hotels Limited

(2) Mashobra Resort Limited

(3) Oberoi Kerala Hotels and Resorts Limited

B. Companies Not Incorporated in India

(1) EIH Flight Services Ltd

(2) EIH International Ltd

(3) EIH Holdings Ltd

(4) PT Widja Putra Karya

(5) PT Waka Oberoi Indonesia

(6) PT Astina Graha Ubud

LOCATIONS OF THE VARIOUS HOTELS AND OTHER BUSINESS UNITS

A. Hotels owned and operated by EIH Limited

The Oberoi, Mumbai	The Oberoi Udaivilās, Udaipur
The Oberoi, New Delhi	The Oberoi Vanyavilās, Ranthambhore
The Oberoi, Bengaluru	Trident, Nariman Point, Mumbai
The Oberoi Grand, Kolkata	
Trident, Bandra Kurla, Mumbai	

B. Hotels in which EIH Limited has ownership interest directly or through Subsidiary/Associate and managed directly or through a subsidiary

The Oberoi Amarvilās, Agra	Trident, Chennai
The Oberoi Rajvilās, Jaipur	Trident, Agra
Wildflower Hall, Shimla	Trident, Jaipur
(An Oberoi Resort)	Trident, Udaipur
The Oberoi Cecil, Shimla	Trident, Cochin
The Oberoi, Bali	Trident, Bhubaneswar
The Oberoi, Lombok	Trident, Hyderabad
The Oberoi, Mauritius	
The Oberoi Sahl Hasheesh, Egypt	
The Oberoi Marrakech, Morocco	

Report on Corporate Governance (Contd.)

C. Hotels managed by EIH Limited or a Subsidiary

The Oberoi, Gurgaon

The Oberoi, Dubai

The Oberoi Zahra, Nile Cruiser

Trident, Gurgaon

The Oberoi Sukhvilās, Near Chandigarh

The Oberoi, Al Zorah, Ajman (UAE)

D. Other Business Units owned and operated by EIH Limited

Motor Vessel Vrinda, Cochin	Oberoi Flight Services,	Mumbai,
(A Luxury Cruiser)		Delhi,
		Chennai,
		Kolkata

Oberoi Airport Services, Mumbai

Maidens Hotel, Delhi

Printing Press, Manesar, Gurgaon

Business Aircraft Charters

E. Other Business owned and operated through Jointly Controlled Entity Luxury car hire and car leasing

Note:

EIH Limited has strategic/substantial investments in hotels owned by subsidiary/associate companies. Overseas hotels are managed through a foreign subsidiary.

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
EIH Limited
4, Mangoe Lane,
Kolkata- 700001

We have examined the compliance of conditions of Corporate Governance by EIH Limited ("the Company"), for the year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time [hereinafter referred to as "Listing Regulations"].

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stated above.

Based on our examination of relevant records and according to the information and explanations provided and the representations given to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of the Listing Regulations for the year ended 31st March, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS -1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: May 7, 2021
Place: New Delhi
UDIN: F001551C000254188

Secretarial Audit Report

For the financial year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,

EIH Limited

4, Mangoe Lane,

Kolkata- 700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"EIH Limited"** ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021 ("the financial year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2021, according to the provisions of:

I. The Companies Act, 2013 ('the Act') as amended from time to time, and the Rules made there under read with notifications, exemptions and clarifications thereto;

II. The Securities Contracts (Regulation) Act, 1956 as amended from time to time, and the Rules made there under;

III. The Depositories Act, 1996 as amended from time to time, and the Regulations and Bye-laws framed there under;

IV. Foreign Exchange Management Act, 1999 as amended from time to time, and the Rules and Regulations made there under, to the extent applicable to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 viz.:

(a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time read with circular on Reporting of code of conduct violation.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time with respect to allotment of shares by the Company on rights basis to its existing shareholders during the financial year.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. However, these regulations are not applicable to the Company during the financial year since the Company does not have any such scheme in operation and hence, these regulations have not been considered for the purpose of this report.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time. However, these regulations are not applicable to the Company during the financial year since the Company has not raised any money through debt securities from the public and hence, these regulations have not been considered for the purpose of this report.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time, as the Company has obtained registration with SEBI, as Category II Share Transfer Agents, under these regulations.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended from time to time, with respect to voluntary delisting of Equity Shares of the Company from the Calcutta Stock Exchange during the financial year.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as amended from time to time However, these regulations are not applicable to the Company during the financial year since the Company has not bought back any of its securities and hence, these regulations have not been considered for the purpose of this report.

VI. Also, other significant policies and regulations specifically applicable to the Company, including:

a) Tourism Policy of Government of India and Classification of Hotels.

b) Food Safety and Standards Act, 2006 and Rules made there under.

c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made there under.

d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made there under.

e) Phonographic and Performance License.

f) Indian Explosives Act, 1884 and Rules made there under.

g) The Apprentices Act, 1961 and Rules made there under.

h) India Boiler Act, 1923

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with The National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited.

(iii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended from time to time, read with circulars issued there under.

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company ("the Board") is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director in terms of Companies Act, 2013 and Regulation 17 of the Listing Regulations.

2. Adequate notice has been given to all directors to schedule the Board Meetings during the financial year under review; agenda and detailed notes on agenda were sent properly before the scheduled meeting; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions were carried out unanimously. None of the members of the Board have expressed dissenting views on any of the agenda items during the financial year.

We further report that during the financial year:

1. The Company allotted 5,37,94,768 Equity Shares of face value of Rs. 2 each fully paid-up for cash at a price of 65 per equity share (including premium of 63 per equity share), on a rights basis to the existing Equity Shareholders of the Company in the ratio of 8 Equity Shares for every 85 Equity Shares held. The trading permission for the rights shares was received from BSE Ltd. and National Stock Exchange of India Ltd. on October 27, 2020 and from Calcutta Stock Exchange on November 02, 2020.

2. The Board in its meeting held on January 29, 2021, approved the voluntary delisting of the Company's 62,53,64,182 Equity Shares of face value Rs. 2 each from The Calcutta Stock Exchange Limited ("CSE") in accordance with Regulation 6(a) read with Regulation 7 of the SEBI (Delisting of Equity Shares) Regulations, 2009. Upon completion of the due process, CSE vide its letter dated March 04, 2021 granted voluntary delisting of equity shares of the Company on their exchange with effect from March 05, 2021.

3. The Board in its meeting held on March 26, 2021 approved an investment of MUR 100,000,000 in the equity share capital of EIH Flights Services Ltd (EIHFSL), a wholly owned subsidiary, pursuant to Section 179, 186 and other applicable provisions of The Act, subject to the provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder and the notifications, circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time, as applicable and such consent/approval of RBI or any other authority.

   The Board also approved providing corporate guarantee and repayment undertaking to SBM Bank (Mauritius) Ltd, for additional short term loan of MUR 7,600,000 sanctioned by them to EIHFSL, by including this in the existing security/guarantee provided to the Bank.

4. On the recommendation of Nomination & Remuneration Committee, the Board in its meeting held on March 26, 2021 approved payment of minimum remuneration, in the event of loss or inadequacy of profits in the FY21, to the Executive Directors of the Company subject to the approval of the shareholders of the Company. The Board also approved Notice of Postal Ballot in order to obtain shareholders' approval through ballot paper and remote e-voting. The voting to start on April 17 and end on May 17, 2021.

5. In accordance with the guidelines prescribed by the Ministry of Corporate Affairs (the "MCA") for holding general meeting/ conducting postal ballot through e-voting vide General Circular Nos. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 22/2020 dated June 15, 2020; (the "Relevant Circulars") the Company conducted its Annual General Meeting on August 14, 2020 through video conferencing.

We further report that during the financial year there were no other specific events/ actions having major bearing on the

Secretarial Audit Report (Contd.)

For the financial year ended March 31, 2021

Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific laws, under both Central and State legislations, reliance has been placed on the Compliance Certificate issued by the Company Secretary for each quarter as placed before the Board meeting, based on the reports and compliance certificates received by the Company from its hotels, resorts and service units etc. as part of the Company's compliance management and reporting system. Based on the aforesaid internal compliance certificates, we are of the opinion that the Company has generally complied with the following:

i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues.

ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum Wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations.

iii) Deposit of taxes relating to Income Tax and Goods & Services Tax and other applicable taxes including Tax deducted at source. However, cases of disputed tax liabilities of substantial amount are brought up at each Board meeting and appropriate action is taken and recorded in the minutes of meetings. Total amount of disputed tax liability forms part of the Contingent Liabilities in the 'Notes to Accounts' forming an integral part of the Financial Statements for the financial year.

iv) Applicable state and central laws, including those related to the Environment, Food Safety & Standards, Apprentice and Performance License, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported as part of Board process for compliance reporting and appropriate action is taken from time to time.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS – 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: May 07, 2021
Place: New Delhi
UDIN: F001551C000254111

This secretarial audit report is to be read with our letter of even date which is annexed and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members,
EIH Limited
4, Mangoe Lane,
Kolkata-700001

Our Secretarial Audit Report of even date for the financial year ended March 31, 2021 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and occurrence of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: May 7, 2021
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
EIH Limited
4, Mangoe Lane,
Kolkata- 700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of EIH Limited having CIN L55101WB1949PLC017981 and having registered office at 4, Mangoe Lane, Kolkata- 700001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Prithviraj Singh Oberoi	00051894	30 Mar 61
2.	Shib Sanker Mukherji	00103770	28 May 99
3.	Vikramjit Singh Oberoi	00052014	15 Dec 93
4.	Arjun Singh Oberoi	00052106	15 Dec 93
5	Nita Mukesh Ambani	03115198	31 Oct 11
6	Manoj Harjivandas Modi	00056207	31 Oct 11
7	Anil Kumar Nehru	00038849	23 Nov 02
8	Ganesh Lakshminarayan	00012583	30 Jan 08
9	Sudipto Sarkar	00048279	30 Oct 14
10	Rajeev Gupta	00241501	01 Nov 12
11	Chhavi Rajawat	06752959	30 Oct 17
12	Sanjay Bhatnagar	00867848	27 Aug 19

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS – 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: April 23, 2021
Place: New Delhi
UDIN: F001551C000170291

Secretarial Audit Report

For the financial year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
EIH Limited, and
Mashobra Resort Limited
Hotel Wildflower Hall,
Chharabra, Shimla
Himachal Pradesh-171012

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Mashobra Resort Limited" ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021 ("the financial year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2021, according to the provisions of:

I. The Companies Act, 2013 ("the Act") and the rules made thereunder read with notifications, exemptions and clarifications thereto;

II. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent applicable in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

III. Secretarial Standards issued by the Institute of Company Secretaries of India;

IV. Other significant laws specifically applicable to the Company, including:

a) Tourism Policy of Government of India and Classification of Hotels

b) Food Safety and Standards Act, 2006 and Rules made thereunder

c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder

d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder

e) Phonographic and Performance License

f) Indian Explosives Act, 1884 and Rules made thereunder

g) The Apprentices Act, 1961 and Rules made thereunder

h) India Boiler Act, 1923

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company is duly constituted in accordance with the provisions of the Companies Act, 2013. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. The Board in its Meeting held on August 11, 2020 appointed Mr. Devesh Kumar as a Director in the casual vacancy caused due to vacation of office by Mr. R D Dhiman.

3. During the financial year, adequate notice along with agenda and detailed notes on agenda was given to all directors for the meetings of the Board and its Committee(s) and in case of shorter notice, due compliance of relevant provisions of the Act and Secretarial Standards in this regard was made. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

4. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

5. In accordance with the guidelines prescribed by the Ministry of Corporate Affairs (the "MCA") for holding general meeting/ conducting postal ballot through e-voting vide General Circular Nos. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 22/2020 dated

June 15, 2020; (the "Relevant Circulars") the Company conducted its Annual General Meeting on June 26, 2020 through video conferencing.

6. The shareholders in its 25th Annual General Meeting held on June 26, 2020 appointed Mr. Anil Kumar Khachi and Mr. Prabodh Saxena, who were appointed by the Board in the casual vacancy/ies, as regular Directors liable to retire by rotation.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs affecting its going concern or alter the charter or capital structure or management or business operation or control etc., in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and State legislations, reliance has been placed on the quarterly Compliance Certificate and reporting by Mashobra Resorts Ltd. to the Company Secretary of the Company and the Compliance Certificate duly signed by the Company Secretary, as placed before the meeting of the Board of Directors of the Company as well as of EIH Limited ("EIHL"), the holding company, for each quarter. Also, the team of Chief Internal Auditor of EIHL conducts audit, of all hotels run by EIHL, along with unlisted material subsidiaries and joint venture companies of EIHL, which also covers compliances under applicable laws. Based on the aforesaid internal compliance management and certification mechanism, we are of the opinion that the Company has generally complied with the following:

i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues;

ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations;

iii) Deposit of taxes relating to Income Tax, Goods and Services Tax and other applicable taxes including Tax Deducted at Source. The estimated liability in respect of cases of disputed tax liabilities and other legal cases have been disclosed as contingent liability in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report;

iv) Applicable State and Central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights and Measures, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported to the Management and appropriate action is taken from time to time.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: April 23, 2021
Place: New Delhi
UDIN: F001551C000169642

This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members of
EIH Limited, and
Mashobra Resort Limited
Hotel Wildflower Hall,
Chharabra, Shimla
Himachal Pradesh-171012

Our Secretarial Audit Report of even date for the financial year ended March 31, 2021 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and occurrence of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: April 23, 2021
Place: New Delhi

Secretarial Audit Report

For the financial year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
EIH Limited, and
Mumtaz Hotels Limited
4, Mangoe Lane,
Kolkata-700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"Mumtaz Hotels Limited"** ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021 ("the financial year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2021, according to the provisions of:

I. The Companies Act, 2013 ("the Act") and the rules made thereunder, read with notifications, exemptions and clarifications thereto;

II. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder, to the extent applicable in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

III. Secretarial Standards issued by the Institute of Company Secretaries of India.

IV. Other significant laws specifically applicable to the Company, including:

   a) Tourism Policy of Government of India and Classification of Hotels.

   b) Food Safety and Standards Act, 2006 and Rules made thereunder.

   c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder.

   d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder.

   e) Phonographic and Performance License.

   f) Indian Explosives Act, 1884 and Rules made thereunder.

   g) The Apprentices Act, 1961 and Rules made thereunder.

   h) India Boiler Act, 1923

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company is duly constituted in accordance with the provisions of the Companies Act, 2013. The changes in the of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. During the financial year, adequate notice along with agenda and detailed notes on agenda was given to all directors for the meetings of the Board and its Committee(s) and in case of shorter notice, due compliance of relevant provisions of the Act and Secretarial Standards in this regard was made. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions were carried unanimously. None of the members of the Board expressed dissenting views on any of the agenda items during the financial year.

4. In accordance with the guidelines prescribed by the Ministry of Corporate Affairs (the "MCA") for holding general meeting/ conducting postal ballot through e-voting vide General Circular Nos. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 22/2020 dated June 15, 2020; (the "Relevant Circulars") the Company conducted its Annual General Meeting on July 10, 2020 through video conferencing.

Secretarial Audit Report (Contd.)

For the financial year ended March 31, 2021

5. The Shareholders of the Company in its Annual General Meeting ("AGM") held on July 10, 2020 appointed Dr. Chhavi Rajawat, one of the Independent Directors of EIH Limited ("EIHL"), the holding Company, as a Director of the Company in compliance with Regulation 24 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as applicable on EIHL.

Mr. Rajkumar Kataria who was appointed as an Additional Director by the Board effective March 31, 2020 was also appointed as a Director by the Shareholders in its AGM.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs affecting its going concern or alter the charter or capital structure or management or business operation or control etc., in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and State legislations, reliance has been placed on the quarterly compliance certificate and reporting by Mumtaz Hotels Limited to the Company Secretary of the Company and the Compliance Certificate duly signed by the Company Secretary, as placed before the meeting of the Board of Directors of the Company as well as of EIHL, the holding company, for each quarter. Also, the team of Chief Internal Auditor of EIHL conducts audit, of all hotels run by EIHL, along with unlisted material subsidiaries and joint venture companies of EIHL, which also covers compliances under applicable laws. Based on the aforesaid internal compliance management and certification mechanism, we are of the opinion that the Company has generally complied with the following:

i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues;

ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum Wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations;

iii) Deposit of taxes relating to Income Tax, Goods and Services Tax and other applicable taxes including Tax Deducted at Source. The estimated liability in respect of cases of disputed tax liabilities and other legal cases have been disclosed as contingent liability in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report;

iv) Applicable State and Central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights & Measures, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported to the Management and appropriate action is taken from time to time.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: April 23, 2021
Place: New Delhi
UDIN: F001551C000169719

This report is to be read with our letter of even date which is annexed as and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members of
EIH Limited, and
Mumtaz Hotels Limited
4, Mangoe Lane,
Kolkata-700001

Our Secretarial Audit Report of even date for the financial year ended March 31, 2021 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and occurrence of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Jus & Associates**

Company Secretaries
Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: P2010DE695800

Date: April 23, 2021
Place: New Delhi

Independent Auditor's Report

To The Members of EIH Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **EIH Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**ASSESSMENT OF IMPAIRMENT OF INVESTMENT IN A WHOLLY OWNED SUBSIDIARY OF THE COMPANY** (Refer Note 1(l)(iii), 8, 39, 53 to the standalone financial statements) The Company has a non-current investment in EIH Flight Services Ltd (EIHFSL), Mauritius, a wholly owned subsidiary of the Company, amounting to ₹ 558.55 Million (net of provision for impairment ₹ 626.33 Million). The Company is of the view that the operations of its subsidiary represent a single cash-generating unit ('CGU'). The Company performed an impairment assessment at the year end and concluded that the recoverable amount was lower than the carrying amount and accordingly, the Company recognised an impairment loss of ₹ 464.92 Million during the year in the Statement of Profit and Loss which has been recognised under "Exceptional items". (Refer Note 39). Due to the multitude of factors and assumptions involved in determining the forecasted revenues/cash flows, discount rate and terminal growth rate in the projection period, significant judgments are required to estimate the recoverable value. Hence, this is considered as a key audit matter.	**PRINCIPAL AUDIT PROCEDURES PERFORMED:** • We have understood and tested the design, implementation and operating effectiveness of the management controls over the assessment and conclusion over the impairment evaluation with regard to the investment in EIH Flight Services Ltd. • Assessed the appropriateness of the valuation model to determine the recoverable amount (Value in use). • Assessed the appropriateness of the key assumptions/ judgements used in determining the recoverable amount and the reasonableness of the future cash flow projections, the growth rates and the discount rate. • Assessed the reasonableness of the previously prepared projections to determine management's ability to forecast adequately and understand the reason for any material variances. • Considered sensitivity of reasonable possibility of changes in the key assumptions and inputs to determine the effect on the recoverable amount. • Checked mathematical accuracy of the model. • We involved our internal fair valuation specialist to test the valuation model, the discount rates and growth rate. • Assessed the adequacy of related disclosures in the notes to the standalone financial statements and their compliance with Ind AS.

Independent Auditor's Report (Contd.)

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including annexures to the Directors' Report, Business Responsibility Report, Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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 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 including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 standalone financial statements. Refer Note 45 to the standalone financial statements.

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 42 to the standalone financial statements.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer Note 46 to the standalone financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "ANNEXURE B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 21093474AAAAAX1520)

Place: Gurugram
Date: May 7, 2021

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of EIH Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 21093474AAAAAX1520)

Place: Gurugram
Date: May 7, 2021

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us and confirmation received from lenders in respect of immovable properties pledged with them for non-fund based facility and cash credit facility, the title deeds of immovable properties of land and buildings which are freehold, are held in the name of the Company, except for title deeds of two freehold land and buildings with gross and net carrying amount of ₹ 1,373.92 million of ₹ 1,302.84 million respectively, which are held in the name of an erstwhile company which was subsequently amalgamated with the Company. The Company does not have any immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the standalone financial statements.

(ii) In our opinion, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. The Company does not have any unclaimed deposits and accordingly the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us and the records of the Company examined by us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Luxury Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period	Amount unpaid (₹ Million)
The Income Tax Act, 1961	Income Tax	Assessing officer	2008-09 to 2009-10 ^	Nil
	Income Tax	Commissioner of Income Tax (Appeals)	2007-08 to 2008-09, 2010-11, 2014-15 to 2016-17 ^	Nil
Sub-total				**Nil ##**
Finance Act, 1994	Service Tax	The Customs Excise and Service Tax Appellate Tribunal	2011-12 and 2015-16	11.57
		Commissioner (Appeals)	2016-17	1.53
Sub-total				**13.10 #**
Central and Various State Sales Tax Acts	Sales Tax and Value Added Tax	Appellate Authority upto Commissioner level	2008-09 to 2016-17	47.64
		Rajasthan Tax Board	2011-12 to 2013-14	Nil
		Mumbai High Court	1999-00	1.23
Sub-total				**48.87 ^^**
Customs Act, 1962	Customs Duty	Delhi High Court	2008-09	429.66
Sub-total				**429.66**
The Rajasthan Tax on Luxuries (In Hotels and Lodging House) Act, 1990	Luxury Tax	Jodhpur High Court	2010-11 to 2013-14	1.11
Sub-total				**1.11 ****

^Period represents assessment year

Net of ₹ 266.05 million adjusted against amount paid under protest and refunds

Net of ₹ 0.51 million paid under protest

^^ Net of ₹ 6.10 million paid under protest

**Net of ₹ 2.40 million paid under protest

There are no dues in respect of Excise Duty and Goods and Services Tax which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has neither taken any loans or borrowings from financial institutions and government nor has issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of further public offer (rights issue) and the term loans have been applied by the Company during the year for the purposes for which they were raised.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, as applicable or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 21093474AAAAAX1520)

Place: Gurugram
Date: May 7, 2021

Standalone Balance Sheet

as at March 31, 2021

₹ Million

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	17,376.55	18,238.54
Right-of-use assets	5	3,667.90	3,874.39
Capital work-in-progress		1,524.49	1,129.34
Intangible assets	6	67.58	78.54
Investment property	7	1,058.82	1,084.83
Financial assets			
(i) Investments	8	7,657.43	8,121.66
(ii) Other non-current financial assets	9	1,825.58	1,805.82
Tax assets (net)	10	632.17	557.42
Other non-current assets	11	873.39	934.45
Total non-current assets		**34,683.91**	**35,824.99**
Current assets			
Inventories	12	434.54	522.71
Financial assets			
(i) Investments	13	99.33	-
(ii) Trade receivables	14	724.24	1,906.58
(iii) Cash and cash equivalents	15	40.62	51.96
(iv) Other bank balances	16	29.22	33.18
(v) Other current financial assets	17	57.35	53.48
Other current assets	18	504.20	745.28
Total current assets		**1,889.50**	**3,313.19**
Total assets		**36,573.41**	**39,138.18**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,250.73	1,143.14
Other equity	20	28,005.86	28,049.17
Total equity		**29,256.59**	**29,192.31**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	2,145.89	1,832.14
(ii) Lease liabilities		1,140.95	1,148.43
(iii) Other non-current financial liabilities	22	115.36	78.96
Provisions - non-current	23	217.47	244.14
Other non-current liabilities	24	8.61	11.17
Deferred tax liabilities - net	25	235.52	1,236.44
Total non-current liabilities		**3,863.80**	**4,551.28**
Current liabilities			
Financial liabilities			
(i) Borrowings	26	170.32	1,865.28
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	27	17.47	11.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	28	1,504.56	1,692.50
(iii) Lease liabilities		17.73	31.82
(iv) Other current financial liabilities	29	588.97	660.14
Provisions - current	30	179.63	191.20
Other current liabilities	31	974.34	941.74
Total current liabilities		**3,453.02**	**5,394.59**
Total liabilities		**7,316.82**	**9,945.87**
Total equity and liabilities		**36,573.41**	**39,138.18**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Standalone Statement of Profit and Loss

for the Year ended March 31, 2021

₹ Million

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	32	4,327.01	13,503.00
Other income	33	409.41	840.08
Total Income		**4,736.42**	**14,343.08**
Expenses			
Consumption of provisions, wines and others	34	699.83	1,688.29
Employee benefits expense	35	3,154.07	4,108.87
Finance costs	36	404.30	495.15
Depreciation and amortisation expense	37	1,199.62	1,342.03
Other expenses	38	3,219.25	5,451.71
Total expenses		**8,677.07**	**13,086.05**
Profit / (Loss) before exceptional items and tax		**(3,940.65)**	**1,257.03**
Exceptional items	39	(489.85)	(166.07)
Profit / (Loss) before tax		**(4,430.50)**	**1,090.96**
Tax expense	40		
Current tax		12.05	209.91
Deferred tax		(1,011.31)	(363.62)
Profit / (Loss) for the year		**(3,431.24)**	**1,244.67**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit obligations		41.27	(31.12)
- Tax relating to these items		(10.39)	7.83
Total other comprehensive income / (loss) for the year, net of tax		**30.88**	**(23.29)**
Total comprehensive income / (loss) for the year		**(3,400.36)**	**1,221.38**
Earnings per equity share (in ₹) - Face Value ₹ 2	50		
(1) Basic		(5.72)	2.15
(2) Diluted		(5.72)	2.15

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
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Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Standalone Statement of Cash Flows

for the Year ended March 31, 2021

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(4,430.50)	1,090.96
Adjustments for		
Depreciation and amortisation expense	1,199.62	1,342.03
Loss on disposal of property, plant and equipment (net)	13.16	16.51
Provision for impairment in value of investments in a subsidiary	464.92	161.40
Impairment loss in respect of property, plant and equipment	24.93	-
Bad debts and advances written off	0.42	0.60
Provision for doubtful trade receivables and advances with significant increase in credit risk	8.14	24.32
Fair value changes on investments measured at fair value through profit or loss (net)	(4.22)	2.13
Provisions/Liabilities written back	(29.02)	(29.22)
Profit on sale/redemption of investments (net)	(0.28)	-
Dividend income	(7.62)	(227.80)
Interest income	(44.34)	(123.75)
Rental income from investment property	(211.10)	(170.56)
Finance costs	404.30	495.15
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	1,173.78	317.70
(Increase)/Decrease in inventories	88.17	(19.12)
(Increase)/ Decrease in other current / non-current financial assets	69.21	(19.51)
(Increase)/Decrease in other current / non-current assets	245.38	(175.66)
Increase/(Decrease) in trade payables	(153.35)	(224.43)
Increase/(Decrease) in provisions	3.03	(1.30)
Increase/(Decrease) in other current /non-current financial liabilities	8.99	37.80
Increase/(Decrease) in other current /non-current liabilities	30.04	39.75
Cash from / (used in) operations	**(1,146.34)**	**2,537.00**
Income taxes paid (net of refund)	(86.80)	(18.74)
Net cash from / (used in) operating activities	**(1,233.14)**	**2,518.26**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(573.95)	(1,390.52)
Payments for investment property	(0.11)	(4.07)
Payments for intangible assets	(24.34)	(45.33)
Purchase of Investments	(110.55)	(0.02)
Proceeds from sale of investments	15.03	0.05
Rental income from investment property	211.10	170.56
Proceeds from sale of property, plant and equipment	15.02	85.46
Changes in other bank balances - deposits matured/(placed)	3.96	(0.43)
Dividend received	7.62	227.80
Interest received	13.16	89.23
Net cash from / (used in) investing activities	**(443.06)**	**(867.27)**

Standalone Statement of Cash Flows

for the Year ended March 31, 2021

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Rights issue of equity shares	3,496.66	-
Issue related expenses incurred on rights issue of equity shares	(32.02)	-
Proceeds from borrowings		
Non-current borrowings	2,645.70	250.00
Repayment of borrowings		
Non-current borrowings	(2,317.82)	(428.57)
Current borrowings	(1,694.96)	(381.36)
Interest paid	(309.72)	(398.31)
Repayment of lease liabilities	(119.04)	(109.69)
Dividends paid	(3.94)	(517.13)
Dividend distribution tax	-	(72.25)
Net cash inflow from / (used in) financing activities	**1,664.86**	**(1,657.31)**
Net decrease in cash and cash equivalents	(11.34)	(6.32)
Cash and cash equivalents at the beginning of the year	51.96	58.28
Cash and cash equivalents at the end of the year	**40.62**	**51.96**

Note:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Standalone Statement of changes in equity

for the Year ended March 31, 2021

A. EQUITY SHARE CAPITAL

	₹ Million
As at April 1, 2019	**1,143.14**
Changes in equity share capital during the year	-
As at March 31, 2020	**1,143.14**
Add: Issued during the year on Rights basis (refer note 56)	107.59
As at March 31, 2021	**1,250.73**

B. OTHER EQUITY

₹ Million

	Reserves and surplus				
	Capital redemption reserve	Securities premium	General reserve	Retained earnings - Surplus	Total
Balance as at April 1, 2019	**1,024.21**	**12,373.41**	**9,149.13**	**4,861.01**	**27,407.76**
Impact on adoption of Ind AS 116, net of tax (Refer note 48)	-	-	-	6.69	6.69
Profit / (Loss) for the year	-	-	-	1,244.67	1,244.67
Other comprehensive income / (loss) for the year, net of tax	-	-	-	(23.29)	(23.29)
	-	**-**	**-**	**1,228.07**	**1,228.07**
Allocations/Appropriations:					
Final dividend paid for the year 2018-19	-	-	-	(514.41)	(514.41)
Dividend distribution tax	-	-	-	(72.25)	(72.25)
	-	**-**	**-**	**(586.66)**	**(586.66)**
Balance as at March 31, 2020	**1,024.21**	**12,373.41**	**9,149.13**	**5,502.42**	**28,049.17**
Balance as at April 1, 2020	**1,024.21**	**12,373.41**	**9,149.13**	**5,502.42**	**28,049.17**
Securities premium on issue of shares on Rights basis (refer note 56)	-	3,389.07	-	-	3,389.07
Issue related expenses incurred on Rights issue of equity shares (refer note 56)	-	(32.02)	-	-	(32.02)
Profit / (Loss) for the year	-	-	-	(3,431.24)	(3,431.24)
Other comprehensive income / (loss) for the year, net of tax	-	-	-	30.88	30.88
	-	**3,357.05**	**-**	**(3,400.36)**	**(43.31)**
Allocations/Appropriations:	-	-	-	-	-
Balance as at March 31, 2021	**1,024.21**	**15,730.46**	**9,149.13**	**2,102.06**	**28,005.86**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

GENERAL INFORMATION

EIH Limited ("the Company") is a public Company limited by shares, incorporated and domiciled in India having its Registered Office at 4, Mangoe Lane, Kolkata – 700 001. The Company is primarily engaged in owning and managing premium luxury hotels and cruisers under the luxury 'Oberoi' and 'Trident' brands. The Company is also engaged in flight catering, airport restaurants, project management and corporate air charters.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements of EIH Limited. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

The standalone financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted, or a revision of an existing Accounting Standard requires a change in the accounting policy hitherto in use.

(ii) Historical Cost Convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Equity investments in entities other than subsidiaries, joint ventures and associates which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value;
- Customer loyalty programs

(iii) Use of Estimates

In preparing the standalone financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of standalone financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

b) Revenue Recognition

(i) Performance obligation in contracts with customers is met throughout the stay of guest in the hotel or on rendering of services and sale of goods.

(ii) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

(iii) Interest income is accrued on a time proportion basis using the effective interest rate method.

(iv) Interest income from debt instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(v) Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Timing of revenue recognition from major business activities

Hospitality Services:

- Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable or when collectability is certain. This includes room revenue and food and beverage revenue.
- Sale of printed material: Revenue from sale of printed and other materials is recognised when the

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Company transfers control of the materials to the buyer which usually coincides with the dispatch of materials.

Other Services:

- Revenue from shop license fee, management and marketing fee included under "Other services" is recognised on accrual basis as per terms of the contract. Shop license fees basically consists of license fees earned from letting of spaces for retail and office at the hotels. Management and marketing fee is earned from hotels managed by the Company, as a percentage of profit and revenue and are recognised when earned in accordance with the terms of the contract, when collectability is certain and when the performance criteria are met. Management fee and marketing fee are treated as variable considerations. In respect of laundry income, Spa income, guest transfers income and other allied services, the revenue is recognised by reference to the timing of the services rendered.
- Membership Fees: Membership fee consists of fees received from the Belvedere business club members. Membership joining fee is charged when the customer enrolls for membership programs and membership renewal fee is charged at the time of yearly renewal of the membership. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.
- Loyalty program: The Company operates loyalty program, under which the eligible customers earn points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues attributable to earned loyalty points is deferred and a contract liability is created and on redemption/expiry of such loyalty points, revenue is recognised at pre-determined rates.

c) Foreign Currency Translation

(i) Presentation Currency

The standalone financial statements are presented in INR which is the Functional Currency of the Company.

(ii) Transactions and Balances

Effective April 1, 2018, the Company had adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity had received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Sales made in any currency other than the functional currency of the Company are converted at the prevailing applicable exchange rate. Gain/Loss arising out of fluctuations in exchange rate is accounted for on realisation or translation into the reporting currency of the corresponding receivables at the year end.

Payments made in foreign currency including for acquiring investments are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

Revenue expenditure of all the overseas sales offices are converted at the average exchange rate for the year. Assets and liabilities other than property, plant and equipment are converted at the exchange rate prevailing at the close of the accounting year and property, plant and equipment are converted at the month-end exchange rate of the month of acquisition.

Foreign currency loans covered by forward contracts are realigned at the forward contract rates, while those not covered by forward contracts are realigned at the rates ruling at the year end. The differences on realignment is accounted for in the Statement of Profit and Loss.

d) Income Tax

Current income tax is recognised based on the taxable profit for the year, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company had adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The effect on adoption of Appendix C to Ind AS 12 – Income taxes was insignificant.

e) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the taxes are also recognised in other comprehensive income or directly in equity respectively.

f) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The Board of Directors of the Company, which has been identified as being the CODM, generally assesses the financial performance and position of the Company, and makes strategic decisions.

g) Leases

Effective April 1, 2019, the Company had adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The impact of adoption of the standard on standalone financial statements of the Company has been disclosed in the notes to standalone financial statements.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to certain leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as of April 1, 2019.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease assets and lease liabilities immediately before transition as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for land, building and vehicle leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred by the lessee less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company has made such adjustments during the periods presented. Refer note 5.

Lease liabilities and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company applies the practical expedient provided by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability. The interest cost on lease liability (computed using effective interest method), is expensed in the Statement of Profit and Loss.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

h) Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

i) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

in hand, cash at bank and demand deposits with the banks. It also includes short-term deposits with original maturities of three months or less.

j) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

k) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined based on cumulative weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Unserviceable/ damaged/discarded stocks and shortages are charged to the Statement of Profit and Loss.

l) Investments and other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in the Statement of Profit and Loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(a) Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss

(b) Equity Instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income Recognition

Interest income: Interest income from debt instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

m) Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

n) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than hotel buildings and owned flight kitchen buildings is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. Buildings on leasehold land (other than perpetual lease) are depreciated over the useful life or over the remaining lease period whichever is shorter.

The hotel buildings and owned flight kitchen buildings are depreciated equally over the balance useful life ascertained by independent technical expert as on March 31, 2021, which ranges between 22 years and 54 years for hotel buildings and 46 years and 55 ½ years for owned flight kitchen buildings and the total useful life of the said buildings are higher than those specified by Schedule II to the Companies Act, 2013. The management believes that the balance useful lives so assessed best represent the periods over which

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

hotel buildings and owned flight kitchen building are expected to be in use. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year.

Freehold land is not depreciated.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/(losses).

o) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the intangible assets.

p) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's 'Property, plant and equipment' requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Depreciation methods, useful lives and residual values are in accordance with the policy of property, plant and equipment.

q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

r) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs is measured at amortised cost using effective interest rate method.

s) Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the standalone financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

t) Employee Benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(ii) Post-employment Obligations

The Company operates the following post-employment schemes:

Gratuity obligations –

Maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Leave encashment on termination of service –

The liabilities for earned leave are expected to be settled on termination/ completion of service of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Provident Fund –

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

u) Dividends

Liability is created for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity.

v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the year attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year,

(ii) Diluted earnings per share

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

w) Government Grants/incentives

Government grants/ incentives that the Company is entitled to on fulfillment of certain conditions, but are available to the Company only on completion of some other conditions, are recognised as income at fair value on completion of such other conditions.

Grants/incentives that the Company is entitled to unconditionally on fulfillment of certain conditions, such grants/incentives are recognised at fair value as income when there is reasonable assurance that the grant/incentives will be received.

x) Investment in Subsidiaries, Joint Ventures and Associates

Investment in subsidiaries: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has

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for the Year ended March 31, 2021

rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

Investment in joint ventures and associates: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Company has significant influence.

The investment in joint ventures are carried at cost. The investment in associates are carried at cost except for those investments which were required to be fair valued until the investee had not become an associate. The carrying amount of such investments is the sum of fair value of the investment until the time the investee had not become an associate and the cost of investment as a result of which the investee became an associate entity. Any further investments made in that associate thereafter are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its investment in subsidiaries, joint ventures and associates recognised as at April 1, 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the investment in subsidiaries, joint ventures and associates.

y) Rounding of Amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest million with two decimals as per the requirement of Schedule III, unless otherwise stated.

2 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2021.

3 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Detailed information about each of these estimates or judgements is included in relevant notes together with information about the basis of calculation for each impacted line item in the standalone financial statements.

i) Useful life of the hotel buildings

In the case of hotel buildings forming part of property, plant and equipment of the Company, due to superior structural condition of such buildings, the management decided to assess the balance useful life by independent technical expert. As per the certificates of the technical expert as on March 31, 2021, the balance useful life of the hotel buildings ranges between 22 years and 54 years. The total useful life of the hotel buildings as assessed are higher than those specified by Schedule II to the Companies Act, 2013. The carrying amount of the hotel buildings is being depreciated over its residual life. Based on management evaluation performed at each reporting period, there has been no change in the earlier assessed useful life.

ii) Advance towards equity shares

In the case of Mashobra Resort Limited ("MRL"), several disputes with the Government of Himachal Pradesh, the joint venture partner, were referred by the High Court of Himachal Pradesh by an order dated December 17, 2003 to an Arbitral Tribunal consisting of a single Arbitrator. The Arbitrator's award dated July 23, 2005 was challenged both by the Company and MRL, amongst others, before the High Court of Himachal Pradesh. The operation of the Arbitration Award was stayed pending substantive hearing of the applications by the High Court. Consequently, the status quo ante

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for the Year ended March 31, 2021

of the entire matter was restored to the position as on December 17, 2003 and the hotel is being operated by MRL accordingly. The Company vide its letter dated April 4, 2012 requested MRL to account for the entire amount of ₹ 1,361.93 Million provided to MRL upto March 31, 2012 as 'Advance Towards Equity', including ₹ 130.00 Million being the opening balance of 'Advance Towards Equity'. In view of the above, the Company has shown the said amount of ₹ 1,361.93 Million as 'Advance Towards Equity' under Other non-current financial assets in its books of account.

The High Court, by virtue of an order dated February 25, 2016 which was made available to the Company in May 2016, decided not to interfere with the order of the Arbitrator. The Company amongst others, have preferred an appeal before the Division Bench of the High Court of Himachal Pradesh. By an Order dated June 27, 2016, Division Bench has stayed the Single Bench Judge Order dated February 25, 2016 and directed the parties to maintain status quo till the matter is finally heard and disposed off. The matter is pending before the Division Bench of the High Court of Himachal Pradesh for adjudication.

iii) Claims, provisions and contingent liabilities:

The Company has ongoing litigations with various regulatory authorities and third parties with respect to tax/legal matters. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the Company's control, or present obligations that are not recognised because it is not probable that a settlement will be required or the value of such a payment cannot be reliably estimated. These are subjective in nature and involve judgement in determining the likely outcome of such tax/legal matters.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

4 PROPERTY, PLANT AND EQUIPMENT

₹ Million

	Gross carrying amount						Accumulated depreciation						
	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 48)	Adjusted balance as at April 1, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2020	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 48)	Adjusted balance as at April 1, 2019	For the year	Less: Sales/ Adjustments	Balance as at March 31, 2020	Carrying value as at March 31, 2020
Freehold land (including development cost)	1,607.87	-	1,607.87	-	-	1,607.87	-	-	-	-	-	-	1,607.87
Land under finance lease	641.88	(641.88)	-	-	-	-	19.40	(19.40)	-	-	-	-	-
Buildings	12,676.03	-	12,676.03	233.67	74.81	12,834.89	926.44	-	926.44	271.75	4.48	1,193.71	11,641.18
Plant & equipment	6,106.32	-	6,106.32	462.85	49.80	6,519.37	2,243.25	-	2,243.25	612.86	28.47	2,827.64	3,691.73
Furniture & fittings	1,232.02	-	1,232.02	85.70	5.10	1,312.62	467.45	-	467.45	116.02	3.62	579.85	732.77
Vehicles	534.87	-	534.87	15.20	9.51	540.56	162.67	-	162.67	85.23	4.08	243.82	296.74
Office equipment	37.35	-	37.35	5.05	0.35	42.05	10.40	-	10.40	7.07	0.17	17.30	24.75
Vehicles under finance lease	105.97	(105.97)	-	-	-	-	51.43	(51.43)	-	-	-	-	-
Boats	40.83	-	40.83	-	0.17	40.66	10.95	-	10.95	1.97	0.05	12.87	27.79
Aircrafts	319.29	-	319.29	20.27	5.85	333.71	96.20	-	96.20	25.35	3.55	118.00	215.71
TOTAL	**23,302.43**	**(747.85)**	**22,554.58**	**822.74**	**145.59**	**23,231.73**	**3,988.19**	**(70.83)**	**3,917.36**	**1,120.25**	**44.42**	**4,993.19**	**18,238.54**

₹ Million

	Gross carrying amount				Accumulated depreciation					
	As at April 1, 2020	Additions during the year	Less: Sales / Adjustments during the year	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	As at March 31, 2021	Impairment Loss	Carrying value as at March 31, 2021
Freehold land (including development cost)	1,607.87	-	-	1,607.87	-	-	-	-	-	1,607.87
Buildings	12,834.89	48.62	7.72	12,875.79	1,193.71	271.91	0.91	1,464.71	0.88	11,410.20
Plant & equipment	6,519.37	117.67	61.87	6,575.17	2,827.64	485.66	44.42	3,268.88	3.16	3,303.13
Furniture & fittings	1,312.62	12.59	5.07	1,320.14	579.85	117.24	4.72	692.37	0.20	627.57
Vehicles	540.56	2.05	5.54	537.07	243.82	81.40	3.08	322.14	0.13	214.80
Office equipment	42.05	0.15	0.29	41.91	17.30	7.18	0.05	24.43	-	17.48
Vehicles under finance lease	-	-	-	-	-	-	-	-	-	-
Boats	40.66	-	-	40.66	12.87	1.15	-	14.02	20.56	6.08
Aircrafts	333.71	-	-	333.71	118.00	26.29	-	144.29	-	189.42
Total	**23,231.73**	**181.08**	**80.49**	**23,332.32**	**4,993.19**	**990.83**	**53.18**	**5,930.84**	**24.93**	**17,376.55**

4 (i) Assets held as security

Refer to note 21 & 26 for disclosure of assets held as security.

(ii) Interest capitalised to qualifying assets

Refer to note 36 for disclosure of amount capitalised to qualifying assets.

(iii) Contractual obligations

Refer to note 47 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

5 RIGHT-OF-USE ASSETS

₹ Million

	Gross carrying amount						Accumulated depreciation						Carrying value as at March 31, 2020
	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 48)	Adjusted balance as at April 1, 2019	Additions during the year	Less: Sales / Adjustments during the year	Balance as at March 31, 2020	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 48)	Adjusted balance as at April 1, 2019	For the year	Less: Sales/ Adjustments	As at March 31, 2020	
Land	-	3,979.01	3,979.01	-	-	3,979.01	-	19.40	19.40	129.59	-	148.99	3,830.02
Buildings	-	0.88	0.88	1.19	-	2.07	-	-	-	0.64	-	0.64	1.43
Vehicles	-	105.97	105.97	14.42	21.12	99.27	-	51.43	51.43	25.22	20.32	56.33	42.94
Total	**-**	**4,085.86**	**4,085.86**	**15.61**	**21.12**	**4,080.35**	**-**	**70.83**	**70.83**	**155.45**	**20.32**	**205.96**	**3,874.39**

₹ Million

	Gross carrying amount				Accumulated depreciation				Carrying value as at March 31, 2021
	As at April 1, 2020	Additions during the year	Less: Sales / Adjustments during the year	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	As at March 31, 2021	
Land*	3,979.01	-	66.32	3,912.69	148.99	125.64	4.66	269.97	3,642.72
Buildings	2.07	-	0.44	1.63	0.64	0.59	0.20	1.03	0.60
Vehicles	99.27	3.66	5.07	97.86	56.33	21.14	4.19	73.28	24.58
TOTAL	**4,080.35**	**3.66**	**71.83**	**4,012.18**	**205.96**	**147.37**	**9.05**	**344.28**	**3,667.90**

* Sales/Adjustments to right-of-use assets - Land, amounting to ₹ 66.32 Million to gross carrying amount and ₹ 4.66 Million to accumulated depreciation are on account of adjustment for remeasurement of the carrying amount of lease liabilities to reflect revised in-substance fixed lease payments, as per the terms of the Company's lease agreement with Delhi International Airport Limited (DIAL) for its flight kitchen facility at New Delhi.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

6 INTANGIBLE ASSETS

₹ Million

	Gross carrying amount				Accumulated depreciation				Carrying value as at March 31, 2020
	As at April 1, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2020	As at April 1, 2019	For the year	Less: Sales/ Adjustments	As at March 31, 2020	
Computer software	170.66	45.33	-	215.99	97.24	40.21	-	137.45	78.54
Total	**170.66**	**45.33**	**-**	**215.99**	**97.24**	**40.21**	**-**	**137.45**	**78.54**

₹ Million

	Gross carrying amount				Accumulated depreciation				Carrying value as at March 31, 2021
	As at April 1, 2020	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	As at March 31, 2021	
Computer software	215.99	24.34	-	240.33	137.45	35.30	-	172.75	67.58
Total	**215.99**	**24.34**	**-**	**240.33**	**137.45**	**35.30**	**-**	**172.75**	**67.58**

Intangible assets are amortised on straight line basis over their estimated useful lives, which is generally between 3 to 5 years.

7 INVESTMENT PROPERTY

₹ Million

	Gross carrying amount				Accumulated depreciation				Carrying value as at March 31, 2020
	As at April 1, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2020	As at April 1, 2019	For the year	Less: Sales/ Adjustments	As at March 31, 2020	
Buildings	989.66	3.47	-	993.13	14.43	15.67	-	30.10	963.03
Plant & equipment	141.01	0.60	-	141.61	9.36	10.45	-	19.81	121.80
Total	**1,130.67**	**4.07**	**-**	**1,134.74**	**23.79**	**26.12**	**-**	**49.91**	**1,084.83**

₹ Million

	Gross carrying amount				Accumulated depreciation				Carrying value as at March 31, 2021
	As at April 1, 2020	Additions during the year	Less: Sales/ Adjustments during the year	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	As at March 31, 2021	
Buildings	993.13	-	-	993.13	30.10	15.67	-	45.77	947.36
Plant & equipment	141.61	0.11	-	141.72	19.81	10.45	-	30.26	111.46
Total	**1,134.74**	**0.11**	**-**	**1,134.85**	**49.91**	**26.12**	**-**	**76.03**	**1,058.82**

The assets relating to The Oberoi Corporate Tower, Gurugram have been classified as Investment property as per IndAS 40. The fair value of the same as assessed by the management is ₹ 2,033.20 Million (P.Y. ₹ 2,491.73 Million) by applying the discounted cash flow approach using level 2 inputs of fair value hierarchy as outlined in IndAS 113 - Fair Value Measurement. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

The rental income generated from Investment property is ₹ 211.10 Million (2020: ₹ 170.56 Million)

The expenses incurred by investment property are as follows :

i) Directly relating to rental income - ₹ 75.08 Million (2020: ₹ 77.64 Million)

ii) Not directly relating to rental income - ₹ 37.26 Million (2020: ₹ 30.42 Million)

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

8 INVESTMENTS

₹ Million

	As at March 31, 2021	As at March 31, 2020
A. INVESTMENTS IN EQUITY INSTRUMENTS (FULLY PAID)		
(i) Quoted -		
In associate (equity investments at cost)		
11,215,118 (2020 - 11,215,118) equity shares of ₹ 10 each of EIH Associated Hotels Limited fully paid	1,010.72	1,010.72
In other entities (equity investments at fair value through profit or loss)		
25,000 (2020 - 25,000) equity shares of ₹ 10 each of Tourism Finance Corporation of India Limited fully paid	1.55	0.85
(ii) Unquoted -		
In Joint ventures (equity investments at cost)		
12,705,884 (2020 - 12,705,884) equity shares of ₹ 10 each of Mercury Car Rentals Private Limited fully paid	348.25	348.25
In associates (equity investments at cost)		
125,501 (2020 - 125,501) equity shares of ₹ 10 each of Usmart Education Limited fully paid*	-	-
In subsidiary companies (equity investments at cost)		
106,607,800 (2020 - 106,607,800) equity shares of USD 1 each of EIH International Ltd fully paid	5,082.76	5,082.76
25,999,995 (2020 - 25,999,995) equity shares of ₹ 10 each of Mashobra Resort Limited fully paid	260.04	260.04
2,176,000 (2020 - 2,176,000) equity shares of ₹ 10 each of Oberoi Kerala Hotels and Resorts Limited fully paid	21.76	21.76
Less: Provision for impairment in value of investments	(21.76)	(21.76)
	-	-
12,390,000 (2020 - 12,390,000) equity shares of ₹ 10 each of Mumtaz Hotels Limited fully paid	394.72	394.72
69,044,006 (2020 - 69,044,006) equity shares of Mauritian Rupees 10 each of EIH Flight Services Ltd, Mauritius fully paid	1,184.88	1,184.88
Less: Provision for impairment in value of investments (refer note 53)	(626.33)	(161.40)
	558.55	1,023.48
In Other entities (equity investments at fair value through profit or loss)		
41,858,400 (2020 - 41,858,400) equity shares of ₹ 10 each of Golden Jubilee Hotels Private Limited fully paid	418.58	418.58
Less: Provision for impairment in value of investments (refer note 41(iv))	(418.58)	(418.58)
	-	-
13,200 (2020 -13,200) equity shares of ₹ 10 each of Green Infra Wind Generation Limited fully paid	0.13	0.13
4,200 (2020 - 4,200) equity shares of ₹ 10 each of ReNew Wind Energy (Karnataka) Private Limited fully paid	0.42	0.42
Total Investments in equity instruments	**7,657.14**	**8,121.37**
B. INVESTMENT IN GOVERNMENT SECURITIES (UNQUOTED) - AT AMORTISED COST		
National Savings Certificate (lodged with Government Authorities as security deposit)	0.29	0.29
Total Investment in government securities	**0.29**	**0.29**
Total non-current investments	**7,657.43**	**8,121.66**
Aggregate carrying amount of quoted investments	1,012.27	1,011.57
Aggregate market value of quoted investments	2,632.04	2,356.02
Aggregate carrying amount of unquoted investments	7,711.83	7,711.83
Aggregate amount of impairment in the value of investment	1,066.67	601.74

* Investment in Usmart Education Limited is ₹ 251

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

9 OTHER NON-CURRENT FINANCIAL ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Advances towards equity shares in:		
Subsidiary company		
Mashobra Resort Limited (refer note 3ii)	1,361.93	1,361.93
Security deposits	463.65	443.89
Total other non-current financial assets	**1,825.58**	**1,805.82**

10 TAX ASSETS (NET)

₹ Million

	As at March 31, 2021	As at March 31, 2020
Income tax asset (net)		
Opening balance	552.42	738.46
Add/(Less): Tax payable for the year	-	(204.78)
Add: Taxes paid	86.80	450.22
Add/(Less): Refund/adjustment for earlier years	(12.05)	(431.48)
Closing balance	**627.17**	**552.42**
Wealth tax asset (net)		
Opening balance	5.00	5.00
Add: Taxes paid	-	-
Closing balance	**5.00**	**5.00**
Total tax assets	**632.17**	**557.42**

11 OTHER NON-CURRENT ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Capital advances	57.24	114.00
Prepaid expenses	7.60	7.03
Other advances recoverable considered good - unsecured	2.31	3.84
Other advances recoverable which have significant increase in credit risk - unsecured	182.99	182.99
Less: Provision for doubtful advances	(182.99)	(182.99)
	-	-
Advances paid under protest	273.20	243.91
Services exports incentive	162.58	162.58
Prepaid rent relating to security deposit (assets)	370.46	403.09
Total other non-current assets	**873.39**	**934.45**

12 INVENTORIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Provisions, wines and others	184.05	256.57
Stores and operating supplies	250.49	265.15
Goods-in-transit (Operating supplies)	-	0.99
Total inventories	**434.54**	**522.71**

Inventories are valued at cost which is based on 'Cumulative weighted average method' or net realisable value, whichever is lower.

The cost of inventories recognised as an expense during the year as consumption of provisions, wines and others ₹ 699.83 Million (2020: ₹ 1,688.29 Million)

Inventories was after a write-off amounting to ₹ Nil (2020 - ₹ 4.30 Million) owing to the lockdown situation arising due to the global pandemic COVID-19.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

13 INVESTMENTS

(Investments at fair value through profit or loss)

₹ Million

	As at March 31, 2021	As at March 31, 2020
A. Investment in Mutual Funds (Quoted)		
1,313 (2020 - Nil) units of HDFC Mutual Fund - HDFC Nifty 50 ETF	2.05	-
71,800 (2020 - Nil) units of Nippon India Mutual Fund - CPSE ETF (RGESS)	1.63	-
Total Investments in Mutual Fund	**3.68**	**-**
B. Investment in Government Securities		
(i) Quoted -		
Central Government Securities		
7.16% GOI Loan 2023	4.74	-
7.94% GOI Loan 2021	1.11	-
8.20% GOI Loan 2025	1.10	-
8.20% GOI Loan 2024 (Oil)	1.08	-
8.24% GOI Loan 2027	1.10	-
8.35% GOI Loan 2022	2.09	-
8.79% GOI Loan 2021	3.09	-
8.97% GOI Loan 2030	1.18	-
9.15% GOI Loan 2024	1.12	-
10.25% GOI Loan 2021	1.01	-
State Government Securities		
7.39% Rajasthan Uday 2025	2.11	-
7.95% Maharashtra Loan 2023	1.59	-
8.21% West Bengal SDL 2025	1.09	-
8.22% J & K SDL SPL 2026	1.08	-
8.39% Rajasthan SPL SDL 2025	3.27	-
8.45% Karnataka Loan 2024	6.54	-
8.61% U P SPL Laon 2028	0.55	-
8.66% Maharashtra Loan 2022	1.04	-
8.66% Tamilnadu 2022	1.04	-
8.66% U P Loan 2028	7.82	-
8.83% U P Loan 2026	2.21	-
8.90% Maharashtra Loan 2022	3.21	-
9.12% A P Loan 2022	3.15	-
9.13% Gujarat Loan 2022	1.04	-
9.16% Rajasthan SPL Loan 2028	1.15	-
9.22% Gujarat Loan 2023	1.10	-
9.25% A P Loan 2021	2.07	-
9.37% Gujarat Loan 2023	1.11	-
9.71% Haryana Loan 2024	0.11	-
9.75% Gujarat Loan 2024	0.78	-
9.99% Rajasthan SPL Loan 2028	2.39	-
(ii) Unquoted -		
8.29% Mahanagar Telephone Nigam Limited 2024	2.17	-
9.00% Rajasthan Rajya Vidyut Utpadan Nigam Limited 2026	1.97	-
10.39% Himachal Pradesh State Electricity Board Limited 2026	0.95	-
Total Investment in Government securities	**67.16**	**-**

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for the Year ended March 31, 2021

₹ Million

	As at March 31, 2021	As at March 31, 2020
C. Investment in Bonds/Debt Securities (Unquoted)		
8.37% Housing and Urban Development Corporation Limited 2029	7.73	-
8.39% PNB Housing Finance Ltd 2026	1.01	-
8.58% PNB Housing Finance Ltd 2023	1.01	-
8.65% India Infradebt Limited 2021	3.10	-
8.67% IDFC First Bank Limited 2025	7.30	-
8.90% IDFC First Bank Limited 2025	1.05	-
9.00% Mahindra & Mahindra Financial Services Ltd 2026	1.06	-
9.36% IDFC First Bank Limited 2024	2.13	-
9.48% Power Finance Corporation Ltd. 2022	1.06	-
9.48% PNB Housing Finance Ltd 2024	2.02	-
9.48% Rural Electrification Corporation Limited 2021	1.02	-
Total Investment in Bonds/Debt securities	**28.49**	**-**
D. Investment in Other securities (Unquoted)		
9.30% Dewan Housing Finance Corporation Limited 2026	-	-
9.00% Reliance Capital Limited 2026	-	-
Total Investment in Other securities	**-**	**-**
Total Current Investments	**99.33**	**-**
Aggregate amount of quoted investments and market value there of	65.75	-
Aggregate carrying amount of unquoted investments	33.58	-

14 TRADE RECEIVABLES*

₹ Million

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Receivable from related parties [refer note 44(b)]	99.89	253.49
Receivable from other than related parties	624.35	1,653.09
	724.24	1,906.58
Unsecured, which have significant increase in credit risk		
Receivable from other than related parties	898.34	893.99
Less: Provision for doubtful trade receivables	(898.34)	(893.99)
	-	-
Total trade receivables	**724.24**	**1,906.58**

* Read with note 42(B) & 52(a)

15 CASH AND CASH EQUIVALENTS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- Current accounts	30.37	34.52
Cash in hand	8.93	9.43
Cheques in hand	0.71	3.50
Fixed deposits with original maturity of less than three months	0.61	4.51
Total cash and cash equivalents	**40.62**	**51.96**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

16 OTHER BANK BALANCES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Margin deposits	0.83	0.64
Unpaid dividend accounts	22.69	26.62
Fixed deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months from the balance sheet date	5.70	5.92
Total other bank balances	**29.22**	**33.18**

17 OTHER CURRENT FINANCIAL ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Interest accrued on deposits	5.07	2.83
Security deposits	25.25	25.53
Other receivables	27.03	25.12
Total other current financial assets	**57.35**	**53.48**

18 OTHER CURRENT ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	61.86	99.49
Other advances	259.21	229.95
Services exports incentive	-	292.25
Balance with government authorities	183.13	123.59
Total other current assets	**504.20**	**745.28**

19 EQUITY SHARE CAPITAL

₹ Million

	As at March 31, 2021	As at March 31, 2020
Authorised		
1,500,000,000 Equity shares of ₹ 2 each	3,000.00	3,000.00
(2020-1,500,000,000)		
	3,000.00	**3,000.00**
Issued, subscribed & fully paid		
625,364,182 Equity shares of ₹ 2 each	1,250.73	1,143.14
(2020-571,569,414)		
	1,250.73	**1,143.14**

i. Reconciliation of equity share capital

₹ Million

	Number of shares	Equity share capital (par value)
As at April 1, 2019	**571,569,414**	**1,143.14**
Change during the year	-	-
As at March 31, 2020	**571,569,414**	**1,143.14**
Add: Issued during the year on Rights basis (refer note 56)	53,794,768	107.59
As at March 31, 2021	**625,364,182**	**1,250.73**

ii. Rights and preferences attached to equity shares :

The Company has one class of equity shares having a par value of ₹ 2 per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

iii. Details of shareholders holding more than 5 percent shares in the Company :

₹ Million

	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	% holding	Number of Shares	% holding
(1) Reliance Strategic Business Ventures Limited	117,760,869	18.83	105,907,273	18.53
(2) Oberoi Hotels Private Limited	110,528,943	17.67	83,646,328	14.63
(3) ITC Limited	85,621,473	13.69	85,621,473	14.98
(4) Oberoi Holdings Private Limited	30,591,518	4.89	33,438,993	5.85

iv. Dividends

₹ Million

	March 31, 2021	March 31, 2020
Final dividend for the year ended March 31, 2020 of ₹ Nil, March 31, 2019 – ₹ 0.90	Nil	514.41
Dividend distribution tax	Nil	72.25
Dividends not recognised at the end of the reporting period		
Liability for proposed dividend *	Nil	Nil

* As the Company has incurred loss for the year ended March 31, 2021, the Board of Directors has decided not to recommend dividend to the shareholders for the Financial Year 2020-21. This is subject to the approval of the shareholders in the ensuing annual general meeting.

20 OTHER EQUITY

₹ Million

	As at March 31, 2021	As at March 31, 2020
Reserve and surplus		
Capital redemption reserve	1,024.21	1,024.21
Securities premium	15,730.46	12,373.41
General reserve	9,149.13	9,149.13
Retained earnings - Surplus	2,102.06	5,502.42
Total other equity	**28,005.86**	**28,049.17**

₹ Million

	As at March 31, 2021	As at March 31, 2020
(i) Capital redemption reserve		
Opening balance	1,024.21	1,024.21
Adjustment during the year	-	-
Closing balance	**1,024.21**	**1,024.21**
(ii) Securities premium		
Opening balance	12,373.41	12,373.41
Add : Securities premium on issue of shares on Rights basis (refer note 56)	3,389.07	-
	15,762.48	**12,373.41**
Less: Issue related expenses incurred on Rights issue of equity shares (refer note 56)	32.02	-
Closing balance	**15,730.46**	**12,373.41**
(iii) General reserve		
Opening balance	9,149.13	9,149.13
Adjustment during the year	-	-
Closing balance	**9,149.13**	**9,149.13**
(iv) Retained earnings - Surplus		
Opening balance	5,502.42	4,861.01
Less: Impact on adoption of Ind AS 116, net of tax (refer note 48)	-	(6.69)
Add: Profit / (Loss) during the year as per Statement of Profit and Loss	(3,431.24)	1,244.67
Less: Final dividend	-	514.41
Dividend distribution tax	-	72.25
Other comprehensive income recognised directly in retained earnings		
- Remeasurements of defined benefit obligations, net of tax	(30.88)	23.29
Closing balance	**2,102.06**	**5,502.42**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Nature and purpose of Reserves

(i) Capital redemption reserve

Capital redemption reserve represents the statutory reserve created by the Company for the redemption of its preference share capital. The same can be utilised by the Company for issuing fully paid bonus shares.

(ii) Securities premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve

General reserve represents profits transferred from retained earnings from time to time to general reserve for appropriate purposes based on the provisions of the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. It can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Retained earnings - Surplus

Retained earnings represents accumulated profits of the Company. It can be utilised in accordance with the provisions of the Companies Act, 2013.

21 NON-CURRENT BORROWINGS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Term loans from banks		
Secured		
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	-	1,607.14
RBL Bank Limited (RBL)	-	225.00
ICICI Bank Limited (ICICI)	2,145.89	-
Non-current borrowings	**2,145.89**	**1,832.14**
Current maturities of long-term borrowings (included in note 29)	467.70	453.57

Particulars of term loans :

i) Security

The sanctioned term loan facilities of ₹ 2,785.70 Million from ICICI Bank Limited are secured by way of first pari-passu charge on the Company's hotel – The Oberoi, New Delhi. The term loan facilities will be secured by creation of equitable mortgage over immovable assets on pari-passu basis with other term loans. The Company is in the process of creating charge against these facilities.

The term loan from The Hongkong and Shanghai Banking Corporation Limited was secured by way of equitable mortgage by deposit of title deeds in respect of the Company's hotel in Delhi – The Oberoi, New Delhi. The loan was settled during the current year (refer note ii below).

The term loan from RBL Bank Limited was secured by first pari passu charge by way of equitable mortgage on immovable assets of the Company's hotel in Delhi - The Oberoi, New Delhi. The loan was settled during the current year. (refer note ii below).

ii) Terms of repayment and Interest rate :

Term loans from ICCI Bank Limited amounting to ₹ 2,613.59 Million (non - current borrowings ₹ 2,145.89 Million and current maturities in respect thereof ₹ 467.70 Million) comprised:

(a) Term loan outstanding of ₹ 2,035.70 Million (including current maturities ₹ 339.28 Million) is repayable in 18 equal quarterly installments of ₹ 113.09 Million, commencing from September, 2021, i.e. from the end of 15 months from the first draw-down date. The term loan is repayable by December 2025. The annual rate of interest is based on the bank's one-year MCLR plus spread (at the time of draw-down), subject to annual reset and is in the range of 7.80% p.a. to 7.95% p.a.. Interest is payable on a monthly basis. The purpose of this term loan facility of ₹ 2,035.70 Million was to takeover the term loan facility availed from The Hongkong and Shanghai Banking Corporation Limited and for capital expenditure.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(b) Term loan outstanding of ₹ 577.89 Million (including current maturities ₹ 128.42 Million) is repayable in 19 equal quarterly installments of ₹ 32.11 Million, commencing from February 2021, i.e. from the end of 3 quarters from the first draw-down date. The term loan is repayable by August 2025. The annual rate of interest is based on the bank's one-year MCLR plus spread (at the time of draw-down), subject to annual reset and is in the range of 7.60% p.a. to 8.00% p.a.. Interest is payable on a monthly basis. The purpose of this term loan facility of ₹ 750.00 Million was to take-over the term loan facility availed from RBL Bank Limited and for capital expenditure.

Term loan from The Hong Kong & Shanghai Banking Corporation limited (HSBC) was repayable in 28 quarterly installments of ₹ 107.14 Million starting from February 2018 and ending on November 2024 and had carried interest which was linked to banks MCLR, effective rate as on March 31, 2020 was 8.90%. The loan was settled during the current year. (refer note (a) above)

Term loan from RBL Bank Limited (RBL) was repayable in 20 quarterly installments of ₹ 12.50 Million starting from December 2020 and ending on September 2025 and had carried interest which was linked to 12 month T-bill, effective rate as on March 31, 2020 was 8.50%. The loan was settled during the current year. (refer note (b) above)

22 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Security deposits	115.36	78.96
Total other non-current financial liabilities	**115.36**	**78.96**

23 PROVISIONS - NON-CURRENT

₹ Million

	As at March 31, 2021	As at March 31, 2020
Employee benefit obligations		
Leave encashment - unfunded		
Present value of obligation (refer note 43)	217.47	244.14
Total provisions - non-current	**217.47**	**244.14**

24 OTHER NON CURRENT LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Advance rent	8.61	11.17
Total other non-current liabilities	**8.61**	**11.17**

25 DEFERRED TAX LIABILITIES - NET

₹ Million

	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities on account of :		
Depreciation	1,716.12	1,657.34
Restatement of liability at fair value	0.40	0.41
Total deferred tax liabilities (A)	**1,716.52**	**1,657.75**
Deferred tax assets on account of :		
Unabsorbed depreciation and business loss	1,014.48	-
Statutory expenses claimable on payment	70.42	75.93
Provision for doubtful trade receivables, doubtful advances and investments	272.15	271.05
Fair valuation of security deposit assets	52.44	32.99
Membership fee/Loyalty points	-	0.01
Other temporary differences	71.51	41.33
Total deferred tax assets (B)	**1,481.00**	**421.31**
Deferred tax liabilities (Net = A-B)	**235.52**	**1,236.44**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Movement in deferred tax liabilities

₹ Million

	Depreciation	Restatement of liability at fair value	Total
As at April 1, 2019	2,195.13	0.32	2,195.45
Charged/(Credited):			
- to Statement of Profit and Loss	(537.79)	0.09	(537.70)
- to other comprehensive income / (loss)	-	-	-
As at March 31, 2020	**1,657.34**	**0.41**	**1,657.75**
Charged/(Credited):			
- to Statement of Profit and Loss	58.78	(0.01)	58.77
- to other comprehensive income / (loss)	-	-	-
As at March 31, 2021	**1,716.12**	**0.40**	**1,716.52**

Movement in deferred tax assets

₹ Million

	Unabsorbed depreciation and business loss	Statutory expenses claimable on payment	Provision for doubtful trade receivables, doubtful advances and investments	Fair valuation of security deposit assets	Membership fee / Loyalty points	Lease rent equalisation	Others temporary differences	Total
As at April 1, 2019	**-**	**95.10**	**414.10**	**38.76**	**25.01**	**3.59**	**19.72**	**596.28**
Impact on adoption of Ind AS 116 (refer note 48)		-	-	-	-	(3.59)	-	(3.59)
(Charged)/Credited:								
- to Statement of Profit and Loss	-	(21.87)	(143.05)	(5.77)	(25.00)	-	21.61	(174.08)
- to other comprehensive income / (loss)	-	2.70	-	-	-	-	-	2.70
As at March 31, 2020	**-**	**75.93**	**271.05**	**32.99**	**0.01**	**-**	**41.33**	**421.31**
(Charged)/Credited:								
- to Statement of Profit and Loss	1,014.48	4.88	1.10	19.45	(0.01)	-	30.18	1,070.08
- to other comprehensive income / (loss)	-	(10.39)	-	-	-	-	-	(10.39)
As at March 31, 2021	**1,014.48**	**70.42**	**272.15**	**52.44**	**-**	**-**	**71.51**	**1,481.00**

26 CURRENT BORROWINGS

₹ Million

	As at March 31, 2021	As at March 31, 2020
SECURED – at amortised cost		
Short term loan from banks		
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	20.15	180.00
ICICI Bank Limited (ICICI)	49.21	240.00
HDFC Bank Limited (HDFC)	-	300.00
Cash credit from banks		
Punjab National Bank (PNB)*	-	186.29
The Hongkong and Shanghai Banking Corporation Limited	-	47.76
ICICI Bank Limited	0.96	95.00
HDFC Bank Limited	-	66.23
UNSECURED – at amortised cost		
Short term loan from banks		
ICICI Bank Limited	100.00	-
Federal Bank Limited	-	750.00
HDFC Bank Limited	-	-
	170.32	**1,865.28**

* Effective April 1, 2020, the Company's Cash Credit with United Bank of India (UBI) was migrated to Punjab National Bank (PNB) on account of amalgamation of UBI with PNB.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Particulars of short term borrowings :

i) Security

Short term loans and Cash credit facilities from banks are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the Company, both present and future, ranking pari passu.

Cash credit with PNB is additionally secured by way of second charge on the movable and immovable fixed assets of the Company's hotel in Kolkata known as The Oberoi Grand.

Non-fund based facility with HSBC is secured by way of first pari passu charge by way of equitable mortgage on the immovable fixed assets of the Company's hotel in Delhi known as Maidens Hotel.

ii) Terms of repayment and Interest rate

Short term loan from banks - Secured

Short term loan from HSBC for ₹ 20.15 Million is repayable on April 2, 2021 and carries interest linked to the bank's MCLR on the draw-down date i.e. 7% p.a.

Short term loan from ICICI bank for ₹ 49.21 Million is repayable on April 7, 2021 and carries interest linked to the bank's MCLR on the draw down date i.e. 7.55% p.a.

Short term loan from HSBC for ₹ 180 Million was repayable on June 26, 2020 and carried interest linked to the bank's MCLR on the date of draw down date i.e. 8.20% p.a.

Short term loan from ICICI for ₹ 240 Million was repayable on September 4, 2020 and carried interest linked to the bank's six months MCLR plus spread on the draw down date i.e. 8.55% p.a.

Short term loan from HDFC for ₹ 300 Million was repayable on May 31, 2020 and carried Interest @ 8.05% p.a.

Cash credit from banks - Secured

Cash credit from ICICI for ₹ 0.96 Million is repayable on demand and carries interest linked to the bank's six months MCLR plus 0.30% p.a. on the draw down date.

Cash credit from PNB is repayable on demand and carries interest linked to the bank's one year MCLR plus 0.40% p.a. on the draw down date.

Cash credit from HSBC is repayable on demand and carries interest linked to the bank's overnight MCLR on the draw down date.

Cash credit from HDFC is repayable on demand and carries interest linked to the bank's one year MCLR plus 0.15% p.a. on the draw down date.

Short term loan from banks - Unsecured

Short term loan from ICICI for ₹ 100.00 Million is repayable on July 6, 2021 and carries interest linked to the bank's six months MCLR plus spread on the draw down date, i.e. 7.55% p.a.

Short term loan from Federal Bank Limited carries interest rate as mutually agreed with the bank at the time of disbursement of the loan.

Short term loan from HDFC carries interest linked to the bank's three month MCLR plus 0.75% p.a. on the draw down date.

Short term loan from Federal Bank Limited ₹ 500 Million was repayable on September 18, 2020 and carried interest as mutually agreed with the bank at the time of disbursement of the loan i.e. 8.40% p.a.

Short term loan from Federal Bank Limited ₹ 250 Million was repayable on March 20, 2021 and carried interest as mutually agreed with the bank at the time of disbursement of the loan i.e. 8.70% p.a.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

27 TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

₹ Million

	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid at the end of the year*	17.43	11.87
(ii) Interest due thereon remaining unpaid at the end of the year	-	-
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year	0.04	0.04
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.04	0.04
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total [(i)+(v)]	**17.47**	**11.91**

*Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are based on information made available to the company.

28 TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Trade payables	1,471.85	1,622.30
Trade payables to related parties	32.71	70.20
Trade payables to other than micro and small enterprises	**1,504.56**	**1,692.50**

29 OTHER CURRENT FINANCIAL LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Current maturities of long term borrowings (refer note 21)	467.70	453.57
Interest accrued but not due on borrowings	0.39	8.66
Unclaimed dividend	22.68	26.62
Security deposits	33.47	68.10
Other payables		
Liability for capital assets	35.26	89.74
Payable to related parties	-	5.05
Other liabilities	29.47	8.40
Total other current financial liabilities	**588.97**	**660.14**

30 PROVISIONS - CURRENT

₹ Million

	As at March 31, 2021	As at March 31, 2020
Employee benefit obligations		
Leave encashment - unfunded		
Present value of obligation (refer note 43)	47.30	60.18
Gratuity - funded (refer note 43)		
Present value of obligation	701.03	708.01
Less: Fair value of plan assets	568.70	576.99
Net liability	132.33	131.02
Total provisions - current	**179.63**	**191.20**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

31 OTHER CURRENT LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Advance from customers (refer note 52)	279.18	327.16
Statutory and other dues	468.58	442.17
Advance rent	25.51	23.33
Deferred revenue (refer note 52)	201.07	149.08
Total other current liabilities	**974.34**	**941.74**

32 REVENUE FROM OPERATIONS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Rooms	1,591.08	6,022.62
Food and beverage	1,880.88	5,278.44
Other services	618.30	1,754.96
Sale of printed materials	236.75	446.98
Total revenue from operations	**4,327.01**	**13,503.00**

33 OTHER INCOME

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income:		
Interest income from financial assets at amortised cost	44.34	44.12
Interest income on income tax refund	-	79.63
Dividend income:		
Dividend income from subsidiary companies	-	163.93
Dividend income from equity investment measured at fair value through profit or loss	-	0.06
Dividend income from associates and joint venture companies	7.62	63.81
Income on account of services / merchandise exports incentive	0.59	162.67
Others :		
Fair value changes on investments measured at fair value through profit or loss (net)	4.22	-
Rental income from investment property	211.10	170.56
Net foreign exchange gain	2.70	15.29
Provisions/ liabilities written back	29.02	29.22
Profit on sale/redemption of investments (net)	0.28	-
Income from shared services	49.91	15.03
Miscellaneous income	59.63	95.76
Total other income	**409.41**	**840.08**

34 CONSUMPTION OF PROVISIONS, WINES AND OTHERS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock	256.57	260.02
Add: Purchases	627.31	1,684.84
	883.88	**1,944.86**
Less : Closing stock	184.05	256.57
Total consumption of provisions, wines, and others	**699.83**	**1,688.29**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

35 EMPLOYEE BENEFITS EXPENSE

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	2,718.81	3,520.48
Contribution to provident fund and other funds (refer note 43)	205.66	220.36
Staff welfare expenses	229.60	368.03
Total employee benefit expenses	**3,154.07**	**4,108.87**

36 FINANCE COSTS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on:		
- borrowings	326.05	388.92
- lease liabilities	107.99	107.35
Others	8.80	9.52
	442.84	**505.79**
Less : Amount capitalised to qualifying assets	(38.54)	(10.64)
Total finance costs	**404.30**	**495.15**

37 DEPRECIATION AND AMORTISATION EXPENSE

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	990.83	1,120.25
Depreciation of right-of-use assets	147.37	155.45
Amortisation of intangible assets	35.30	40.21
Depreciation of investment property	26.12	26.12
Total depreciation and amortisation expense	**1,199.62**	**1,342.03**

38 OTHER EXPENSES

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Power and fuel	625.65	993.10
Lease rent	249.65	378.42
Repairs :		
Buildings	124.00	251.15
Plant and machinery	398.47	415.64
Others	23.84	45.26
Insurance	54.37	51.05
Water charges	56.42	81.88
Rates and taxes	375.84	358.90
Expenses on apartment and board	173.69	172.11
Royalty	38.25	122.68
Advertisement, publicity and other promotional expenses	143.46	343.44
Commission to travel agents and others	158.18	381.48
Passage and travelling	92.64	307.81
Postage, telephone, etc.	49.17	74.31
Professional charges	129.71	236.29
Linen, uniform washing and laundry expenses	22.00	45.41

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Renewals and replacement	57.70	136.25
Musical, banquet and kitchen expenses	28.83	98.35
Auditors' Remuneration (refer note 38(a))	19.60	22.23
Directors' fees and commission	2.38	79.51
Loss on sale/discard of property, plant and equipments (Net)	13.16	16.51
Bad debts and advances written off	0.42	127.99
Less : Charged off against provisions	-	(127.39)
	0.42	0.60
Provision for doubtful trade receivables and advances with significant increase in credit risk	8.14	19.65
CSR expenses (refer note 38(b))	26.44	27.47
Expenses on contracts for services	293.72	538.89
Fair value changes on equity investments measured at fair value through profit or loss (net)	-	2.13
Airport levy expenses	40.99	121.37
Miscellaneous expenses	12.53	129.82
Total other expenses	**3,219.25**	**5,451.71**
a. Details of Auditors' remuneration		
As auditor:		
Audit fee	13.00	14.00
Tax audit fee	1.00	1.10
Reimbursement of expenses	-	1.13
In other capacity:		
For limited review of unaudited financial results	5.00	5.40
For verification of statement and other reports	0.60	0.60
	19.60	**22.23**
For other services*	7.50	-
Total payments to auditors	**27.10**	**22.23**
*Includes fee in respect of Rights issue which has been charged to securities premium as issue related expenses and does not form part of Statement of Profit and Loss.		
b. Details of CSR Expenditure		
SOS Children's Villages of India	23.44	23.97
PM CARES FUND	3.00	-
Helpage India	-	3.50
Total expenditure CSR	**26.44**	**27.47**
Amount required to be spent on CSR as per section 135 of the Companies Act, 2013	26.44	26.27

39 EXCEPTIONAL ITEMS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Provision for impairment in value of investments in a subsidiary	(464.92)	(161.40)
Impairment loss in respect of certain property, plant and equipment	(24.93)	-
Provision for doubtful trade receivables	-	(4.67)
Total exceptional items	**(489.85)**	**(166.07)**

Exceptional Items include (a) provision for impairment in value of investment in EIH Flight Services Ltd, Mauritius ₹ 464.92 Million (P.Y. -₹ 161.40 Million) (Refer Note 53); (b) impairment loss in respect of certain property, plant and equipment at The Oberoi Motor Vessel Vrinda of ₹ 24.93 Million (P.Y. Nil) (refer Note 57) and (c) C.Y. Nil (P.Y. - a one-off provision of ₹ 4.67 Million against receivable from a single customer in the flight catering business, due to uncertainty over business continuity of the referred customer.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

40 TAX EXPENSE

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Current tax		
Tax on profits for the year	-	198.44
Adjustments for prior periods	12.05	11.47
Total current tax	**12.05**	**209.91**
(b) Deferred tax		
Decrease/(increase) in deferred tax assets	(1,059.69)	171.38
(Decrease)/increase in deferred tax liabilities	58.77	(537.70)
	(1,000.92)	**(366.32)**
Add/(Less) : Recognised in other comprehensive income / (loss)	(10.39)	2.70
Total deferred tax expense/(benefit)	**(1,011.31)**	**(363.62)**
Total tax expense	**(999.26)**	**(153.71)**
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit before income tax expense	(4,430.50)	1,090.96
Tax at the rate of 25.168% (FY 2020 - 25.168%)	**(1,115.07)**	**274.57**
Tax effect of amounts which are not deductible in calculating taxable income:		
Corporate social responsibility expenditure	6.65	6.91
Provision for impairment in value of investments	117.01	40.62
Expenses related to exempted income	-	1.01
Donations	0.01	-
Others	(1.05)	0.09
	122.62	**48.63**
Adjustments related to property, plant and equipment and right-of-use assets	(18.86)	4.61
Tax effect of amounts which are not taxable in calculating taxable income:		
Dividend	-	(39.46)
	-	**(39.46)**
Other differences		
Impact of decrease in tax rate on deferred tax	-	(448.37)
Impact of difference in tax rate on foreign dividend	-	(5.69)
Impact of difference in tax rate and method on gains arising on fair value of Investments	-	0.53
	-	**(453.53)**
Income tax expense related to prior periods	**12.05**	**11.47**
Income tax expense as per Income Tax	**(999.26)**	**(153.71)**

Notes :

(i) The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company had recognised provision for income tax and re-measured its deferred tax liabilities basis the rate prescribed in the said section and had taken the full effect to the Statement of Profit and Loss during the year ended March 31, 2020.

(ii) Effective April 1, 2019, the Company has adopted Appendix C to Ind AS 12 – Income taxes retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effect on account of initial application of this amendment and the effect of adoption of this amendment in the previous year was Nil.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

41 FAIR VALUE MEASUREMENTS

Financial instruments by category

₹ Million

	As at March 31, 2021		As at March 31, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- Equity instruments - other than Investments in subsidiaries, associates and joint ventures	2.10	-	1.40	-
- Mutual Funds	3.68	-		
- Government Securities	67.16	0.29	-	0.29
- Debt Securities	28.49	-	-	-
- Other Securities	-	-	-	-
Advances towards equity shares	-	1,361.93	-	1,361.93
Trade receivables	-	724.24	-	1,906.58
Cash and cash equivalents	-	40.62	-	51.96
Other bank balances	-	29.22	-	33.18
Security deposits	-	488.90	-	469.42
Other receivables	-	32.10	-	27.95
Total financial assets	**101.43**	**2,677.30**	**1.40**	**3,851.31**
Financial liabilities				
Borrowings	-	2,783.91	-	4,150.99
Security deposits	-	148.83	-	147.06
Lease liabilities	-	1,158.68	-	1,180.25
Trade payables	-	1,522.03	-	1,704.41
Liability for capital assets	-	35.26	-	89.74
Others	-	52.54	-	48.73
Total financial liabilities	**-**	**5,701.25**	**-**	**7,321.18**

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

₹ Million

	As at March 31, 2021			As at March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Investments at FVTPL						
Investment in equity shares (Note 8)						
Tourism Finance Corporation of India Limited	1.55	-	-	0.85	-	-
Green Infra Wind Generation Limited	-	-	0.13	-	-	0.13
ReNew Wind Energy (Karnataka) Private Limited	-	-	0.42	-	-	0.42
Investment in Mutual Funds (Note 13)	3.68	-	-	-	-	-
Investment in unquoted Investments (Note 8)						
Investment in Government Securities	-	67.16	-	-	-	-
Investment in Debt Securities	-	28.49	-	-	-	-
Investment in Other Securities	-	-	-	-	-	-
Total financial assets	**5.23**	**95.65**	**0.55**	**0.85**	**-**	**0.55**

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

For all the financial assets and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

(iv) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Investment in Green Infra Wind Generation Limited and ReNew Wind Energy (Karnataka) Private Limited are made pursuant to the contract for procuring electricity supply at the hotels units. Investment in the said companies is not usually traded in the market. Considering the terms of the electricity supply contract and best information available in the market, cost of investment is considered as fair value of the investments.
- For the investment in Golden Jubilee Hotels Private Limited (GJHPL), the management was of the view that carrying value of the investment is representative of its fair value as on April 1, 2015. As on April 1, 2015, no indicators of impairment were existing. However, during the financial year 2015-16, due to the non-payment of bank borrowings and other obligation, petition for the winding up had been filed by the creditors and lenders of the GJHPL. Considering the financial position of the GJHPL and legal proceedings initiated by lenders, the management had fully provided for the investment in GJHPL as on March 31, 2016.

(v) Reconciliation of financial assets measured at fair value using significant unobservable inputs (level 3)

₹ Million

	Unquoted equity investments
As at April 1, 2019	**0.60**
Acquisition/Disposal	(0.05)
As at March 31, 2020	**0.55**
Acquisition/Disposal	-
As at March 31, 2021	**0.55**

42 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board of Directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(A) Market risk

(i) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency (INR).

The exposure of the Company to foreign currency risk is not significant. However, this is closely monitored by the management to decide on the requirement of hedging. The position of foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

₹ Million

Currency	Receivables	Payables
March 31, 2021		
Euro (EUR)	0.04	0.22
US Dollar (USD)	7.89	21.99
Swedish Kroner (SEK)	-	-
Singapore Dollar (SGD)	0.01	-
Australian Dollar (AUD)	-	-
Hong Kong Dollar (HKD)	-	-
UAE Dirham (AED)	2.10	2.20
Great Britain Pound (GBP)	1.08	1.62
Net exposure to foreign currency risk	**11.12**	**26.03**
March 31, 2020		
Euro (EUR)	0.27	2.04
US Dollar (USD)	72.54	29.05
Swedish Kroner (SEK)	-	0.22
Singapore Dollar (SGD)	-	0.21
Australian Dollar (AUD)	6.58	-
Hong Kong Dollar (HKD)	-	0.62
UAE Dirham (AED)	1.84	0.19
Great Britain Pound (GBP)	1.75	11.81
Net exposure to foreign currency risk	**82.98**	**44.14**

Sensitivity

If INR is depreciated or appreciated by 5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss of the Company are given below:

₹ Million

	Impact on profit*	
	March 31, 2021	March 31, 2020
EUR sensitivity		
INR/EUR Increases by 5% (March 31, 2020 - 5%)	(0.01)	(0.09)
INR/EUR Decreases by 5% (March 31, 2020 - 5%)	0.01	0.09
USD sensitivity		
INR/USD Increases by 5% (March 31, 2020 - 5%)	(0.71)	2.17
INR/USD Decreases by 5% (March 31, 2020 - 5%)	0.71	(2.17)
SEK sensitivity		
INR/CHF Increases by 5% (March 31, 2020 - 5%)	-	(0.01)
INR/CHF Decreases by 5% (March 31, 2020 - 5%)	-	0.01
SGD sensitivity		
INR/SGD Increases by 5% (March 31, 2020 - 5%)	-	(0.01)
INR/SGD Decreases by 5% (March 31, 2020 - 5%)	-	0.01
AUD sensitivity		
INR/USD Increases by 5% (March 31, 2020 - 5%)	-	0.33
INR/USD Decreases by 5% (March 31, 2020 - 5%)	-	(0.33)
HKD		

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

₹ Million

	Impact on profit*	
	March 31, 2021	March 31, 2020
INR/HKD Increases by 5% (March 31, 2020 - 5%)	-	(0.03)
INR/HKD Decreases by 5% (March 31, 2020 - 5%)	-	0.03
AED sensitivity		
INR/AED Increases by 5% (March 31, 2020 - 5%)	(0.01)	0.08
INR/AED Decreases by 5% (March 31, 2020 - 5%)	0.01	(0.08)
GBP sensitivity		
INR/GBP Increases by 5% (March 31, 2020 - 5%)	(0.03)	(0.50)
INR/GBP Decreases by 5% (March 31, 2020 - 5%)	0.03	0.50

*Holding all other variables constant

(ii) Interest rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period depends on the mix of fixed rate and floating rate of the borrowings and the expected movement of market interest rate. The status of borrowings in terms of fixed rate and floating rate are as follows:

₹ Million

	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	2,614.55	2,680.99
Fixed rate borrowings	169.36	1,470.00
Total borrowings	**2,783.91**	**4,150.99**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

₹ Million

	Weighted average interest rate	Balance	% of total loans
March 31, 2021			
Bank loans, Cash credit	7.92%	2,614.55	94%
March 31, 2020			
Bank loans, Cash credit	8.75%	2,680.99	65%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

₹ Million

	Impact on profit	
	March 31, 2021	March 31, 2020
Interest rates – increase by 50 basis points (50 bps)	(13.07)	(13.40)
Interest rates – decrease by 50 basis points (50 bps)	13.07	13.40

(iii) Price risk

The Company's exposure to equity securities' price risk arises from investments held by the Company in equity securities and classified in the balance sheet as fair value through profit or loss (note 8). However, the Company does not have a practice of investing in equity securities with a view to earn gain from change in fair value. As per the Company's policies, whenever any investment is made by the Company in equity securities, the same is made either with some strategic objective or as a part of contractual arrangement.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Company does not allow any credit period and therefore, is not exposed to any credit risk.

The Company does not have any derivative transactions and therefore is not exposed to any credit risk on account of derivatives.

Reconciliation of provision for doubtful trade receivables

₹ Million

Provision as at April 1, 2019	**999.16**
Changes in provision	(105.17)
Provision as at March 31, 2020	**893.99**
Changes in provision	4.35
Provision as at March 31, 2021	**898.34**

(C) Liquidity Risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilisation requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) **Financing arrangements:** The position of undrawn borrowing facilities at the end of reporting period is as follows:

₹ Million

	March 31, 2021	March 31, 2020
Floating rate		
Expiring within one year (cash credit facilities)		
PNB cash credit facility	800.00	613.71
HSBC cash credit/WCTL facility	120.00	72.24
ICICI cash credit facility	159.04	65.00
HDFC cash credit facility	200.00	133.77
HSBC short term facility	159.85	-
ICICI short term facility	690.79	1,000.00
HDFC short term facility	1,300.00	-
Federal Bank short term facility	1,500.00	750.00
	4,929.68	**2,634.72**

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(ii) Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

₹ Million

	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2021				
Borrowings	815.33	2,476.35	-	3,291.68
Lease liabilities	113.57	454.05	1,627.49	2,195.11
Trade payables	1,522.03	-	-	1,522.03
Security deposits	55.14	111.54	0.47	167.15
Other financial liabilities	87.80	-	-	87.80
Total non-derivative liabilities	**2,593.87**	**3,041.94**	**1,627.96**	**7,263.77**
March 31, 2020				
Borrowings	2,542.60	2,139.61	26.68	4,708.89
Lease liabilities	127.56	444.79	1,734.49	2,306.84
Trade payables	1,704.41	-	-	1,704.41
Security deposits	69.18	98.92	0.47	168.57
Other financial liabilities	125.02	-	-	125.02
Total non-derivative liabilities	**4,568.77**	**2,683.32**	**1,761.64**	**9,013.73**

(D) Capital Management

Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company's strategy is to maintain a gearing ratio within 30%. The gearing ratios were as follows:

₹ Million

	March 31, 2021	March 31, 2020
Net debt*	2,743.29	4,099.03
Total equity	29,256.59	29,192.31
Net debt to equity ratio	**9%**	**14%**
*Net debt represents borrowings less cash and cash equivalents computed as follows:		
Term loan from banks	2,613.59	2,285.71
Cash credit from banks	0.96	395.28
Short term loan from banks	169.36	1,470.00
Less: Cash and cash equivalents	(40.62)	(51.96)
Net debt	**2,743.29**	**4,099.03**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

43

(i) Defined benefit plans

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The Company operates a gratuity plan through the "EIH Employees' Gratuity Fund". Gratuity plan is a funded plan and the Company through Gratuity Trust makes contributions of funds to Life Insurance Corporation of India.

b) Leave Encashment

As per the policy of the Company, obligations on account of encashment of accumulated leave of an employee is settled only on separation of the employee. Such liability is recognised on the basis of actuarial valuation following the projected unit credit method. It is an unfunded plan.

(ii) Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is ₹ 159.07 Million (March 20 - ₹ 171.63 Million).

(iii) Movement of defined benefit obligation and fair value of plan assets :

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

₹ Million

	Gratuity			Leave encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2019	**680.24**	**551.80**	**128.44**	**277.08**
Current service cost	41.68	-	41.68	50.52
Interest expense/(income)	47.32	40.28	7.04	18.56
Total amount recognised in profit or loss	**89.00**	**40.28**	**48.72**	**69.08**
Remeasurements:				
Actuarial (Gain)/Loss due to experience	4.67	-	4.67	(8.36)
(Gain)/Loss due to change in financial assumptions	14.28	-	14.28	16.38
Return on plan assets (greater)/less than discount rate	1.46	-	1.46	2.69
Total amount recognised in other comprehensive (income)/loss	**20.41**	**-**	**20.41**	**10.71**
Employer contributions	-	66.55	(66.55)	-
Benefit payments	(81.64)	(81.64)	-	(52.55)
Laibility as on March 31, 2020	**708.01**	**576.99**	**131.02**	**304.32**
April 1, 2020	708.01	576.99	131.02	304.32
Current service cost	39.97	-	39.97	55.78
Interest expense/(income)	42.25	35.98	6.27	18.22
Total amount recognised in profit or loss	**82.22**	**35.98**	**46.24**	**74.00**
Remeasurements:				
Actuarial (Gain)/Loss due to experience	12.82	-	12.82	(71.73)
(Gain)/Loss due to change in demographic assumptions	-	-	-	-
(Gain)/Loss due to change in financial assumptions	14.15	-	14.15	6.26
Return on plan assets (greater)/less than discount rate	-	2.77	(2.77)	-
Total amount recognised in other comprehensive (income)/loss	**26.97**	**2.77**	**24.20**	**(65.47)**
Employer contributions	-	69.13	(69.13)	-
Benefit payments	(116.17)	(116.17)	-	(48.08)
Liability as on March 31, 2021	**701.03**	**568.70**	**132.33**	**264.77**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

The net liability disclosed above relates to funded and unfunded plans are as follows:

₹ Million

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	701.03	708.01
Fair value of plan assets	568.70	576.99
Deficit of funded plan	132.33	131.02
Unfunded plans	264.77	304.32
Deficit of employee benefit plans	**397.10**	**435.34**

(iv) Post-Employment benefits

The significant actuarial assumptions were as follows:

	March 31, 2021	March 31, 2020
Discount rate	6.10%	6.50%
Salary growth rate	5.00%	Year 2021 - 0%, thereafter 5%*
Mortality	Indian assured lives mortality (2006-08) (modified) Ultimate	Indian assured lives mortality (2006-08) (modified) Ultimate
Withdrawal Rate	Age less than 30 years: Management - 20% Non Management - 30% Age greater than 30 years: 5%	Age less than 30 years: Management - 20% Non Management - 30% Age Greater than 30 years - 5%

* Salary growth rate for financial year 2020-21 : Nil and from 2021-22 onwards : 5%

(v) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gratuity						
Discount rate	1%	1%	(34.27)	(33.96)	38.25	37.83
Salary growth rate	1%	1%	38.32	31.86	(34.95)	(29.15)
Leave Encashment						
Discount rate	1%	1%	(15.10)	(16.56)	17.12	18.75
Salary growth rate	1%	1%	17.15	16.22	(15.40)	(14.60)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

Sensitivities due to change in demographic and investment assumptions are not material and hence the impact of change due to these is not disclosed.

(vi) The major categories of plan assets are as follows:

₹ Million

	March 31, 2021		March 31, 2020	
	Unquoted	in %	Unquoted	in %
Investment funds with LIC of India *	568.70	100%	576.99	100%
Total	**568.70**	**100%**	**576.99**	**100%**

* The Gratuity trust pays contributions to LIC which in turn invests the amount in various instruments. As the investment is done by LIC on an aggregated basis in respect of the contributions received from all its participants, the Company wise investment in planned assets - category / class wise details are not available.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(vii) Risk Exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk: The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation is likely to increase.

Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation depends upon the combination of salary increase, discount rate and vesting criteria.

Investment risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. LIC of India primarily invests in debt instruments such as Government securities and highly rated corporate bonds wherein the risk of downward fluctuation in value is minimal.

(viii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan during the year ending March 31, 2022 is ₹ 132.33 Million.

The weighted average duration of the defined benefit obligation is 6 years (2020 - 7 years) in case of Gratuity and 6 years (2020- 7 years) in case of leave encashment.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

₹ Million

	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years	Total
March 31, 2021							
Defined benefit obligation							
Gratuity	105.42	109.00	87.71	89.55	100.78	386.84	879.30
Leave encashment	48.72	43.63	40.67	39.30	43.75	195.66	411.73
Total	**154.14**	**152.63**	**128.38**	**128.85**	**144.53**	**582.50**	**1,291.03**
March 31, 2020							
Gratuity	114.37	91.16	114.61	85.58	89.20	403.66	898.58
Leave encashment	62.10	47.29	53.23	44.23	43.54	200.01	450.40
Total	**176.47**	**138.45**	**167.84**	**129.81**	**132.74**	**603.67**	**1,348.98**

44 Related Party Transactions

(a) List of Related Parties

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below

Key Management Personnel of the company and close member of Key Management Personnel of the Company

Mr. P.R.S. Oberoi - Executive Chairman
Mr. S.S. Mukherji - Executive Vice Chairman
Mr. Vikramjit Singh Oberoi - Managing Director and Chief Executive Officer
Mr. Arjun Singh Oberoi - Managing Director - Development
Ms. Nita M. Ambani - Non-independent Director
Ms. Chhavi Rajawat - Independent Director
Mr. Manoj Harjivandas Modi - Non-independent Director
Mr. Rajeev Gupta - Independent Director
Mr. Anil K. Nehru - Independent Director
Mr. Sudipto Sarkar - Independent Director
Mr. L. Ganesh - Independent Director
Mr. Sanjay Gopal Bhatnagar (effective August 27, 2019) - Independent Director
Mr. Kallol Kundu - Chief Financial Officer

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Mr. S.N. Sridhar - Company Secretary
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji)

Subsidiaries

Mumtaz Hotels Limited
Mashobra Resort Limited
Oberoi Kerala Hotels and Resorts Limited
EIH International Ltd
EIH Flight Services Ltd
EIH Holdings Ltd
EIH Management Services B.V. (Liquidated during 2019-20)
EIH Investments N.V. (Liquidated during 2020-21)
PT Widja Putra Karya
PT Waka Oberoi Indonesia
PT Astina Graha Ubud

Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the current and previous year

Oberoi Hotels Private Limited
Oberoi Holdings Private Limited
Oberoi Investments Private Limited
Oberoi Buildings and Investments Private Limited
Oberoi Plaza Private Limited
Bombay Plaza Private Limited
Oberoi International LLP
Oberoi Lutyens Private Limited
Oberoi Leasing and Finance Company Private Limited
Oberoi Properties Private Limited
Aravali Polymers LLP

Enterprises which are post employment benefit plan for the benefit of employees

EIH Employees' Gratuity Fund
EIH Executive Superannuation Scheme

Associates & Joint Ventures

(a) Associates

EIH Associated Hotels Limited
La Roseraie De L'atlas
Usmart Education Limited

(b) Joint Ventures

Mercury Car Rentals Private Limited
Oberoi Mauritius Ltd
Island Resort Ltd (Subsidiary of Joint Venture, Oberoi Mauritius Ltd)

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

(b) Transactions with Related Parties for the year ended March 31, 2021

₹ Million

Nature of transactions	Subsidiaries		Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
PURCHASES										
Purchase of goods and services										
Mercury Car Rentals Private Limited	-	-	31.20	115.91	-	-	-	-	-	-
Mashobra Resort Limited	0.23	0.36	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	0.52	1.77	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	9.91	13.28	-	-	-	-	-	-
Island Resort Ltd	-	-	-	1.29	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	0.11	0.11	-	-	-	-
Oberoi International LLP	-	-	-	-	0.57	3.21	-	-	-	-
Oberoi Plaza Private Limited	-	-	-	-	0.15	-	-	-	-	-
PT Waka Oberoi Indonesia	0.16	0.99	-	-	-	-	-	-	-	-
PT Widja Putra Karya	0.39	1.81	-	-	-	-	-	-	-	-
Total	**1.30**	**4.93**	**41.11**	**130.48**	**0.83**	**3.32**	**-**	**-**	**-**	**-**
Purchase of property, plant and equipment										
Mumtaz Hotels Limited	-	0.01	-	-	-	-	-	-	-	-
Total	-	0.01	-	-	-	-	-	-		
EXPENSES										
Rent										
Oberoi Kerala Hotels and Resorts Limited	0.90	0.87	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	1.27	1.41	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	0.36	0.36	-	-	-	-
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)	-	-	-	-	-	-	0.41	0.41	-	-
Total	**0.90**	**0.87**	**1.27**	**1.41**	**0.36**	**0.36**	**0.41**	**0.41**	**-**	**-**
Royalty										
Oberoi Hotels Private Limited	-	-	-	-	45.14	144.76	-	-	-	-
Total	**-**	**-**	**-**	**-**	**45.14**	**144.76**	**-**	**-**	**-**	**-**
Short-term employee benefits										
Mr. P.R.S. Oberoi	-	-	-	-	-	-	2.90	28.25	-	-
Mr. S.S. Mukherji	-	-	-	-	-	-	1.70	29.40	-	-
Mr. Vikramjit Singh Oberoi	-	-	-	-	-	-	4.61	32.04	-	-
Mr. Arjun Singh Oberoi	-	-	-	-	-	-	2.17	28.96	-	-
Mr. Kallol Kundu	-	-	-	-	-	-	13.66	13.89	-	-
Mr. S N Sridhar	-	-	-	-	-	-	7.01	8.25	-	-
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji) *	-	-	-	-	-	-	2.20	2.54	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**34.25**	**143.33**	**-**	**-**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

₹ Million

Nature of transactions	Subsidiaries		Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Post-employment benefits										
Mr. Vikramjit Singh Oberoi	-	-	-	-	-	-	2.62	1.45	-	-
Mr. Arjun Singh Oberoi	-	-	-	-	-	-	2.04	1.76	-	-
Mr. Kallol Kundu	-	-	-	-	-	-	0.78	1.03	-	-
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji) *	-	-	-	-	-	-	0.13	0.13	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**5.57**	**4.37**	**-**	**-**
* Reimbursed by another entity where the executive has been on deputation since February 2019										
Directors' sitting fees										
Mrs. Nita M. Ambani	-	-	-	-	-	-	0.15	0.20	-	-
Mr. Manoj Harjivandas Modi	-	-	-	-	-	-	0.15	0.20	-	-
Mr. Rajeev Gupta	-	-	-	-	-	-	0.35	0.15	-	-
Mr. Anil K. Nehru	-	-	-	-	-	-	0.60	1.20	-	-
Mr. Sudipto Sarkar	-	-	-	-	-	-	0.35	0.45	-	-
Mr. L. Ganesh	-	-	-	-	-	-	0.48	0.60	-	-
Ms. Chhavi Rajawat	-	-	-	-	-	-	0.15	0.10	-	-
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	-	-	0.15	0.10	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**2.38**	**3.00**	**-**	**-**
Total Key management personnel compensation	**-**	**-**	**-**	**-**	**-**	**-**	**42.20**	**150.70**	**-**	**-**
SALES										
Sale of goods and services										
Mercury Car Rentals Private Limited	-	-	7.40	18.68	-	-	-	-	-	-
Mashobra Resort Limited	32.32	37.92	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	65.53	105.06	-	-	-	-	-	-	-	-
PT Waka Oberoi Indonesia	0.12	0.52	-	-	-	-	-	-	-	-
PT Widja Putra Karya	0.22	1.18	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	257.00	334.09	-	-	-	-	-	-
Island Resort Ltd	-	-	0.02	1.75	-	-	-	-	-	-
La Roseraie De L'atlas	-	-	0.67	7.70	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	14.05	14.05	-	-	-	-
Oberoi Lutyens Private Limited	-	-	-	-	-	-	-	-	-	-
Oberoi International LLP	-	-	-	-	0.01	-	-	-	-	-
Total	**98.19**	**144.68**	**265.09**	**362.22**	**14.06**	**14.05**	**-**	**-**	**-**	**-**
Sale of property, plant and equipment										
EIH Associated Hotels Limited	-	-	1.34	0.99	-	-	-	-	-	-
Total	**-**	**-**	**1.34**	**0.99**	**-**	**-**	**-**	**-**	**-**	**-**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

₹ Million

Nature of transactions	Subsidiaries		Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
INCOME										
License Agreement										
Mercury Car Rentals Private Limited	-	-	0.76	1.07	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	1.20	0.49	-	-	-	-	-	-
Oberoi Holdings Private Limited	-	-	-	-	0.83	1.42	-	-	-	-
Oberoi Investments Private Limited	-	-	-	-	0.32	0.61	-	-	-	-
Oberoi Buildings and Investments Private Limited	-	-	-	-	1.18	1.71	-	-	-	-
Oberoi Plaza Private Limited	-	-	-	-	0.93	3.05	-	-	-	-
Bombay Plaza Private Limited	-	-	-	-	0.59	1.98	-	-	-	-
Total	**-**	**-**	**1.96**	**1.56**	**3.85**	**8.77**	**-**	**-**	**-**	**-**
Management contract										
Mumtaz Hotels Limited	3.92	92.15	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	31.58	165.52	-	-	-	-	-	-
La Roseraie De L'atlas	-	-	1.26	2.41	-	-	-	-	-	-
Total	**3.92**	**92.15**	**32.84**	**167.93**	**-**	**-**	**-**	**-**	**-**	**-**
Dividend received										
Mercury Car Rentals Private Limited	-	-	7.62	13.34	-	-	-	-	-	-
Mumtaz Hotels Limited	-	92.93	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	50.47	-	-	-	-	-	-
EIH International Ltd	-	71.00	-	-	-	-	-	-	-	-
Total	**-**	**163.93**	**7.62**	**63.81**	**-**	**-**	**-**	**-**	**-**	**-**
PAYMENTS										
Refund of collections to related party										
Mashobra Resort Limited	-	-	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	0.53	0.62	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	1.90	16.18	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	-	-	-	-	-	-
Total	**0.53**	**0.62**	**1.90**	**16.18**	**-**	**-**	**-**	**-**	**-**	**-**
Expenses reimbursed to related party										
Mashobra Resort Limited	0.24	0.84	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	0.63	4.92	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	4.44	10.32	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	0.50	0.97	-	-	-	-
Total	**0.87**	**5.76**	**4.44**	**10.32**	**0.50**	**0.97**	**-**	**-**	**-**	**-**
Security deposit										
Oberoi Kerala Hotels and Resorts Limited	0.17	0.07	-	-	-	-	-	-	-	-
Total	**0.17**	**0.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

₹ Million

Nature of transactions	Subsidiaries		Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
RECEIPTS										
Sale of equity shares										
EIH Associated Hotels Limited	-	-	-	0.05	-	-	-	-	-	-
Total	**-**	**-**	**-**	**0.05**	**-**	**-**	**-**	**-**	**-**	**-**
Recovery of collections by related party										
Mashobra Resort Limited	-	0.73	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	0.02	0.20	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	0.03	3.47	-	-	-	-	-	-
Total	**0.02**	**0.93**	**0.03**	**3.47**	**-**	**-**	**-**	**-**	**-**	**-**
Expenses reimbursed by related party										
Mercury Car Rentals Private Limited	-	-	0.14	1.30	-	-	-	-	-	-
Mashobra Resort Limited	1.26	0.66	-	-	-	-	-	-	-	-
Island Resort Ltd	-	-	5.31	-	-	-	-	-	-	-
PT Waka Oberoi Indonesia	-	-	-	-	-	-	-	-	-	-
PT Widja Putra Karya	-	-	-	-	-	-	-	-	-	-
Mumtaz Hotels Limited	3.15	3.01	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	16.20	27.22	-	-	-	-	-	-
La Roseraie De L'atlas	-	-	0.92	8.76	-	-	-	-	-	-
Oberoi Plaza Private Limited	-	-	-	-	0.72	-	-	-	-	-
Oberoi International LLP	-	-	-	-	0.05	-	-	-	-	-
Oberoi Kerala Hotels and Resorts Limited	0.06	-	-	-	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	1.52	1.85	-	-	-	-
Oberoi Buildings and Investments Private Limited **	-	-	-	-	-	-	-	-	-	-
Oberoi Investments Private Limited **	-	-	-	-	-	-	-	-	-	-
Oberoi Holdings Private Limited **	-	-	-	-	-	-	-	-	-	-
Bombay Plaza Private Limited **	-	-	-	-	-	-	-	-	-	-
Oberoi Leasing and Finance Company Private Limited **	-	-	-	-	-	-	-	-	-	-
Oberoi Properties Private Limited **	-	-	-	-	-	-	-	-	-	-
Oberoi Lutyens Private Limited **	-	-	-	-	-	-	-	-	-	-
Aravali Polymers LLP **	-	-	-	-	-	-	-	-	-	-
Total	**4.47**	**3.67**	**22.57**	**37.28**	**2.29**	**1.85**	**-**	**-**	**-**	**-**
** Transaction amount is ₹ 2,500 each (2020-Nil).										
Contribution of Gratuity Fund										
EIH Employees' Gratuity Fund	-	-	-	-	-	-	-	-	69.13	66.55
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**69.13**	**66.55**
Refund of gratuity										
EIH Employees' Gratuity Fund	-	-	-	-	-	-	-	-	116.17	81.64
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**116.17**	**81.64**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Outstanding Balances as on March 31, 2021

₹ Million

NATURE OF TRANSACTIONS	Subsidiaries		Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel	
	2021	2020	2021	2020	2021	2020	2021	2020
PAYABLES								
For goods and services								
Mercury Car Rentals Private Limited	-	-	6.95	15.64	-	-	-	-
Mashobra Resort Limited	0.39	0.39	-	-	-	-	-	-
Mumtaz Hotels Limited	0.26	1.07	-	-	-	-	-	-
Oberoi Kerala Hotels and Resorts Limited	0.02	0.02	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	5.01	17.81	-	-	-	-
PT Waka Oberoi Indonesia	-	0.02	-	-	-	-	-	-
PT Widja Putra Karya	-	0.13	-	-	-	-	-	-
Island Resort Ltd	-	-	-	0.16	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	1.18	0.07	-	-
Oberoi International LLP	-	-	-	-	0.05	0.86	-	-
Oberoi Plaza Private Limited	-	-	-	-	0.15	-	-	-
Mr. Vikramjit Singh Oberoi	-	-	-	-	-	-	-	0.04
Mrs. Nita M. Ambani	-	-	-	-	-	-	-	0.05
Mr. Manoj Harjivandas Modi	-	-	-	-	-	-	-	0.05
Mr. Anil K. Nehru	-	-	-	-	-	-	-	0.13
Mr. Sudipto Sarkar	-	-	-	-	-	-	-	0.09
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)	-	-	-	-	-	-	0.05	-
Mr. L. Ganesh	-	-	-	-	-	-	-	0.13
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	-	-	0.03	0.07
Total	**0.67**	**1.63**	**11.96**	**33.61**	**1.38**	**0.93**	**0.08**	**0.56**
Royalty								
Oberoi Hotels Private Limited	-	-	-	-	18.62	33.47	-	-
Total	**-**	**-**	**-**	**-**	**18.62**	**33.47**	**-**	**-**
Security deposit								
Bombay Plaza Private Limited	-	-	-	-	0.50	0.50	-	-
Total	**-**	**-**	**-**	**-**	**0.50**	**0.50**	**-**	**-**
Other payables								
EIH Associated Hotels Limited	-	-	-	5.05	-	-	-	-
Total	**-**	**-**	**-**	**5.05**	**-**	**-**	**-**	**-**
ADVANCES AND RECEIVABLES								
For goods and services								
Mercury Car Rentals Private Limited	-	-	0.53	3.12	-	-	-	-
Mashobra Resort Limited	3.77	4.52	-	-	-	-	-	-
Mumtaz Hotels Limited	10.56	16.02	-	-	-	-	-	-
PT Waka Oberoi Indonesia	0.07	0.16	-	-	-	-	-	-
PT Widja Putra Karya	0.12	0.08	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	35.98	72.29	-	-	-	-
Island Resort Ltd	-	-	-	0.81	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	1.73	3.30	-	-
Bombay Plaza Private Limited	-	-	-	-	0.67	0.10	-	-

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

₹ Million

NATURE OF TRANSACTIONS	Subsidiaries		Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel	
	2021	2020	2021	2020	2021	2020	2021	2020
Oberoi Plaza Private Limited	-	-	-	-	0.13	-	-	-
Oberoi Holdings Private Limited	-	-	-	-	0.07	-	-	-
Oberoi Investments Private Limited	-	-	-	-	0.31	-	-	-
Oberoi Buildings and Investments Private Limited	-	-	-	-	1.02	-	-	-
Oberoi International LLP	-	-	-	-	0.01	-	-	-
La Roseraie De L'atlas	-	-	25.56	26.18	-	-	-	-
Total	**14.52**	**20.78**	**62.07**	**102.40**	**3.94**	**3.40**	**-**	**-**
Advance against Equity Shares								
Mashobra Resort Limited	1,361.93	1,361.93	-	-	-	-	-	-
Total	**1,361.93**	**1,361.93**	**-**	**-**	**-**	**-**	**-**	**-**
Management contract								
Mumtaz Hotels Limited	2.12	33.74	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	17.24	93.17	-	-	-	-
Total	**2.12**	**33.74**	**17.24**	**93.17**	**-**	**-**	**-**	**-**
Security deposit								
Oberoi Kerala Hotels and Resorts Limited	3.49	3.32	-	-	-	-	-	-
Total	**3.49**	**3.32**	**-**	**-**	**-**	**-**	**-**	**-**
OTHERS (REFER NOTES BELOW)								
Corporate guarantees outstanding (refer note (i) below)								
EIH Flight Services Ltd	655.10	701.10	-	-	-	-	-	-
Total	**655.10**	**701.10**	**-**	**-**	**-**	**-**	**-**	**-**

Notes:

(i) In respect of a corporate guarantee amounting to ₹ 610.20 Million [MUR 340 Million] as at March 31, 2021, issued by the Company for the term loan facilities (including short term loan) availed by EIH Flight Services Ltd ("EIHFSL"), the Company has provided a repayment undertaking to the State Bank (Mauritius) Ltd to infuse an amount of MUR 50.00 Million (equivalent to ₹ 89.73 Million as at March 31, 2021) as shareholder's equity by June 30, 2021, and such additional funds by way of shareholder equity as required during the year ending March 31, 2022 so as to match all loan instalments falling due at the bank and thereafter, to infuse adequate funds to cater for any shortfall in the cash flow of EIHFSL so that it can repay the same on the agreed terms and conditions.

(ii) Total amounts outstanding in respect of borrowings (including overdraft facilities) availed by EIHFSL as at the year end aggregated to ₹ 623.44 Million (March 31, 2020 - ₹ 605.27 Million).

(iii) The Company has provided a letter of support confirming that financial support will be provided to its subsidiary, EIHFSL for the foreseeable future.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

45 CONTINGENT LIABILITIES

The Company had contingent liabilities at March 31, 2021 in respect of:

(a) Claims against the Company pending appellate/judicial decisions not acknowledged as debts:

₹ Million

	March 31, 2021	March 31, 2020
i. Sales Tax and Value Added Tax	54.97	37.36
ii. Income Tax	266.05	280.50
iii. Service Tax	13.61	15.89
iv. Property Tax	262.06	236.43
v. Customs Duty	429.66	429.66
vi. Luxury Tax	3.50	3.50
vii. Others	5.30	7.05

The matters listed above are in the nature of statutory dues, namely, Property tax, Sales Tax, Value Added Tax, Income Tax, Service Tax, Customs Duty, Luxury Tax and other claims, all of which are under litigation, the outcome of which would depend on the merits of facts and law at an uncertain future date. The amounts shown in the items above represent the best possible estimates arrived at, are on the basis of currently available information. The Company engages reputed professional advisors to protect its interests, and cases that are disputed by the Company are those where the management has been advised that it has strong legal positions. Hence, the outcomes of the above matters are not envisaged to have any material adverse impact on the Company's financial position.

(b) Guarantees :

i. Guarantees given to banks for ₹ 655.10 Million (2020- ₹ 701.10 Million) against financial facilities availed by a subsidiary company.

ii. Counter guarantees issued to banks and remaining outstanding ₹ 49.07 Million (2020- ₹ 15.66 Million).

46 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

47 COMMITMENTS

(i) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

₹ Million

	March 31, 2021	March 31, 2020
Property, plant and equipment (net of capital advances)	223.25	294.83

(ii) Other commitments:

(a) EIH Flight Services Ltd ("EIHFSL"), Mauritius had availed a term loan of ₹ 597.61 Million [MUR 333 Million] from State Bank (Mauritius) Ltd ("SBM") which, amongst others, is secured by a Corporate Guarantee of ₹ 610.20 Million [MUR 340 Million] by the Company. Repayment of this loan in quarterly installments commenced in September 2019 and the balance outstanding on March 31, 2020 was ₹ 596.41 Million [MUR 310.50 Million]. In view of adverse business conditions arising from the worldwide lockdown announced by different countries due to COVID-19 during FY 2020-21, the loan was restructured by SBM whereby interest payments were kept on hold from April 1, 2020 to December 31, 2020 with principal repayments of the said loan due to recommence from June 30, 2021. The unprecedented adversity in business conditions continue to prevail resulting in an uncertainty for EIHFSL to be able to fund the loan repayment obligations amounting to MUR 98.10 Million (equivalent to ₹ 162.41 Million as on March 31, 2021) upto March 31, 2022 from internal generations. In view of this uncertainty, the Company has committed to invest MUR 100 Million (equivalent to ₹ 179.46 Million as on March 31, 2021) in EIHFSL within one year from the reporting date to enable EIHFSL to meet its loan repayment obligations (refer note 44).

(b) The Company has provided a letter of support confirming that financial support will be provided to its subsidiary, EIHFSL for the foreseeable future.

48 LEASES

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method by recognising a lease liability at the date of initial application at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate and recognizing a right-of-use assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

On transition, the adoption of the new standard resulted in recognition of right of use assets of ₹ 3,338.01 Million from leases that were earlier classified as operating lease and right-of-use assets of ₹ 677.02 Million from leases that were earlier classified as finance lease aggregating to total right-of-use assets of ₹ 4,015.03 Million and a lease liability of ₹ 1,100.12 Million from leases that were earlier classified as operating lease and lease liability of ₹ 87.56 Million from leases that were earlier classified as finance lease aggregating to total lease liability of ₹ 1,187.68 Million.

Further the effect of this adoption had also resulted in the following as on April 1, 2019:

- Property, plant and equipment decreased by ₹ 677.02 Million
- Deferred tax liabilities (net) increased by ₹ 3.60 Million
- Prepayments decreased by ₹ 2,237.89 Million
- Borrowings and other financial liabilities decreased by ₹ 62.92 Million and ₹ 34.93 Million respectively The cumulative effect of applying the standard resulted in ₹ 6.69 Million (net of tax) being credited to retained earnings as on the transition date.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Ind AS 116 had resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at April 1, 2019

(c) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(d) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(e) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Amount recognised in profit and loss account

The statement of profit and loss shows the following amount relating to leases :

₹ Million

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation charge for the right-of-use assets		
Land leases	125.64	129.59
Building leases	0.59	0.64
Vehicle Leases	21.14	25.22
	147.37	**155.45**
Interest on lease liabilities (included in finance costs)	107.99	107.35
Expense relating to short-term leases (included in other expenses)	199.25	214.06
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	0.10	1.14
Expense relating to variable lease payments not included in lease liabilities	Nil	Nil
Total cash outflows for leases	**132.98**	**109.69**

Following are the changes in the carrying value of right-of-use assets:

₹ Million

Particulars	Category of right-of-use assets			
	Land leases	Building	Vehicle Leases	Total
Balance as of April 1, 2019	-	-	-	-
*Reclassified on account of adoption of Ind AS 116	3,959.61	0.88	54.54	4,015.03
Additions	-	1.19	14.42	15.61
Sales / Adjustments during the year	-	-	0.80	0.80
Depreciation	129.59	0.64	25.22	155.45
Balance as of March 31, 2020	**3,830.02**	**1.43**	**42.94**	**3,874.39**
Additions	-	-	3.66	3.66
Sales / Adjustments during the year	61.66	0.24	0.88	62.78
Depreciation	125.64	0.59	21.14	147.37
Balance as of March 31, 2021	**3,642.72**	**0.60**	**24.58**	**3,667.90**

* Prior to April 1, 2019, the Company recognised lease assets and lease liabilities in relation to leases that were classified as finance leases under Ind AS 17, 'Leases'. The assets were presented in property, plant and equipment and the liabilities as part of the Company's borrowings and other financial liabilities.

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

The following is the break-up of current and non-current lease liabilities:

₹ Million

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	17.73	31.82
Non-current lease liabilities	1,140.95	1,148.43
Total	**1,158.68**	**1,180.25**

The following is the movement in lease liabilities:

₹ Million

Particulars	March 31, 2021	March 31, 2020
Opening balance	1,180.25	-
Reclassified on account of adoption of Ind AS 116	-	1,187.68
Additions	3.66	15.61
Finance cost accrued during the year	107.99	86.65
Sales / Adjustments during the year	0.24	-
Payment of lease liabilities	132.98	109.69
Closing balance	**1,158.68**	**1,180.25**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ Million

Particulars	March 31, 2021	March 31, 2020
Less than one year	113.57	127.56
One to five years	454.05	444.79
More than five years	1,627.49	1,734.49
Total	**2,195.11**	**2,306.84**

Non-cancellable operating leases - As a Lessor

The Company gives shops located at various hotels on operating lease arrangements. These leases are generally cancellable in nature and may generally be terminated by either party by serving notice. Some shops have been given under non-cancellable operating lease, for which the future minimum lease payments recoverable by the company are as under:

₹ Million

	As at March 31, 2021	As at March 31, 2020
Minimum lease payments in relation to non-cancellable operating leases are receivable as follows:		
Within one year	266.07	257.96
Later than one year but not later than five years	924.77	996.45
Later than five years	699.67	697.91
Contingent rents recognised as an income in the Statement of Profit and Loss for the year.	Nil	Nil

49 SEGMENT REPORTING

There are no reportable segments other than hotels as per Ind AS 108,"Operating Segment".

The Company does not have transactions of more than 10% of total revenue with any single external customer.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

50 EARNINGS PER EQUITY SHARE

₹

	As at March 31, 2021	As at March 31, 2020
(a) Basic earnings per share	(5.72)	2.15
(b) Diluted earnings per share	(5.72)	2.15

(c) Reconciliations of earnings used in calculating earnings per share

₹ Million

	March 31, 2021	March 31, 2020
Profit attributable to the equity holders of the Company used in calculating basic earnings per share:	(3,431.24)	1,244.67
Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	(3,431.24)	1,244.67

(d) Weighted average number of shares used as the denominator

Number of shares

	As at March 31, 2021	As at March 31, 2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	599,643,471	578,888,639
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	599,643,471	578,888,639

Basic and diluted earnings per share presented above have been adjusted retrospectively for the bonus element in respect of Rights issue made during the year ended March 31, 2021 in accordance with Ind AS 33,"Earnings per Share" (refer note 56).

51 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ Million

	As at March 31, 2021	Cash flows	Non cash changes	As at March 31, 2020
Non-current borrowings	2,613.59	327.88	-	2,285.71
Current borrowings	170.32	(1,694.96)	-	1,865.28
Total liabilities from financing activities	**2,783.91**	**(1,367.08)**	**-**	**4,150.99**

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

52 DISCLOSURE ON CONTRACT BALANCES :

a) Trade receivables

A trade receivable is recorded when the Company has an unconditional right to receive payment. In respect of revenue from rooms, food and beverages and other services invoice is typically issued as the related performance obligations are satisfied as described in note 1(b) (refer note 14).

b) Advance from customers

Advance from customers is recognised when payment is received before the related performance obligation is satisfied (refer note 31).

₹ Million

	As at March 31, 2021	As at March 31, 2020
As at the beginning of the year	327.16	463.28
Recognised as revenue during the year	283.52	440.27
As at the end of the year	279.18	327.16

c) Deferred revenue

Deferred revenue is recognised when invoice is raised before the related performance obligation is satisfied (refer note 31).

	Belvedere membership		Loyalty program	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(i) As at the beginning of the year	-	24.38	149.08	146.72
(ii) Revenue recognised during the year out of (i) above	-	(24.38)	2.69	75.06
(iii) As at the end of the year	36.93	-	164.14	149.08

53 The Company has a non-current investment in EIH Flight Services Ltd (EIHFSL), Mauritius, a wholly owned subsidiary of the company, in the business of airline catering and airport lounge, amounting to ₹ 1,184.88 Million. As at March 31, 2021, EIHFSL total liabilities exceeded total assets, resulting in a shareholder's deficit of ₹ 262.67 Million (as at March 31, 2020 – ₹ 156.52 Million).

The Company performed an impairment assessment at the year end and concluded that the carrying amount exceeded the recoverable amount and accordingly, the Company recognised an impairment loss of ₹ 464.92 Million (previous year ₹ 161.40 Million) during the year in the Statement of Profit and Loss which has been disclosed under "Exceptional items" (refer note 39).

The company is of the view that the operations of its subsidiary EIHFSL represent a single cash-generating unit (CGU). The recoverable amount of the CGU was determined by value-in-use using discounted value of projected future cash flows. The projected cashflows beyond the five year period have been extrapolated using a steady long term growth rate (estimated based on the country and passenger growth rate). The future cash flows consider potential risks given the current economic environment (COVID-19 Pandemic) and key assumptions, such as volume forecasts and margins. The discount rate was based on the weighted average cost of capital comprising the risk free rate based on 10 year yield of Government of Mauritius bonds and a market participant risk premium and an additional risk premium to factor in the risk of achieving the projections.

Based on the above, Management estimates the overall recoverable amount of the CGU is ₹ 558.55 Million (as at March 31, 2020 – ₹ 1,023.48 Million) against a carrying cost of ₹ 1,184.88 Million (as at March 31, 2020 – ₹ 1,184.88 Million).

54 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code and rules thereunder become effective.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

55 In accordance with Regulations 6(a) and 7 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the Company has voluntarily delisted its equity shares from Calcutta Stock Exchange Limited (CSE) w.e.f. March 5, 2021. However, equity shares of the Company continue to remain listed on National Stock Exchange Limited (NSE) and BSE Limited (BSE).

56 The Company in its Letter of Offer dated September 21, 2020 offered 53,794,768 shares by way of Rights issue at a face value of ₹ 2 each and at a price of ₹ 65 per equity share (including a premium of ₹ 63 per equity share). The issue opened on September 29, 2020 and closed on October 13, 2020 with a subscription of 1.60 times the issue size. Subsequently, the Company allotted 53,794,768 shares on October 20, 2020, on the basis of allotment approved by the Rights Issue Committee of the Board of Directors aggregating to ₹ 3,496.66 Million including securities premium of ₹ 3,389.07 Million. Issue expenses incurred in connection with the Rights issue, amounting to ₹ 32.02 Million have been charged to securities premium.

Pursuant to the allotment of equity shares on rights basis, basic and diluted earnings per share have been adjusted retrospectively for the bonus element in respect of rights issue in accordance with Ind AS 33.

Proceeds from the rights issue have been utilised towards the objects stated in the Letter of Offer in the following manner:

Particulars	₹ Million
Repayments of borrowings	2,800.00
General corporate purposes	664.64
Issue expenses	32.02
Total	**3,496.66**

57 During the year, the Company recognised an impairment loss in respect of certain property, plant and equipment amounting ₹ 24.93 Million (Previous year – ₹ Nil) on account of continuing losses in respect of, The Oberoi Motor Vessel Vrinda, a luxury cruiser in the backwaters of Kerala. The same has been charged in the Statement of Profit and Loss, which has been disclosed under "Exceptional items" (refer note 39).

The recoverable amount of the aforementioned luxury cruiser was determined by the Company's management based on a value-in-use calculation of the recoverable amount which uses cash flow projections and a discount rate of 11.47% per annum. The recoverable amount has been calculated as per the provisions of Ind AS 36, Impairment of Assets. Cash flow projections are based on the expected future occupancy, average room rate, expected payroll and other costs.

58 IMPACT OF COVID-19 ON BUSINESS OPERATIONS

The World Health Organisation declared the COVID-19 outbreak as a pandemic on March 11, 2020, leading to series of measures by countries across the world to contain the spread of the virus. A nationwide lockdown was imposed across India on March 24, 2020, whereby hotel operations were mandated to remain non-operational for different periods across various states in the country. Similar restrictions were imposed by other countries across the globe. This had a severe impact on business at the Company's hotels and other operations across India for the year ended March 31, 2021. The lockdown was lifted in a phased manner across various states in the country, post which hotels and restaurants were allowed to resume operations from June 8, 2020 in phases. Domestic airlines in India were allowed to commence operations from May 25, 2020 and several 'Air Bubble' flights were allowed to operate between India and other specified countries effective July 18, 2020.

During the lockdown, business at the Company's hotels was mainly limited to stranded guests and accommodation requirements of guests rendering essential services allowed under government orders. Post lifting of the lockdown, business at hotels and restaurants have gradually started picking up, especially at leisure locations. With respect to business in the financial year ending March 31, 2022 the revenues could be impacted due to further travel restrictions, if any, resulting from a surge of COVID-19 cases that could influence travel decisions of guests or guests postponing discretionary spending. The Company's flight kitchens catered to various airlines operating repatriation flights, crew and cargo flights and continue to cater to domestic flights and to international 'Air Bubble' flights since July, 2020. The printing press of the Company received special permission from the Government to operate amidst the lockdown from May 1, 2020 for servicing essential services like banks, pharmaceuticals and food.

Notes to Standalone Financial Statements

for the Year ended March 31, 2021

Notwithstanding the impact of the crisis on the Company's business, Management based on its assessment does not foresee stress on liquidity, as it has access to sanctioned borrowing facilities for working capital requirements, worth ₹ 5,100.00 Million, of which ₹ 4,929.68 Million was unutilised as on March 31, 2021. Further, the Company has raised ₹ 3,496.66 Million by way of a Rights issue (for details, please see note 56).

The Management has also assessed the potential impact of COVID-19 in preparing the standalone financial statements including but not limited to its assessment of liquidity and going concern assumptions, the carrying value of property, plant and equipment, right of use assets, capital work-in-progress, intangible assets, investment property, investments, trade receivables, inventories, and other current and non-current assets of the Company as on March 31, 2021. Based on current indicators of future economic conditions, the Company expects to recover the carrying amounts as on March 31, 2021 of these assets. The impact of COVID-19 on the business may be different from that estimated on the date of approval of these standalone financial statements. The Management will continue to closely monitor any material changes to future economic conditions.

59 The standalone financial statements were approved for issue by the Board of Directors on May 7, 2021.

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Independent Auditor's Report

To The Members of EIH Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **EIH Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and 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 and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures referred to in the Other Matters section below, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures 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 consolidated financial statements under the provisions of the Act and the Rules made 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

Material uncertainty related to Going Concern of a Subsidiary Company

We draw attention to Note 57 to the consolidated financial statements, which indicates that EIH Flight Services Ltd (EIHFSL), a subsidiary, has incurred a net loss of ₹ 121.68 million during the year ended March 31, 2021 and, as of that date, had a shareholder's deficit of ₹ 262.67 million and had a net current liability of ₹ 269.57 million. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on EIHFSL's ability to continue as a going concern. Further, the auditors of EIHFSL, without modifying their opinion, reported a material uncertainty related to going concern vide their audit report dated April 15, 2021 on the financial statements of EIHFSL for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Independent Auditor's Report (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
1	**IMPAIRMENT TESTING OF GOODWILL ON CONSOLIDATION RELATING TO EIH** International Ltd (EIL) Goodwill on consolidation includes ₹ 3,486.22 Million as at March 31, 2021, based on the consolidated financial statements of EIH International Ltd ('EIL'), a subsidiary of EIH audited by component auditors, which is disclosed in Note 4B to the consolidated financial statements. As detailed in the above note, Management has carried out a valuation considering various factors and assumptions and concluded that the recoverable value of goodwill is higher than the carrying value. Due to the multitude of factors and assumptions involved in determining the forecasted revenues/ cash flows and discount rate in the projection period, significant judgments are required to estimate the recoverable value. Hence this is considered as a key audit matter.	**PRINCIPAL AUDIT PROCEDURES PERFORMED:** • We have understood and tested the design, implementation and operating effectiveness of the management controls over the assessment and conclusion over the impairment evaluation with regard to the goodwill arising on consolidation. • We have held discussions with the component auditor engagement team with regard to the impairment evaluation of goodwill pertaining to EIL. Also, we have sent referral instructions to the auditors of EIL as per the auditing standards, specifying impairment evaluation of goodwill of EIL as a key audit matter and have also specified the procedures to be performed by the component auditors, with respect to the same. The procedures performed by the component auditors and which were evaluated by us are as follows: • Component auditor engagement team has received the management's valuation report of EIL and has considered the same as part of their impairment testing of goodwill and other assets of EIL. • Component auditor engagement team has assessed the reasonability of the underlying cash flow forecasts prepared by the company's management in their valuation, and compared the same with the company's internal budgets to assess if the assumptions and growth trends accurately reflect the current market conditions and business strategy. Component auditor engagement team has also evaluated how the historical budgeting inaccuracies have been taken into account in the forecasted cash flows. As part of this, the component auditor engagement team has held discussions with the President of International Operations and Vice President of International Finance and has considered market data and industry forecasts, in assessing the reasonability of the figures. • Component auditor engagement team has also assessed the appropriateness of the assumptions used in the model such as discount rates and terminal growth rates. • Component auditor engagement team has tested the mathematical and clerical accuracy of the model to conclude that the model is accurately calculating the value in use using the appropriate methodology. • Component auditor engagement team has added additional considerations, in light of the COVID 19 pandemic as to the impact on the valuation model, noting that the assumptions made in year 1 of the value in use model, do not have a material impact on the headroom of the model. Component auditor engagement team has also performed sensitivity analysis considering a slower return to industry 'normality' than that adopted by management, noting that significant headroom remains in the impairment assessment.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' report including annexures to the Directors' Report, Business Responsibility Report, Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint ventures and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.

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

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group (and of its associates and joint ventures) are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group and its associates and joint ventures 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 consolidated 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 Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (Contd.)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matters

We did not audit the financial statements of 8 subsidiaries, whose financial statements reflect total assets of ₹ 9,106.40 million as at March 31, 2021, total revenues of ₹ 264.08 million and net cash out flows amounting to ₹ 194.17 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 419.94 million for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 2 associates and 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

Certain of these subsidiaries/associate/ joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries/ associate/ joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries/associate/ joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associates and joint ventures referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 44 to the consolidated financial statements.

   ii) The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts. Refer Note 41 to the consolidated financial statements.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India. Refer Note 56 to the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 21093474AAAAAY2395)

Place: Gurugram
Date: May 7, 2021

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of EIH Limited (hereinafter referred to as "Parent") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 subsidiary company and 1 associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 21093474AAAAAY2395)

Place: Gurugram
Date: May 7, 2021

Consolidated Balance Sheet

as at March 31, 2021

₹ Million

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4A (i)	19,960.68	20,822.65
Right-of-use assets	4A (ii)	4,156.20	4,380.90
Capital work-in-progress		1,689.22	1,304.41
Goodwill on consolidation	4B	3,609.43	3,701.05
Other intangible assets	4A (iii)	68.70	80.09
Investment property	4A (iv)	1,058.82	1,084.83
Financial assets			
(i) Investments accounted for using equity method	5	3,155.13	3,812.45
(ii) Other investments	6	383.59	392.92
(iii) Other non-current financial assets	7	474.70	455.07
Tax assets (net)	8	690.56	618.15
Deferred tax assets (net)	9	75.36	98.31
Other non-current assets	10	1,441.98	1,495.80
Total non-current assets		**36,764.37**	**38,246.63**
Current assets			
Inventories	11	513.67	609.55
Financial assets			
(i) Investments	12	572.20	384.47
(ii) Trade receivables	13	777.52	2,057.27
(iii) Cash and cash equivalents	14	453.46	678.76
(iv) Other bank balances	15	1,608.39	1,612.30
(v) Other current financial assets	16	65.21	76.59
Other current assets	17	566.02	853.75
Total current assets		**4,556.47**	**6,272.69**
Total assets		**41,320.84**	**44,519.32**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	1,250.73	1,143.14
Other equity	19	29,793.75	30,222.30
Equity attributable to owners of EIH Limited		31,044.48	31,365.44
Non-controlling interest		943.98	997.31
Total equity		**31,988.46**	**32,362.75**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	2,545.70	2,337.51
(ii) Lease liabilities		1,635.81	1,672.24
(iii) Other non-current financial liabilities	21	349.40	319.14
Provisions - non-current	22	293.81	330.81
Other non-current liabilities	23	8.65	11.22
Deferred tax liabilities (net)	24	413.86	1,477.90
Total non-current liabilities		**5,247.23**	**6,148.82**

Consolidated Balance Sheet

as at March 31, 2021

₹ Million

	Notes	As at March 31, 2021	As at March 31, 2020
Current liabilities			
Financial liabilities			
(i) Borrowings	25	222.90	1,874.14
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	26A	18.17	15.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	26B	1,772.37	2,062.37
(iii) Lease liabilities		54.89	41.17
(iv) Other current financial liabilities	27	816.41	842.63
Tax liabilities (net)	28	-	-
Provisions - current	29	180.78	191.55
Other current liabilities	30	1,019.63	980.57
Total current liabilities		**4,085.15**	**6,007.75**
Total liabilities		**9,332.38**	**12,156.57**
Total equity and liabilities		**41,320.84**	**44,519.32**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Consolidated Statement of Profit and Loss

for the Year ended March 31, 2021

₹ Million

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	31	4,970.80	15,962.53
Other income	32	578.88	784.41
Total income		**5,549.68**	**16,746.94**
Expenses			
Consumption of provisions, wines and others	33	750.84	1,994.16
Employee benefits expense	34	3,519.34	4,692.18
Finance costs	35	457.41	556.05
Depreciation and amortisation expense	36	1,326.60	1,464.61
Other expenses	37	3,619.34	6,373.62
Total expenses		**9,673.53**	**15,080.62**
Profit / (Loss) before exceptional items, share of net profits/ (loss) of investments accounted for using equity method and tax		**(4,123.85)**	**1,666.32**
Share of net profit / (loss) of associates and joint ventures accounted for using equity method		**(608.18)**	**(1.44)**
Profit / (Loss) before exceptional items and tax		**(4,732.03)**	**1,664.88**
Exceptional items	38	(24.93)	(4.67)
Profit / (Loss) before tax		**(4,756.96)**	**1,660.21**
Tax expense			
Current tax	39	76.48	372.39
Deferred tax	39	(1,078.98)	(363.61)
Profit / (Loss) for the year		**(3,754.46)**	**1,651.43**
Other comprehensive income / (loss)			
A Items that will not be reclassified to profit or loss			
- Share of other comprehensive income of associate and joint ventures accounted for using the equity method		10.78	(3.35)
- Recycling of foreign currency transalation reserve		-	(28.06)
- Remeasurnment of defined benefit obligations		44.56	(31.14)
- Tax relating to these items		(13.25)	9.71
		42.09	**(52.84)**
B Items that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		(126.56)	603.66
		(126.56)	603.66
Total other comprehensive income / (loss) for the year, net of tax		(84.47)	550.82
Total comprehensive income / (loss) for the year		**(3,838.93)**	**2,202.25**
Profit / (Loss) attributable to:			
- Owners of EIH Limited		(3,697.08)	1,488.17
- Non-controlling interests		(57.38)	163.26
Other comprehensive income / (loss) attributable to:			
- Owners of EIH Limited		(88.52)	540.99
- Non-controlling interests		4.05	9.83
Total comprehensive income / (loss) attributable to:			
- Owners of EIH Limited		(3,785.60)	2,029.16
- Non-controlling interests		(53.33)	173.09
Earnings per equity share (In ₹) Face Value ₹ 2	47		
(1) Basic		(6.17)	2.57
(2) Diluted		(6.17)	2.57

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Consolidated Statement of Cash Flows

for the Year ended March 31, 2021

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(4,756.96)	1,660.21
Adjustments for		
Share of net profit / (loss) of associates and joint ventures accounted for using equity method	608.18	1.44
Depreciation and amortisation expense	1,326.60	1,464.61
Effect of exchange rate difference	(14.27)	50.42
Loss on disposal of property, plant and equipment (net)	22.38	47.19
Impairment loss in respect of property, plant and equipment	24.93	-
Bad debts and advances written off	0.56	0.88
Provision for doubtful trade receivables and advances with significant increase in credit risk	8.14	24.32
Fair value changes on investments measured at fair value through profit or loss (net)	(4.21)	2.13
Provisions/Liabilities written back	(29.35)	(29.39)
Profit on sale/redemption of investments (net)	(0.28)	-
Dividend income	(14.55)	(19.54)
Interest income	(170.09)	(250.74)
Rental income from investment property	(211.10)	(170.56)
Finance costs	457.41	556.05
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	1,276.39	397.39
(Increase)/Decrease in inventories	91.82	(10.93)
(Increase)/ Decrease in other current /non-current financial assets	69.18	(19.77)
(Increase)/Decrease in other current /non-current assets	293.24	(177.71)
Increase/(Decrease) in trade payables	(219.26)	(196.38)
Increase/(Decrease) in provisions	(73.46)	(8.30)
Increase/(Decrease) in other current /non-current financial liabilities	9.17	37.94
Increase/(Decrease) in other current /non-current liabilities	39.18	18.17
Cash from / (used in) operations	**(1,266.35)**	**3,377.43**
Income taxes paid (net of refund)	(128.04)	(207.07)
Net cash from / (used in) operating activities	**(1,394.39)**	**3,170.36**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(698.07)	(1,745.63)
Payments for investment property	(0.11)	(4.07)
Payments for intangible assets	(24.35)	(45.33)
Purchase of Investments	(264.39)	(521.84)
Proceeds from sale of investments	95.01	352.55
Rental income from investment property	211.10	170.56
Proceeds from sale of property, plant and equipment	17.51	88.17
Changes in other bank balances - deposits matured/(placed)	3.92	(182.53)
Dividend received	7.62	68.16
Interest received	124.97	186.38
Net cash from / (used in) investing activities	**(526.79)**	**(1,633.58)**

Consolidated Statement of Cash Flows

for the Year ended March 31, 2021

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Rights issue of equity shares	3,496.66	-
Issue related expenses incurred on rights issue of equity shares	(32.02)	-
Proceeds from borrowings		
Non-current borrowings	2,645.70	250.00
Current borrowings	57.94	8.86
Repayment of borrowings		
Non-Current borrowings	(2,318.03)	(472.49)
Current borrowings	(1,694.96)	(381.36)
Interest paid	(331.73)	(430.09)
Repayment of lease liabilities	(123.75)	(133.89)
Dividends paid	(3.93)	(579.08)
Dividend distribution tax	-	(104.09)
Net cash inflow from / (used in) financing activities	**1,695.88**	**(1,842.14)**
Net decrease in cash and cash equivalents	**(225.30)**	**(305.36)**
Cash and cash equivalents at the beginning of the year	678.76	984.12
Cash and cash equivalents at the end of the year	**453.46**	**678.76**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Consolidated Statement of changes in equity

for the Year ended March 31, 2021

A. EQUITY SHARE CAPITAL

₹ Million

As at April 1, 2019	**1,143.14**
Changes in equity share capital during the year	-
As at March 31, 2020	**1,143.14**
Add: Issued during the year on Rights basis (refer note 50)	107.59
As at March 31, 2021	**1,250.73**

B. OTHER EQUITY

₹ Million

	Reserves and surplus					Other Reserves			
	Capital redemption reserve	Capital reserve	Securities premium	General reserve	Retained earnings - Surplus	Foreign currency translation reserve	Total other equity	Non-controlling interest	Total
Balance at April 1, 2019	**1,024.21**	**25.95**	**12,373.41**	**9,384.83**	**5,398.59**	**583.81**	**28,790.80**	**886.17**	**29,676.97**
Impact on adoption of Ind AS 116, net of tax (refer note 45)	-	-	-	-	8.09	-	8.09	-	8.09
Profit / (Loss) for the year	-	-	-	-	1,488.17	-	1,488.17	163.26	1,651.43
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	(52.53)	-	(52.53)	(0.31)	(52.84)
Currency translation difference on foreign operations	-	-	-	-		593.52	593.52	10.14	603.66
	-	**-**	**-**	**-**	**1,443.73**	**593.52**	**2,037.25**	**173.09**	**2,210.34**
Allocations/Appropriations:									
Final dividend paid for the year 2018-19	-	-	-	-	(514.41)	-	(514.41)	(61.95)	(576.36)
Reversal of deferred tax liability on proposed dividend created in previous year	-	-	-	-	-	-		12.74	12.74
Dividend distribution tax	-	-	-	-	(91.34)	-	(91.34)	(12.74)	(104.08)
	-	**-**	**-**	**-**	**(605.75)**	**-**	**(605.75)**	**(61.95)**	**(667.70)**
Balance as at March 31, 2020	**1,024.21**	**25.95**	**12,373.41**	**9,384.83**	**6,236.57**	**1,177.33**	**30,222.30**	**997.31**	**31,219.61**
Balance at April 1, 2020	**1,024.21**	**25.95**	**12,373.41**	**9,384.83**	**6,236.57**	**1,177.33**	**30,222.30**	**997.31**	**31,219.61**
Securities premium on issue of shares on Rights basis (refer note 50)	-	-	3,389.07	-	-	-	3,389.07	-	3,389.07
Issue related expenses incurred on Rights issue of equity shares (refer note 50)	-	-	(32.02)	-	-	-	(32.02)	-	(32.02)
Profit / (Loss) for the year	-	-	-	-	(3,697.08)	-	(3,697.08)	(57.38)	(3,754.46)
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	41.77	-	41.77	0.32	42.09
Currency translation difference on foreign operations	-	-	-	-	-	(130.29)	(130.29)	3.73	(126.56)
	-	**-**	**3,357.05**	**-**	**(3,655.31)**	**(130.29)**	**(428.55)**	**(53.33)**	**(481.88)**
Allocations/Appropriations	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**1,024.21**	**25.95**	**15,730.46**	**9,384.83**	**2,581.26**	**1,047.04**	**29,793.75**	**943.98**	**30,737.73**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place : Gurugram
Date : May 7, 2021

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

GENERAL INFORMATION

EIH Limited ("the Company") is a public Company limited by shares, incorporated and domiciled in India having its Registered Office at 4, Mangoe Lane, Kolkata – 700 001. The Company is primarily engaged in owning and managing premium luxury hotels and cruisers under the luxury 'Oberoi' and 'Trident' brands. The Group is also engaged in flight catering, airport restaurants, project management and corporate air charters. The consolidated financial statements relate to EIH Limited and its subsidiary companies (collectively referred as "the Group") and associates and joint ventures.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements of EIH Limited. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted, or a revision of an existing Accounting Standard requires a change in the accounting policy hitherto in use.

(ii) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Equity investments in entities other than joint ventures and associates which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value
- Customer loyalty programs

(iii) Use of Estimates

In preparing the consolidated financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of consolidated financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

b) Principles of Consolidation and Equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control.

This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method (see (iv) below) of accounting, after initially being recognised at cost.

(iii) Joint Arrangements

Under Ind AS in Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below) of accounting, after initially being recognised at cost.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The said investments are tested for impairment at-least annually and whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

(v) Changes in Ownership Interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

c) Revenue Recognition

(i) Performance obligation in contracts with customers is met throughout the stay of guest in the hotel or on rendering of services and sale of goods.

(ii) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and services tax and amounts collected on behalf of third parties.

(iii) Interest income is accrued on a time proportion basis using the effective interest rate method.

(iv) Interest income from debt instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(v) Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Timing of revenue recognition from major business activities

- Hospitality Services: Revenue from hospitality services is recognised when the services are rendered and the

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same becomes chargeable or when collectability is certain. This includes room revenue and food and beverage revenue.

- Sale of printed material: Revenue from sale of printed and other materials is recognised when the Group transfers control of the materials to the buyer which usually coincides with the dispatch of materials.
- Other services:
- Revenue from shop license fee, management and marketing fee included under "Other services" is recognised on accrual basis as per terms of the contract. Shop license fees basically consists of license fees earned from letting of spaces for retail and office at the hotels. Management and marketing fee is earned from hotels managed by the Group, as a percentage of profit and revenue and are recognised when earned in accordance with the terms of the contract, when collectability is certain and when the performance criteria are met. Management fee and marketing fee are treated as variable considerations. In respect of laundry income, Spa income, guest transfers income and other allied services, the revenue is recognised by reference to the timing of the services rendered.
- Membership Fees: Membership fee consists of fees received from the Belvedere business club members. Membership joining fee is charged when the customer enrolls for membership programs and membership renewal fee is charged at the time of yearly renewal of the membership. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.
- Loyalty program: The Group operates loyalty program, under which the eligible customers earn points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues attributable to earned loyalty points is deferred and a contract liability is created and on redemption/expiry of such loyalty points, revenue is recognised at pre-determined rates.

d) Foreign Currency Translations

(i) Presentation Currency

The consolidated financial statements are presented in INR which is the Functional Currency of the Group.

(ii) Transactions and Balances

Effective April 1, 2018, the Group had adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity had received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Sales made in any currency other than the functional currency of the Group are converted at the prevailing applicable exchange rate. Gain/Loss arising out of fluctuations in exchange rate is accounted for on realisation or translation into the reporting currency of the corresponding receivables at the year end.

Payments made in foreign currency including for acquiring investments are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

Revenue expenditure of all the overseas sales offices are converted at the average exchange rate for the year. Assets and liabilities other than non-monetary assets are converted at the exchange rate prevailing at the close of the accounting year and property, plant and equipment are converted at the month-end exchange rate of the month of acquisition.

Foreign currency loans covered by forward contracts are realigned at the forward contract rates, while those not covered by forward contracts are realigned at the rates ruling at the year end. The differences on realignment is accounted for in the Statement of Profit and Loss.

iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

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for the Year ended March 31, 2021

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

e) Income Tax

Current income tax is recognised based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company had adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The effect on adoption of Appendix C to Ind AS 12 – Income taxes was insignificant.

f) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future income tax liability is adjusted and is recognised as deferred tax asset in the Balance Sheet.

g) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") of the respective entities.

The Board of Directors of the Parent Company, which has been identified as being the CODM of the Group, generally assesses the financial performance and position of the Group and makes strategic decisions.

h) Leases

Effective April 1, 2019, the Group had adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The impact of adoption of the standard on consolidated financial statements of the Company has been disclosed in the notes to accounts to consolidated financial statements.

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to certain leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 1, 2019.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease assets and lease liabilities immediately before transition as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

As a lessee :

The Group's lease asset classes primarily consist of leases for land, building and vehicle leases. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

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At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred by the lessee less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group has made such adjustments during the periods presented. Refer note 4A(ii).

Lease liabilities and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

These lease payments would comprise:

- Fixed payments (including in substance fixed payments) less any lease incentive receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option and
- Payment of penalties for terminating the lease when the Group is reasonably certain to exercise the exit option at the lease commencement date.

The Group applies the practical expedient provided by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability.

As a lessor :

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

i) Impairment of Assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

j) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and deposits with the banks. It also includes short-term deposits with original maturities of three months or less.

k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

l) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined based on cumulative weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Unserviceable/damaged/discarded stocks and shortages are charged to the Statement of Profit and Loss.

m) Investments and other Financial Assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in the Statement of Profit and Loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

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(a) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

(b) Equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Group assesses at each reporting date whether a financial asset (or a Group of financial assets) such as investments, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income Recognition

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses

Dividend Income: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

n) Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

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o) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

Transition to Ind AS

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than land and the hotel buildings and owned flight kitchen buildings is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. Buildings on leasehold land are depreciated over the useful life or over the remaining lease period whichever is shorter.

The hotel buildings and owned flight kitchen buildings are depreciated equally over the balance useful life ascertained by independent technical expert as on March 31, 2021iy which ranges between 22 years and 54 years for hotel buildings and 46 years and 55 ½ years for owned flight kitchen buildings and the total useful life of the buildings are higher than those specified by Schedule II to the Companies Act; 2013. The management believes that the balance useful lives so assessed best represent the periods over which the hotel buildings are expected to be in use. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year.

Freehold land is not depreciated.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/(losses).

p) Intangible Assets

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses.

Other intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

q) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's 'Property, plant and equipment' requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised

Depreciation methods, useful lives and residual values are in accordance with the policy of property, plant and equipment.

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r) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

s) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

t) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Group are not recognised but disclosed in the consolidated financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

u) Employee Benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment Obligations

The Group operates the following post-employment schemes:

Gratuity obligations –

Maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Leave encashment on termination of service –

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Provident Fund –

The Group pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

v) Dividends

Liability is created for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity.

w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/ (loss) attributable to equity shareholders of the Group
- by the weighted average number of equity shares outstanding during the financial year,

(ii) Diluted earnings per share

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

x) Government Grants/incentives

Government grants/incentives that the Group is entitled to on fulfilment of certain conditions but are available to the Group only on completion of some other conditions, are recognised as income at fair value on completion of such other conditions.

Grants/incentives that the Group is entitled to unconditionally on fulfilment of certain conditions, such grants are recognised at fair value as income when there is reasonable assurance that the grant will be received.

y) Rounding of Amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise stated.

2 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2021.

3 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Detailed information about each of these estimates or judgements is included in relevant notes together with information about the basis of calculation for each impacted line item in the consolidated financial statements.

i) Useful life of the hotel buildings

In the case of hotel buildings forming part of property, plant and equipment of the Company, due to superior structural condition of such buildings, the management of EIH Limited, Mumtaz Hotels Limited and Mashobra Resoort Limited decided to assess the balance useful life by independent technical expert. As per the certificates of the technical expert as on March 31, 2021, the balance useful life of the hotel buildings ranges between 22 years and 54 years. The total useful life of the hotel buildings as assessed are higher than those specified by Schedule II to the Companies Act, 2013. The carrying amount of the hotel buildings is being depreciated over its residual life. Based on management evaluation performed at each reporting period, there has been no change in the earlier assessed useful life.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

ii) Advance towards equity shares

In the case of Mashobra Resort Limited ("MRL"), several disputes with the Government of Himachal Pradesh, the joint venture partner, were referred by the High Court of Himachal Pradesh by an order dated December 17, 2003 to an Arbitral Tribunal consisting of a single Arbitrator. The Arbitrator's award dated July 23, 2005 was challenged both by the Company and MRL, amongst others, before the High Court of Himachal Pradesh. The operation of the Arbitration Award was stayed pending substantive hearing of the applications by the High Court. Consequently, the status quo ante of the entire matter was restored to the position as on December 17, 2003 and the hotel is being operated by MRL accordingly. The Company vide its letter dated April 4, 2012 requested MRL to account for the entire amount of ₹ 1,361.93 Million provided to MRL upto March 31, 2012 as 'Advance Towards Equity', including ₹ 130.00 Million being the opening balance of 'Advance Towards Equity'. In view of the above, the Company has shown the said amount of ₹ 1,361.93 Million as 'Advance Towards Equity' under Other non-current financial assets in its books of account.

The High Court, by virtue of an order dated February 25, 2016 which was made available to the Company in May 2016, decided not to interfere with the order of the Arbitrator. The Company amongst others, have preferred an appeal before the Division Bench of the High Court of Himachal Pradesh. By an Order dated June 27, 2016, Division Bench has stayed the Single Bench Judge Order dated February 25, 2016 and directed the parties to maintain status quo till the matter is finally heard and disposed off. The matter is pending before the Division Bench of the High Court of Himachal Pradesh for adjudication.

iii) Claims, provisions and contingent liabilities:

The Group has ongoing litigations with various regulatory authorities and third parties with respect to tax/legal matters. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the Company's control, or present obligations that are not recognised because it is not probable that a settlement will be required or the value of such a payment cannot be reliably estimated. These are subjective in nature and involve judgement in determining the likely outcome of such tax/legal matters.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

4 A.

(i) Property, plant and equipment

₹ Million

	Gross carrying amount							Accumulated depreciation							
	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 45)	Adjusted balance as at April 1, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2020	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 45)	Adjusted balance as at April 1, 2019	For the year	Less: Sales / Adjustments	Translation adjustment	Balance as at March 31, 2020	Carrying value as at March 31, 2020
Freehold land (including development cost)	2,144.37	-	2,144.37	-	-	31.60	2,175.97	-	-	-	-	-	-	-	2,175.97
Land under finance lease	641.88	(641.88)	-	-	-	-	-	19.40	(19.40)	-	-	-	-	-	-
Buildings	14,549.95	-	14,549.95	406.43	142.15	(5.60)	14,808.63	1,178.67	-	1,178.67	327.86	6.59	(35.45)	1,464.49	13,344.14
Plant & equipment	6,557.94	-	6,557.94	572.03	61.64	(48.25)	7,020.08	2,534.29	-	2,534.29	634.99	31.38	(46.92)	3,090.98	3,929.10
Furniture & fittings	1,327.28	-	1,327.28	108.43	5.10	(11.30)	1,419.31	516.50	-	516.50	131.38	3.62	(9.87)	634.39	784.92
Office equipment	37.87	-	37.87	5.21	0.35	-	42.73	10.78	-	10.78	7.10	0.17	-	17.71	25.02
Vehicles	567.21	-	567.21	30.44	7.76	(9.84)	580.05	185.71	-	185.71	88.66	2.27	(9.42)	262.68	317.37
Vehicles under operating lease	20.27	-	20.27	-	-	-	20.27	14.09	-	14.09	3.53	-	-	17.62	2.65
Vehicles under finance Lease	126.99	(126.99)	-	-	-	-	-	66.43	(66.43)	-	-	-	-	-	-
Boats	40.82	-	40.82	-	0.17	-	40.65	10.96	-	10.96	1.97	0.05	-	12.88	27.77
Aircrafts	319.29	-	319.29	20.27	5.85	-	333.71	96.20	-	96.20	25.35	3.55	-	118.00	215.71
Total	**26,333.87**	**(768.87)**	**25,565.00**	**1,142.81**	**223.02**	**(43.39)**	**26,441.40**	**4,633.03**	**(85.83)**	**4,547.20**	**1,220.84**	**47.63**	**(101.66)**	**5,618.75**	**20,822.65**

(ii) Right-of-use assets

₹ Million

	Gross carrying amount							Accumulated depreciation							
	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 45)	Adjusted balance as at April 1, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2020	As at April 1, 2019	Reclassified on adoption of Ind AS 116 (Refer note 45)	Adjusted balance as at April 1, 2019	For the year	Less: Sales / Adjustments	Translation adjustment	Balance as at March 31, 2020	Carrying value as at March 31, 2020
Land	-	4,535.95	4,535.95	-	-	(35.37)	4,500.58	-	19.40	19.40	146.74	-	(0.55)	165.59	4,334.99
Building	-	0.88	0.88	1.19	-	-	2.07	-	-	-	0.64	-	-	0.64	1.43
Vehicles	-	126.99	126.99	14.42	21.12	(1.37)	118.92	-	66.43	66.43	29.45	20.32	(1.12)	74.44	44.48
Total	**-**	**4,663.82**	**4,663.82**	**15.61**	**21.12**	**(36.74)**	**4,621.57**	**-**	**85.83**	**85.83**	**176.83**	**20.32**	**(1.67)**	**240.67**	**4,380.90**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

4 A.

(i) Property, plant and equipment

₹ Million

	Gross carrying amount					Accumulated depreciation						
	As at April 1, 2020	Additions during the year	Less: Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales / Adjustments	Translation adjustment	Balance as at March 31, 2021	Impairment loss	Carrying value as at March 31, 2021
Freehold land (including development cost)	2,175.97	-	-	(7.52)	2,168.45	-	-	-	-	-	-	2,168.45
Buildings	14,808.63	100.37	16.80	(1.43)	14,890.77	1,464.49	330.90	1.71	2.35	1,796.03	0.88	13,093.86
Plant & equipment	7,020.08	190.86	66.64	(27.90)	7,116.40	3,090.98	514.22	46.11	(29.95)	3,529.14	3.16	3,584.10
Furniture & fittings	1,419.31	14.13	5.09	19.05	1,447.40	634.39	132.16	4.73	16.47	778.29	0.20	668.91
Office equipment	42.73	0.31	0.29	-	42.75	17.71	7.24	0.05	-	24.90	-	17.85
Vehicles	580.05	2.05	6.72	(3.21)	572.17	262.68	86.10	-	(3.68)	345.10	0.13	226.94
Vehicles under operating lease	20.27	-	-	-	20.27	17.62	1.51	3.95	-	15.18	-	5.09
Boats	40.65	-	-	-	40.65	12.88	1.15	-	-	14.03	20.56	6.06
Aircrafts	333.71	-	-	-	333.71	118.00	26.29	-	-	144.29	-	189.42
Total	**26,441.40**	**307.72**	**95.54**	**(21.01)**	**26,632.57**	**5,618.75**	**1,099.57**	**56.55**	**(14.81)**	**6,646.96**	**24.93**	**19,960.68**

a. Assets held as security

Refer note 20 and 25 for disclosure of assets held as security.

b. Interest capitalised to qualifying assets

Refer note 35 for disclosure of amount capitalised to qualifying assets.

c. Contractual obligations

Refer to note 44(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Right-of-use assets

₹ Million

	Gross carrying amount					Accumulated depreciation					
	As at April 1, 2020	Additions during the year	Less: Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales / Adjustments	Translation adjustment	Balance as at March 31, 2021	Carrying value as at March 31, 2021
Land*	4,500.58	-	66.32	(1.00)	4,433.26	165.59	142.36	4.66	(0.61)	302.68	4,130.58
Building	2.07	-	0.44	-	1.63	0.64	0.59	0.20	-	1.03	0.60
Vehicles	118.92	3.66	5.73	(1.16)	115.69	74.44	22.22	4.85	(1.14)	90.67	25.02
Total	**4,621.57**	**3.66**	**72.49**	**(2.16)**	**4,550.58**	**240.67**	**165.17**	**9.71**	**(1.75)**	**394.38**	**4,156.20**

* Sales/Adjustments to right-of-use assets - Land, amounting to ₹ 66.32 Million to gross carrying amount and ₹ 4.66 Million to accumulated depreciation are on account of adjustment for remeasurement of the carrying amount of lease liabilities to reflect revised in-substance fixed lease payments, as per the terms of the Company's lease agreement with Delhi International Airport Limited (DIAL) for its flight kitchen facility at New Delhi.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(iii) Intangible assets

₹ Million

	Gross carrying amount					Accumulated depreciation					
	As at April 01, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2020	As at April 01, 2019	For the year	Less: Sales/ Adjustments	Translation adjustment	As at March 31, 2020	Carrying value as at March 31, 2020
Computer software	173.82	45.33	-	-	219.15	98.24	40.82	-	-	139.06	80.09
Total	**173.82**	**45.33**	**-**		**219.15**	**98.24**	**40.82**	**-**		**139.06**	**80.09**

₹ Million

	Gross carrying amount					Accumulated depreciation					
	As at April 01, 2020	Additions during the year	Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	Translation adjustment	Balance as at March 31, 2021	Carrying value as at March 31, 2021
Computer software	219.15	24.35	-	-	243.50	139.06	35.74	-	-	174.80	68.70
Total	**219.15**	**24.35**	**-**	**-**	**243.50**	**139.06**	**35.74**	**-**	**-**	**174.80**	**68.70**

Intangible assets are amortised on straight line basis over their estimated useful lives, which is generally between 3 to 5 years.

(iv) Investment property

₹ Million

	Gross carrying amount					Accumulated depreciation					
	As at April 01, 2019	Additions during the year	Less: Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2020	As at April 01, 2019	For the year	Less: Sales/ Adjustments	Translation adjustment	As at March 31, 2020	Carrying value as at March 31, 2020
Buildings	989.66	3.47	-	-	993.13	14.43	15.67	-	-	30.10	963.03
Plant & equipment	141.01	0.60	-	-	141.61	9.36	10.45	-	-	19.81	121.80
Total	**1,130.67**	**4.07**	**-**	**-**	**1,134.74**	**23.79**	**26.12**	**-**	**-**	**49.91**	**1,084.83**

₹ Million

	Gross carrying amount					Accumulated depreciation					
	As at April 01, 2020	Additions during the year	Sales/ Adjustments during the year	Translation adjustment	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	Translation adjustment	Balance as at March 31, 2021	Carrying value as at March 31, 2021
Buildings	993.13	-	-	-	993.13	30.10	15.67	-	-	45.77	947.36
Plant & equipment	141.61	0.11	-	-	141.72	19.81	10.45	-	-	30.26	111.46
Total	**1,134.74**	**0.11**	**-**	**-**	**1,134.85**	**49.91**	**26.12**	**-**	**-**	**76.03**	**1,058.82**

The assets relating to The Oberoi Corporate Tower, Gurugram have been classified as Investment property as per IndAS 40. The fair value of the same as assessed by the management is ₹ 2,033.20 Million (P.Y. ₹ 2,491.73 Million) by applying the discounted cash flow approach using level 2 inputs of fair value hierarchy as outlined in IndAS 113 - Fair Value Measurement. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

The rental income generated from Investment property is ₹ 211.10 Million (2020: ₹ 170.56 Million)

The expenses incurred by investment property are as follows :

i) Directly relating to rental income - ₹ 75.08 Million (2020: ₹ 77.64 Million)

ii) Not directly relating to rental income - ₹ 37.26 Million (2020: ₹ 30.42 Million)

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

4 B GOODWILL ON CONSOLIDATION

₹ Million

	As at March 31, 2021	As at March 31, 2020
Opening balance	3,701.05	3,398.75
Add/(Less): Foreign currency translation reserve	(91.62)	302.30
Closing balance	**3,609.43**	**3,701.05**

In case of EIH International Ltd

Goodwill acquired through business combinations is attributed to the hotel ownership, operation and management cash-generating unit (CGU) for impairment testing. Goodwill on consolidation includes ₹ 3,486.22 Million as at March 31, 2021 (₹ 3,577.84 Million as at March 31, 2020), based on the consolidated financial statements of EIH International Ltd ('EIL').

Hotel ownership, operation and management cash-generating unit

In 2021, the recoverable amount of the hotel ownership, operation and management CGU was determined using a value-in-use calculation based on cash flow projections and financial budgets approved by senior management.

The key assumptions used in the value-in-use calculation are the forecast earnings, management fees, sales and marketing fees receivable from the CGU, the discount rate applied to the projected cash flows and the growth rate assumption on the value-in-use calculation.

A range of discount rates were considered and applied to the cash flow projections, from 11% to 12.5% and cash flows beyond the five-year period were projected using a terminal growth rate ranging from 3.0% to 3.5%, which is consistent with the long-term average growth rate of the industry.

None of the scenarios tested resulted in an impairment of the carrying value of the assets of the CGU or the Group's intangible assets.

5 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

₹ Million

	As at March 31, 2021	As at March 31, 2020
(i) Quoted -In Associate entity		
11,215,118 (2020-11,215,118) equity shares of ₹ 10 each of EIH Associated Hotels Limited	1,355.80	1,453.04
(ii) Unquoted -In Associate entity		
11,552 (2020 - 11,552) equity shares of USD 1 each of La Roseraie De L'atlas	1,221.52	1,564.29
125,501 (2020 - 125,501) equity shares of ₹ 10 each of Usmart Education Limited fully paid*	-	-
(iii) Unquoted -In Joint Venture entity		
7,375,000 (2020- 7,375,000) equity shares of USD 1 each of Oberoi Mauritius Ltd	182.13	310.07
12,705,884 (2020-12,705,884) equity shares of ₹ 10 each of Mercury Car Rentals Private Limited	395.68	485.05
Total	**3,155.13**	**3,812.45**

*Usmart Education Limited (Usmart) has become an associate of the Company during F.Y. 2018-19 by virtue of acquisition of 25.10% shareholding at a cost of ₹ 251. The Company's share in losses of Usmart is restricted to ₹ 251 pursuant to the requirements of Para 38 of Ind AS 28 on Associates and Joint Ventures. The unrecognised share of losses of associate, for the current year and cumulatively is ₹ 0.41 Million and ₹ 3.56 Million respectively.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

6 NON-CURRENT INVESTMENTS

₹ Million

	As at March 31, 2021	As at March 31, 2020
A. INVESTMENTS IN EQUITY INSTRUMENTS (FULLY PAID)		
(i) Quoted - (measured at fair value through profit or loss)		
25,000 (2020-25,000) equity shares of ₹ 10 each of Tourism Finance Corporation of India Limited	1.55	0.85
(ii) Unquoted - (measured at fair value through profit or loss)		
41,858,400 (2020-41,858,400) equity shares of ₹ 10 each of Golden Jubilee Hotels Private Limited	418.58	418.58
Less: Provision for impairment in the value of investments	(418.58)	(418.58)
	-	-
13,200 (2020-13,200) equity shares of ₹ 10 each of Green Infra Wind Generation Limited	0.13	0.13
1,078,826 (2020-1,078,826) equity shares of Egyptian Pound 10 each of Tourism Investments Company at Sahl Hasheesh	381.20	391.23
4,200 (2020- 4,200) equity shares of ₹ 10 each of ReNew Wind Energy (Karnataka) Private Limited	0.42	0.42
Total investments in equity instruments	**383.30**	**392.63**
B. INVESTMENT IN GOVERNMENT SECURITIES		
(Unquoted) - At amortised cost		
National Savings Certificate (lodged with Government Authorities as security deposit)	0.29	0.29
Total investments in Government Securities	**0.29**	**0.29**
Total non-current investments	**383.59**	**392.92**
Aggregate carrying amount of quoted investments	1.55	0.85
Aggregate market value of quoted investments	1.55	0.85
Aggregate carrying amount of unquoted investments	800.62	810.65
Aggregate amount of impairment in the value of investment	418.58	418.58

7 OTHER NON-CURRENT FINANCIAL ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Security deposits	469.51	449.88
Other recoverable *	5.19	5.19
Total other non-current financial assets	**474.70**	**455.07**

* includes cost of land acquired by Uttar Pradesh Shashan Van Anubhag. The Company's claim for compensation is pending adjudication before the Additional District Judge, Agra, Uttar Pradesh.

8 TAX ASSETS (NET)

₹ Million

	As at March 31, 2021	As at March 31, 2020
Income tax asset (net)		
Opening balance	613.15	782.21
Add/(Less): Tax payable for the year	(58.94)	(378.83)
Add: Taxes paid and MAT credit utilised	148.89	641.45
Add/(Less): Refund/adjustment for earlier years	(17.54)	(431.68)
Closing balance	**685.56**	**613.15**
Wealth tax asset (net)		
Opening balance	5.00	5.00
Add: Taxes paid	-	-
Closing balance	**5.00**	**5.00**
Total tax assets	**690.56**	**618.15**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

9 DEFERRED TAX ASSETS (NET)

₹ Million

	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities on account of :		
Depreciation	12.55	91.77
Total deferred tax liabilities (A)	**12.55**	**91.77**
Deferred tax assets on account of :		
Unabsorbed depreciation/ business loss	48.04	52.76
Accrued expenses deductible on payment	-	2.40
Employee benefits	9.84	15.67
MAT credit entitlement	-	99.82
Lease liability	3.11	(0.40)
Interest expense	8.69	1.58
Change in tax rates	18.23	18.23
Others	-	0.02
Total deferred tax assets (B)	**87.91**	**190.08**
Deferred tax assets - net (B-A)	**75.36**	**98.31**

Movement in deferred tax assets

₹ Million

Movement in deferred tax assets	Unabsorbed depreciation/ business loss	Accrued expenses deductible on payment	Employee benefits	MAT credit entitlement	Lease liability	Interest expense	Change in tax rates	Others	Total
As at April 1, 2019	**44.66**	**1.20**	**14.85**	**127.82**	**-**	**-**	**-**	**0.10**	**188.63**
(Charged)/Credited:									
- to Statement of Profit and Loss	8.10	0.97	0.78	(28.00)	(0.40)	1.58	18.23	(0.08)	1.18
- to other comprehensive income / (loss)	-	0.23	0.04						0.27
As at March 31, 2020	**52.76**	**2.40**	**15.67**	**99.82**	**(0.40)**	**1.58**	**18.23**	**0.02**	**190.08**
Less: Adjustment in respect of a subsidiary on account of net deferred tax liability position as at March 31, 2021		(2.40)		(99.82)				(0.02)	(102.24)
(Charged)/Credited:									
- to Statement of Profit and Loss	(4.72)	-	(6.01)	-	3.51	7.11	-	-	(0.11)
- to other comprehensive income / (loss)	-	-	0.18	-					0.18
As at March 31, 2021	**48.04**	**-**	**9.84**	**-**	**3.11**	**8.69**	**18.23**	**-**	**87.91**

Movement in deferred tax liabilities	Depreciation	Total
As at April 1, 2019	**90.06**	**90.06**
(Charged)/Credited:		
- to Statement of Profit and Loss	1.71	1.71
- to other comprehensive income / (loss)	-	-
As at March 31, 2020	**91.77**	**91.77**
Less: Adjustment in respect of a subsidiary on account of net deferred tax liability position as at March 31, 2021	(85.78)	(85.78)
(Charged)/Credited:		
- to Statement of Profit and Loss	6.56	6.56
- to other comprehensive income / (loss)	-	-
As at March 31, 2021	**12.55**	**12.55**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

10 OTHER NON-CURRENT ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Capital advances	63.72	126.79
Prepaid expenses	14.48	13.86
Other advances recoverable considered good - unsecured	541.14	529.53
Other advances recoverable which have significant increase in credit risk - unsecured	182.99	182.99
Less: Provision for doubtful advances	(182.99)	(182.99)
	-	-
Advances paid under protest	275.83	243.90
Services exports incentive	176.48	178.87
Prepaid rent relating to security deposits (assets)	370.33	402.85
Total other non-current assets	**1,441.98**	**1,495.80**

11 INVENTORIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Provisions, wines and others	213.56	293.29
Stores and operating supplies	300.11	315.27
Goods-in-transit (Operating Supplies)	-	0.99
Total inventories	**513.67**	**609.55**

Inventories are valued at cost which is based on 'Cumulative weighted average method' or net realisable value, whichever is lower.

The cost of inventories recognised as an expense during the year as consumption of provisions, wines and others ₹ 750.84 Million (2020: ₹ 1,994.16 Million).

Inventories was after a write-off amounting to ₹ Nil (2020 - ₹ 4.47 Million) owing to the lockdown situation arising due to the global pandemic COVID-19.

12 INVESTMENTS

(Investments at fair value through profit or loss)

₹ Million

	As at March 31, 2021	As at March 31, 2020
A. Investment in Mutual Funds (Quoted)		
2,787,977 (2020 - 2,404,217.230) units of Aditya Birla Sun Life Liquid Fund - Daily Dividend - Direct Plan	279.35	240.89
28,647.410 (2020 - 27,722.584) units of Nippon India Liquid Fund- Daily IDCW Option (name changed w.e.f April 1, 2021, formerly Nippon India Liquid Fund - Daily Dividend Option and Reliance Liquid Fund - Daily Dividend Reinvestment)	43.79	42.38
97,943.37 (2020 - 66,200.060) units of Nippon India Liquid Fund- Direct Plan Daily IDCW option (name changed w.e.f April 1, 2021, formerly Nippon India Liquid Fund- Direct plan Daily Dividend option and Reliance Liquid Fund - Direct Daily Dividend Reinvestment)	149.73	101.20
1,313 (2020 - Nil) units of HDFC Mutual Fund - HDFC Nifty 50 ETF	2.05	-
71,800 (2020 - Nil) units of Nippon India Mutual Fund - CPSE ETF (RGESS)	1.63	-
Total Investments in Mutual Funds	**476.55**	**384.47**
B. Investment in Government Securities		
(i) Quoted		
Central Government Securities		
7.16% GOI Loan 2023	4.74	-
7.94% GOI Loan 2021	1.11	-
8.20% GOI Loan 2025	1.10	-
8.20% GOI Loan 2024 (Oil)	1.08	-
8.24% GOI Loan 2027	1.10	-

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

₹ Million

	As at March 31, 2021	As at March 31, 2020
8.35% GOI Loan 2022	2.09	-
8.79% GOI Loan 2021	3.09	-
8.97% GOI Loan 2030	1.18	-
9.15% GOI Loan 2024	1.12	-
10.25% GOI Loan 2021	1.01	-
State Government Securities		
7.39% Rajasthan Uday 2025	2.11	-
7.95% Maharashtra Loan 2023	1.59	-
8.21% West Bengal SDL 2025	1.09	-
8.22% J & K SDL SPL 2026	1.08	-
8.39% Rajasthan SPL SDL 2025	3.27	-
8.45% Karnataka Loan 2024	6.54	-
8.61% U P SPL Loan 2028	0.55	-
8.66% Maharashtra Loan 2022	1.04	-
8.66% Tamilnadu 2022	1.04	-
8.66% U P Loan 2028	7.82	-
8.83% U P Loan 2026	2.21	-
8.90% Maharashtra Loan 2022	3.21	-
9.12% A P Loan 2022	3.15	-
9.13% Gujarat Loan 2022	1.04	-
9.16% Rajasthan SPL Loan 2028	1.15	-
9.22% Gujarat Loan 2023	1.10	-
9.25% A P Loan 2021	2.07	-
9.37% Gujarat Loan 2023	1.11	-
9.71% Haryana Loan 2024	0.11	-
9.75% Gujarat Loan 2024	0.78	-
9.99% Rajasthan SPL Loan 2028	2.39	-
(ii) Unquoted		
8.29% Mahanagar Telephone Nigam Limited 2024	2.17	-
9.00% Rajasthan Rajya Vidyut Utpadan Nigam Limited 2026	1.97	-
10.39% Himachal Pradesh State Electricity Board Limited 2026	0.95	-
Total Investment in Government securities	**67.16**	**-**
C. Investment in Bonds/Debt Securities (Unquoted)		
8.37% Housing and Urban Development Corporation Limited 2029	7.73	-
8.39% PNB Housing Finance Ltd 2026	1.01	-
8.58% PNB Housing Finance Ltd 2023	1.01	-
8.65% India Infradebt Limited 2021	3.10	-
8.67% IDFC First Bank Limited 2025	7.30	-
8.90% IDFC First Bank Limited 2025	1.05	-
9.00% Mahindra & Mahindra Financial Services Ltd 2026	1.06	-
9.36% IDFC First Bank Limited 2024	2.13	-
9.48% Power Finance Corporation Ltd 2022	1.06	-
9.48% PNB Housing Finance Ltd 2024	2.02	-
9.48% Rural Electrification Corporation Limited 2021	1.02	-
Total investment in Bonds/Debt Securities	**28.49**	**-**
D. Investment in Other Securities (Unquoted)		
9.30% Dewan Housing Finance Corporation Limited 2026	-	-
9.00% Reliance Capital Limited 2026	-	-
Total investment in Other Securities	-	-
Total investments	**572.20**	**384.47**
Aggregate amount of quoted investments and market value thereof	538.62	384.47
Aggregate carrying amount of unquoted investments	33.58	-

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

13 TRADE RECEIVABLES*

₹ Million

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Receivable from related parties [refer note 43(b)]	86.48	199.52
Receivable from other than related parties	691.04	1,857.75
	777.52	**2,057.27**
Unsecured, which have significant increase in credit risk		
Receivable from other than related parties	898.46	894.06
Less: Provision for doubtful trade receivables	(898.46)	(894.06)
	-	-
Total trade receivables	**777.52**	**2,057.27**

* Read with note 41(B) & 55(a)

14 CASH AND CASH EQUIVALENTS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- Current Accounts	424.53	613.73
Cash in hand	10.61	11.35
Cheques in hand	0.71	3.50
Fixed deposits with original maturity of less than three months	17.61	50.18
Total cash and cash equivalents	**453.46**	**678.76**

15 OTHER BANK BALANCES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Margin deposits	0.83	0.64
Unpaid dividend accounts	22.69	26.62
Fixed deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months from the balance sheet date	614.65	706.25
Earmarked balances*	970.22	878.79
Total other bank balances	**1,608.39**	**1,612.30**

*Earmarked balances represent the deposit maintained by Mashobra Resort Limited as per High Court Order dated December 17, 2003.

16 OTHER CURRENT FINANCIAL ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Interest accrued on deposits	8.09	20.77
Security deposits	30.02	30.66
Other receivables	27.10	25.16
Total other current financial assets	**65.21**	**76.59**

17 OTHER CURRENT ASSETS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	83.47	119.58
Other advances	270.80	255.19
Services exports incentive	3.00	332.66
Balance with government authorities	208.75	146.32
Total other current assets	**566.02**	**853.75**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

18 EQUITY SHARE CAPITAL

₹ Million

	As at March 31, 2021	As at March 31, 2020
Authorised		
1,500,000,000 Equity shares of ₹ 2 each	3,000.00	3,000.00
(2020-1,500,000,000)		
	3,000.00	**3,000.00**
Issued, subscribed & fully paid up		
625,364,182 Equity shares of ₹ 2 each	1,250.73	1,143.14
(2020-571,569,414)		
	1,250.73	**1,143.14**

i. Reconciliation of equity share capital

₹ Million

	Number of shares	Equity share capital (par value)
As at April 1, 2019	**571,569,414**	**1,143.14**
Change during the year	-	-
As at March 31, 2020	**571,569,414**	**1,143.14**
Add: Issued during the year on Rights basis (refer note 50)	53,794,768	107.59
As at March 31, 2021	**625,364,182**	**1,250.73**

ii. Rights and preferences attached to equity shares :

The Parent Company has one class of equity shares having a par value of ₹ 2 per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend.

iii. Details of shareholders holding more than 5 percent shares in the Company :

₹ Million

	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	% holding	Number of Shares	% holding
(1) Reliance Strategic Business Ventures Limited	117,760,869	18.83	105,907,273	18.53
(2) Oberoi Hotels Private Limited	110,528,943	17.67	83,646,328	14.63
(3) ITC Limited	85,621,473	13.69	85,621,473	14.98
(4) Oberoi Holdings Private Limited	30,591,518	4.89	33,438,993	5.85

iv. Dividends

₹ Million

	March 31, 2021	March 31, 2020
Final dividend for the year ended March 31, 2020 of ₹ Nil, March 31, 2019 – ₹ 0.90	Nil	514.41
Dividend distribution tax	Nil	91.34
Dividends not recognised at the end of the reporting period		
Liability for proposed dividend *	Nil	Nil

*As the Parent Company has incurred loss for the year ended March 31, 2021, the Board of Directors of the Parent Company has decided not to recommend dividend to the shareholders for the Financial Year 2020-21. This is subject to the approval of the shareholders in the ensuing annual general meeting.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

19 OTHER EQUITY

Rupees Million

	As at March 31, 2021	As at March 31, 2020
A. RESERVES AND SURPLUS		
Capital redemption reserve	1,024.21	1,024.21
Capital reserve	25.95	25.95
Securities premium	15,730.46	12,373.41
General reserve	9,384.83	9,384.83
Retained earnings - Surplus	2,581.26	6,236.57
Total reserves and surplus	**28,746.71**	**29,044.97**
B. OTHER COMPREHENSIVE INCOME		
Foreign currency translation reserve	1,047.04	1,177.33
	1,047.04	**1,177.33**
Total other equity	**29,793.75**	**30,222.30**

Rupees Million

	As at March 31, 2021	As at March 31, 2020
(i) Capital redemption reserve		
Opening balance	1,024.21	1,024.21
Adjustment during the year	-	-
Closing balance	**1,024.21**	**1,024.21**
(ii) Capital reserve		
Opening balance	25.95	25.95
Adjustment during the year	-	-
Closing balance	**25.95**	**25.95**
(iii) Securities premium		
Opening balance	12,373.41	12,373.41
Add : Securities premium on issue of shares on Rights basis (refer note 50)	3,389.07	-
	15,762.48	**12,373.41**
Less: Issue related expenses incurred on Rights issue of equity shares (refer note 50)	(32.02)	
Closing balance	**15,730.46**	**12,373.41**
(iv) General reserve		
Opening balance	9,384.83	9,384.83
Adjustment during the year	-	-
Closing balance	**9,384.83**	**9,384.83**
(v) Retained earnings - Surplus		
Opening balance	6,236.57	5,398.59
Impact on adoption of Ind AS 116, net of tax (refer note 45)	-	8.09
Add: Profit / (Loss) during the year as per Statement of Profit and Loss	(3,697.08)	1,488.17
Final dividend for the year	-	(514.41)
Dividend distribution tax	-	(91.34)
Other comprehensive income/ (loss) recognised directly in retained earnings		
- Remeasurements of defined benefit obligations, net of tax	30.99	(21.12)
- Recycling of foreign currency translation reserve	-	(28.06)
- Share of other comprehensive income/ (loss) of associates and joint ventures accounted for using the equity method	10.78	(3.35)
Closing balance	**2,581.26**	**6,236.57**
(vi) Foreign currency translation reserve		
Opening balance	1,177.33	583.81
Add/(Less): Currency translation differences arising during the year	(130.29)	593.52
Closing balance	**1,047.04**	**1,177.33**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

Nature and purpose of reserves

(i) Capital redemption reserve

Capital redemption reserve represents the statutory reserve created by the Company for the redemption of its preference share capital. The same can be utilised for issuing fully paid bonus shares.

(ii) Capital reserve

Capital reserve represents reserve created on business combination in cases where value of net assets acquired exceeds the fair value of the consideration transferred.

(iii) Securities premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to Statement of Profit or Loss when the net investment is disposed-off.

(v) General reserve

General reserve represents profits transferred from retained earnings from time to time to general reserve for appropriate purposes based on the provisions of the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. It can be utilised in accordance with the provisions of the Companies Act, 2013.

(vi) Retained earnings - Surplus

Retained earnings are the profits of the Group earned till date net of appropriations.

20 NON-CURRENT BORROWINGS

₹ Million

	As at March 31, 2021	As at March 31, 2020
Term loans from banks		
Secured		
The Hongkong and Shanghai Banking Corporation Limited (HSBC)	-	1,607.14
ICICI Bank Limited (ICICI)	2,145.89	-
RBL Bank Limited (RBL)	-	225.00
State Bank of Mauritius	394.81	500.37
Unsecured Loans		
From Government of Himachal Pradesh	5.00	5.00
Total Non-current borrowings	**2,545.70**	**2,337.51**
Current maturities of long-term debt (included in note 27)	643.75	549.61

Particulars of term loans :

1. Security

The sanctioned term loan facilities of ₹ 2,785.70 Million from ICICI Bank Limited, related to EIH Limited, are secured by way of first pari-passu charge on the Company's hotel – The Oberoi, New Delhi. The term loan facilities will be secured by creation of equitable mortgage over immovable assets on pari-passu basis with other term loans. The Company is in the process of creating charge against these facilities.

The term loan from The Hongkong and Shanghai Banking Corporation Limited, related to EIH Limited, was secured by way of equitable mortgage by deposit of title deeds in respect of the Company's hotel in Delhi – The Oberoi, New Delhi. The loan was settled during the current year (refer note 2 below).

The term loan from RBL Bank Limited, related to EIH Limited, was secured by first pari passu charge by way of equitable mortgage on immovable assets of the Company's hotel in Delhi - The Oberoi, New Delhi. The loan was settled during the current year. (refer note 2 below).

Term Loan from State Bank of Mauritius (SBM) relates to EIH Flight Services Ltd, Mauritius and is secured by fixed charge on building of that company, floating charge on all assets of the company, assignment of leasehold rights on the leasehold land, corporate guarantee of EIH Limited and an undertaking from EIH Limited. (refer note 44 (b)(ii))

2. Terms of repayment and Interest rate :

Term loans from ICICI Bank Limited amounting to ₹ 2,613.59 Million (non - current borrowings ₹ 2,145.89 Million and current maturities in respect thereof ₹ 467.70 Million) comprised:

(a) Term loan outstanding of ₹ 2,035.70 Million (including current maturities ₹ 339.28 Million) is repayable in 18 equal quarterly installments of ₹ 113.09 Million, commencing from September, 2021, i.e. from the end of 15 months from the first draw-down date. The term loan is repayable by December 2025. The annual rate of interest is based on the bank's one-year MCLR plus spread (at the time of draw-down), subject to annual reset and is in the range of 7.80% p.a. to 7.95% p.a.. Interest is payable on a monthly basis. The purpose of this term loan facility of ₹ 2,035.70 Million was to takeover the term loan facility availed from The Hongkong and Shanghai Banking Corporation Limited and for capital expenditure.

(b) Term loan outstanding of ₹ 577.89 Million (including current maturities ₹ 128.42 Million) is repayable in 19 equal quarterly installments of ₹ 32.11 Million, commencing from February 2021, i.e. from the end of 3 quarters from the first draw-down date. The term loan is repayable by August 2025. The annual rate of interest is based on the bank's one-year MCLR plus spread (at the time of draw-down), subject to annual reset and is in the range of 7.60% p.a. to 8.00% p.a.. Interest is payable on a monthly basis. The purpose of this term loan facility of ₹ 750.00 Million was to take-over the term loan facility availed from RBL Bank Limited and for capital expenditure.

Term loan from The Hongkong and Shanghai Banking Corporation limited (HSBC) was repayable in 28 quarterly installments of ₹ 107.14 Million starting from February 2018 and ending on November 2024 and had carried interest which was linked to banks MCLR, effective rate as on March 31, 2020 was 8.90%. The loan was settled during the current year. (refer note (a) above)

Term loan from RBL Bank Limited (RBL) was repayable in 20 quarterly installments of ₹ 12.50 Million starting from December 2020 and ending on September 2025 and had carried interest which was linked to 12 month T-bill, effective rate as on March 31, 2020 was 8.50%. The loan was settled during the current year. (refer note (b) above)

Term Loan from State Bank of Mauritius carries interest at 1% below the SBM prime lending rate (which is currently at 4.25%)with a minimum of 3.25% per annum.

Loan is repayable as follows -

(i) Payment of MUR 7.60 Million (equivalent to ₹ 13.64 Million) on April 30, 2021;

(ii) Payment of MUR 49.25 Million (equivalent to ₹ 88.39 Million) on June 30, 2021 and

(iii) Remaining amount to be repaid in 19 quarterly instalments of MUR 13.75 Million (equivalent to ₹ 24.68 Million) effective September 30, 2021, with last instalment falling due on March 31, 2026

Unsecured borrowings from Government of Himachal Pradesh is repayable at the option of the Group and Group does not expect repayment in next one year period.

21 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Security deposits	115.52	79.11
Other payables	233.88	240.03
Total other non-current financial liabilities	**349.40**	**319.14**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

22 PROVISIONS - NON-CURRENT

₹ Million

	As at March 31, 2021	As at March 31, 2020
Employee benefit obligations		
Gratuity - India (refer note 42 (i) (a))	1.37	1.42
Gratuity - Mauritius (refer note 42 (i) (b))	7.86	7.02
Leave encashment (refer note 42 (i) (c))	275.35	252.15
Pension benefits (refer note 42 (i) (d))	9.23	70.22
Total provisions - non-current	**293.81**	**330.81**

23 OTHER NON-CURRENT LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Advance rent	8.65	11.22
Total other current financial liabilities	**8.65**	**11.22**

24 DEFERRED TAX LIABILITIES - NET

₹ Million

	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities on account of :		
Depreciation	1,906.38	1,756.66
Fair valuation of security deposit liability	0.03	0.03
Restatement of liability at fair value	0.40	0.41
Investment in associate and joint venture accounted for using the equity method, including outside basis taxation	98.75	145.72
Total deferred tax liabilities (A)	**2,005.56**	**1,902.82**
Deferred tax assets on account of :		
Unabsorbed depreciation and business loss	1,041.11	-
MAT credit entitlement	78.77	-
Statutory expenses claimable on payment	73.87	77.41
Provision for doubtful trade receivables, doubtful advances and investments	272.18	271.07
Fair valuation of security deposit assets	52.44	32.99
Membership fee/Loyalty points	-	0.01
Others temporary differences	73.33	43.44
Total deferred tax assets (B)	**1,591.70**	**424.92**
Deferred tax liabilities (Net - A-B)	**413.86**	**1,477.90**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

Movement in deferred tax assets and liability

₹ Million

	Unabsorbed depreciation/ business loss	MAT credit entitlement	Statutory expenses claimable on payment	Provision for doubtful trade receivables, doubtful advances and investments	Fair valuation of security deposit assets	Liability for lease equalisation	Membership fee/Loyalty points	Others temporary differences	Total
As at April 1, 2019	**-**	**-**	**96.36**	**414.16**	**38.76**	**3.60**	**25.01**	**21.06**	**598.95**
Impact on adoption of Ind AS 116 (refer note 45)			-	-	-	(3.60)	-		(3.60)
(Charged)/Credited:									-
- to Statement of Profit and Loss	-	-	(21.81)	(143.09)	(5.77)	-	(25.00)	22.38	(173.29)
- to other comprehensive income / (loss)	-	-	2.86	-	-	-	-	-	2.86
As at March 31, 2020			**77.41**	**271.07**	**32.99**	**-**	**0.01**	**43.44**	**424.92**
Less: Adjustment in respect of a subsidiary on account of net deferred tax liability position as at March 31, 2021		99.82	2.40			-	-	0.02	102.24
(Charged)/Credited:									
- to Statement of Profit and Loss	1,041.11	(21.05)	4.98	1.11	19.45	-	(0.01)	29.87	1,075.46
- to other comprehensive income / (loss)	-	-	(10.92)	-	-	-	-	-	(10.92)
As at March 31, 2021	**1,041.11**	**78.77**	**73.87**	**272.18**	**52.44**	**-**	**(0.00)**	**73.33**	**1,591.70**

Movement in deferred tax liabilities

₹ Million

	Depreciation	Fair valuation of security deposit liability	Restatement of liability at fair value	Investment in associate and joint venture accounted for using the equity method, including outside basis taxation	Total
As at April 1, 2019	2,312.33	0.03	0.32	134.57	2,447.25
(Charged)/Credited:					
- to Statement of Profit and Loss	(555.67)	-	0.09	25.37	(530.21)
- to other comprehensive income / (loss)	-	-	-	(1.48)	(1.48)
- to non-controlling interest	-	-	-	(12.74)	(12.74)
As at March 31, 2020	**1,756.66**	**0.03**	**0.41**	**145.72**	**1,902.82**
Less: Adjustment in respect of a subsidiary on account of net deferred tax liability position as at March 31, 2021	85.78	-	-	-	85.78
(Charged)/Credited:					
- to Statement of Profit and Loss	63.94	-	(0.01)	(49.30)	14.63
- to other comprehensive income / (loss)	-	-	-	2.33	2.33
- to non-controlling interest	-	-	-		-
As at March 31, 2021	**1,906.38**	**0.03**	**0.40**	**98.75**	**2,005.56**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

25 CURRENT BORROWINGS

₹ Million

	As at March 31, 2021	As at March 31, 2020
SECURED - AT AMORTISED COST		
Short term loan from banks		
The Hong Kong and Shanghai Banking Corporation Limited (HSBC)	20.15	180.00
ICICI Bank Limited (ICICI)	49.21	240.00
HDFC Bank Limited (HDFC)	-	300.00
Cash credit from banks		
Punjab National Bank (PNB) *	-	186.29
The Hong Kong and Shanghai Banking Corporation Limited (HSBC)	-	47.76
ICICI Bank Limited (ICICI)	0.96	95.00
HDFC Bank Limited	-	66.23
State Bank of Mauritius	52.58	8.86
UNSECURED - at amortised cost		
Short term loan from banks		
ICICI Bank Limited (ICICI)	100.00	-
Federal Bank Limited	-	750.00
HDFC Bank Limited	-	-
Total current borrowings	**222.90**	**1,874.14**

* Effective April 1, 2020, the Company's Cash Credit with United Bank of India (UBI) was migrated to Punjab National Bank (PNB) on account of amalgamation of UBI with PNB.

Particulars of short term borrowings :

1) Security

Cash credit from State Bank of Mauritius relates to EIH Flight Services Ltd, Mauritius and is secured by Ist rank floating charge for ₹ 25.00 Million on all assets of EIH Flight Services Ltd, Mauritius and corporate guarantee of ₹ 25.00 Million given by shareholders of EIH Flight Services Ltd, Mauritius.

Short term loans and other cash credit facilities from banks, related to EIH Limited, are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the Company, both present and future, ranking pari passu.

Cash credit with PNB is additionally secured by way of second charge on the movable and immovable fixed assets of the Company's hotel in Kolkata known as The Oberoi Grand.

Non-fund based facility with HSBC, related to EIH Limited, is secured by way of first pari passu charge by way of equitable mortgage on the immovable fixed assets of the Company's hotel in Delhi known as Maidens Hotel.

2) Terms of repayment and Interest rate :

Short term loan from banks - Secured

Short term loan from HSBC for ₹ 20.15 Million is repayable on April 2, 2021 and carries interest linked to the bank's MCLR on the draw-down date i.e. 7% p.a.

Short term loan from ICICI bank for ₹ 49.21 Million is repayable on April 7, 2021 and carries interest linked to the bank's MCLR on the draw down date i.e. 7.55% p.a.

Short term loan from HSBC for ₹ 180 Million was repayable on June 26, 2020 and carried interest linked to the bank's MCLR on the date of draw down date i.e. 8.20% p.a.

Short term loan from ICICI for ₹ 240 Million was repayable on September 4, 2020 and carried interest linked to the bank's six months MCLR plus spread on the draw down date i.e. 8.55% p.a.

Short term loan from HDFC for ₹ 300 Million was repayable on May 31, 2020 and carried Interest @ 8.05% p.a.

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for the Year ended March 31, 2021

Cash credit from banks - Secured

Cash credit from ICICI for ₹ 0.96 Million is repayable on demand and carries interest linked to the bank's six months MCLR plus 0.30% p.a. on the draw down date.

Cash credit from PNB is repayable on demand and carries interest linked to the bank's one year MCLR plus 0.55% p.a. on the draw down date.

Cash credit from HSBC is repayable on demand and carries interest linked to the bank's overnight MCLR on the draw down date.

Cash credit from HDFC is repayable on demand and carries interest linked to the bank's one year MCLR plus 0.15% p.a. on the draw down date.

Cash credit from State Bank of Mauritius is repayable on demand and carries interest at SBM PLR + 2.25% p.a.

Short term loan from banks - Unsecured

Short term loan from ICICI for ₹ 100.00 Million is repayable on July 6, 2021 and carries interest linked to the bank's six months MCLR plus spread on the draw down date, i.e. 7.55% p.a.

Short term loan from Federal Bank Limited carries interest rate as mutually agreed with the bank at the time of disbursement of the loan.

Short term loan from HDFC carries interest linked to the bank's three month MCLR plus 0.75% p.a. on the draw down date.

Short term loan from Federal Bank Limited ₹ 500 Million was repayable on September 18, 2020 and carried interest as mutually agreed with the bank at the time of disbursement of the loan i.e. 8.40% p.a.

Short term loan from Federal Bank Limited ₹ 250 Million was repayable on March 20, 2021 and carried interest as mutually agreed with the bank at the time of disbursement of the loan i.e. 8.70% p.a.

26

A. Total outstanding dues of micro enterprises and small enterprises

₹ Million

	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid at the end of the year *	18.13	15.27
(ii) Interest due thereon remaining unpaid at the end of the year	-	0.01
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year	0.04	0.05
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.04	0.05
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total [(i)+(v)]	**18.17**	**15.32**

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are based on information made available to the companies within the Group.

B.) Total outstanding dues of creditors other than micro enterprises and small enterprises

₹ Million

	As at March 31, 2021	As at March 31, 2020
Trade payables	1,738.02	1,988.85
Trade payables to related parties	34.35	73.52
Trade payables to other than micro and small enterprises	**1,772.37**	**2,062.37**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

27 OTHER CURRENT FINANCIAL LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Current maturities of long term borrowings (refer note 20)	643.75	549.61
Interest accrued but not due on borrowings	0.39	8.67
Unclaimed dividend	22.69	26.62
Security deposits	55.68	106.28
Other payables		
Liability for capital assets	64.43	138.00
Payable to related parties	-	5.05
Other liabilities	29.47	8.40
Total other current financial liabilities	**816.41**	**842.63**

28 TAX LIABILITIES (NET)

₹ Million

	As at March 31, 2021	As at March 31, 2020
Income tax liabilities - net	-	-
Total tax liabilities - net	**-**	**-**

29 PROVISIONS - CURRENT

₹ Million

	As at March 31, 2021	As at March 31, 2020
Employee benefit obligation		
Gratuity	132.50	131.10
Leave encashment	48.28	60.45
Total provisions - current	**180.78**	**191.55**

30 OTHER CURRENT LIABILITIES

₹ Million

	As at March 31, 2021	As at March 31, 2020
Advance from customer (refer note 55)	304.16	345.14
Statutory and other dues	488.89	463.01
Advance rent	25.51	23.34
Deferred revenue (refer note 55)	201.07	149.08
Total other current liabilities	**1,019.63**	**980.57**

31 REVENUE FROM OPERATIONS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Rooms	1,906.96	7,344.88
Food and beverage	2,040.32	6,203.49
Other services	790.41	1,975.03
Sale of printed materials	233.11	439.13
Total revenue from operations	**4,970.80**	**15,962.53**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

32 OTHER INCOME

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income :		
Interest income from financial assets at amortised cost	170.09	171.12
Interest income on income tax refund	-	79.63
Dividend income :		
Dividend income from investments measured at fair value through profit or loss	14.55	19.54
Income on account of services / merchandise exports incentive	0.59	182.92
Others :		
Fair value changes on investments measured at fair value through profit or loss (net)	4.21	-
Rental income from investment property	211.10	170.56
Net foreign exchange gain	3.31	14.97
Provisions / liabilities written back	29.35	29.39
Profit on sale/redemption of investments (net)	0.28	-
Income from shared services	49.91	15.03
Miscellaneous income	95.49	101.25
Total other income	**578.88**	**784.41**

33 CONSUMPTION OF PROVISIONS, WINES AND OTHERS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock	293.29	298.81
Add: Purchases	671.11	1,988.64
	964.40	**2,287.45**
Less: Closing stock	213.56	293.29
Total consumption of provisions, wines, and others	**750.84**	**1,994.16**

34 EMPLOYEE BENEFITS EXPENSE

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	3,046.69	4,033.01
Contribution to provident fund and other funds	216.31	233.66
Staff welfare expenses	256.34	425.51
Total employee benefits expense	**3,519.34**	**4,692.18**

35 FINANCE COSTS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on:		
- borrowings	357.19	427.00
- lease liabilities	129.82	130.05
Others	8.94	9.64
	495.95	**566.69**
Less: Amount capitalised to qualifying assets	(38.54)	(10.64)
Total finance costs	**457.41**	**556.05**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

36 DEPRECIATION AND AMORTISATION EXPENSE

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	1,099.57	1,220.84
Depreciation of right-of-use assets	165.17	176.83
Amortisation of intangible assets	35.74	40.82
Depreciation of investment property	26.12	26.12
Total depreciation and amortisation expense	**1,326.60**	**1,464.61**

37 OTHER EXPENSES

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Power and fuel	690.77	1,159.49
Lease rent	255.89	384.65
Repairs :		
- Buildings	154.83	297.04
- Plant and machinery	424.94	460.11
- Others	27.63	73.76
Insurance	77.91	76.22
Water charges	60.91	88.95
Rates and taxes	394.70	388.62
Expenses on apartment and board	191.93	230.23
Royalty	39.92	132.26
Advertisement, publicity and other promotional expenses	160.71	412.56
Commission to travel agents and others	184.54	497.98
Passage and travelling	102.13	332.67
Postage, telephone, etc.	55.32	84.17
Professional charges	170.64	289.96
Linen, uniform washing and laundry expenses	23.13	53.68
Renewals and replacement	65.61	155.95
Musical, banquet and kitchen expenses	31.69	108.15
Auditors' remuneration [refer note 37(a)]	38.18	40.94
Directors' fees and commission	5.18	82.43
Fair value changes on equity investments measured at fair value through profit or loss (net)	-	2.33
Bad debts and advances written off	0.56	128.27
Less : Charged off against provisions	-	(127.39)
	0.56	0.88
CSR expenses [refer note 37(b)]	40.14	41.58
Expenses on contracts for service	329.33	590.44
Provision for doubtful trade receivables and advances with significant increase in credit risk	7.98	19.74
Loss on sale/discard of property, plant and equipments (net)	22.87	47.19
Airport levy expenses	40.99	121.37
Miscellaneous expenses	20.91	200.27
Total other expenses	**3,619.34**	**6,373.62**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

37 (a) Details of Auditors' remuneration*

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
As auditor:		
Audit fee	31.15	31.44
Review of special purpose financial information	0.20	0.20
Tax audit fee	1.21	1.52
Reimbursement of expenses	0.02	1.22
In other capacity		
For limited review of unaudited financial results	5.00	5.40
For verification of statement and other reports	0.60	1.16
Sub total**	**38.18**	**40.94**
For other services ***	7.50	-
Total payments to auditors	**45.68**	**40.94**

* Includes auditor's remuneration for audit of financial statements of subsidiaries

** Includes ₹ 16.76 Million (2020 : ₹ 16.82 Million) paid to other auditors

***Includes fee in respect of Rights issue which has been charged to securities premium as issue related expenses and does not form part of Statement of Profit and Loss. [refer note 19(iii)]

37 (b) Details of CSR expenditure

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
SOS Children's Villages of India	23.44	23.98
Contribution to PM CARES FUND	3.40	-
Contribution for basic healthcare services to vulnerable communities with special focus to elderly people of Agra, Uttar Pradesh through Help Age India.	3.30	7.00
Contribution for promoting education for underprivileged children by developing schools in and around Agra through Save the Children, Bal Raksha Bharat	5.31	5.45
Expenses for Swachh Bharat Abhiyan	-	0.86
Contribution to Odisha Flood Relief Fund	-	0.10
Repair and maintenance work at school for the hearing and visually impaired at Dhalli, Shimla	-	1.79
Repair and maintenance work and supplies at Model Children Home, Mashobra	2.53	
Skill Development (Vocational Training) at school for hearing and visually impaired at Dhalli, Shimla	2.16	1.84
Laundry machine for the school for the hearing and visually impaired at Dhalli, Shimla	-	0.56
Total CSR expenditure	**40.14**	**41.58**
Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	40.14	40.37

38 EXCEPTIONAL ITEMS

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Impairment loss in respect of property, plant and equipment	24.93	-
Provision for doubtful trade receivables	-	(4.67)
Total exceptional items	**24.93**	**(4.67)**

Exceptional items include (a) impairment loss in respect of certain property, plant and equipment at The Oberoi Motor Vessel Vrinda of ₹ 24.93 Million (2020: Nil) (refer Note 51) and (b) C.Y. Nil (2020 : a one-off provision of ₹ 4.67 Million) against receivable from a single customer in the flight catering business, due to uncertainty over business continuity of the referred customer.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

39 TAX EXPENSE

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Current tax		
Tax on profits for the year	58.94	360.79
Adjustments for prior periods	17.54	11.60
Total current tax	**76.48**	**372.39**
(b) Deferred tax		
Decrease/(increase) in deferred tax assets	(1,110.94)	189.59
(Decrease)/increase in deferred tax liabilities	63.93	(529.77)
	(1,047.01)	**(340.18)**
Add: MAT credit utilised	(21.05)	(28.00)
Add/(Less) : Recognised in other comprehensive income / (loss)	(10.92)	4.57
Total deferred tax expense/(benefit)	**(1,078.98)**	**(363.61)**
Total tax expense	**(1,002.50)**	**8.78**
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit / (Loss) before income tax expense	(4,756.96)	1,660.21
Tax at the respective countries' tax rates	(1,015.38)	479.27
Tax effect of amounts which are not deductible in calculating taxable income:		
Corporate social responsibility expenditure	10.29	10.66
Expenses related to exempted income	-	1.01
Donations	0.01	0.10
Tax loss utilised	13.01	31.96
Others	(3.23)	1.01
	20.08	**44.74**
Adjustments related to property, plant and equipments:		
Adjustment on related to property, plant and equipment and right-of-use assets	(18.84)	4.63
Impact of rate change in deferred tax	-	(15.54)
	(18.84)	**(10.91)**
Tax effect of amounts which are not taxable in calculating taxable income:		
Dividend	-	(43.27)
Others	(49.20)	25.34
	(49.20)	**(17.93)**
Other differences		
Impact of difference in tax rate on foreign dividend	-	(5.69)
Impact of decrease in tax rate on deferred tax	-	(448.37)
Impact of difference in tax rate and method on gains arising on fair value of Investments	-	0.53
Deferred tax assets not recognised	9.21	(22.64)
Deferred tax for earlier year	3.16	(10.12)
Difference in tax rate of subsidiaries	30.92	(11.70)
	43.29	**(497.99)**
Income tax expense related to prior periods	**17.55**	**11.60**
Income tax expense as per Income Tax	**(1,002.50)**	**8.78**

Effective April 1, 2019, companies within the Group had adopted Appendix C to Ind AS 12 – Income taxes retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effect on account of initial application of this amendment was Nil. The effect of adoption of this amendment in the previous year was also Nil.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

40 FAIR VALUE MEASUREMENTS

Financial instruments by category

₹ Million

	As at March 31, 2021		As at March 31, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- Equity instruments - other than investments in associates and joint ventures	383.30	-	392.63	-
- Mutual Funds	476.55	-	384.47	-
- Government Securities	67.16	0.29	-	0.29
- Debt Securities	28.49	-	-	-
- Other Securities	-	-	-	-
Trade receivables	-	777.52	-	2,057.27
Cash and cash equivalents	-	453.46	-	678.76
Other bank balances	-	1,608.39	-	1,612.30
Security deposits	-	499.53	-	480.54
Other receivables	-	40.38	-	51.12
Total financial assets	**955.50**	**3,379.57**	**777.10**	**4,880.28**
Financial liabilities				
Borrowings	-	3,412.35	-	4,761.26
Security deposits	-	171.20	-	185.39
Lease liabilities	-	1,690.70	-	1,713.41
Trade payables	-	1,790.54	-	2,077.69
Liability for capital assets	-	64.43	-	138.00
Others	-	286.43	-	288.77
Total financial liabilities	**-**	**7,415.65**	**-**	**9,164.52**

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

₹ Million

	As at March 31, 2021			As at March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Investments at FVTPL						
Investment in equity shares of (Note 5)						
Tourism Finance Corporation of India Limited	1.55	-	-	0.85	-	-
Green Infra Wind Generation Limited	-	-	0.13	-	-	0.13
ReNew Wind Energy (Karnataka) Private Limited	-	-	0.42	-	-	0.42
Tourism Investments Company at Sahl Hasheesh	-	-	381.20	-	-	391.23
Investment in Mutual fund of (Note 12)						
Aditya Birla Sun Life Liquid Fund - Daily Dividend - Direct Plan	279.35	-	-	240.89	-	-
Nippon India Liquid Fund- Daily IDCW Option (name changed w.e.f April 1, 2021, formerly Nippon India Liquid Fund - Daily Dividend Option and Reliance Liquid Fund - Daily Dividend Reinvestment)	43.79	-	-	42.38	-	-
Nippon India Liquid Fund- Direct Plan Daily IDCW option (name changed w.e.f April 1, 2021, formerly Nippon India Liquid Fund- Direct plan Daily Dividend option and Reliance Liquid Fund - Direct Daily Dividend Reinvestment)	149.73	-	-	101.20	-	-
HDFC Mutual Fund - HDFC Nifty 50 ETF	2.05	-	-	-	-	-
Nippon India Mutual Fund - CPSE ETF (RGESS)	1.63	-	-	-	-	-
Investment in unquoted investments (Note 12)						
Investment in Government Securities	-	67.16	-	-	-	-
Investment in Debt Securities	-	28.49	-	-	-	-
Investment in Other Securities	-	-	-	-	-	-
Total financial assets	**478.10**	**95.65**	**381.75**	**385.32**	**-**	**391.78**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds, that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

For all the financial assets and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

(iv) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Investment in Green Infra Wind Generation Limited and ReNew Wind Energy (Karnataka) Private Limited are made pursuant to the contract for procuring electricity supply at the hotels units. Investment in the said companies is not usually traded in the market. Considering the terms of the electricity supply contract and best information available in the market, cost of investment is considered as fair value of the investments.
- For the investment in Golden Jubilee Hotels Private Limited (GJHPL), the management was of the view that carrying value of the investment is representative of its fair value as on April 1, 2015. As on April 1, 2015, no indicators of impairment were existing. However, during the financial year 2015-16, due to the non-payment of bank borrowings and other obligation, petition for the winding up had been filed by the creditors and lenders of the GJHPL. Considering the financial position of the GJHPL and legal proceedings initiated by lenders, the management had fully provided for the investment in GJHPL as on March 31, 2016.
- For Investment in Tourism Investments Company at Sahl Hasheesh, there is no quoted market price in an active market and the fair value is estimated to approximate the cost.

(v) Reconciliation of financial assets measured at fair value using significant unobservable inputs (level 3)

₹ Million

	Unquoted equity investments
As at April 1, 2019	**358.77**
Acquisitions	-
Gain/(loss) recognised in Statement of Profit or Loss	33.01
As at March 31, 2020	**391.78**
Acquisitions	-
Gain/(loss) recognised in Statement of Profit or Loss	(10.03)
As at March 31, 2021	**381.75**

Notes to Consolidated Financial Statements

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41 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk.

The Group's risk management is carried out by the respective companies within the Group, under policies approved by their Board of Directors. The companies within the Group identify, evaluate and hedge financial risks in close co-operation with the respective company's operating units, where applicable. The Board of Directors of the respective companies provide written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Market Risk

(i) Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the respective companies' functional currency.

The exposure of the Group to foreign currency risk is not significant. However, this is closely monitored by the Management to decide on the requirement of hedging. The position of foreign currency exposure to the Group as at the end of the year expressed in INR are as follows :

₹ Million

Currency	Receivables	Payables
March 31 2021		
US Dollar (USD)	7.89	23.52
Euro (EUR)	0.08	0.22
Great Britain Pound (GBP)	1.08	1.62
Mauritius Rupee (MUR)	21.59	1,003.93
UAE Dirham (AED)	2.10	2.20
Singapore Dollar (SGD)	0.01	-
Net exposure to foreign currency risk	**32.75**	**1,031.49**
March 31 2020		
US Dollar (USD)	74.88	32.73
Euro (EUR)	3.73	2.12
Great Britain Pound (GBP)	1.75	11.81
Australian Dollar (AUD)	6.58	-
Mauritius Rupee (MUR)	51.69	1,030.59
UAE Dirham (AED)	1.84	0.19
Hongkong Dollar (HKD)	-	0.62
Swedish Kroner (SEK)	-	0.22
Singapore Dollar (SGD)	-	0.21
Net exposure to foreign currency risk	**140.47**	**1,078.49**

Notes to Consolidated Financial Statements

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Sensitivity

If INR is depreciated or appreciated by 5% vis-a-vis foreign currency, the impact thereof on the profit and loss of the Group are given below:

₹ Million

	Impact on profit*	
	March 31, 2021	March 31, 2020
USD sensitivity		
INR/USD Increases by 5% (March 31, 2020 - 5%)	(0.78)	2.11
INR/USD Decreases by 5% (March 31, 2020 - 5%)	0.78	(2.11)
EUR sensitivity		
INR/EUR Increases by 5% (March 31, 2020 - 5%)	(0.01)	0.08
INR/EUR Decreases by 5% (March 31, 2020 - 5%)	0.01	(0.08)
GBP sensitivity		
INR/GBP Increases by 5% (March 31, 2020 - 5%)	(0.03)	(0.50)
INR/GBP Decreases by 5% (March 31, 2020 - 5%)	0.03	0.50
AED sensitivity		
INR/AED Increases by 5% (March 31, 2020 - 5%)	(0.01)	0.08
INR/AED Decreases by 5% (March 31, 2020 - 5%)	0.01	(0.08)
Mauritius Rupee sensitivity		
INR/MUR Increases by 5% (March 31, 2020 - 5%)	(49.12)	(48.95)
INR/MUR Decreases by 5% (March 31, 2020 - 5%)	49.12	48.95
AUD sensitivity		
INR/AUD Increases by 5% (March 31, 2020 - 5%)	-	0.33
INR/AUD Decreases by 5% (March 31, 2020 - 5%)	-	(0.33)
HKD sensitivity		
INR/HKD Increases by 5% (March 31, 2020 - 5%)	-	(0.03)
INR/HKD Decreases by 5% (March 31, 2020 - 5%)	-	0.03
SEK sensitivity		
INR/SEK Increases by 5% (March 31, 2020 - 5%)	-	(0.01)
INR/SEK Decreases by 5% (March 31, 2020 - 5%)	-	0.01
SGD sensitivity		
INR/SGD Increases by 5% (March 31, 2020 - 5%)	0.00	(0.01)
INR/SGD Decreases by 5% (March 31, 2020 - 5%)	(0.00)	0.01

* Holding all other variables constant

(ii) Interest Rate Risk

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period depends on the mix of fixed rate and floating rate of the borrowings and the expected movement of market interest rate. The status of borrowings in terms of fixed rate and floating rate are as follows:

₹ Million

	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	3,237.99	3,286.26
Fixed rate borrowings	174.36	1,475.00
Total borrowings	**3,412.35**	**4,761.26**

As at the end of the reporting period, the group had the following variable rate borrowings outstanding:

₹ Million

	Weighted average interest rate	Balance	% of total loans
March 31, 2021			
Bank loans, cash credit	7.21%	3,237.99	95%
March 31, 2020			
Bank loans, cash credit	8.75%	3,286.26	69%

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

₹ Million

	Impact on profit*	
	March 31, 2021	March 31, 2020
Interest rates – increase by 50 basis points (50 bps)*	(16.19)	(16.43)
Interest rates – decrease by 50 basis points (50 bps)*	16.19	16.43

* Holding all other variables constant

(iii) Price Risk

The Group's exposure to equity securities price risk arises from investments held by the Group in equity securities and classified in the balance sheet at fair value through profit or loss (Note 8). However, Group does not have a practice of investing in equity securities with a view to earn fair value changes gain. As per the Group policies, whenever any investment is made by the Group company in equity securities, the same is made either with some strategic objective or as a part of contractual arrangement.

(B) Credit Risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the group.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Group companies has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Group companies do not allow any credit period and therefore, is not exposed to any credit risk.

The Group does not have any derivative transaction and therefore is not exposed to any credit risk on account of derivatives.

Reconciliation of provision for doubtful trade receivables

₹ Million

	As at March 31, 2020
Provision as at April 1, 2019	**999.37**
Changes in provision	(105.31)
Provision as at March 31, 2020	**894.06**
Changes in provision	4.40
Provision as at March 31, 2021	**898.46**

(C) Liquidity risk

The Group has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilisation requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) **Financing arrangements:** The position of undrawn borrowing facilities at the end of reporting period are as follows:

₹ Million

	March 31, 2021	March 31, 2020
Floating rate		
Expiring within one year (cash credit facilities and bank overdraft)		
HSBC cash credit/WCTL facility	120.00	72.24
HSBC short term facility	159.85	-
PNB cash credit facility	800.00	613.71
ICICI cash credit facility	159.04	135.00
ICICI short term facility	690.79	1000.00
Federal Bank short term facility	1,500.00	750.00
HDFC cash credit facility	200.00	133.77
HDFC short term facility	1,300.00	-
State Bank of Mauritius cash credit facility	5.74	39.16
	4,935.42	**2,743.88**

The bank overdraft and cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(ii) Maturities of financial liabilities

The table below analyses the Group's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

₹ Million

	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2021				
Borrowings	1,064.67	2,589.98	316.75	3,971.40
Lease liabilities	136.37	809.86	2,074.18	3,020.41
Trade payables	1,790.50	-	-	1,790.50
Security deposits	61.09	109.43	0.68	171.20
Other financial liabilities	116.98	-	-	116.98
Total non-derivative liabilities	**3,169.61**	**3,509.27**	**2,391.61**	**9,070.49**
March 31, 2020				
Borrowings	2,675.45	2,681.83	31.68	5,388.96
Lease liabilities	145.40	518.05	2,496.49	3,159.94
Trade payables	2,077.69	-	-	2,077.69
Other financial liabilities	249.91	98.92	0.68	349.51
Total non-derivative liabilities	**5,148.45**	**3,298.80**	**2,528.85**	**10,976.10**

(D) Capital Management

(i) Risk Management

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The group's strategy is to maintain a gearing ratio within 30%. The gearing ratios were as follows:

₹ Million

	March 31, 2021	March 31, 2020
Net debt*	2,958.89	4,082.50
Total equity	31,988.46	32,362.75
Net debt to equity ratio	**9%**	**13%**
*Net debt represents borrowings less cash and cash equivalents computed as follows:		
Term Loan from bank	3,184.45	2,882.12
Loan from others	5.00	5.00
Cash credit from banks	53.54	404.14
Short term loan from banks	169.36	1,470.00
Less: cash and cash equivalents	(453.46)	(678.76)
Net debt	**2,958.89**	**4,082.50**

42 PROVISIONS

(i) Post- Employment Obligations

a) Gratuity (India)

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The Group operates a gratuity plan through the "EIH Employees' Gratuity Fund". Gratuity plan is a funded plan and the Group through Gratuity Trust makes contributions of funds to Life Insurance Corporation of India.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

b) Gratuity (Mauritius)

The Group provides for gratuity for employees in Mauritius under the Employment Rights Act, 2008. The gratuity plan is an unfunded defined benefit plan.

c) Leave encashment (India)

As per the policy of the Group, obligations on account of encashment of accumulated leave of an employee is settled only on separation of the employee. Such liability is recognised on the basis of actuarial valuation following the projected unit credit method. It is an unfunded plan.

d) Pension benefits

The pension benefit plan pertains to two of the foreign subsidiaries PT Waka Oberoi Indonesia and PT Widja Putra Karya.

(ii) Defined Contribution Plans

The Group also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Balance sheet amounts – Gratuity and Leave encashment (India)- Note (i) (a)and (i) (c)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

₹ Million

	Gratuity			Leave encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2019	681.60	551.79	129.81	282.83
Current service cost	42.04	-	42.04	51.93
Interest expense/(income)	47.41	40.28	7.13	18.97
Total amount recognised in profit or loss	**89.45**	**40.28**	**49.17**	**70.90**
Remeasurements				
(Gain)/loss due to change in demographic assumptions	(0.13)	-	(0.13)	16.74
Actuarial (Gain)/Loss due to experience	4.53	-	4.53	(8.59)
(Gain)/loss due to change in financial assumptions	15.97	-	15.97	4.02
Total amount recognised in other comprehensive income / (loss)	**20.37**	**-**	**20.37**	**12.17**
Employer contributions	-	66.55	(66.55)	-
Benefit payments	(81.93)	(81.64)	(0.29)	(53.29)
Liability as at March 31, 2020	**709.49**	**576.98**	**132.51**	**312.61**
April 1, 2020	709.49	576.98	132.51	312.61
Current service cost	40.28	-	40.28	56.74
Interest expense/(income)	42.34	35.98	6.36	18.75
Total amount recognised in profit or loss	**82.62**	**35.98**	**46.64**	**75.49**
Remeasurements				
(Gain)/loss due to change in demographic assumptions	-	-	-	-
Actuarial (Gain)/Loss due to experience	12.62	-	12.62	(73.57)
Return on plan assets (greater)/less than discount rate	-	2.77	(2.77)	-
(Gain)/loss due to change in financial assumptions	14.18		14.18	6.41
Total amount recognised in other comprehensive income/ (loss)	**26.80**	**2.77**	**24.03**	**(67.16)**
Employer contributions	-	69.13	(69.13)	-
Benefit payments	(116.34)	(116.17)	(0.17)	(48.47)
Liability as at March 31, 2021	**702.57**	**568.69**	**133.88**	**272.47**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(iii) Post Employment Benefits

The significant actuarial assumptions were as follows:

	March 31, 2021	March 31, 2020
Discount rate	5.45% - 6.95%	6.50% - 6.66%
Salary growth rate	5%	0%-5%
Mortality	Indian assured lives mortality (2006-08) (modified) Ultimate	Indian assured lives mortality (2006-08) (modified) Ultimate
Withdrawal rate	Age less than 30 years: Management - 5 - 30% Non Management - 5 - 30% Age greater than 30 years: 1.8 - 5%	Age less than 30 years: Management - 20% Non Management - 30% Age Greater than 30 years - Upto 5%

(iv) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gratuity						
Discount rate	1%	1%	(34.44)	(34.18)	38.47	38.10
Salary growth rate	1%	1%	38.54	32.12	(35.12)	(29.36)
Leave Encashment						
Discount rate	1%	1%	(15.66)	(17.43)	17.77	19.77
Salary growth rate	1%	1%	17.80	17.19	(15.97)	(15.45)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Sensitivities due to change in demographic and investment assumptions are not material and hence the impact of change due to these is not disclosed.

(v) The major categories of plans assets are as follows:

₹ Million

	March 31, 2021		March 31, 2020	
	Unquoted	in %	Unquoted	in %
Investment funds with LIC of India *	568.70	100%	576.98	100%
Total	**568.70**		**576.98**	

* Gratuity trust pays contribution to LIC which in turn invests the amount in various instruments. As it is done by LIC in totality basis along with contributions from other participants, the Company wise investment in planned assets - category / class wise is not available.

(vi) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk : The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation is likely to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation depends upon the combination of salary increase, discount rate and vesting criteria.

Investment risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. LIC of India primarily invests in debt instruments such as Government securities and highly rated corporate bonds wherein the risk of downward fluctuation in value is minimal.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(vii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan during the year ending March 31, 2022 is ₹ 132.33 Million.

The weighted average duration of the defined benefit obligation is 4.08 - 24.22 years (2020 - 7 years) in case of Gratuity and 6 - 16.97 years (2020- 7 years) in case of Leave encashment.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

₹ Million

	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years	Total
March 31, 2021							
Defined benefit obligation							
Gratuity	105.60	109.17	87.71	89.55	101.16	391.07	884.26
Leave obligation	49.72	44.48	40.67	39.30	45.76	206.52	426.45
Total	**155.32**	**153.65**	**128.38**	**128.85**	**146.92**	**597.59**	**1,310.71**
March 31, 2020							
Defined benefit obligation							
Gratuity	114.45	91.23	114.61	85.58	89.43	408.88	904.18
Leave obligation	62.37	47.60	53.23	44.23	44.51	218.11	470.05
Total	**176.82**	**138.83**	**167.84**	**129.81**	**133.94**	**626.99**	**1,374.23**

Balance sheet amounts – Gratuity (Mauritius)- Note (i) (b)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity
	Present value of obligation
April 1, 2019	5.75
Current service cost	0.73
Interest expense/(income)	0.32
Translation adjustment	(0.46)
Total amount recognised in profit or loss	**0.59**
Remeasurements	
(Gain)/loss due to change in demographic assumptions	-
(Gain)/loss due to change in financial assumptions	(0.12)
Experience (gains)/losses	(0.61)
Past Service cost	1.67
Total amount recognised in other comprehensive income/ (loss)	**0.94**
Employer contributions	-
Benefit payments	(0.26)
March 31, 2020	**7.02**
April 1, 2020	**7.02**
Current service cost	1.03
Interest expense/(income)	0.36
Translation adjustment	(0.49)
Total amount recognised in the Statement of profit and loss	**0.90**
Remeasurements	
(Gain)/loss due to change in demographic assumptions	-
(Gain)/loss due to change in financial assumptions	(0.01)
Actuarial (Gain)/Loss due to experience	(0.76)
Past Service cost	0.71
Total amount recognised in other comprehensive income/ (loss)	**(0.06)**
Employer contributions	-
Benefit payments	-
March 31, 2021	**7.86**

Notes to Consolidated Financial Statements

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The net liability disclosed above relates to funded and unfunded plans are as follows:

₹ Million

	Gratuity	
	March 31, 2021	March 31, 2020
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Deficit of funded plan		**-**
Unfunded plans	7.86	7.02
Deficit of employee benefit plans	**7.86**	**7.02**

(viii) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

₹ Million

	March 31, 2021	March 31, 2020
Discount rate	2.90%	5.30%
Salary growth rate	0.20%	2.60%
Average retirement age	65 Years	65 Years

(ix) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Change in assumption		Increase by 1%		Decrease by 1%	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gratuity						
Discount rate	1%	1%	1.78	1.51	1.41	1.21

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(x) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Interest Risk: A decrease in the bond interest rate will increase the plan liability, however, this may be partially offset by a decrease in inflationary pressures on the salary increased.

Salary Risk: The Plan liability is calculated by reference to the future projected salaries of plan participants. As such an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

Balance sheet amounts – Pension Benefits (Indonesia)- Note (i) (d)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

₹ Million

	Pension Benefit
	Present value of obligation
April 1, 2019	74.25
Current service cost	6.01
Interest expense/(income)	4.77
Total amount recognised in profit or loss	**10.78**
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	0.76
Experience (gains)/losses	(1.39)
Translation Adjustment including translation at EIH India Console	(3.56)
Total amount recognised in other comprehensive income	**(4.19)**
Employer contributions	-
Benefit payments	(10.61)
March 31, 2020	**70.22**
April 1, 2020	**70.22**
Current service cost	(6.63)
Interest expense/(income)	(7.19)
Total amount recognised in profit or loss	**(13.82)**
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	3.12
Experience (gains)/losses	(0.21)
Translation Adjustment including translation at EIH India Console	(2.15)
Total amount recognised in other comprehensive income	**0.76**
Employer contributions	3.36
Benefit payments	-
March 31, 2021	**60.52**

(xi) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

₹ Million

	March 31, 2021	March 31, 2020
Discount rate	7.95%	8.73%
Salary growth rate	8.50%	8.50%
Mortality	TMI IV	TMI III
Retirement Age	57 Years	55 Years
Disability Rate	5% of Mortality table TMI IV	5% of Mortality table TMI III
Discount rate	7.82%	8.73%
Salary growth rate	8.00%	8.00%
Mortality	TMI IV	TMI III
Retirement Age	57 Years	55 Years
Disability Rate	5% of Mortality table TMI IV	10% of Mortality table TMI III

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(xii) Sensitivity analysis (To be included for each defined benefit obligation)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate	1.00%	1.00%	(5.01)	(4.71)	5.69	5.42
Salary rate	1.00%	1.00%	5.82	5.31	(5.00)	(4.70)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

43 RELATED PARTY TRANSACTIONS

(A) LIST OF RELATED PARTIES

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below

Key Management Personnel of the Company and close member of Key Management Personnel of the Company

Mr. P.R.S. Oberoi - Executive Chairman
Mr. S.S. Mukherji - Executive Vice Chairman
Mr. Vikramjit Singh Oberoi - Managing Director and Chief Executive Officer
Mr. Arjun Singh Oberoi - Managing Director - Development
Ms. Nita M. Ambani - Non-independent Director
Ms. Chhavi Rajawat - Independent Director
Mr. Manoj Harjivandas Modi - Non-independent Director
Mr. Rajeev Gupta - Independent Director
Mr. Anil K. Nehru - Independent Director
Mr. Sudipto Sarkar - Independent Director
Mr. L. Ganesh - Independent Director
Mr. Sanjay Gopal Bhatnagar (effective August 27, 2019) - Independent Director
Mr. Kallol Kundu - Chief Financial Officer
Mr. S.N. Sridhar - Company Secretary
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji)

Associates & Joint Ventures

(a) Associates
EIH Associated Hotels Limited
La Roseraie De L'atlas
Usmart Education Limited

(b) Joint Ventures
Mercury Car Rentals Private Limited
Oberoi Mauritius Ltd
Island Resort Ltd (Subsidiary of Joint Venture, Oberoi Mauritius Ltd)

Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the current and previous year

Oberoi Hotels Private Limited
Oberoi Holdings Private Limited
Oberoi Investments Private Limited
Oberoi Buildings and Investments Private Limited
Oberoi Plaza Private Limited
Bombay Plaza Private Limited
Oberoi International LLP
Oberoi Lutyens Private Limited
Oberoi Leasing and Finance Company Private Limited
Oberoi Properties Private Limited
Aravali Polymers LLP

Enterprises which are post employment benefit plan for the benefit of employees

EIH Employees' Gratuity Fund
EIH Executive Superannuation Scheme

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

43 (b) Transactions with Related Parties for the year ended March 31,2021

₹ Million

NATURE OF TRANSACTIONS	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	2021	2020	2021	2020	2021	2020
PURCHASES								
Purchase of goods and services								
Mercury Car Rentals Private Limited	35.98	122.49	-	-	-	-	-	-
EIH Associated Hotels Limited	10.32	14.01	-	-	-	-	-	-
Island Resort Ltd	0.41	3.38	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	0.11	0.12	-	-	-	-
Oberoi International LLP	-	-	0.57	3.21	-	-	-	-
Oberoi Plaza Private Limited	-	-	0.15	-	-	-	-	-
Total	**46.71**	**139.88**	**0.83**	**3.33**	**-**	**-**	**-**	**-**
EXPENSES								
Rent								
EIH Associated Hotels Limited	1.27	1.41	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	0.36	0.36	-	-	-	-
Ms. Natasha Oberoi (Daughter of Mr. P.R.S. Oberoi)	-	-	-	-	0.41	0.41	-	-
Total	**1.27**	**1.41**	**0.36**	**0.36**	**0.41**	**0.41**	**-**	**-**
Royalty								
Oberoi Hotels Private Limited	-	-	47.10	156.07	-	-	-	-
Total	**-**	**-**	**47.10**	**156.07**	**-**	**-**	**-**	**-**
Short-term employee benefits								
Mr. P.R.S. Oberoi	-	-	-	-	2.90	28.25	-	-
Mr. S.S. Mukherji	-	-	-	-	1.70	29.40	-	-
Mr. Vikramjit Singh Oberoi	-	-	-	-	4.61	32.04	-	-
Mr. Arjun Singh Oberoi	-	-	-	-	2.17	28.96	-	-
Mr. Kallol Kundu	-	-	-	-	13.66	13.89	-	-
Mr. S. N. Sridhar	-	-	-	-	7.01	8.25	-	-
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji) *	-	-	-	-	2.20	2.54	-	-
Total	**-**	**-**	**-**	**-**	**34.25**	**143.33**	**-**	**-**
Post-employment benefits								
Mr. Vikramjit Singh Oberoi	-	-	-	-	2.62	1.45	-	-
Mr. Arjun Singh Oberoi	-	-	-	-	2.04	1.76	-	-
Mr. Kallol Kundu	-	-	-	-	0.78	1.03	-	-
Ms. Priyanka Mukherjee (Daughter of Mr. S.S. Mukherji) *	-	-	-	-	0.13	0.13	-	-
Total	**-**	**-**	**-**	**-**	**5.57**	**4.37**	**-**	**-**

* Reimbursed by another entity where the executive has been on deputation since February 2019

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

₹ Million

NATURE OF TRANSACTIONS	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
Directors' sitting fees								
Mr. P.R.S. Oberoi	-	-	-	-	0.12	0.08	-	-
Mr. Vikramjit Singh Oberoi	-	-	-	-	0.40	0.48	-	-
Mr. Arjun Singh Oberoi	-	-	-	-	0.40	0.16	-	-
Mrs. Nita M. Ambani	-	-	-	-	0.15	0.20	-	-
Mr. Manoj Harjivandas Modi	-	-	-	-	0.15	0.20	-	-
Mr. Rajeev Gupta	-	-	-	-	0.35	0.15	-	-
Mr. Anil K. Nehru	-	-	-	-	0.60	1.20	-	-
Mr. Sudipto Sarkar	-	-	-	-	0.35	0.45	-	-
Mr. L. Ganesh	-	-	-	-	0.48	0.60	-	-
Ms. Chhavi Rajawat	-	-	-	-	0.27	0.18	-	-
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	0.15	0.10	-	-
Mr. S. N. Sridhar	-	-	-	-	0.16	0.12	-	-
Total	**-**	**-**	**-**	**-**	**3.58**	**3.92**	**-**	**-**
Total Key management personnel compensation	**-**	**-**	**-**	**-**	**43.40**	**151.62**	**-**	**-**
SALES								
Sale of goods and services								
Mercury Car Rentals Private Limited	7.40	19.24	-	-	-	-	-	-
EIH Associated Hotels Limited	257.14	334.87	-	-	-	-	-	-
La Roseraie De L'atlas	0.67	7.70	-	-	-	-	-	-
Island Resort Ltd	0.02	2.40	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	14.07	14.06	-	-	-	-
Oberoi International LLP	-	-	0.01	-	-	-	-	-
Total	**265.23**	**364.21**	**14.08**	**14.06**	**-**	**-**	**-**	**-**
Sale of Property, plant and equipment								
EIH Associated Hotels Limited	1.37	1.14	-	-	-	-	-	-
Total	**1.37**	**1.14**	**-**	**-**	**-**	**-**	**-**	**-**
INCOME								
License agreement								
Mercury Car Rentals Private Limited	0.76	1.28	-	-	-	-	-	-
EIH Associated Hotels Limited	2.48	1.54	-	-	-	-	-	-
Oberoi Holdings Private Limited	-	-	0.83	1.42	-	-	-	-
Oberoi Investments Private Limited	-	-	0.32	0.61	-	-	-	-
Oberoi Buildings and Investments Private Limited	-	-	1.18	1.71	-	-	-	-
Oberoi Plaza Private Limited	-	-	0.93	3.05	-	-	-	-
Bombay Plaza Private Limited	-	-	0.59	1.98	-	-	-	-
Total	**3.24**	**2.82**	**3.85**	**8.77**	**-**	**-**	**-**	**-**

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₹ Million

NATURE OF TRANSACTIONS	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
Management contract								
EIH Associated Hotels Limited	31.58	165.52	-	-	-	-	-	-
La Roseraie De L'atlas	3.97	2.41	-	-	-	-	-	-
Island Resort Ltd	-	63.45	-	-	-	-	-	-
Total	**35.55**	**231.38**	**-**	**-**	**-**	**-**	**-**	**-**
Interest								
Oberoi Mauritius Ltd	28.87	-	-	-	-	-	-	-
Total	**28.87**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Dividend received								
Mercury Car Rentals Private Limited	7.62	13.34	-	-	-	-	-	-
EIH Associated Hotels Limited	-	50.47	-	-	-	-	-	-
Total	**7.62**	**63.81**	**-**	**-**	**-**	**-**	**-**	**-**
PAYMENTS								
Investment in equity shares								
La Roseraie De L'atlas	-	282.03	-	-	-	-	-	-
Total	**-**	**282.03**	**-**	**-**	**-**	**-**	**-**	**-**
Refund of Collections to related party								
EIH Associated Hotels Limited	1.93	16.62	-	-	-	-	-	-
Total	**1.93**	**16.62**	**-**	**-**	**-**	**-**	**-**	**-**
Expenses reimbursed to related party								
Mercury Car Rentals Private Limited	0.03	0.01	-	-	-	-	-	-
EIH Associated Hotels Limited	6.57	14.83	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	0.50	0.97	-	-	-	-
Total	**6.60**	**14.84**	**0.50**	**0.97**	**-**	**-**	**-**	**-**
Advance to related party								
La Roseraie De L'atlas	-	282.03	-	-	-	-	-	-
Oberoi Mauritius Ltd	28.87	26.01	-	-	-	-	-	-
	28.87	**308.04**	**-**	**-**	**-**	**-**	**-**	**-**
RECEIPTS								
Sale of equity shares								
EIH Associated Hotels Limited	-	0.05	-	-	-	-	-	-
Total	**-**	**0.05**	**-**	**-**	**-**	**-**	**-**	**-**
Recovery of Collections by related party								
EIH Associated Hotels Limited	0.04	4.50	-	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	0.42	-	-	-	-
Total	**0.04**	**4.50**	**-**	**0.42**	**-**	**-**	**-**	**-**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

₹ Million

NATURE OF TRANSACTIONS	Associate & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2021	2020	2021	2020	2021	2020	2021	2020
Expenses Reimbursed by related party								
Mercury Car Rentals Private Limited	0.14	1.30	-	-	-	-	-	-
EIH Associated Hotels Limited	16.90	31.12	-	-	-	-	-	-
La Roseraie De L'atlas	0.92	8.76	-	-	-	-	-	-
Island Resort Ltd	5.31	-	-	-	-	-	-	-
Oberoi Plaza Private Limited	-	-	0.72	-	-	-	-	-
Oberoi Hotels Private Limited	-	-	1.52	1.86	-	-	-	-
Oberoi International LLP	-	-	0.05	-	-	-	-	-
Oberoi Buildings and Investments Private Limited **	-	-	-	-	-	-	-	-
Oberoi Investments Private Limited **	-	-	-	-	-	-	-	-
Oberoi Holdings Private Limited **	-	-	-	-	-	-	-	-
Bombay Plaza Private Limited **	-	-	-	-	-	-	-	-
Oberoi Leasing and Finance Company Private Limited **	-	-	-	-	-	-	-	-
Oberoi Properties Private Limited **	-	-	-	-	-	-	-	-
Oberoi Lutyens Private Limited **	-	-	-	-	-	-	-	-
Aravali Polymers LLP **	-	-	-	-	-	-	-	-
Total	**23.27**	**41.18**	**2.29**	**1.86**	**-**	**-**	**-**	**-**
** Transaction amount is ₹ 2,500 each (2020-Nil).								
Repayment of Advance to Related Party								
Island Resort Ltd	-	282.03	-	-	-	-	-	-
Total	**-**	**282.03**	**-**	**-**	**-**	**-**	**-**	**-**
Contribution of Gratuity Fund								
EIH Employee's Gratuity Fund	-	-	-	-	-	-	69.13	66.55
Total	**-**	**-**	**-**	**-**	**-**	**-**	**69.13**	**66.55**
Refund of gratuity								
EIH Employee's Gratuity Fund	-	-	-	-	-	-	116.17	81.64
Total	**-**	**-**	**-**	**-**	**-**	**-**	**116.17**	**81.64**

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Outstanding Balances as on March 31, 2021

₹ Million

NATURE OF TRANSACTIONS	Associates & Joint Ventures		Enterprises in which Key Management Personnel have Joint Control or Significant Influence		Key Management Personnel/Relative of Key Management Personnel	
	2021	2020	2021	2020	2021	2020
PAYABLES						
For goods and services						
Mercury Car Rentals Private Limited	7.09	18.07	-	-	-	-
EIH Associated Hotels Limited	6.12	18.42	-	-	-	-
Oberoi Hotels Private Limited	-	-	1.18	0.07	-	-
Oberoi International LLP	-	-	0.05	0.86	-	-
Oberoi Plaza Private Limited	-	-	0.15	-	-	-
Island Resort Ltd	-	0.16	-	-	-	-
Mr. Vikramjit Singh Oberoi	-	-	-	-	-	0.04
Mrs. Nita M. Ambani	-	-	-	-	-	0.05
Mr. Manoj Harjivandas Modi	-	-	-	-	-	0.05
Mr. Anil K. Nehru	-	-	-	-	-	0.13
Mr. Sudipto Sarkar	-	-	-	-	-	0.09
Ms. Natasha Oberoi			-	-	0.05	-
Mr. L. Ganesh	-	-	-	-	-	0.13
Mr. Sanjay Gopal Bhatnagar	-	-	-	-	0.03	0.07
Total	**13.21**	**36.65**	**1.38**	**0.93**	**0.08**	**0.56**
Royalty						
Oberoi Hotels Private Limited	-	-	19.68	36.87	-	-
Total	**-**	**-**	**19.68**	**36.87**	**-**	**-**
Security deposit						
Bombay Plaza Private Limited	-	-	0.50	0.50	-	-
Total	**-**	**-**	**0.50**	**0.50**	**-**	**-**
Other payable						
EIH Associated Hotels Limited	-	5.05	-	-	-	-
Total	**-**	**5.05**	**-**	**-**	**-**	**-**
ADVANCES AND RECEIVABLES						
For goods and services						
Mercury Car Rentals Private Limited	0.53	3.12	-	-	-	-
EIH Associated Hotels Limited	36.70	72.84	-	-	-	-
Island Resort Ltd	-	0.81	-	-	-	-
La Roseraie De L'atlas	28.03	26.18	-	-	-	-
Oberoi Hotels Private Limited	-	-	1.77	3.30	-	-
Bombay Plaza Private Limited	-	-	0.67	0.10	-	-
Oberoi Plaza Private Limited			0.13			
Oberoi Holdings Private Limited	-	-	0.07	-	-	-
Oberoi Investments Private Limited	-	-	0.31	-	-	-
Oberoi Buildings and Investments Private Limited	-	-	1.02	-	-	-
Oberoi International LLP	-	-	0.01	-	-	-
Total	**65.26**	**102.95**	**3.98**	**3.40**	**-**	**-**
Management contract						
EIH Associated Hotels Limited	17.24	93.17	-	-	-	-
Total	**17.24**	**93.17**	**-**	**-**	**-**	**-**
Advance to related party						
Oberoi Mauritius Ltd	515.18	498.79	-	-	-	-
La Roseraie De L'atlas	5.28	5.42	-	-	-	-
Total	**520.46**	**504.21**	**-**	**-**	**-**	**-**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

44 (A) CONTINGENT LIABILITIES

The Group has contingent liabilities at March 31, 2021 in respect of:

(i) Claims against the Group pending appellate/judicial decision not acknowledged as debts

₹ Million

	March 31, 2021	March 31, 2020
i. Sales Tax and Value Added Tax	55.16	37.55
ii. Income Tax	269.30	297.75
iii. Service Tax	13.61	15.89
iv. Property Tax	262.06	236.43
v. Customs duty	429.66	429.66
vi. Luxury tax	13.63	13.62
vii. Expenditure tax	0.10	0.10
viii.Stamp duty	10.23	10.23
ix. Others	5.30	7.05

The matters listed above are in the nature of statutory dues, namely, Property Tax, Sales Tax, Value Added Tax, Income Tax, Service Tax, Customs Duty, Luxury Tax and other claims, all of which are under litigation, the outcome of which would depend on the merits of facts and law at an uncertain future date. The amounts shown in the items above represent the best possible estimates arrived at, are on the basis of currently available information. The Group engages reputed professional advisors to protect its interests, and cases that are disputed by the Group are those where the management has been advised that it has strong legal positions. Hence, the outcomes of the above matters are not envisaged to have any material adverse impact on the Group's financial position.

(ii) Guarantees:

₹ Million

	March 31, 2021	March 31, 2020
a. Guarantees given to banks against financial facilities availed by a subsidiary company	655.1	701.1
b. Counter guarantees issued to banks and remaining outstanding	58.04	36.98

44 (B) COMMITMENTS

(i) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

₹ Million

	March 31, 2021	March 31, 2020
Property, plant and equipment	241.06	349.87

(ii) Other commitments:

In respect of a corporate guarantee amounting to ₹ 610.20 Million [MUR 340 Million] as at March 31, 2021, issued by the Parent Company for the term loan facilities (including short term loan) availed by its subsidiary, EIH Flight Services Ltd ("EIHFSL"), the Parent Company has provided an undertaking to the State Bank (Mauritius) Ltd to infuse an amount of MUR 50.00 Million (equivalent to ₹ 89.73 Million as on March 31, 2021) as shareholder's equity by June 30, 2021, and such additional funds by way of shareholder equity as required during the year ending March 31, 2022 so as to match all loan instalments falling due at the bank and thereafter, to infuse adequate funds to cater for any shortfall in the cash flow of EIHFSL so that it can repay the same on the agreed terms and conditions.

45 LEASES

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method by recognising a lease liability at the date of initial application at the present value of the remaining lease payments, discounted using the lessee incremental borrowing rate and recognising a right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

On transition, the adoption of the new standard resulted in recognition of right-of-use assets of ₹ 3,894.95 Million from leases that were earlier classified as operating lease and right-of-use assets of ₹ 683.04 Million from leases that were earlier classified as finance lease aggregating to total right-of-use assets of ₹ 4,577.99 Million and a lease liability of ₹ 1,627.71 Million from leases that were earlier classified as operating lease and lease liability of ₹ 95.63 Million from leases that were earlier classified as finance lease aggregating to total lease liability of ₹ 1,723.34 Million. Further the effect of this adoption has also resulted in the following as on April 1, 2019:

- Property, plant and equipment decreased by ₹ 683.04 Million.
- Deferred tax liabilities (net) increased by ₹ 3.60 Million.
- Prepayments decreased by ₹ 2,267.24 Million.
- Borrowings and other financial liabilities decreased by ₹ 70.38 Million and ₹ 35.54 Million respectively.

The cumulative effect of applying the standard resulted in ₹ 8.09 Million (net of tax) [including ₹ 6.69 Million (net of tax) in respect of the above], being credited to retained earnings as on the transition date.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at April 1, 2019

(c) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(d) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(e) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

₹ Million

Lease liability recognised as at April 1, 2019 - On adoption of Ind AS 116	1,723.34
of which are:	
Current lease liabilities	132.58
Non-current lease liabilities	1,590.76

Amount recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amount relating to leases :

₹ Million

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation charge for the right-of-use assets		
Land leases	142.36	146.74
Building leases	0.59	0.64
Vehicle leases	22.22	29.45
	165.17	**176.83**
Interest on lease liabilities (included in finance costs)	129.82	136.62
Expense relating to short-term leases (included in other expenses)	206.19	222.06
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	1.00	1.30
Expense relating to variable lease payments not included in lease liabilities	Nil	Nil
Total cash outflows for leases	**138.22**	**134.05**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

Following are the changes in the carrying value of right-of-use assets:

₹ Million

Particulars	Category of right-of-use assets			
	Land leases	Building	Vehicle Leases	Total
Balance as of April 1, 2019	-	-	-	-
Reclassified on account of adoption of Ind AS 116*	4,516.55	0.88	60.56	4,578.01
Additions	-	1.19	14.42	15.61
Sales / Adjustments during the year	-	-	0.80	0.80
Translation adjustment	(34.82)		(0.25)	(35.09)
Depreciation	146.74	0.64	29.45	176.83
Balance as of March 31, 2020	**4,334.99**	**1.43**	**44.48**	**4,380.90**
Additions	-	1.19	14.42	15.61
Sales / Adjustments during the year	-	-	0.80	0.80
Translation adjustment	(34.82)		(0.27)	(35.09)
Depreciation	146.74	0.64	29.45	176.83
Balance as of March 31, 2021	**4,153.43**	**1.98**	**28.38**	**4,183.79**

* Prior to April 1, 2019, the Group only recognised lease assets and lease liabilities in relation to leases that were classified as finance leases under Ind AS 17, "Leases". The assets were presented in property, plant and equipment and the liabilities as part of the Company's borrowings and other financial liabilities.

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities:

₹ Million

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	54.89	41.17
Non-current lease liabilities	1,635.81	1,672.24
Total	**1,690.70**	**1,713.41**

The following is the movement in lease liabilities :

₹ Million

Particulars	March 31, 2021	March 31, 2020
Opening balance	1,713.41	-
Reclassified on account of adoption of Ind AS 116*	-	1,723.34
Additions	3.66	15.61
Finance cost accrued during the year	129.82	115.82
Sales / Adjustments during the year	0.24	-
Translation adjustment	(17.73)	(7.31)
Payment of lease liabilities	138.22	134.05
Closing balance	**1,690.70**	**1,713.41**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ Million

Particulars	March 31, 2021	March 31, 2020
Less than one year	136.37	151.79
One to five years	809.86	565.31
More than five years	2,074.18	2,964.50
Total	**3,020.41**	**3,681.60**

Notes to Consolidated Financial Statements

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Non-cancellable operating leases - As a Lessor

The Group gives shops located at various hotels on operating lease arrangements. These leases are generally cancellable in nature and may generally be terminated by either party by serving notice. Some shops have been given under non-cancellable operating lease, for which the future minimum lease payments recoverable by the Group are as under:

₹ Million

	31-Mar-21	31-Mar-20
Minimum lease payments in relation to non-cancellable operating leases are receivable as follows:		
Within one year	266.07	257.96
Later than one year but not later than five years	924.77	996.45
Later than five years	699.67	697.91
Contingent rents recognised as an income in the Statement of Profit and Loss for the year.	Nil	Nil

46 SEGMENT REPORTING

There are no reportable segments other than hotels as per Ind AS 108, "Operating Segment".

The Group does not have transactions of more than 10% of total revenue with any single external customer.

47 (A) EARNINGS PER EQUITY SHARE

₹

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Basic earnings per share	(6.17)	2.57
(b) Diluted earnings per share	(6.17)	2.57

(c) Reconciliations of earnings used in calculating earnings per share

₹ Million

	Year ended March 31, 2021	Year ended March 31, 2020
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(3,697.08)	1,488.17
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	(3,697.08)	1,488.17

(d) Weighted average number of shares used as the denominator

Number of shares

	March 31, 2021	March 31, 2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	599,643,471	578,888,639
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	599,643,471	578,888,639

Basic and diluted earnings per share presented above have been adjusted retrospectively for the bonus element in respect of rights issue made during the year ended March 31, 2021 in accordance with Ind AS 33,"Earnings per Share" (refer note 50).

47 (B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ Million

	As at March 31, 2021	Cash flows	Non cash changes	As at March 31, 2020
Non-current borrowings	3,189.45	302.33	-	2,887.12
Current borrowings	222.90	(1,651.24)	-	1,874.14
Total liabilities from financing activities	**3,412.35**	**(1,348.91)**	**-**	**4,761.26**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

48 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. Domestic companies within the Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code and rules thereunder become effective.

49 In accordance with Regulations 6(a) and 7 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the Parent Company has voluntarily delisted its equity shares from Calcutta Stock Exchange Limited (CSE) w.e.f. March 5, 2021. However, equity shares of the Parent Company continue to remain listed on National Stock Exchange Limited (NSE) and BSE Limited (BSE).

50 The Parent Company in its Letter of Offer dated September 21, 2020 offered 53,794,768 shares by way of rights issue at a face value of ₹ 2 each and at a price of ₹65 per equity share (including a premium of ₹ 63 per equity share). The issue opened on September 29, 2020 and closed on October 13, 2020 with a subscription of 1.60 times the issue size. Subsequently, the Parent Company allotted 53,794,768 shares on October 20, 2020, on the basis of allotment approved by the Rights Issue Committee of the Board of Directors of the Parent Company aggregating to ₹ 3,496.66 Million including securities premium of ₹ 3,389.07 Million. Issue expenses incurred in connection with the rights issue, amounting to ₹ 32.02 Million have been charged to securities premium.

Pursuant to the allotment of equity shares on rights basis, basic and diluted earnings per share have been adjusted retrospectively for the bonus element in respect of rights issue in accordance with Ind AS 33.

Proceeds from the rights issue have been utilised towards the objects stated in the Letter of Offer in the following manner:

Particulars	₹ Million
Repayments of borrowings	2,800.00
General corporate purposes	664.64
Issue expenses	32.02
Total	**3,496.66**

51 During the year, the Parent Company recognised an impairment loss in respect of certain property, plant and equipment amounting to ₹ 24.93 Million (Previous year – ₹ Nil) on account of continuing losses in respect of, The Oberoi Motor Vessel Vrinda, a luxury cruiser in the backwaters of Kerala. The same has been charged in the Statement of Profit and Loss, which has been disclosed under "Exceptional items" (Refer note 38).

The recoverable amount of the aforementioned luxury cruiser was determined by the Parent Company's management based on a value-in-use calculation of the recoverable amount which uses cash flow projections and a discount rate of 11.47 % per annum. The recoverable amount has been calculated as per the provisions of Ind AS 36, Impairment of Assets. Cash flow projections are based on the expected future occupancy, average room rate, expected payroll and other costs.

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for the Year ended March 31, 2021

52 INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The Group's subsidiaries at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
Mashobra Resort Limited	India	78.79	78.79	21.21	21.21	Hotel Ownership
Mumtaz Hotels Limited	India	60	60	40	40	Hotel Ownership
Oberoi Kerala Hotels and Resorts Limited	India	80	80	20	20	Hotel Ownership
EIH International Ltd	British Virgin Islands	100	100	0	0	Investment
EIH Flight Services Ltd	Mauritius	100	100	0	0	Flight Catering
EIH Holdings Ltd	British Virgin Islands	100	100	0	0	Hotel investment and management
PT Widja Putra Karya	Indonesia	70	70	30	30	Hotel ownership
PT Waka Oberoi Indonesia	Indonesia	96.33	96.33	3.67	3.67	Hotel ownership
EIH Investment N.V. *	Netherlands Antilles	NA	100	NA	0	Investment and management
EIH Management Services B.V. **	Netherlands	NA	NA	NA	NA	Hotel management and investment
PT Astina Graha Ubud	Indonesia	60	60	40	40	Hotel development

*EIH Investment N.V. has been liquidated during the year 2020-21.

**EIH Management Services B.V. had been liquidated during the year 2019-20

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(b) Non-controlling interests (NCI)

₹Million

Summarised balance sheet	Mashobra Resort Limited		Mumtaz Hotels Limited		Oberoi Kerala Hotels and Resorts Limited		PT Widja Putra Karya		PT Waka Oberoi Indonesia		PT Astina Graha Ubud	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020
Current assets	1,673.48	1,518.63	561.51	788.66	2.45	2.31	44.81	85.39	19.97	24.62	-	-
Current liabilities	52.13	53.66	113.77	195.00	2.19	2.11	221.53	128.47	190.82	223.87	-	-
Net current assets	1,621.35	1,464.97	447.74	593.66	0.26	0.20	(176.72)	(43.08)	(170.85)	(199.25)	-	-
Non-current assets	502.38	524.72	1,037.34	1,004.97	20.33	20.33	406.96	430.04	289.50	264.64	463.62	475.43
Non-current liabilities	14.48	9.34	78.44	101.75	1.43	1.41	227.01	247.71	22.34	23.85	268.73	275.41
Net non-current assets	487.90	515.38	958.90	903.22	18.90	18.92	179.95	182.33	267.16	240.79	194.89	200.02
Net assets	**2,109.25**	**1,980.35**	**1,406.64**	**1,496.88**	**19.16**	**19.12**	**3.23**	**139.25**	**96.31**	**41.54**	**194.89**	**200.02**
Accumulated NCI	158.51	131.18	562.10	598.21	3.83	3.82	20.21	61.64	121.37	122.45	77.96	80.01

₹Million

Summarised Statement of Profit and Loss	Mashobra Resort Limited		Mumtaz Hotels Limited		Oberoi Kerala Hotels and Resorts Limited		PT Widja Putra Karya		PT Waka Oberoi Indonesia		PT Astina Graha Ubud	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020
Revenue	390.75	500.99	188.46	1,005.42	0.87	0.86	-	434.49	-	102.77	-	-
Profit / (Loss) for the year	127.79	165.16	(90.46)	321.43	0.04	0.02	(166.15)	2.84	35.49	(34.73)	-	-
Other comprehensive income / (loss)	1.11	(0.56)	0.22	(0.47)	-	-	34.63	(38.27)	20.09	(23.39)	-	-
Total comprehensive income / (loss)	**128.90**	**164.60**	**(90.24)**	**320.96**	**0.04**	**0.02**	**(131.52)**	**(35.43)**	**55.58**	**(58.12)**	**-**	**-**
Profit allocated to NCI	27.33	34.92	(36.11)	128.37	0.01	-	(49.59)	0.71	1.30	(1.42)	-	-
Dividends paid to NCI	-	-	-	74.69	-	-	-	-	-	-	-	-

₹Million

Summarised Cash Flows	Mashobra Resort Limited		Mumtaz Hotels Limited		Oberoi Kerala Hotels and Resorts Limited		PT Widja Putra Karya		PT Waka Oberoi Indonesia		PT Astina Graha Ubud	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020
Cash flows from operating activities	79.81	118.33	3.09	319.92	(0.77)	(0.51)	(90.27)	(21.97)	16.39	(14.88)	-	-
Cash flows from investing activities	(51.39)	(120.00)	(33.27)	(118.23)	0.76	0.74	(2.07)	(12.05)	(5.68)	(51.74)	-	-
Cash flows from financing activities	(1.20)	(1.16)	(0.32)	(187.33)	-	-	110.97	(0.71)	(12.67)	59.54	-	-
Net increase / (decrease) in cash and cash equivalents	**27.22**	**(2.83)**	**(30.50)**	**14.36**	**(0.01)**	**0.23**	**18.63**	**(34.73)**	**(1.96)**	**(7.09)**	**-**	**-**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

(c) Interests in Associates and Joint Ventures

₹Million

Name of the entity	Place of business	Ownership Interest	Relationship	Accounting method	Quoted fair value*		Carrying amount	
					March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
EIH Associated Hotels Limited	India	36.81%	Associate	Equity Method	2,630.51	2,355.17	1,355.80	1,453.04
Mercury Car Rentals Private Limited	India	40%	Joint Venture	Equity Method	-	-	395.69	485.05
Oberoi Mauritius Ltd	British Virgin Islands	50%	Joint Venture	Equity Method	-	-	182.13	310.07
La Roseraie De L'atlas	Morocco	47.93%	Associate	Equity Method	-	-	1,221.52	1,564.29
Usmart Education Limited	India	25.10%	Associate	Equity Method	-	-	-	-
Total equity accounted investments					**2,630.51**	**2,355.17**	**3,155.14**	**3,812.45**

Commitments and contingent liabilities in respect of associates and joint ventures

₹ Million

	March 31, 2021	March 31, 2020
Commitments - joint ventures		
Commitment to provide funding for joint venture's capital commitments, if called	-	-
Commitments - associates		
Commitment to provide funding for associates capital commitments, if called	-	-
Contingent liabilities - associates		
Share of contingent liabilities incurred jointly with other investors of the associate	120.55	75.42
Contingent liabilities relating to liabilities of the associate for which the group is severally liable	44.37	27.76
Contingent liabilities - joint ventures		
Share of joint venture's contingent liabilities in respect of a legal claim lodged against the entity	11.71	11.00
Total commitments and contingent liabilities	**176.63**	**114.18**

Summarised financial information for associates and joint ventures

₹ Million

Summarised balance sheet	EIH Associated Hotels Limited		Mercury Car Rentals Private Limited		Oberoi Mauritius Ltd **		Usmart Education Limited	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020	**March 31, 2021**	March 31, 2020
Current assets								
Cash and cash equivalents	69.53	105.33	134.44	175.10	122.37	258.84	0.39	-
Other assets (excluding trade receivables)	735.37	1,042.54	213.32	478.80	46.55	63.52	0.48	0.47
Total current assets	**804.90**	**1,147.87**	**347.76**	**653.90**	**168.92**	**322.36**	**0.87**	**0.47**
Total non-current assets	**3,016.31**	**3,075.10**	**3,792.25**	**5,286.73**	**601.74**	**701.25**	**0.06**	**0.14**
Current liabilities								
Financial liabilities (excluding trade payables)	50.33	87.50	1,006.03	1,890.45	17.46	8.27	56.05	54.39
Other liabilities	62.33	59.14	86.97	98.35	34.57	44.47	0.46	0.33
Total current liabilities	**112.66**	**146.64**	**1,093.00**	**1,988.80**	**52.03**	**52.74**	**56.51**	**54.72**
Non-current liabilities				`				
Financial liabilities (excluding trade payables)	19.47	23.65	2,069.48	2,644.60	177.96	208.59	-	-
Other liabilities	258.63	363.93	154.68	262.97	75.15	78.83	-	-
Total non-current liabilities	**278.10**	**387.58**	**2,224.16**	**2,907.57**	**253.11**	**287.42**	**-**	**-**
Net assets	**3,430.45**	**3,688.75**	**822.85**	**1,044.26**	**465.52**	**683.45**	**(55.58)**	**(54.11)**

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

Reconciliation to carrying amounts

₹ Million

Summarised balance sheet	EIH Associated Hotels Limited		Mercury Car Rentals Private Limited		Oberoi Mauritius Ltd **		Usmart Education Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening net assets	3,447.99	3,235.84	1,212.61	1,213.23	620.14	662.89	-	-
Additional Equity infused	-	-	-	-	-	-	-	-
Profit / (loss) for the year	(267.42)	379.64	(224.52)	48.03	(258.90)	(97.42)	(0.16)	(3.15)
Other comprehensive income / (loss)***	3.25	(2.20)	20.19	(8.44)	3.02	54.67	-	-
Dividends paid (including tax)	-	(165.29)	(19.06)	(40.21)	-	-	-	-
Closing net assets	**3,183.82**	**3,447.99**	**989.22**	**1,212.61**	**364.26**	**620.14**	**(0.16)**	**(3.15)**
Group's share in %	36.81%	36.81%	40%	40%	50%	50%	25.10%	25.10%
Group's share in INR	1,171.94	1,269.18	395.69	485.05	182.13	310.07	(0.04)	(0.79)
Goodwill	182.46	182.46						
Impact on retained earnings on adoption of Ind AS 116	1.40	1.40						
Carrying amount	**1,355.80**	**1,453.04**	**395.69**	**485.05**	**182.13**	**310.07**	**(0.04)**	**(0.79)**

Summarised Statement of Profit and Loss

₹ Million

Summarised balance sheet	EIH Associated Hotels Limited		Mercury Car Rentals Private Limited		Oberoi Mauritius Ltd **		Usmart Education Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue	1,013.94	2,490.76	1,921.97	4,456.96	3.05	633.01	-	-
Interest income	10.52	22.29	30.00	5.42	34.43	37.18	-	-
Depreciation and amortisation	169.63	159.72	1,016.84	1,272.63	57.01	61.89	0.09	0.09
Interest expense	5.30	4.46	371.55	464.34	105.93	104.96	-	-
Income tax expense	(104.04)	50.37	(73.62)	149.68	2.24	2.88	-	-
Profit / (loss) from continuing operations	(267.42)	379.64	(224.52)	48.03	(258.79)	(103.81)	(1.65)	(3.15)
Profit from discontinued operations	-	-	-	-	-	-	-	-
Profit / (loss) for the year	**(267.42)**	**379.64**	**(224.52)**	**48.03**	**(258.79)**	**(103.81)**	**(1.65)**	**(3.15)**
Other comprehensive income	3.28	(2.20)	20.16	(8.44)	3.28	1.83	-	-
Total comprehensive income / (loss)	**(264.14)**	**377.44**	**(204.36)**	**39.59**	**(255.51)**	**(101.98)**	**(1.65)**	**(3.15)**

* Oberoi Mauritius Ltd, Usmart Education Ltd, La Roseraie De L'atlas and Mercury Car Rentals Private Limited are unlised entities. Hence, no quoted price available.

** Oberoi Mauritius Ltd ("OML") includes transactions and balances in respect of its holding of 92.19% stake in its subsidiary, Island Resort Limited, incorporated in Mauritius.

*** Includes Foreign currency translation adjustments

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

53 (A) ANNEXURE

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary with amounts in INR Million)

₹ Million

1	Sl. No.	1	2	3	4	5	6	7	8	9	10
2	Name of the subsidiary	Mashobra Resort limited	Mumtaz Hotels Limited	Oberoi Kerala Hotels and Resorts Limited	EIH International Limited	EIH Holdings Ltd	EIH Investments N. V. (Refer note 2 below)	PT Widja Putra Karya	PT Waka Oberoi Indonesia	PT Astina Graha Ubud	EIH Flight Services Ltd
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Reporting currency as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A	N/A	N/A	US$	US$	US$	US$	US$	US$	Mauritian Rupees
5	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries										
	- Closing rate	N/A	N/A	N/A	74.96	74.96	74.96	74.96	74.96	74.96	1.79
	- Average rate	N/A	N/A	N/A	74.20	74.20	74.20	74.20	74.20	74.20	1.86
6	Share capital	330.00	206.50	27.20	7,991.32	3,529.55	-	66.43	2,810.66	194.90	1,239.09
7	Reserves and surplus	417.32	1,200.14	(8.04)	(297.99)	358.50	-	(63.21)	(2,714.36)	-	(1,397.30)
8	Total assets	2,175.86	1,598.85	22.76	7,697.82	3,894.82	-	451.77	309.47	463.62	853.58
9	Total liabilities	66.61	192.21	3.62	4.50	6.77	-	448.55	213.17	268.73	1,011.79
10	Investments	-	472.86	-	7,096.85	3,345.55	-	-	-	-	-
11	Turnover	390.75	188.46	0.87	19.06	61.62	-	-	-	-	35.62
12	Profit / (loss) before taxation	182.27	(99.30)	0.16	11.72	(20.48)	-	(152.57)	17.70	-	(130.73)
13	Provision for taxation	54.48	(8.84)	0.12	-	(1.33)	-	(13.59)	17.79	-	(3.16)
14	Profit after taxation	127.79	(90.46)	0.04	11.72	(21.81)	-	(166.15)	35.49	-	(133.88)
15	Proposed dividend including dividend distribution tax	-	-	-	-						
16	% of shareholding	78.79%	60.00%	80.00%	100.00%	100.00%	100.00%	70.00%	96.33%	60.00%	100.00%

1. **Names of subsidiaries which are yet to commence operations :**
   - Oberoi Kerala Hotels and Resorts Limited
   - PT Astina Graha Ubud
2. **Names of subsidiaries which have been liquidated or sold during the year :**
   - EIH Investment N.V.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

53 (B) ANNEXURE

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ Million

Name of associates/joint ventures	EIH Associated Hotels Limited	Mercury Car Rentals Private Limited	Oberoi Mauritius Ltd *	La Roseraie De L'atlas	Usmart Education Limited
1. Latest audited balance sheet date	March 31, 2021	March 31, 2021	March 31, 2021	December 31, 2020	March 31, 2021
2. Shares of associate/joint ventures held by the Company on the year end					
No. of shares	11.22	12.71	7.38	0.01	0.13
Amount of investment in associates/joint ventures	1,010.72	348.25	552.83	1,690.39	-
Extent of holding %	36.81%	40%	50%	47.93%	25.10%
3. Description of how there is significant influence	More than 20% Shareholding	N.A.	N.A.	More than 20% Shareholding	More than 20% Shareholding
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet	1,171.31	395.72	364.26	11,199.06	(14.78)
6. Profit / (Loss) for the year	(267.42)	(224.53)	(240.58)	(625.17)	(1.65)
i. Considered in Consolidation	(98.44)	(89.81)	(120.29)	(299.64)	-
i. Not Considered in Consolidation	(168.98)	(134.72)	(120.29)	(325.53)	(1.65)

* Oberoi Mauritius Ltd ("OML") includes transactions and balances in respect of its holding of 92.19% stake in its subsidiary, Island Resort Limited, incorporated in Mauritius.

1. Names of associates or joint ventures which are yet to commence operations : None
2. Names of associates or joint ventures which have been liquidated or sold during the year : None

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

54 Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiaries / Associates / Joint Ventures.

₹ Million

Name of the entity	Share in Net Assets		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
Parent								
EIH Limited	78.75	25,190.20	79.21	(2,973.99)	117.69	(99.41)	80.06	(3,073.40)
Subsidiaries								
Indian								
1. Mumtaz Hotels Limited	2.64	844.53	1.45	(54.27)	(0.17)	0.14	1.41	(54.13)
2. Mashobra Resort limited	1.84	588.81	(2.68)	100.70	(1.03)	0.87	(2.65)	101.57
3. Oberoi Kerala Hotels and Resorts Limited	0.05	15.33	-	0.03	-	-	-	0.03
Foreign								
1. EIH Flight Services Ltd	(0.82)	(262.67)	3.24	(121.68)	(0.92)	0.78	3.15	(120.90)
2. EIH International Ltd	2.04	653.74	(0.31)	11.72	-	-	(0.31)	11.72
3. EIH Holdings Ltd	2.14	683.05	0.58	(21.81)	-	-	0.57	(21.81)
4. EIH Investments N.V.	-	-	-	-	-	-	-	-
5. PT Widja Putra Karya	0.02	7.35	3.02	(113.47)	(0.99)	0.84	2.93	(112.63)
6. PT Waka Oberoi Indonesia	0.16	52.07	(0.92)	34.58	0.22	(0.19)	(0.90)	34.39
7. PT Astina Graha Ubud	0.37	116.94	-	-	-	-	-	-
Minority interests in all subsidiaries	2.95	943.98	1.53	(57.38)	(4.79)	4.05	1.39	(53.33)
Associate (Investment as per the equity method)								
Indian								
1. EIH Associated Hotels Limited	4.24	1,355.80	1.96	(73.67)	(1.08)	0.91	1.90	(72.76)
2. Usmart Education Limited (refer note 6)	-	-	-	-	-	-	-	-
Foreign								
1. La Roseraie De L'Atlas	3.82	1,221.52	7.98	(299.64)	-	-	7.81	(299.64)
Joint Ventures (Investment as per the equity method)								
Indian								
1. Mercury Car Rentals Private Limited	1.24	395.68	1.74	(65.29)	(7.14)	6.03	1.54	(59.26)
Foreign								
1. Oberoi Mauritius Ltd (including its subsidiary, Island Resort Ltd)	0.57	182.13	3.20	(120.29)	(1.79)	1.51	3.09	(118.78)

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

55 DISCLOSURE ON CONTRACT BALANCES :

a) Trade Receivable

A trade receivable is recorded when the Parent Company and its subsidiary companies have an unconditional right to receive payment. In respect of revenue from rooms, food and beverage and other services invoice is typically issued as the related performance obligations are satisfied as described in note 1(c) (refer Note 13).

b) Advance from Customers

Advance from customers is recognised when payment is received before the related performance obligation is satisfied (refer Note 30).

₹ Million

	As at March 31, 2021	As at March 31, 2020
As at the beginning of the year	345.14	487.29
Recognised as revenue during the year	300.62	463.75
As at the end of the year	304.16	345.14

c) Deferred Revenue

Deferred revenue is recognised when invoice is raised before the related performance obligation is satisfied (Refer Note 30).

Particulars	Belvedere membership		Loyalty program	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(i) As at the beginning of the year	-	24.38	149.08	146.72
(ii) Revenue recognised during the year out of (i) above	-	(24.38)	2.69	75.06
(iii) As at the end of the year	36.93	-	164.14	149.08

56 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies, associate companies and joint ventures incorporated in India.

57 EIH Flight Services Ltd ("EIHFSL"), Mauritius, incurred a loss of ₹ 121.68 Million during the year ended March 31, 2021 (Year ended March 31, 2020: ₹ 34.03 Million). As on March 31, 2021, the company's total liabilities exceeded total assets, resulting in a shareholder's deficit of ₹ 262.67 Million (March 31, 2020: ₹ 156.52 Million) and the company had a net current liability of ₹ 269.57 Million (March 31, 2020: ₹ 131.62 Million). The financial performance of EIHFSL has been impacted due to the global outbreak of COVID-19 and the measures put in place by governments worldwide, which restricted international travel. Such restrictive measures continue in many countries resulting in business uncertainty in the near future due to its impact on the airline industry. In order to mitigate the risk of business uncertainty in the airline sector, EIHFSL commenced the business of outdoor catering in Mauritius since August 2020, with revenue upto March 31, 2021 aggregating to ₹ 12.73 Million, in respect thereof.

EIHFSL has a bank overdraft facility of ₹ 58.32 Million to meet its day-to-day working capital requirements, against which the overdraft balance as at March 31, 2021, was ₹ 52.58 Million (March 31, 2020 – ₹ 8.86 Million). As on March 31, 2021, term loans amounted to ₹ 570.86 Million (March 31, 2020 – ₹ 596.41 Million), including short term loan of ₹ 13.64 Million (March 31, 2020 – Nil). Amounts totaling ₹ 176.05 Million is payable by EIHFSL towards principal repayment of such term loans by March 31, 2022. The loan is backed by a corporate guarantee by EIH Limited, the parent company ('the Company)., Due to adverse business conditions of EIHFSL, EIH has provided an undertaking to infuse an amount of MUR 50.00 Million (equivalent to ₹ 89.73 Million as on March 31, 2021) as shareholder's equity by June 30, 2021, and such additional funds by way of shareholder's equity as required during the year ending March 31, 2022 so as to match all loan installments falling due at the bank on the agreed terms and conditions. Towards this, the Board of Directors of the Company, in its meeting held on March 26, 2021, approved further investment of MUR 100.00 Million (equivalent to ₹ 179.46 Million as on March 31, 2021) in the equity share capital of EIHFSL. Management of EIHFSL is comfortable that the company will continue its operations for at least the next twelve months since the Parent Company has provided a letter confirming financial support if required, for the foreseeable future. As such, the financial statements of EIHFSL have been prepared on a going concern basis.

Notes to Consolidated Financial Statements

for the Year ended March 31, 2021

58 IMPACT OF COVID-19 ON BUSINESS OPERATIONS

The World Health Organisation declared the COVID-19 outbreak as a pandemic on March 11, 2020, leading to series of measures by countries across the world to contain the spread of the virus. A nationwide lockdown was imposed across India on March 24, 2020, whereby hotel operations were mandated to remain non-operational for different periods across various states in the country. Similar restrictions were imposed by other countries across the globe. This had a severe impact on business at the Company's and its subsidiaries' hotels and other operations across the globe for the year ended March 31, 2021. The lockdown was lifted in a phased manner across various states in the country, post which hotels and restaurants were allowed to resume operations from June 8, 2020 in phases. Hotels of the Company's subsidiaries in Indonesia and Joint Venture in Mauritius are yet to resume operations. The Oberoi Marrakech, a hotel of the Company's associate La Roseraie De La'Atlas commenced operations from the last week of October, 2020. Hotels under management contracts internationally at Dubai and Egypt were operational for substantial part of the year as and when the respective lockdowns were lifted in these countries. Domestic airlines in India were allowed to commence operations from May 25, 2020 and several 'Air Bubble' flights were allowed to operate between India and other specified countries effective July 18, 2020.

During the lockdown, business at the Company's and its subsidiaries' hotels was mainly limited to stranded guests and accommodation requirements of guests rendering essential services allowed under government orders. Post lifting of the lockdown, business at hotels and restaurants gradually started picking up, especially at leisure locations. With respect to business in the financial year ending March 31, 2022 revenues could be impacted due to further travel restrictions, if any, resulting from a surge of COVID-19 cases that could influence travel decisions of guests or guests postponing discretionary spending,. The Company's flight kitchens catered to various airlines operating repatriation flights, crew and cargo flights and continue to cater to domestic flights and to international 'Air Bubble' flights since July, 2020. The printing press of the Company received special permission from the Government to operate amidst the lockdown from May 1, 2020 for servicing essential services like banks, pharmaceuticals and food.

Notwithstanding the impact of the crisis on the Company's and its subsidiaries' business, Management based on its assessment does not foresee stress on liquidity, as it either has access to sufficient sanctioned borrowing facilities for working capital requirements or has sufficient liquid funds available as on the Balance Sheet date. The Company has access to borrowing facilities worth ₹ 5,100.00 Million, of which ₹ 4,929.68 Million was unutilised as on March 31, 2021. Further, the Company has raised ₹ 3,496.66 Million by way of a Rights issue (for details, refer note 50).

The Management has also assessed the potential impact of COVID-19 in preparing the consolidated financial statements including but not limited to its assessment of liquidity and going concern assumptions, the carrying value of property, plant and equipment, right of use assets, capital work-in-progress, goodwill on consolidation and other intangible assets, investment property, investments, trade receivables, inventories, and other current and non-current assets of the Company and its subsidiaries as on March 31, 2021. Based on current indicators of future economic conditions, the Company and its subsidiaries expect to recover the carrying amounts as on March 31, 2021 of these assets. The impact of COVID-19 on the business may be different from that estimated on the date of approval of these consolidated financial statements. The Management will continue to closely monitor any material changes to future economic conditions.

59 The consolidated financial statements were approved for issue by the Board of Directors on May 7, 2021.

For and on behalf of the Board of Directors

Sudipto Sarkar
Chairman - Audit Committee
(DIN: 00048279)

Arjun Singh Oberoi
Managing Director - Development
(DIN: 00052106)

Vikramjit Singh Oberoi
Managing Director and Chief Executive Officer
(DIN: 00052014)

Kallol Kundu
Chief Financial Officer

S.N.Sridhar
Company Secretary

Place : New Delhi
Date : May 7, 2021

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