

HOWARD HOTELS LIMITED

CIN: L74899DL1989PLC038622

ANNUAL REPORT 2018-2019

CORPORATE INFORMATION

BOARD OF DIRECTORS

NIRANKAR NATH MITTAL, Chairman & Managing Director
 NIRVIKAR NATH MITTAL, WholeTime Director
 SHRI KANT MITTAL, WholeTime Director
 RAKESH KUMAR AGARWAL, Independent Director
 RAVI KANT BANSAL, Independent Director
 ALKA AGARWAL, Independent Director

BANKERS

HDFC BANK LIMITED
 IDBI BANK LIMITED

STATUTORY AUDITORS

B G G & ASSOCIATES

Chartered Accountants
 805, New Delhi House, 27, Barakhamba Road,
 New Delhi-110001

SECRETARIAL AUDITORS

SATYENDRA SHARMA & ASSOCIATES

IIInd Gali, Pt. Jangjeet Nagar, Rajpur,
 Agra-282001

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.
 Noble Heights, 1st Floor, NH 2
 C-1 Block LSC, Near Savitri Market,
 Janakpuri, New Delhi-110058

Stock Exchange Where Company's Securities Are Listed

BOMBAY STOCK EXCHANGE LIMITED

REGISTERED OFFICE

HOWARD HOTELS LIMITED

20, Maurya Complex,
 B-28 Subhash Chowk,
 Laxmi Nagar, New Delhi-110092

Corporate Office

HOWARD PLAZA

Fatehabad Road, Agra-282001
Website: www.howardhotelsltd.com
Email-Id: cs@howardhotelsltd.com
 Tel : (0562) 4048600
 Facsimile : (0562) 4048666

ANNUAL GENERAL MEETING

DATE : 5th, September, 2019
 TIME : 10: 00 A.M.
 DAY : Thursday
 VENUE : Executive Club C/o Dolly Farms and Resorts Private Limited, 439, Village Shahoorpur, P.O. Fatehpurberi,
 New Delhi –74

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 30th (Thirtieth) Annual General Meeting of **HOWARD HOTELS LIMITED** will be held on Thursday, September 05th, 2019 at the Executive Club C/o Dolly Farms and Resorts Private Limited, 439, Village Shahoorpur, P.O. Fatehpurberi, New Delhi –74 at 10:00 A.M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Board of Directors' and Auditors' thereon;
2. To appoint a Director in place of Mr. Nirvikar Nath Mittal (DIN- 00536470), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business

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

Re-appointment of Mr. Nirankar Nath Mittal, as a Chairman & Managing director

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Nirankar Nath Mittal (DIN: 01533102) as a Chairman and Managing Director of the Company, for a further period of 3 (three) years with effect from October 15th, 2019 to October 14th, 2022 and whose period will not be liable to retire by rotation, on the same terms and conditions of remuneration as were paid to him as set out below:

Salary: Rs. 2,00,000/- Per Month.

Perquisites: In addition to the above salary, Mr. Nirankar Nath Mittal shall be entitled to the following perquisites:

- a. Contribution to the Provident Fund, Superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- c. House Furnishing of his Accommodation along with all the facility, this includes free electricity, gardener, and Security Guard;
- d. The Company shall provide and maintain Chauffeur driven Car for official use of the Managing Director.
- e. The Managing Director shall be beneficiary of Group Medical Insurance Policy taken by the Company for the Management Staff of the Company.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration"

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

Re-appointment of Mr. Nirvikar Nath Mittal, as a Whole time director

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Nirvikar Nath Mittal (DIN: 00536470) as a Whole time Director of the Company, for a further period of 3 (three) years with effect from September 06th, 2019 to September 05th, 2022 and whose period will be liable to retire by rotation, on the same terms and conditions of remuneration as were paid to him as set out below:

Salary: Rs. 1,90,000/- Per Month.

Perquisites: In addition to the above salary, Mr. Nirvikar Nath Mittal shall be entitled to the following perquisites:

- a. Contribution to the Provident Fund, Superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- c. House Furnishing of his Accommodation along with all the facility, this includes free electricity, gardener, and Security Guard;
- d. The Whole time Director shall be beneficiary of Group Medical Insurance Policy taken by the Company for the Management Staff of the Company.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration"

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

Re-appointment of Mr. Shrikant Mittal, as a Whole time director

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Shrikant Mittal (DIN: 01533368) as a Whole time Director of the Company, for a further

period of 3 (three) years with effect from October 16th, 2019 to October 15th, 2022 and whose period will be liable to retire by rotation, on the same terms and conditions of remuneration as were paid to him as set out below:

- (i) Terms of re-appointment: 3 years w.e.f. 16th October 2019.
- (ii) Salary Rs. 1,50,000/- Per Month.
- (iii) Contribution to the provident fund, family benefit fund, superannuation fund as per rule of the company.
- (iv) Gratuity as per rules of the company.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration"

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

Re-appointment of Mr. Rakesh Kumar Agarwal, as an Independent director

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 and the rules made there under, (including any statutory modification(s) or re – enactment thereof for the time being in force), Mr. Rakesh Kumar Agarwal (holding DIN: 01393147) who was appointed as an Independent director and whose term has expired, and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5(five) Consecutive years with effect from 30th May, 2019 to 29th May, 2024 on the board of the company on the same terms and conditions.

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

Re-appointment of Mr. Ravi Kant Bansal, as an Independent director

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 and the rules made there under, (including any statutory modification(s) or re – enactment thereof for the time being in force), Mr. Ravi Kant Bansal (holding DIN: 00390304) who was appointed as an Independent director and whose term has expired, and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5(five) Consecutive years with effect from 30th May, 2019 to 29th May, 2024 on the board of the company on the same terms and conditions.

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy must reach the registered office of the company, not later than 48 hours before the time fixed for holding the meeting.
2. Corporate members are requested to send a duly certified copy of the Board resolution authorizing representative to attend and vote at the annual general meeting.
3. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
4. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice.
5. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2 of the Notice, are also annexed.
6. The register of the members and share transfer books of the Company will remain closed from **Friday, August 30, 2019 to Thursday, September 05, 2019 (both days inclusive)** for the purpose of AGM.
7. Members/ proxies should bring the attendance slip sent herewith duly filled in for attending the meeting along with their copies of annual reports to the meeting.
8. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
9. Members are requested to kindly notify the company of any change in their address so as to enable the Company to address future communication to their changed addresses.
10. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
11. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.howardhotelsltd.com

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12. To support the 'Green Initiative', members who have not registered their e-mail addresses are hereby requested to register the same with Depository Participant. Members are requested to provide their e-mail address through e-mail alongwith DP ID/Client ID at cs@howardhotelsltd.com and ensure that the same is also updated with their respective DP for their demat account(s). The registered e-mail address will be used for sending future communications.
13. The Prominent Landmark for the Venue of AGM is QutubMinar, Delhi and the route Map from the landmark to the Venue is annexed herewith.
14. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
15. Mr. Mukul Tyagi, Partner of M/s Pooja Anand & Associates, Practicing Company Secretaries, Delhi, has been appointed as Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) at the meeting in a fair and transparent manner.
16. The facility for voting shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
17. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday, September 2, 2019 at 09:00 A.M. and ends on Wednesday, September 4, 2019 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, August 29, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/ Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <HOWARD HOTELS LTD> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

OTHER INSTRUCTIONS:

- (a) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. August 29, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system.
- (b) In case of any queries regarding Remote e-voting you may refer to the ‘user manual for shareholders to cast their votes’ available at www.evotingindia.com under ‘HELP’.
- (c) If you are already registered with CDSL for Remote e-voting then you can use your existing user ID and password for casting your vote.
- (d) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- (e) The results of the Remote e-voting along with the scrutinizer’s report shall be placed in the Company’s website www.howardhotelsltd.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

18. MEMBERS ARE REQUESTED TO:

- (a) Note that SEBI has mandated registration of Permanent Account Number (PAN) and bank accounts details such as bank account number, name of the bank and branch details, MICR code, IFSC code etc. of all security holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank account details to RTA /Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled Cheque. Members holding shares in demat form are requested to submit the aforesaid information to their respective depository participant (DP).
- (b) Immediately notify any change if any, of address, e-mail address, change of name, contact numbers, bank details, bank mandates, nominations, power of attorney etc. and their PAN to their DP with whom they maintain their demat account and to the RTA in respect of their holding in physical form. Non-resident Indian members are requested to immediately inform the RTA /respective DP, immediately of change in their residential status on return to India for permanent settlement and the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- (c) Fill the attendance slip for attending the meeting and those who hold the shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the AGM.
- (d) Note that SEBI vide its circular has decided that securities of listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

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19. Details of additional Directors/Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting of the Company:

Name of Director	Nirankar Nath Mittal	Nirvikar Nath Mittal	Shrikant Mittal	Rakesh Kumar Agarwal	Ravi Kant Bansal
Working experience/ Brief Resume	The appointee has vast experience and good knowledge in Hotel industry. He is providing leadership and strategic guidance to the Company.	The appointee has vast experience and good knowledge in Hotel industry. He is providing leadership and strategic guidance to the Company.	The appointee has vast experience and good knowledge in Hotel industry. He is providing leadership and strategic guidance to the Company.	The appointee has vast experience and good knowledge in Financial Analysis. He is providing leadership and strategic guidance to the Company.	The appointee has vast experience and good knowledge in Hotel & tourism industry.
Date of Birth	15/05/1952	21/07/1953	26/03/1976	03/05/1960	20/06/1954
Date of appointment/ re-appointment	15/10/2019	06/09/2019	16/10/2019	30/05/2019	30/05/2019
Qualifications	M.Sc.	B.A., LL.B	M.Com, MBA	M.Com, FCA	Post Graduate
Expertise in specific functional areas	Hotel & Tourism Administration	Hotel & Tourism Administration	Experience in Hotel & Tourism	Financial Analysis	Experience in Hotel Industry
List of other Indian Public Limited Companies in which Directorship held as on 31.03.2019	NIL	NIL	NIL	NIL	NIL
Committee membership in other companies	NIL	NIL	NIL	1. Audit Committee-chairperson 2. Nomination & Remuneration Committee-chairperson 3. Stakeholders relationship committee- Member	1. Audit Committee-Member 2. Nomination & Remuneration Committee - Member 3. Stakeholders relationship committee-chairperson
Shareholdings in the company as on 31.03.2019	1,847,834 (20.28%)	1,787,833 (19.62%)	211,166 (2.32%)	NIL	NIL
Inter-se relationship	YES. Mr. Nirvikar Nath Mittal and Mr. Shri Kant, Directors of the company are relatives of Mr. Nirankar Nath Mittal.	YES. Mr. Nirankar Nath Mittal and Mr. Shri Kant Mittal, Directors of the company are relatives of Mr. Nirvikar Nath Mittal	YES. Mr. Nirankar Nath Mittal and Mr. Nirvikar Nath, Directors of the company are relatives of Mr. Shrikant Mittal.	NO	NO

Place: Agra
Date: 02.08.2019

By order of the Board
HOWARD HOTELS LIMITED

Registered office:
Howard Hotels Limited
20, Maurya Complex,
B-28 Subhash Chowk,
Laxmi Nagar,
Delhi-110092

Sd/-
Disha Agarwal
(Company Secretary)
Mem. No. A57512

Route Map:



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS GIVEN BELOW.

ITEM NO. 3

Mr. Nirankar Nath Mittal is appointed by the Company as a Chairman & Managing Director of the Company for a further period of three years w.e.f. 15/10/2019 and his term of appointment shall expire on 14/10/2022, the Board of directors at their meeting held on August 02, 2019, has considered the recommendation of the remuneration committee for his reappointment, terms & conditions and remuneration and has approved the reappointment of Mr. Nirankar Nath Mittal for a further period of 3 years w.e.f. 15/10/2019 to 14/10/2022. Mr. Nirankar Nath Mittal has adequate experience and qualifications as well as the contribution he has made during his tenure for the smooth functioning of the Company. Looking into his past experience in the management of the affairs of the Company, your Directors consider that his appointment shall be in the best interest in the Company.

Statement as per Section II of Part II of Schedule V to the Companies Act, 2013 is enclosed with Notice. The resolution and the explanatory statement are treated as an abstract under section 190 of Companies Act 2013.

Except Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution for approval of the Members.

ITEM NO. 4

Mr. Nirvikar Nath Mittal is appointed by the Company as a Whole Time Director of the Company for a further period of three years w.e.f. 06/09/2019 and his term of appointment shall expire on 05/09/2022, the Board of Directors at their meeting held on August 02, 2019, has considered the recommendation of the remuneration committee for his reappointment, terms & conditions and remuneration and has approved the reappointment of Mr. Nirvikar Nath Mittal for a further period of 3 years w.e.f. 06/09/2019 to 05/09/2022. Mr. Nirvikar Nath Mittal has adequate experience and qualifications as well as the contribution he has made during his tenure for the smooth functioning of the Company. Looking into his past experience in the management of the affairs of the Company, your Directors consider that his appointment shall be in the best interest in the Company.

Statement as per Section II of Part II of Schedule V to the Companies Act, 2013 is enclosed with Notice. The resolution and the explanatory statement are treated as an abstract under section 190 of Companies Act 2013.

Except Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal, None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution for approval of the Members.

ITEM NO. 5

Mr. ShriKant Mittal is appointed by the Company as a Whole Time Director of the Company for a period of three years w.e.f. 16-10-2019 and his term of appointment shall cease on 15-10-2022. The Board of Directors at their Meeting held on August 02, 2019 has considered the recommendation of remuneration committee for the reappointment, terms and conditions and remunerations and has approved re-appointment of Mr. ShriKant Mittal for a further period of three years w.e.f. 16th October, 2019. Shrikant Mittal has adequate experience and qualifications. Looking into his experience in the management of the affairs of the Company, your Directors consider that his appointment shall be in the best interest in the Company.

Statement as per Section II of Part II of Schedule V to the Companies Act, 2013 is enclosed with Notice. The resolution and the explanatory statement are treated as an abstract under section 190 of Companies Act 2013.

Except Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal, None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution for approval of the Members.

ITEM NO. 6 & 7

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, if any, it is proposed to re-appoint **Mr. Rakesh Kumar Agarwal** and **Mr. Ravi Kant Bansal** as an Independent Director of the Company for a further period of Five years, starting from 30th May, 2019 and ending on 29th May, 2024 subject to the approval of the shareholders. They fulfil the conditions as specified in the Companies Act, 2013 and rules made there under for their re – appointment as an Independent Director of the Company and is independent of the management. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Director. As per Section 150 of the Act, their appointment is to be approved by the shareholders and hence the same is placed for consideration and approval at the ensuing AGM.

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Except Mr. Rakesh Kumar Agarwal and Mr. Ravi Kant Bansal, None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution for approval of the Members.

By order of the Board
HOWARD HOTELS LIMITED

Place: Agra
Date: 02.08.2019

Sd/-
Disha Agarwal
(Company Secretary)
Mem. No. A57512

Statement as per Section II of Part II of Schedule V to the Companies Act, 2013 is given hereunder

To,

The Members

M/s Howard Hotels Limited

Your Directors are presenting statement as per Schedule V of the Companies Act, 2013 with respect to the reappointment of Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal & Mr. Shrikant Mittal.

1. GENERAL INFORMATION

- (1) Nature of Industry Hospitality Industry
- (2) Year of Commencement of commercial production 1995
- (3) Financial Performance

(Rs. In Lacs)

Financial Parameters	2016-2017	2017-2018	2018-2019
Total Sales	871.50	929.21	1065.12
PAT	(3.51)	(6.03)	(0.36)

- (4) Foreign Investment or collaboration, if any NIL

2. INFORMATION ABOUT THE APPOINTEE

Name of the Appointee	Mr. Nirankar Nath Mittal	Mr. Nirvikar Nath Mittal	Mr. Shrikant Mittal
Background Details	Mr. Nirankar Nath Mittal was appointed as CMD of the Company for a period of 5 years on 15/10/2014 and for a further period of 3 years with effect from 15/10/2019.	Mr. Nirvikar Nath Mittal was appointed as a WTD of the Company for a period of 5 years on 06/09/2014 and for a further period of 3 years with effect from 06/09/2019.	Mr. Shrikant Mittal was appointed as a WTD of the Company for a period of 5 years and for a further period of 3 years with effect from 16/10/2019
Past Remuneration	Rs. 2,00,000/- per month plus perquisites	Rs. 1,90,000/- per month plus perquisites.	Rs. 1,50,000/- per month plus perquisites.
Recognition or words	Mr. Nirankar Nath Mittal has vast experience and good knowledge in Hotel Industry. He is providing leadership and strategic guidance to the Company	Mr. Nirvikar Nath Mittal has vast experience and good knowledge in Hotel Industry. He is providing leadership and strategic guidance to the Company	Mr. Shrikant Mittal has vast experience and good knowledge in Hotel Industry. He is providing leadership and strategic guidance to the Company
Job Profile and his suitability	Overall Administration.	Overall Administration.	Overall Administration.
Remuneration Proposed	Rs. 2,00,000/- per month plus perquisites	Rs. 1,90,000/- per month plus perquisites.	Rs. 1,50,000/- per month plus perquisites.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration payable has been benchmarked with the remuneration being drawn by similar positions in Companies having Hotel Business at comparable size in the Hospitality Industries and has been considered and recommended by the Remuneration Committee and Board of Directors of the Company in their meeting held on August 02, 2019.	The remuneration payable has been benchmarked with the remuneration being drawn by similar positions in Companies having Hotel Business at comparable size in the Hospitality Industries and has been considered and recommended by the Remuneration Committee and Board of Directors of the Company in their meeting held on August 02, 2019.	The remuneration payable has been benchmarked with the remuneration being drawn by similar positions in Companies having Hotel Business at comparable size in the Hospitality Industries and has been considered and recommended by the Remuneration Committee and Board of Directors of the Company in their meeting held on August 02, 2019.
Pecuniary relationship directly/indirectly with the Company or relationship with managerial personnel, if any	Mr. Nirankar Nath Mittal has no pecuniary relationship directly/indirectly with the Company except to the extent of his remuneration and Shareholding. Mr. Nirvikar Nath Mittal and Mr. Shri Kant, Directors of the company are relatives of Mr. Nirankar Nath Mittal.	Mr. Nirvikar Nath Mittal has no pecuniary relationship directly/indirectly with the Company except to the extent of his remuneration and Shareholding. Mr. Nirankar Nath Mittal and Mr. Shri Kant Mittal, Directors of the company are relatives of Mr. Nirvikar Nath Mittal	Mr. Shrikant Mittal has no pecuniary relationship directly/indirectly with the Company except to the extent of his remuneration and Shareholding. Mr. Nirankar Nath Mittal and Mr. Nirvikar Nath Mittal, Directors of the company are relatives of Mr. Shrikant Mittal.

3. OTHER INFORMATION

- (1) **Reasons of loss or inadequate profits:** In past few years the Company has made immense progress. The management has put its best efforts to make the Company from a loss making entity to a profit making entity. In the current financial year, the Company has made the loss of (1.17) Lacs (before tax) as compared to the loss of (31.14) Lacs (before tax) in the year 2017-18. The Government has been making serious efforts to boost investments in tourism sector which provides revenue visibility in near term.
- (2) **Steps taken or proposed to be taken for improvement:** Your Management is in continuous process to cop up with the market trend, to increase the profits of the Company.
- (3) **Expected increase in productivity and profits in measurable terms:** The Company always believes in increasing its potential to face future challenges and enhance competitive position in the Hospitality Business today.

DIRECTOR'S REPORT
TO THE MEMBERS,

Your Directors are presenting the 30th (Thirtieth) Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2019.

FINANCIAL HIGHLIGHTS

The Performance of the Company for the financial year ended 31st March 2019 is summarized below:

(Rs. in Lakhs)		
PARTICULARS	CURRENT YEAR (2018-19)	PREVIOUS YEAR (2017-18)
1. Total Income	1078.20	952.12
Less: i) Operating, Administrative & other Exp.	982.71	895.49
2. Earnings before interest and depreciation	95.49	56.63
Less: i) Interest	19.86	17.43
ii) Depreciation	76.80	70.34
3. Profit before Tax	(1.17)	(31.14)
Less: provision for Tax		
i) Current	-	-
ii) Deferred	(0.65)	(27.15)
iii) Earlier year Tax	(0.16)	2.04
iv) MAT Credit	-	-
4. Profit after Tax	(0.36)	(6.03)
Add: Balance of Profit as per last Balance Sheet	282.05	307.23
Less: Adjustment of depreciation on account of change in estimated life of fixed assets.	-	-
Less: Other Comprehensive income for the year, net of tax	(12.31)	(19.15)
5. Balance available for appropriation	269.38	282.05

COMPANY'S PERFORMANCE

During the year under review, the Company has total revenues of 1078.20 Lakhs as compared to 952.12 Lakhs during the previous year. The net loss for the year under review has been 12.67 Lakhs against loss of 25.18 Lakhs during the previous year. Your directors are continuously looking for avenues for future growth of the Company in Hotel Industry.

DIVIDEND

Due to loss during the period under review, no dividend has been recommended for the period under review.

RESERVES

The appropriations for the year are:

(Rs. in Lakhs)		
PARTICULARS	CURRENT YEAR (2018-19)	PREVIOUS YEAR (2017-18)
Securities Premium A/c as per last Balance Sheet	40.50	40.50
Addition during the year	-	-
(a)	40.50	40.50
Balance in P&L A/c as per last Balance Sheet	282.05	307.23
Addition during the year	(0.36)	(6.03)
Adjustment of depreciation on account of change in estimated life of fixed assets	-	-
Remeasurement of post-employment benefit obligations, net of tax	(12.31)	(19.15)
(b)	269.38	282.05
Total Reserve & Surplus (a+b)	309.88	322.55

PAID UP CAPITAL

PARTICULARS	As at March 31,2019 (Rs. in Lakhs)	As at March 31,2018 (Rs. in Lakhs)
SHARE CAPITAL		
Authorised Shares	1,000.00	1,000.00
1,00,00,000 Equity Shares of Rs. 10 each		
Issued, Subscribed & fully paid up shares	911.32	911.32
91,13,200 Equity Shares of Rs. 10 each fully paid up		

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2, is appended as **Annexure- III** to the Board's Report.

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the <http://www.howardhotelsltd.com/reports/1434531522PolicyonMaterialityofRelatedPartyTransactionsandDealing.pdf>

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposit) Rules, 2014, during the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return inform MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as **Annexure - I** and forms an integral part of this Report.

MEETINGS OF THE BOARD

During the financial year ended March 31, 2019, 09 (Nine) meetings of the Board were held, as follows:

S. No.	Dates of Board Meeting	Board Strength	No. of directors present
01.	4th April, 2018	6	4
02.	4th May, 2018	6	4
03.	29th May, 2018	6	4
04.	19th July, 2018	6	4
05.	30th July, 2018	7	5
06.	14th August, 2018	7	4
07.	14th November, 2018	6	4
08.	28th November 2018	6	3
09.	12th February, 2019	6	4

*The maximum time gap between two meetings was not more than 120 days.

CODE OF CONDUCT

The Company's Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors, Senior Management and Employees of the Company. The Code of Conduct of the Company covers substantial development, disclosure of material information, integrity of financial reporting, continuous improvement of the internal control system and sound investor relations. The same can be assessed at <http://www.howardhotelsltd.com/reports/1434531313CodeofConduct.pdf>

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2019, The Board consist of 6 members, three of whom are executive/whole-time directors and three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on director's appointment and other matters provided under sub section 3 of section 178 of the Companies Act, 2013 can be assessed at <http://www.howardhotelsltd.com/reports/1434531471PolicyforSelectionofDirectorsandDeterminingIndependence.pdf>

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the targets/criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The Company has devised a policy for performance evaluation of Independent Directors, Board Committees and other Individual directors which includes criteria for evaluation of the non-executive directors which can be accessed at <http://www.howardhotelsltd.com/reports/1434531471PolicyforSelectionofDirectorsandDeterminingIndependence.pdf> and <http://www.howardhotelsltd.com/report s/1435316045Nomination&RemunerationPolicy.pdf>

HOWARD HOTELS LIMITED

DIRECTORS AND KEY MANAGERIAL PERSON

Pursuant to the provisions of section 149 of the Act, Mr. Rakesh Kumar Agarwal, Mr. Ravi Kant Bansal and Mrs. Alka Agarwal are Non-Executive Independent directors of the Company. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances which may affect their status as independent director during the year.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nirvikar Nath Mittal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the Annual General Meeting.

The Board of directors of the Company at its Meeting held on 02 August, 2019 on the recommendation of Nomination & Remuneration Committee has approved the re-appointment of Mr. Nirankar Nath Mittal as Chairman and Managing Director of the Company for a term of three years by passing special resolutions. Brief profile of Mr. Nirvikar Nath Mittal has been given in the Notice.

Further, the terms of Mr. Nirvikar Nath Mittal and Mr. Shrikant Mittal as a Whole time Director are upto 05th September, 2019 and 15th October, 2019 respectively. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has re-appointed Mr. Nirvikar Nath Mittal and Mr. Shrikant Mittal as Whole time Director of the Company for a period of three years with effect from 06th September, 2019 to 05th September, 2022 and 16th October, 2019 to 15th October, 2022 respectively, subject to the approval of members in forthcoming Annual General Meeting. The Company has received requisite notice in writing under section 160 of the Companies Act, 2013. Brief profile of Mr. Nirvikar Nath Mittal and Mr. Shrikant Mittal has been given in the Notice.

The Board of directors of the Company at its Meeting held on 29th May, 2019 approved the re-appointment of Mr. Rakesh Kumar Agarwal and Mr. Ravi Kant Bansal as Independent Directors of the Company, for a second term of 5 (five) consecutive years. Based on the Performance Evaluation of the Independent Directors, conducted by the entire Board (excluding Director being evaluated) on various parameters such as performance, leadership, ethics and integrity, Board engagement and time commitment, ability to take balanced decisions regarding stakeholders, background and experience and contributions made by them during their tenure, etc., it has recommended to re-appoint Mr. Rakesh Kumar Agarwal And Mr. Ravi Kant Bansal as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company. Brief profile of Mr. Rakesh Kumar Agarwal and Mr. Ravi Kant Bansal has been given in the Notice.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are –Mr. Nirankar Nath Mittal, Chairman & Managing Director, Mr. Nirvikar Nath Mittal, Wholetime Director, Mr. Shri Kant Mittal, Whole time Director & CFO, Ms. Ekta Jain, Company Secretary.

After the closure of financial year, Ms. Ekta Jain resigned from the post of Company Secretary w.e.f. 31st May, 2019, and in her place Ms. Disha Agarwal has been appointed as a Company Secretary of the Company w.e.f. 01st June, 2019.

The detail of no. of directorship of each director in other Public Company and membership & chairmanship in the Company's Committees and other Public Company's Committees are as under:

Name of Director	Category	*No. of directorship in other public companies	In committees of the Company		**In committees of other public companies	
			Chairmanship	Membership	Chairmanship	Membership
Nirankar Nath Mittal	Executive Non- Independent	NIL	-	-	NIL	NIL
Nirvikar Nath Mittal	Executive Non- Independent	NIL	-	-	NIL	NIL
Shri Kant Mittal	Executive Non- Independent	NIL	-	-	NIL	NIL
Rakesh Kumar Agarwal	Independent, Non-Executive	NIL	2	1	NIL	NIL
Alka Agarwal	Independent, Non-Executive	NIL	-	3	NIL	NIL
Ravi Kant Bansal	Independent, Non-Executive	NIL	1	2	NIL	NIL

*** The directorship held by directors do not include alternate directorship and directorship of foreign Companies, section 8 Companies & private limited Companies.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, we hereby state:

- that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation and that there are no material departures;
- that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit and loss of the Company for that period;
- that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors have prepared the Annual Accounts on a going concern basis.
- that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- vi) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICY ON SEXUAL HARASSMENT OF EMPLOYEES

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of employees at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder. There is an Internal Complaints Mechanism where any wrongful conduct as regards sexual harassment or any other discrimination can be reported. No complaints have been received on Sexual Harassment of employees in FY 2018-19. The policy can be assessed at <http://www.howardhotelsltd.com/reports/1434531591SexualHarassmentPolicy.pdf>

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

M/s. BGG & Associates, Chartered Accountants (ICAI Firm Registration No. 016874N) were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 07th September, 2018, for a term of five consecutive years and to hold office till the conclusion of the 34th annual general meeting, to be held in the year 2023. The Auditors have confirmed that they are eligible and not disqualified to continue as statutory auditors.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, ratification by members every year for the appointment of the Statutory Auditors is no longer required and accordingly the Notice of forthcoming 30th Annual General Meeting does not include the proposal for seeking member's approval for ratification of Statutory Auditors' appointment.

There is no Audit qualification for the year under review.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s Satyendra Sharma & Associates, a firm of Company Secretaries in Practice (C.P.No.4843) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure-II** and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

INTERNAL AUDITOR

The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to CA Chirag Jain & Co, a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

REGULATORY ACTIONS

There is neither any regulatory action initiated nor pending under SEBI regulations or Company Law during the financial year 2018-19.

CASH FLOW ANALYSIS

The Cash Flow Statement for the year 2018-19 is annexed with the Annual Accounts of the Company.

EXPLANATIONS / COMMENTS BY BOARD OF DIRECTORS ON ADVERSE REMARK MADE BY AUDITOR

The report on qualifications, reservations or adverse remarks or disclaimers made by M/s. BGG & Associates, Chartered Accountants, Statutory Auditors, in their Audit report and by Mr. Satyendra Sharma, Company Secretary in Practice, in his Secretarial Audit Report are self-explanatory.

DISCLOSURES:

BOARD COMMITTEES

The Company has 3 Board Level Committees. All decisions and recommendations of the Committees are placed before Board for information and approval. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholder's Relationship Committee.

A. AUDIT COMMITTEE

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. Mr. Rakesh Kumar Agarwal, Non –Executive Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Mr. Ravi Kant Bansal and Mrs. Alka Agarwal. All the recommendations made by the Audit Committee were accepted by the Board.

HOWARD HOTELS LIMITED

During the financial year ended March 31, 2019, 5 (Five) meetings of the Audit Committee were held, as follows:

S. No.	Date	Committee Strength	No. of Members present
1.	May 29, 2018	3	2
2.	July 30, 2018	3	2
3.	August 14, 2018	3	2
4.	November 14, 2018	3	2
5.	February 12, 2019	3	2

B. NOMINATION & REMUNERATION COMMITTEE

The composition, quorum, powers, role and scope are in accordance with Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015. Mr. Rakesh Kumar Agarwal, Non-Executive Independent Director is the Chairperson of the Nomination & Remuneration Committee. The other members of the Nomination & Remuneration Committee include Mr. Ravi Kant Bansal and Mrs. Alka Agarwal.

During the financial year ended March 31, 2019, 1 (One) meeting of the Nomination & Remuneration Committee was held as follows:

S. No.	Date	Committee Strength	No. of Members present
1.	July 19, 2018	3	2

Moreover, the Company's Nomination & remuneration policy for Directors, Key managerial personnel and other employees is posted on the website of the Company and can be accessed at <http://www.howardhotelsltd.com/reports/1435316045Nomination&RemunerationPolicy.pdf>

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition, quorum, powers, role and scope are in accordance with Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the SEBI (LODR) Regulations, 2015. Mr. Ravi Kant Bansal, Non-Executive Independent Director is the Chairperson of the Stakeholders' Relationship Committee. The other members of the Stakeholders' Relationship Committee include Mr. Rakesh Kumar Agarwal and Mrs. Alka Agarwal.

During the financial year ended March 31, 2019, 3 (Three) meetings of the Stakeholders' Relationship Committee were held as follows:

S. No.	Date	Committee Strength	No. of Members present
01.	August 17, 2018	3	2
02.	November 28, 2018	3	2
03.	March 19, 2019	3	2

❖ There were no pending share transfers/ investors' complaints as on March 31, 2019.

ATTENDANCE OF DIRECTORS

The detail of Director's attendance in the Board Meeting and their Committees during the F.Y. ended as on March 31, 2019 and in the last AGM of the Company is as follows:

S. No.	Name of Director	No. of Board Meeting attended out of 09 held during the year	No. of audit Committee meetings attended	No. of Nomination & Remuneration Committee meetings attended	No. of Stakeholders Relationship Committee meetings attended	Attendance at the last AGM
1.	Nirankar Nath Mittal	9	-	-	-	YES
2.	Nirvikar Nath Mittal	9	-	-	-	NO
3.	Shri Kant Mittal	9	-	-	-	NO
4.	Rakesh Kumar Agarwal	6	5	1	3	YES
5.	Ravi Kant Bansal	1	2	1	1	NO
6.	Alka Agarwal	1	3	0	2	NO

MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director. One meeting of Independent Directors was held during the year i.e. on 05th March, 2019.

WHISTLE BLOWER POLICY & VIGIL MECHANISM COMMITTEE

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. During the year under review, no employee was denied access to the Audit Committee. The said policy has been also put up on the website of the Company and can be accessed at <http://www.howardhotelsltd.com/reports/1432376932VIGILMECHANISMREPORT.pdf>

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith marked as **Annexure IV**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review, no employee, whether employed for the whole or part of the year, was drawing remuneration in excess of the limits set out in the said rules. Hence the details required under the said Rules are not given.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is available on the Company's website.

CORPORATE GOVERNANCE

Pursuant to regulation 15(2) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 provisions of regulation 27 i.e. Corporate Governance and para C, D & E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis of financial condition and results of operation of the Company for the year under review, as required under Regulation 34 of SEBI (LODR) Regulations, 2015, is given separately under the head "Management Discussion & Analysis Report" in Annual Report as **Annexure-V**.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given as under:

A) Conservation of energy:

(i)	the steps taken or impact on conservation of energy;	The Energy Conservation efforts in the Company are being pursued on a continuous basis and the Company is making its full efforts to minimize wastage and to make optimum utilization of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	N.A.
(iii)	the capital investment on energy conservation equipment;	N.A.

B) Technology absorption:

(i)	the efforts made towards technology absorption;	N.A.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	N.A.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.
(a)	the details of technology imported;	N.A.
(b)	the year of import;	N.A.
(c)	whether the technology been fully absorbed;	N.A.
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv)	the expenditure incurred on Research and Development.	N.A.

C) Foreign Exchange Earnings & Outgo

The MCA has notified Appendix B to Ind AS 21, foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency denominated contracts.

The amendment came into force on 1 April 2018. The company is in the process of assessing the detailed impact of the amendment and its impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 as the said provision is not applicable to the Company.

INDUSTRIAL RELATIONS

The industrial relations remained cordial and peaceful throughout the year in the Company. The Directors wish to place on record their appreciation for the contribution of the workers and officers of the Company at all level.

DEPOSITORY SYSTEMS

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2019, 84.31% of the Company's paid-up capital representing 7683703 Equity Shares is in dematerialized form with both the depositories as compared to 83.99% representing 7,650,443 equity shares for the previous year ended March 31, 2018.

HOWARD HOTELS LIMITED

Your Company has established connectivity with both depositories - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through RTA i.e. M/s. Link Intime India Pvt. Ltd.

Updating necessary KYC details of registered and/or joint holders holding shares in physical form

SEBI has vide Circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20 April 2018 directed all the listed companies to record the Income Tax PAN and bank account details of all their shareholders holding shares in physical form and advise them to dematerialise their physical securities. Accordingly, the Company has sent letters by speed post/registered post to the shareholders holding shares in physical form at their last known address, advising them to register their Income Tax PAN (including that of joint holders, if any) and the bank account details. This was followed by two reminder letters to those shareholders who have not responded earlier. All those shareholders who are yet to update their details with the Company are requested to do so at the earliest.

DISCLOSURES REGARDING SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the Financial year 2018-19, neither Company has become nor ceased to be its subsidiaries, joint venture or associate company.

RISK MANAGEMENT COMMITTEE

The Company has not constituted the risk management committee in accordance with Section 134 (3) (n) of the Companies Act, 2013 as the said provision is not applicable to the Company.

UNCLAIMED DIVIDEND/ SHARES

Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of Section 125 of the companies act, 2013.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

ACKNOWLEDGEMENT

The Board acknowledges with gratitude the assistance, co-operation and encouragement extended to the Company by Central Government, State Government, Financial Institutions, SEBI, Stock Exchanges, Custodian, Regulatory/Statutory Authorities, Registrars & Share Transfer Agent and other related Department of Tourism. Your directors thank the customers, client, vendors, dealers, Company's bankers and other business associates for their continuing support and unstinting efforts in the Company's growth. The Board also wishes to place on record their deep appreciation for the commitment displayed by all the executives, officers and staff, resulting in successful performance during the year. The company has achieved impressive growth through the competence, hard work, solidarity, cooperation and support of employees at all levels. Your Directors is also thankful to the stakeholders, shareholder and depositors for their continued patronage.

**For & on behalf of Board of Directors of
HOWARD HOTELS LIMITED**

Place : Agra
Date : 02.08.2019

Sd/-
Nirankar Nath Mittal
(Chairman & Managing Director)
DIN: 01533102

FORM NO. MGT 9

Extract of Annual Return as on the financial year ended on March 31, 2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	L74899DL1989PLC038622
Registration Date	11-12-1989
Name of the Company	HOWARD HOTELS LIMITED
Category/Sub-category of the Company	Public Company / Limited by shares
Address of the Registered office & contact details	20, Maurya Complex, B-28 Subhash Chowk, Laxmi Nagar, New Delhi 110092 India
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Link Intime India Pvt. Ltd. Noble Heights, 1st Floor, NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058. Tel: 011-41410592-94

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S.No.	Name and Description of main products / services	NIC Code of the Product/service*	% to total turnover of the company#
1	Hotel Industry	551	100%

On the basis of Revenue from Operations

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Particulars	Country	CIN	Holding/ Subsidiary/ Associate	%holding as at March 31,2019	Applicable Section
1	NIL	NIL	NIL	NIL	NIL	NIL

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i). Category-wise Shareholding

Sr. No	Category of Shareholders	Shareholding at the beginning of the year (As on 1 st April 2018)				Shareholding at the end of the year (As on 31 st March, 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	5543500	0	5543500	'60.8293	5543500	0	5543500	'60.8293	'0.0000
(b)	Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(1)	5543500	0	5543500	'60.8293	5543500	0	5543500	'60.8293	'0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	5543500	0	5543500	'60.8293	5543500	0	5543500	'60.8293	'0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(f)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(g)	Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000

HOWARD HOTELS LIMITED

Sr. No	Category of Shareholders	Shareholding at the beginning of the year (As on 1 st April 2018)				Shareholding at the end of the year (As on 31 st March, 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	967712	995957	1963669	'21.5475	972871	966597	1939468	'21.2820	'-0.2655
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	893593	151900	1045493	'11.4723	881723	151900	1033623	'11.3420	'-0.1303
(b)	NBFCs registered with RBI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Employee Trusts	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Foreign Nationals	0	238100	238100	'2.6127	0	234200	234200	'2.5699	'-0.0428
	Hindu Undivided Family	27059	0	27059	'0.2969	26859	0	26859	'0.2947	'-0.0022
	Non Resident Indians (Non Repat)	13280	0	13280	'0.1457	14380	0	14380	'0.1578	'0.0121
	Non Resident Indians (Repat)	19327	0	19327	'0.2121	18354	0	18354	'0.2014	'-0.0107
	Clearing Member	3056	0	3056	'0.0335	1185	0	1185	'0.0130	'-0.0205
	Bodies Corporate	182916	76800	259716	'2.8499	224431	76800	301231	'3.3054	'0.4555
	Sub Total (B)(3)	2106943	1462757	3569700	'39.1707	2139803	1429497	3569300	'39.1663	'-0.0044
	Total Public Shareholding (B) = (B)(1)+(B)(2) + (B)(3)	2106943	1462757	3569700	'39.1707	2140203	1429497	3569700	'39.1707	'0.0000
	Total (A)+(B)	7650443	1462757	9113200	'100.0000	7683703	1429497	9113200	'100.0000	'0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total (A)+(B)+(C)	7650443	1462757	9113200	'100.0000	7683703	1429497	9113200	'100.0000	

ii) Shareholding of Promoters (including Promoter Group)

S. no.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2018)			Shareholding at the end of the year (As on 31st March, 2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Nirankar Nath Mittal	1,847,834	20.28	-	1,847,834	20.28	-	0.00
2	Nirvikar nath Mittal	1,787,833	19.62	-	1,787,833	19.62	-	0.00
3	Saurabh kantmittal	211,166	2.32	-	211,166	2.32	-	0.00
4	Shri Kant Mittal	211,166	2.32	-	211,166	2.32	-	0.00
5	Neena Mittal	60000	0.66	-	60000	0.66	-	0.00
6	Brijlata Mittal	1425501	15.64	-	1425501	15.64	-	0.00
	Total	5543500	60.83		5543500	60.83		0.00

Note: 131000 equity shares of Late Smt. Sarita Mittal held with Mr. Nirankar Nath Mittal are under process of transmission.

iii) Change in Promoters' (including Promotor Group) Shareholding (please specify, if there is no change)

Sr No.	Name of Shareholder	Shareholding at the beginning of the year (AS on 1st April,2018)		Increase/ Decrease in Shareholding			Cumulative Shareholding At the End of the year (As on 31 st March, 2019)	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE	REASON	NO. OF SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
NO CHANGE								

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name of Shareholders	Shareholding at the beginning of the year As on 1st April, 2018		Cumulative Shareholding at the end of the year As on 31st March, 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	HITESH RAMJI JAVERI	351805	3.8604	351805	3.8604
2	PARMOD KUMAR JAIN	150000	1.6460	150000	1.6460
3	ANIL KUMAR SHARMA	112950	1.2394	112950	1.2394
4	HARSHA HITESH JAVERI	100000	1.0973	100000	1.0973
5	TARUN KANT	66172	0.7261	66172	0.7261
6	STERLITE INVESTMENT CO, PVT. LTD	59800	0.6562	59800	0.6562
7	CENTURY MAHANIVESH LTD	60945	0.6688	52190	0.5727
8	SPFL SECURITIES LIMITED	70	0.0008	52048	0.5711
9	VED PRAKASH HUF	48500	0.5322	48500	0.5322
10	SADHNA KHARE	42000	0.4609	42000	0.4609

v. Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name of Director/ Key Managerial Person	Shareholding at the beginning of the year AS on 1st April, 2018		Increase/ Decrease in Shareholding	Cumulative Shareholding at the end of the year As on 31st March, 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	NIRANKAR NATH MITTAL- Managing Director	1,847,834	20.28	NO CHANGE	1,847,834	20.28
2.	NIRVIKAR NATH MITTAL- Whole Time Director	1,787,833	19.62	NO CHANGE	1,787,833	19.62
3.	SHRIKANT MITTAL- Whole Time Director	211,166	2.32	NO CHANGE	211,166	2.32

Note: 131000 equity shares of Late Smt. Sarita Mittal held with Mr. Nirankar Nath Mittal are under process of transmission.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. This is subject to the finalization of the financial statement by the Statutory Auditors of the company.

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13.58	190.00	0	203.58
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	13.58	190.00	0	203.58
Change in Indebtedness during the financial year				
* Addition	0	10.00	0	10.00
* Reduction	(11.97)	0	0	(11.97)
Net Change	(11.97)	10.00	0	(1.97)
Indebtedness at the end of the financial year				
i) Principal Amount	1.61	200.00	0	201.61
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1.61	200.00	0	201.61

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Managers:-

(Rs. in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/MTD/Manager			Total Amount
		Nirankar Nath Mittal Managing Director	Nirvikar Nath Mittal Whole-Time Director	Shrikant Mittal Whole-Time Director	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	24.00	22.80	18.00	64.80
	b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	4.18	0.79	0.00	4.97
	c) Profit in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	-	-

HOWARD HOTELS LIMITED

2	Stock Option	-	-	-	-
3	Sweat equity	-	-	-	-
4	Commission -as% profit -Others, Specify	-	-	-	-
5	Others,Specify	-	-	-	-
	Total (A)	28.18	23.59	18.00	69.77
	Ceiling as per the Act				84.00

B. Remuneration to other Directors:-

Sl. No.	Particulars of Remuneration	Name of Directors			(Rs. In Lakhs)
		Rakesh Kumar Agarwal	Ravi Kant Bansal	Alka Agarwal	Total Amount (Rs.)
1	Independent Directors				
	Fee for attending board /committee meetings	1.05	0.30	0.35	1.70
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1.05	0.30	0.35	1.70
2	Other Non-Executive Directors				
	Fee for attending board /committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	1.05	0.30	0.35	1.70
	Total Managerial Remuneration				1.70
	Overall Ceiling as per the Act				1.00 per Board Meeting

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTG :-

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Ms. Gazal Mittal (Company Secretary) Resigned on 7 th April 2018	Ms. Ekta Jain (Company Secretary) Appointed on 4 th May, 2018	(Rupees in Lakhs)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.27	2.20	2.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	0.27	2.20	2.47

*For the Financial Year 2018-19.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment/ compounding of offences for the year ending March 31, 2019.

For & on behalf of Board of Directors of
HOWARD HOTELS LIMITED

Place : Agra
Date : 02.08.2019

Sd/-
Nirankar Nath Mittal
(Chairman & Managing Director)
DIN: 01533102

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Howards Hotels Limited; CIN: L74899DL1989PLC03862

CIN: L74899DL1989PLC03862

20, Maurya Complex, B-28 Subhash Chowk,
Laxmi Nagar, New Delhi.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HOWARD HOTELS LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019('audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules & amendments (if any) made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules & amendments (if any) made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed & amendments (if any) made thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations & amendments (if any) made thereunder;
- (v) SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 & amendments (if any) made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') along with its amendments (if any) made thereunder:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 1992 read with provisions of SEBI(PIT) regulations, 2015, as applicable;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **not applicable to the company during the audit period.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **not applicable to the company during the audit period.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **not applicable to the company during the audit period.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **not applicable to the company during the audit period;** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **not applicable to the company during the audit period.;**

I/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) SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 and the Listing Agreement entered into by the company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

SARAI Act, 1867, hence there is no adverse remark in the report.

HOWARD HOTELS LIMITED

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period underreview were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**for SATYENDRA SHARMA & ASSOCIATES
COMPANY SECRETARIES**

Place : Agra
Date : 23.07.2019

Sd/-
(SATYENDRA SHARMA)
PROP. CP NO: 4843

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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

Details of contracts/arrangements not at arm's length basis

There were no contracts or arrangements entered into during the year ended March 31, 2019, which were not at arm's length basis.

Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)
NIL							

Details of contracts/arrangements at arm's length basis

Name of the related party	Nature of relationship	Duration of the contract	Salient terms	Amount (Rs. in Lakhs)
UBS Buildtech Private Limited	Company in which Director's are interested	01/04/2018-29/07/2018	Loan Repaid	55
Rishireal Estates India Private Limited	Company in which Director's are interested	01/04/2018-29/07/2018	Loan Repaid	60
Shree Nath Exports (India) Private Limited	Company in which Director's are interested	01/04/2018-29/07/2018	Loan Repaid	75
Nirankar Nath Mittal	Director	30/07/2018-ongoing	Loan Taken	45
Nirvikar Nath Mittal	Director	30/07/2018- ongoing	Loan Taken	45
Shrikant Mittal	Director	30/07/2018- ongoing	Loan Taken	50
Brijlata Mittal	Ex-Director	30/07/2018- ongoing	Loan Taken	60
Exquisite	Firm in which Director's are interested	17/03/2009-ongoing	Rent Received	2.34
D'Craft Collection	Firm in which Director's are interested	02/01/2008-ongoing	Rent Received	2.34
Nirankar Nath Mittal	Firm in which Director's are interested	12/11/2010-ongoing	Lease Rent	0.05

**On behalf of the board of directors
For Howard Hotels Limited**

Place : Agra
Date : 02.08.2019

Sd/-
Mr. Nirankar Nath Mittal
(Chairman & Managing Director)
DIN: 01533102

Particulars of Employees

(a) The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

(Rs. In lakhs)

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2018-19 (₹ in lakhs)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Nirankar Nath Mittal [Chairman & Managing Director]	28.18	Nil	7.83
2.	Mr. Nirvikar Nath Mittal [Whole-time Director]	23.59	Nil	6.55
3.	Mr. Shrikant Mittal [Whole-time Director]	18.00	Nil	5.00
4.	Ms. Ekta Jain [Company Secretary & Compliance Officer]	2.20	Nil	NA

- i. The median remuneration of employees of the Company during the financial year was Rs. 3.60 lakhs.
- ii. The percentage increase in the median remuneration of employees is 32.84% during the financial year as compared to previous F.Y. 2017-18.
- iii. There were 96 permanent employees "ONROLL" of the Company as on March 31, 2019;
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year is 18.82% whereas the increase in the managerial remuneration for the same financial year was NIL.
- v. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

b) Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Employee Name	Designation	Qualification	Total Experience (Years)	D.O.J	Age	Name of Last Organization	Total Remuneration (per month)
1	Gajendra Singh	General Manager	M.T.M, P.G.D.B.A,D.C.P, B.Sc. Bio	12	02-July-2018	45	Bhavna Clark Inn	111,282.00
2	Varun Mittal	Head of sales& Marketing Department	MBA	3	01-Dec-2018	35	Self employed	60,000.00
3	Abhinav Mittal	Head of Research for food & catering Department	B.E.(Computer Science), MBA	3	01-Dec-2018	35	Self employed	60,000.00
4	Shriniwas Dhakre	Executive Chef	High School	16	26-Nov-2018	41	Hotel Ramada, Agra	50,200.00
5	Suneel Raina	Executive House Keeper	Diploma in Hotel Management	20	04-Jan-2017	50	Hotel country Inn & Suites	48,150.00
6	Anamika Pathak	Head of sales Department	M.sc	1	01-Dec-2018	50	Self employed	45,000.00
7	Manik Dhar	Front Office Manager	B.Sc. (Hospitality & Hotel Administration)	7	15-Sep-2018	30	Hyatt Regency, Chennai	38,640.00
8	Rajendra Kumar Sharma	Banquet Manager	10+2 UP Board	24	09-Jul-2018	46	Seasons Hotel-Tarudhan Valley Resort	33,400.00
9	Rahul Singh Rathore	Assistant Manager F&B	Bachelor in Hotel & Management Administration	8	25-Mar-2019	33	Mocha Café	30,200.00
10	Nitin Kumar	Assistant Manager	MBA-Sales	9	06-Feb-2017	34	Fab India	30,000.00

**The aforementioned employees are ON ROLL of the Company as on 31st March, 2019.*

**None of the above employees are related to any Director of the Company except Mr. Varun Mittal & Mr. Abhinav Mittal.*

For & on behalf of Board of Directors of
HOWARD HOTELS LIMITED

Place : Agra
Date : 02.08.2019

Sd /-
Nirankar Nath Mittal
(Chairman & Managing Director)
DIN: 01533102

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Hospitality is about serving the guests to provide them with “feel good effect”. In India, the guest is treated with utmost warmth and respect and is provided the best services. India is an ideal destination for tourists. Approximately 4.4 million tourists visit India every year. The Indian hospitality industry has emerged as one of the key industries driving growth of the services sector in India. It has evolved into an industry that is sensitive to the needs and desires of people. The fortunes of the hospitality industry have always been linked to the prospects of the tourism industry and tourism is the foremost demand driver of the industry. The Indian hospitality industry has recorded healthy growth fueled by robust inflow of foreign tourists as well as increased tourist movement within the country and it has become one of the leading players in the global industry.

SOCIO-ECONOMIC ENVIRONMENT

Following strong growth in 2018, IMF staff projects growth to moderate to 6.5 percent in 2019 and 6.0 percent in 2020. Supported by large investments in infrastructure, tourism and real estate, growth is expected to remain strong in 2019. India is a large market for travel and tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. In March 2019, Rs 720 crore had been allocated by Uttar Pradesh towards strengthening the infrastructure for tourism. Total contribution by travel and tourism sector to India's GDP has increase from Rs 15.24 trillion (US\$ 234.03 billion) in 2017 and is expected to increase to Rs 32.05 trillion (US\$ 492.21 billion) in 2028. Travel and tourism is the third largest foreign exchange earner for India. During 2018, arrivals through e-tourist visa increased 39.60 per cent year-on-year to 2.37 million. During January 2019, arrivals through e-tourist visa increased by 21.10 per cent year-on-year to 0.29 million.

The Government has been making serious efforts to boost investments in tourism sector. In the hotel and tourism sector, 100 per cent FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai). Total FDI received by Indian hotel & tourism sector was US\$ 12.35 billion between April 2000 and March 2019.

INDUSTRY STRUTURE AND DEVELOPMENT

Despite the challenging business environment India remains one of the fastest growing major economies in the world. The successful implementation of structural initiatives identified by the Government towards improving the ease of doing business in the country by enhancing transparency, speeding up the approvals process, resolving policy issues by working in tandem with the States and fostering greater levels of value addition within the country would be critical to boost the performance of the Indian economy and realizes its true potential. Adoption of sustainable business practices would be critical national goal.

The share of India in International tourist arrivals is progressively increasing. Domestic Tourism too is growing. The number of Domestic tourists in India is rising.

OPPURTUNITIES AND THREATS

The company has a strong brand value and leadership position in the market. Political unrest in the country also plays its part in reducing tourist traffic and consequently affects business of the hospitality industry. The country's economic condition has a direct impact on the earnings of hotels. As a result, the staff might not be trained well enough to meet international standards.

The threat would be global tenders which would invite worldwide competitors to enter the market. However, their lack of cost effectiveness would still give us an upper hand.

OUTLOOK

A strong economy, rising global consumer purchasing power, and digital innovation have all fueled record growth in the travel and hospitality industry. The launch of several branding and marketing initiatives by the Government of India such as ‘Incredible India!’ and ‘Athiti Devo Bhava’ has provided a focused impetus to growth. The Indian government has also released a fresh category of visa - the medical visa or M visa, to encourage medical tourism in the country. In September 2018, the Indian government launched the ‘Incredible India Mobile App’ to assist the traveler to India and showcase major experiences for travelling. The Government of India is working to achieve one per cent share in world's international tourist arrivals by 2020 and two per cent share by 2025.

FINANCIAL PERFORMANCE

Your company delivered a steady performance during the year in the backdrop of a persistently sluggish demand environment. The operating environment was rendered particularly challenging in the second half of the year with the currency crunch impacting the incipient recovery in demand. The business environment in the hotels industry also remained subdued, with only a marginal improvement in room rates.

Despite the challenging business environment as aforesaid, Gross revenue at **Rs. 1078.20 lakhs grew by 13.24%.**

FOREIGN EXCHANGE EARNINGS

The MCA has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency denominated contracts.

The amendment came into force from 01st April 2018. The company is in the process of assessing the detailed impact of the amendment and its impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

RISK AND CONCERNS

The operating environment in the hospitality sector remained challenging during the year. Hotel business in general is sensitive to fluctuations in the economy. The hotel sector may be unfavorably affected by changes in global and domestic economies, changes in local market conditions, excess hotel room supply, reduced international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other natural and social factors. Since demand of hotel is affected by world economic growth, a global recession could lead to down turn in hotel industry.

The major weakness for the industry is Lack of good infrastructure such as good roads, continuous power supply, comfortable modes of transport, etc. The Government is taking steps to remove these weaknesses. The development of various sectors of the economy and the increase in the number of both domestic and international tourists offer tremendous opportunities for the Hotel Industry. India has got enormous potential to be tapped.

SEGMENTWISE OR PRODUCTWISE PERFORMANCE

The Company's business activity falls within a single primary business segment viz. Hotel at Agra and the revenue from the hotel industry recorded a growth of **13.24%** during the year driven by **improvement in average room rates and higher food & beverage rates** while profitability remained muted due to the challenging business context as aforesaid.

The business continues to focus on strengthening the equity, culinary excellence and personalization of guest services. During the year, the business augmented its digital presence towards enriching online experience of users along with superior e-commerce capabilities. This resulted in enhancing customer engagement. The rooms services continues to be a major strength of your company.

Your company's hotel business continuously strives to reduce water and energy consumption and enhance the usage of renewable energy to meet its overall energy requirements and has enabled it to position itself as the **green hotel**.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system commensurate with its size and nature of business. Your Company's internal auditor carryout audit of the transactions of the Company, in order to ensure that recording and reporting are adequate and proper. The Audit Committee of the Company meets periodically to review and recommend quarterly and annual financial statements of the Company.

HUMAN RESOURCES

In the service oriented industry the employee plays a key role in customer satisfaction and its most valuable resource. Adequate number of technically qualified and well experienced staff exists for the day-to-day operations of the Company. The Management' constant focus on employee engagement and satisfaction has contributed key talents in the businesses. Creativity & dedication of all the employees represent the most precious assets of the Company. The industrial relations continue to be cordial.

APPRECIATION

Your directors express their warm appreciation to all the employees for their diligence and contribution. Your Directors also wish to record their appreciation for the support and co-operation received from the dealers, business associates, agents, suppliers and the banks.

**For & on behalf of Board of Directors of
HOWARD HOTELS LIMITED**

Place : Agra
Date : 02.08.2019

Sd/-
Nirankar Nath Mittal
(Chairman & Managing Director)
DIN: 01533102

INDEPENDENT AUDITORS' REPORT

To The Members of **HOWARD HOTELS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Howard Hotels Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no Key Audit matters to communicate in our report.

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 annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,

but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. 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 explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 197(16) of the Act, we report that the Company has paid remuneration to its director during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- 2) As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

HOWARD HOTELS LIMITED

- g) 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 the financial statements- Refer note no 37 of the financial statement;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;

For B G G & Associates
Chartered Accountants
FRN 016874N

Sd/-
CA Alok Kumar Bansal
Partner
Membership No. 092854

Place : Agra
Date : 29.05.2019

“Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Howard Hotels Limited** of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three year. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the Information and explanation given to us and on the basis of examination of books of account and other documents, the title deeds of immovable properties owned by the Company are held in the name of the Company.
- ii. According to the information & explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the book of accounts.
- iii. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 Companies Act 2013. Accordingly, Clauses (a), (b) and (c) of sub Para iii of paragraph 3 of the order are not applicable.
- iv. According to the information & explanation given to us, the Company has neither given any loans or guarantees nor made any investment and securities as per provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, this Clause Para iii of paragraph 3 of the order are not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as mentioned in the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Act and the rules framed thereunder.
- vi. To the best of our knowledge and explanation given to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for the services rendered by the company. Hence, the provisions of paragraph 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and according to the books and records produced before us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees’ state insurance, income tax, goods and services tax, sales tax, custom duty, service tax, excise duty, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and services tax, service tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31-Mar-2019 for a period of more than six months from the date they became payable except of the following amounts: -

Name of the Statute	Nature of Dues	Undisputed amount (Rs. In Lacs)
CGST Act, 2017	CGST & SGST	0.36

- (b) According to the information and explanations given to us, there are no dues of income tax or goods and services tax or wealth tax or service tax which have not been deposited on account of any dispute except of the following amounts: -

Name of the Statute	Nature of Dues	Disputed amount (Rs. In Lacs)	Period to which amount relates	Forum where dispute is pending
Provident Fund	Provident Fund Demand	9.19	01/04/1996 to 31/01/2014	Asstt/ Regional Commissioner Provident Fund

- viii. According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), however, term loans taken during the year were applied for the purpose for which these were obtained.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. 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 Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

HOWARD HOTELS LIMITED

- xiii. 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 financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information & explanation provide to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year, hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. 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 persons connected to its directors. Accordingly, the provision of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of the Order are not applicable to the Company.

For B G G & Associates
Chartered Accountants
FRN 016874N

Place : Agra
Date : 29.05.2019

Sd/-
CA Alok Kumar Bansal
Partner
Membership No. 092854

“Annexure B” to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Member of Howard Hotels Limited of even date)

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

We have audited the internal financial controls over financial reporting of Howard Hotels Limited (“the Company”) as of 31 March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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”) and the Standards on Auditing, issued by ICAI and deemed to be 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls 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 31 March, 2019, based on 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.

For B G G & Associates

Chartered Accountants

FRN 016874N

Sd/-

CA Alok Kumar Bansal

Partner

Membership No. 092854

Place : Agra

Date : 29.05.2019

HOWARD HOTELS LIMITED
Balance Sheet as at 31st March, 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
I Non-current assets			
(a) Property, plant and equipment	6	1,365.77	1,421.18
(b) Capital work in progress	6	-	-
(c) Other Intangible assets	7	0.30	0.70
(d) Financial assets			
(i) Other Financial assets	8	6.62	6.14
(e) Deferred tax assets (Net)	9	17.94	12.97
Total Non-current assets		<u>1,390.63</u>	<u>1,440.99</u>
II Current assets			
(a) Inventories	10	21.83	15.53
(b) Financial assets			
(i) Trade receivables	11	100.55	73.45
(ii) Cash and cash equivalents	12	66.51	33.52
(iii) Bank balances other than (ii) Above	13	-	12.81
(iv) Loans	14	20.21	21.54
(c) Current Tax Assets (Net)	15	16.58	10.62
(d) Other current assets	16	18.36	17.05
Total Current assets		<u>244.04</u>	<u>184.52</u>
TOTAL ASSETS		<u>1,634.67</u>	<u>1,625.51</u>
EQUITY AND LIABILITIES			
III EQUITY			
(a) Equity share capital	17	911.32	911.32
(b) Other equity	18	309.88	322.55
Total equity		<u>1,221.20</u>	<u>1,233.87</u>
LIABILITIES			
IV Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	1.61	13.58
(b) Provisions	20	19.77	15.82
Total Non-current liabilities		<u>21.38</u>	<u>29.40</u>
V Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	200.00	190.00
(ii) Trade Payables	22	-	-
(A) total outstanding dues of micro enterprises and small enterprises		54.44	58.86
(B) total outstanding dues of creditor other than micro and small enterprises		55.17	55.07
(iii) Other financial liabilities	23	42.13	33.87
(b) Other current liabilities	24	40.35	24.44
(c) Provisions	20	392.09	362.24
Total Current liabilities		<u>413.47</u>	<u>391.64</u>
Total liabilities		<u>1,634.67</u>	<u>1,625.51</u>
TOTAL EQUITY AND LIABILITIES		<u>1,634.67</u>	<u>1,625.51</u>
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For B G G & ASSOCIATES

Chartered Accountants

(Firm Registration Number: 016874N)

Sd/-

(CA. Alok Kumar Bansal)

Partner

M.No.092854

For and on behalf of the Board

Sd/-

Nirankar Nath Mittal

Chairman & MD

DIN: 01533102

Sd/-

Nirvikar Nath Mittal

Whole Time Director

DIN: 00536470

Sd/-

Ekta Jain

Company Secretary

A 45987

Sd/-

Shri Kant Mittal

Whole Time Director and CFO

DIN: 01533368

Place : Agra

Date : 29.05.2019

HOWARD HOTELS LIMITED

HOWARD HOTELS LIMITED

Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
I Revenue from operations	25	1,065.12	929.21
II Other income	26	13.08	22.91
III Total income (I+II)		1,078.20	952.12
IV Expenses			
(a) Cost of material consumed	27	157.69	149.44
(b) Employee benefits expense	28	331.35	280.79
(c) Finance costs	29	19.86	17.43
(e) Depreciation and amortization expense	30	76.81	70.34
(f) Other operating and general expenses	31	493.67	465.26
Total expenses		1,079.37	983.26
V Profit/(loss) before exceptional items and tax (III-IV)		(1.17)	(31.14)
VI Exceptional items		-	-
VII Profit/(loss) before tax (V+VI)		(1.17)	(31.14)
VIII Income tax expense			
(a) Current tax		-	-
(b) Deferred tax		(0.65)	(27.15)
(c) Earlier Year Tax		(0.16)	2.04
Total tax expense		(0.81)	(25.11)
IX Profit/(loss) for the year (VII-VIII)		(0.36)	(6.03)
X Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods:			
(i) Remeasurements of post-employment defined benefit obligations		(16.63)	(25.88)
(ii) Income tax effect		4.32	6.73
Other comprehensive income for the year, net of tax		(12.31)	(19.15)
XI Total comprehensive income for the year (IX+X)		(12.67)	(25.18)
XII Earnings per share in Rs.	35		
Basic earnings per equity share		(0.004)	(0.07)
Diluted earnings per equity share		(0.004)	(0.07)
Summary of significant Accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For B G G & ASSOCIATES

Chartered Accountants

(Firm Registration Number: 016874N)

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Company Secretary

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Sd/-

Shri Kant Mittal

Whole Time Director and CFO

DIN: 01533368

Place : Agra

Date : 29.05.2019

HOWARD HOTELS LIMITED
Statement of Cash Flows for the year ended 31 March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Net profit/(loss) before tax	(1.17)	(31.14)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	76.81	70.34
(Profit)/Loss on sale of property, plant and equipment	-	(0.54)
Other comprehensive income	(16.63)	(25.88)
Interest expense	19.86	17.43
Operating profit before working capital changes	78.87	30.22
Adjustments for change in working capital		
Decrease / (increase) in inventory	(6.30)	0.78
Decrease / (increase) in Trade receivables	(27.10)	(20.05)
Decrease / (increase) in Non-current Assets	(0.48)	53.68
(Decrease) / increase in Retirement Benefits	19.85	28.03
(Decrease) / increase in Current liabilities	8.36	17.52
(Decrease) / increase in Trade payables	(4.42)	10.98
Decrease / (increase) in Other Current Assets	0.01	(6.64)
Decrease/(Increase) in other assets	6.85	(12.81)
Cash generated from operation	75.65	101.72
Income Tax (paid)	(0.16)	2.04
Net cash flows from operating activities	75.81	99.68
Cash flow from investing activities		
Sale of fixed assets	-	13.00
Purchase of property, plant and equipment, including intangible assets, capital work in progress	(21.00)	(142.09)
Net cash flows/(Used in) from investing activities	(21.00)	(129.09)
Cash flow from financing activities		
Proceeds/(Repayments) of Short term borrowings (net)	10.00	20.00
Proceeds/(Repayments) of Long term borrowings (net)	(11.97)	5.48
Interest Paid	(19.86)	(17.43)
Net cash flows from financing activities	(21.83)	8.06
Net increase/decrease in cash & cash equivalents (A+B+C)	32.99	(21.35)
Cash & cash equivalents at the beginning of the year	33.52	54.87
Cash & cash equivalents at the closing of the year	66.51	33.52
Components of cash and cash equivalents		
Cash on hand	3.12	2.27
With banks on current account	12.91	31.25
Deposits with original maturity for less than 3 months	50.48	-
Total cash and cash equivalents [Refer note no. 12]	66.51	33.52

Note: The above Cash flow statement has been prepared under the Indirect method set out in Ind AS-7 'Statement of Cash Flow' notified under the Companies (Indian Accounting Standards) Rules, 2015.

Summary of significant Accounting policies

3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B G G & ASSOCIATES

Chartered Accountants

(Firm Registration Number: 016874N)

For and on behalf of the Board

Sd/-

(CA. Alok Kumar Bansal)

Partner

M.No.092854

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Nirankar Nath Mittal

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DIN: 01533102

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Ekta Jain

Company Secretary

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Sd/-

Shri Kant Mittal

Whole Time Director and CFO

DIN: 01533368

Place : Agra

Date : 29.05.2019

HOWARD HOTELS LIMITED

Notes to the financial statements for the year ended 31 March 2019

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Howard Hotels Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the BSE Limited. The registered office of the Company is located at 20, Maurya Complex, B-28 Subhash Chowk, Laxmi Nagar, New Delhi-110092.

The Company is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts.

These financial statements have been approved for issue by the Board of Directors on May 29, 2019.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities which are measured at fair value/ amortized cost (Refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees Lakhs and all values have been rounded to the nearest Lakh with two decimal places, unless stated otherwise.

3. Significant accounting policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

a) Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's presentation currency and the functional currency for all its operations.

b) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

c) Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from Operations:

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognized once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and shop rentals: Rentals basically consist of rental revenue earned from letting of spaces for retail shops at the properties. Revenue is recognized in the period in which services are being rendered.

Other allied services: In relation to laundry income, communication income, and other allied services, the revenue has been recognized by reference to the time of service rendered.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

d) Other Income

i. Interest Income

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in finance income in the statement of profit and loss.

ii. Dividends

Dividend income is 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.

e) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

f) Property, plant and equipment

All property, plant and equipment are stated at historical cost, net of accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including day-to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives, as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Freehold land is not depreciated.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on the disposal or retirement or derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss.

Capital work-in-progress represents cost of property, plant and equipment that are not yet ready for their intended use and are carried at cost determined as aforesaid.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets are not capitalised and the expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the

expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates to be adjusted prospectively. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The Company does not have any intangible assets with indefinite useful lives.

Softwares are amortized on a straight line basis over a period of 6 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

h) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost [computed on a first-in, first-out (FIFO) basis] or net realisable value. Cost includes fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are expensed in the period in which they occur and are recognised in the statement of profit and loss using the effective interest method.

j) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risk and rewards of ownership are not transferred to the Company are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

k) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside of profit or loss is recognized outside of profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date.

Current tax and deferred tax relating to items recognised outside profit or loss are recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and tax liabilities on a net basis.

I) Employee benefits

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.

Post-employment obligations

The Company operates the following post-employment schemes:

- a. Defined benefit plans in the nature of gratuity, and
- b. Defined contribution plans such as provident fund.

Gratuity obligations

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 denominated in Indian Rupees 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.

Remeasurement 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.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. 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.

m) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are 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 recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognized in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

ii. Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings, etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

ii. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p) Accounting for foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is the Company's presentation currency and functional currency.

Transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates that approximates the rate as at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in statement of profit and loss.

q) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r) Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit attributable to the shareholders of the Company (after adjusting the corresponding income/ charge for dilutive potential equity shares, if any) by the weighted average number of equity shares outstanding during the financial year plus the weighted average number of additional equity shares that would have been issued on conversion of all the dilutive potential equity shares.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note No. 32.

Contingencies

Management judgement of contingencies is based on the internal assessments and opinion from the consultants for the possible outflow of resources, if any.

5. Recent accounting pronouncements**Ind AS 116 – Leases:**

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is in the process of completing its detailed assessment and the quantitative impact of adoption of Ind AS 116 on the Financial Statements.

HOWARD HOTELS LIMITED
Statement of changes in equity for the year ended 31 March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(A) Equity share capital	Note	Nos.	Rs. in Lakhs
As at 1 April 2017		9,113,200	911.32
Changes in equity share capital	17	-	
As at 31 March 2018		9,113,200	911.32
Changes in equity share capital		-	
As at 31 March 2019		9,113,200	911.32

(B) Other equity

Particulars	Securities premium	Retained earnings	Total other equity
Balance as at 1 April 2017	40.50	307.23	347.73
Profit/(loss) for the year	-	(6.03)	(6.03)
Other comprehensive income	-	(19.15)	(19.15)
Total comprehensive income for the year	-	(25.18)	(25.18)
Balance as at 31 March 2018	40.50	282.05	322.55
Balance as at 1 April 2018	40.50	282.05	322.55
Profit/(loss) for the year	-	(0.36)	(0.36)
Other comprehensive income	-	(12.31)	(12.31)
Total comprehensive income for the year	-	(12.67)	(12.67)
Balance as at 31 March 2019	40.50	269.38	309.88

The accompanying notes form an integral part of these financial statements

As per our report of even date

For B G G & ASSOCIATES

Chartered Accountants

(Firm Registration Number: 016874N)

Sd/-

(CA. Alok Kumar Bansal)

Partner

M.No.092854

Place : Agra

Date : 29.05.2019

For and on behalf of the Board

Sd/-

Nirankar Nath Mittal

Chairman & MD

DIN: 01533102

Sd/-

Ekta Jain

Company Secretary

A 45987

Sd/-

Nirvikar Nath Mittal

Whole Time Director

DIN: 00536470

Sd/-

Shri Kant Mittal

Whole Time Director and CFO

DIN: 01533368

HOWARD HOTELS LIMITED

Notes to the financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

6 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Buildings	Plant & Machinery	Furniture and fixtures	Data Processing System	Vehicles	Total
Gross Block							
At 1 April 2017	33.45	1,303.81	552.05	264.48	50.72	133.27	2,337.77
Additions	-	123.00	23.72	6.33	0.88	54.61	208.55
Disposals / adjustments	-	-	-	-	-	(31.04)	(31.04)
At 31 March 2018	33.45	1,426.80	575.76	270.81	51.61	156.85	2,515.28
Additions	-	15.84	3.00	1.46	0.70	-	21.00
Disposals / adjustments	-	-	-	-	-	-	-
At 31 March 2019	33.45	1,442.65	578.76	272.27	52.31	156.85	2,536.28
Accumulated Depreciation							
At 1 April 2017	-	287.41	431.98	211.35	48.80	64.11	1,043.65
Charge for the year	-	25.90	14.96	9.59	0.56	18.01	69.02
Disposals / adjustments	-	-	-	-	-	(18.57)	(18.57)
At 31 March 2018	-	313.31	446.94	220.95	49.35	63.55	1,094.10
Charge for the year	-	27.87	15.16	9.63	1.00	22.75	76.41
Disposals / adjustments	-	-	-	-	-	-	-
At 31 March 2019	-	341.17	462.09	230.58	50.36	86.30	1,170.51
Net Block							
At 31 March 2018	33.45	1,113.50	128.83	49.86	2.25	93.30	1,421.18
At 31 March 2019	33.45	1,101.47	116.67	41.69	1.95	70.55	1,365.77

Capital work-in-Progress

Rs. in lakhs

Gross Block

At 1 April 2017	66.45
Additions	-
Transfers	(66.45)
At 31 March 2018	-
Additions	-
Transfers	-
At 31 March 2019	-

7 INTANGIBLE ASSETS

Particulars	Computer Software
Gross Block	
At 1 April 2017	9.83
Additions	-
Disposals / adjustments	-
At 31 March 2018	9.83
Additions	-
Disposals / adjustments	-
At 31 March 2019	9.83
Accumulated Amortization	
At 1 April 2017	7.80
Charge for the year	1.32
Disposals / adjustments	-
At 31 March 2018	9.13
Charge for the year	0.40
Disposals / adjustments	-
At 31 March 2019	9.53
Net Block	
At 31 March 2018	0.70
At 31 March 2019	0.30

HOWARD HOTELS LIMITED

(All amounts in Indian Rupees Lakhs unless otherwise stated)

8 OTHER FINANCIAL ASSETS	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity for more than 12 months (including interest accrued thereon)	6.62	6.14
Total	6.62	6.14

(All amounts in Indian Rupees Lakhs unless otherwise stated)

9 (A) DEFERRED TAX (NET)	As at 31 March 2019	As at 31 March 2018
Deferred Tax Liabilities		
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	162.05	159.11
Total (A)	162.05	159.11
Deferred Tax Assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	20.14	14.36
Carried Forward Tax Losses as per Income Tax Act	55.26	53.14
Mat Credit Entitlement	104.58	104.58
Total (B)	179.99	172.08
Deferred Tax Liabilities/(Assets) (Net) [C=A-B]	(17.94)	(12.97)

(b) Reconciliation of deferred tax

	As at 31 March 2019	As at 31 March 2018
Opening Deferred Tax Liabilities/(Assets)	(12.97)	20.91
Deferred tax (credit)/charge recorded in statement of profit & loss	(0.65)	(27.15)
Deferred tax (credit)/charge recorded in OCI	(4.32)	(6.73)
Closing Deferred Tax Liabilities/(Assets)	(17.94)	(12.97)

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	As at 31 March 2019	As at 31 March 2018
Accounting profit/(loss) before income tax	(1.17)	(31.14)
At India's statutory income tax rate of 26% (31 March 2018: 26%)	(0.30)	(8.10)
Adjustments in respect of current income tax of previous years	(0.16)	2.04
Impact of change in tax rate (on deferred tax)	-	(19.67)
Others	(0.34)	0.61
At the effective income tax rate of (69.50%) (31 March 2018: (80.65%))	(0.81)	(25.11)
Income Tax expenses reported in the Statement of Profit & Loss	(0.81)	(25.11)

(All amounts in Indian Rupees Lakhs unless otherwise stated)

10 INVENTORIES	As at 31 March 2019	As at 31 March 2018
(Valued at lower of cost and net realizable value)		
Food, Beverage, Tobacco, etc.	14.79	8.49
Crockery, Cutlery, Glassware, etc.	2.13	1.56
Stores and Spare Parts, etc.	4.90	5.48
Total	21.82	15.53

(All amounts in Indian Rupees Lakhs unless otherwise stated)

11 TRADE RECEIVABLES	As at 31 March 2019	As at 31 March 2018
Trade receivables	100.55	73.45
Total receivables	100.55	73.45

Break-up of security details

Secured, considered good	-	-
Unsecured, considered good	100.55	73.45
Significant increase in Credit Risk	-	-
Credit impaired	-	-
Total	100.55	73.45

Total trade receivables

100.55	73.45
---------------	--------------

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

12 CASH AND CASH EQUIVALENTS	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- In current accounts	12.91	31.25
- Cash on hand	3.12	2.27
- Deposits with original maturity for less than 3 months (including interest accrued thereon)	50.48	-
Total	66.51	33.52

(All amounts in Indian Rupees Lakhs unless otherwise stated)

13 OTHER BANK BALANCES	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity for more than 3 months but not more than 12 months (including interest accrued thereon)	-	12.81
Total	-	12.81

(All amounts in Indian Rupees Lakhs unless otherwise stated)

14 CURRENT LOANS	As at 31 March 2019	As at 31 March 2018
(Unsecured, considered good)		
Security deposits	20.08	20.08
Others	0.13	1.46
	20.21	21.54
Break-up:		
Secured, considered good	-	-
Unsecured, considered good	20.21	21.54
Significant increase in Credit Risk	-	-
Credit impaired	-	-
Total	20.21	21.54

(All amounts in Indian Rupees Lakhs unless otherwise stated)

15 CURRENT TAX ASSETS (NET)	As at 31 March 2019	As at 31 March 2018
Current Tax Assets (Net)	16.58	10.62

(All amounts in Indian Rupees Lakhs unless otherwise stated)

16 OTHER CURRENT ASSETS	As at 31 March 2019	As at 31 March 2018
Prepaid expenses	14.82	14.22
Advances to suppliers and vendors	2.46	1.31
Balances with government authorities	1.08	1.52
	18.36	17.05

HOWARD HOTELS LIMITED

(All amounts in Indian Rupees Lakhs unless otherwise stated)

17	SHARE CAPITAL	As at 31 March 2019	As at 31 March 2018
	Authorised share capital		
	1,00,00,000 (31 March 2019: 1,00,00,000, 31 March 2018: 1,00,00,000) Equity Shares of Rs.10/- each	1,000.00	1,000.00
		<u>1,000.00</u>	<u>1,000.00</u>
	Issued, Subscribed and fully paid up shares	As at 31 March 2018	As at 31 March 2018
	91,13,200 (31 March 2019: 91,13,200, 31 March 2018: 91,13,200) Equity Shares of Rs. 10/- each fully paid up	911.32	911.32
	Total	<u>911.32</u>	<u>911.32</u>

(a) Reconciliation of shares outstanding at the beginning and at the end of reporting period

Particulars	As at 31 March 2019		As at 31 March 2018	
	No.	Rs. in Lakhs	No.	Rs. in Lakhs
Equity Shares at the beginning of the year	91,13,200	911.32	91,13,200	911.32
Add: Allotted during the year	-	-	-	-
Equity Shares at the end of year	<u>91,13,200</u>	<u>911.32</u>	<u>91,13,200</u>	<u>911.32</u>

(b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends only in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2019		As at 31 March 2018	
	No.	% Holding	No.	% Holding
Nirankar Nath Mittal	18,47,834	20.28%	18,47,834	20.28%
Nirvikar Nath Mittal	17,87,833	19.62%	17,87,833	19.62%
Brij Lata Mittal	14,25,501	15.64%	14,25,501	15.64%
	<u>50,61,168</u>	<u>55.54%</u>	<u>50,61,168</u>	<u>55.54%</u>

(All amounts in Indian Rupees Lakhs unless otherwise stated)

18

OTHER EQUITY

As at

31 March 2019

As at

31 March 2018

Securities premium

40.50

40.50

Retained earnings

269.38

282.05

Total

309.88

322.55

Particulars

As at

31 March 2019

As at

31 March 2018

(i) Securities Premium

Opening Balance

40.50

40.50

Add : Addition

-

-

Closing Balance

40.50

40.50

Note: Securities Premium is used to record the premium on issue of shares.

(ii) Retained earnings

Opening Balance

282.05

307.23

Add : Profit/(loss) for the year

(0.36)

(6.03)

Add: Items of other comprehensive income recognised directly in retained earnings :

-Remeasurement of post employment benefit obligation, net of tax

(12.31)

(19.15)

Closing Balance

269.38

282.05

Note: Retained Earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. Retained Earnings can be utilized for distribution of dividends by the Company considering the requirements of the Companies Act, 2013.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

19	NON-CURRENT BORROWINGS	As at 31 March 2019	As at 31 March 2018
	Secured Loans		
	Term Loans from Banks	4.62	9.26
	Term Loans from Others	8.96	22.16
	Total	13.58	31.43
	Non-current	1.61	13.58
	Current Maturities (Included in Note No: 23)	11.97	17.85

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Term Loans from Banks includes Vehicle loan from HDFC Bank Limited Secured by charge over respective asset, which carries fixed interest @ 8.5 % and repayable in equal monthly instalment of Rs. 43,790/- starting from 5th Feb, 2018.

Term Loans from Others includes Vehicle loan from Toyota Financial Services India Ltd. carrying interest rate ranging between 8.25 % p.a. to 8.74 % p.a. and repayable in equal monthly instalment. The Loans are Secured by charge over respective asset.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

20	PROVISIONS	As at 31 March 2019	As at 31 March 2018
	Provision for gratuity	60.12	40.26
	Total	60.12	40.26
	Non-current	19.77	15.82
	Current	40.35	24.44

(All amounts in Indian Rupees Lakhs unless otherwise stated)

21	CURRENT BORROWINGS	As at 31 March 2019	As at 31 March 2018
	Unsecured Loans		
	Loan from Related Parties	200.00	190.00
	Total	200.00	190.00

Note:

i) Loan from Related Parties are repayable on demand and carry interest @ 9% P.A.

ii) The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

22	TRADE PAYABLES	As at 31 March 2019	As at 31 March 2018
	Current		
	Total outstanding dues of micro & small enterprises	-	-
	Total outstanding dues of trade payables other than micro & small enterprises	54.44	58.86
	Total	54.44	58.86

Note :

- (i) The amount due to Micro and Small Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management/intimation received from the suppliers.

HOWARD HOTELS LIMITED

(ii) Details of Dues to Micro and Small Enterprises as Defined Under MSMED Act, 2006

The Company does't has any dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

Particulars	As at 31 March 2019	As at 31 March 2018
(a) The principal amount remaining unpaid to any supplier at the end of the year	-	-
(b) Interest due remaining unpaid to any supplier at the end of the year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) 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 to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

23 OTHER FINANCIAL LIABILITIES	As at 31 March 2019	As at 31 March 2018
Current Maturities of Long-Term Borrowings (refer Note No. 19)	11.97	17.85
Securities & Deposits	4.98	5.23
Expenses Payable	36.03	32.00
Bank Reconciliation Overdraft	2.19	-
Total	55.17	55.07
24 OTHER CURRENT LIABILITIES	As at 31 March 2019	As at 31 March 2018
Statutory Dues	21.48	17.84
Advances from customers	20.65	16.03
Total	42.13	33.87

(All amounts in Indian Rupees Lakhs unless otherwise stated)

25 REVENUE FROM OPERATIONS	For the year ended 31 March 2019	For the year ended 31 March 2018
- Rooms	570.34	523.54
- Food & Beverage	472.94	383.45
- Other Services	21.84	22.23
Revenue from operations	1,065.12	929.21

Note :

- Revenue disaggregation in terms of nature of services has been included above.
- Reconciliation of Revenue from operations with contract price

Particulars	For the year ended 31 March 2019
Contract Price	1,095.30
Less :	
Discount & Others	30.18
Revenue from operations	1,065.12

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

26 OTHER INCOME	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest Income	1.82	6.66
Other Non-Operating Income		
- Rent Received	6.71	6.60
- Miscellaneous Income	4.55	9.65
Total	13.08	22.91

(All amounts in Indian Rupees Lakhs unless otherwise stated)

27 COST OF MATERIAL CONSUMED	For the year ended 31 March 2019	For the year ended 31 March 2018
Food & Beverage, Tobacco, etc. consumed	157.69	149.44
Total	157.69	149.44

(All amounts in Indian Rupees Lakhs unless otherwise stated)

28 EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and Wages	242.88	196.73
Contribution to PF and Other Funds	16.83	15.25
Director Remuneration	69.78	67.34
Sitting Fees	1.70	1.40
Staff Welfare Expenses	0.16	0.06
Total	331.35	280.79

(All amounts in Indian Rupees Lakhs unless otherwise stated)

29 FINANCE COSTS	For the year ended 31 March 2019	For the year ended 31 March 2018
Bank Charges	0.16	0.16
Interest Expense	19.70	17.26
Total	19.86	17.43

(All amounts in Indian Rupees Lakhs unless otherwise stated)

30 DEPRECIATION AND AMORTIZATION EXPENSE	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of Property, Plant and Equipment (Read with Note No. 6)	76.41	69.02
Amortization of Intangible Assets (Read with Note No. 7)	0.40	1.32
Total	76.81	70.34

(All amounts in Indian Rupees Lakhs unless otherwise stated)

31 OTHER OPERATING AND GENERAL EXPENSES	For the year ended 31 March 2019	For the year ended 31 March 2018
Audit Fee	1.25	1.25
Travelling & Conveyance	11.93	9.49
Postage & Telephone	0.90	0.79
Insurance	4.16	2.98
Rates & Taxes	29.67	35.40
Printing & Stationary	7.21	5.92
Guest Supplies	17.89	16.93
Room Purchases	0.32	-
Power & Fuel	205.63	193.44
Professional & Legal Expenses	16.39	11.55
Repair & Maintenance		
- Buildings	19.03	3.46
- Furniture & Fixtures	5.14	9.94
- Plant & Machinery	12.05	6.39

HOWARD HOTELS LIMITED

	For the year ended 31 March 2019	For the year ended 31 March 2018
- Others	26.42	30.13
Rent Expense	1.35	1.81
Marketing & Service Charges	52.11	43.98
Renovation & Renewal Expenses	12.58	20.00
Upkeep & Maintenance	35.91	38.33
Festival Expenses	3.25	2.75
A.G.M. Expenses	3.40	2.68
Telephone & Internet Expenses	6.43	8.79
Commission on Credit Cards	4.15	3.16
Misc Expenses	4.25	8.21
F & B other Expenses	12.24	7.89
Total	493.67	465.26

(All amounts in Indian Rupees Lakhs unless otherwise stated)

32 EMPLOYEE BENEFIT OBLIGATIONS

(A) Defined benefit plan

Gratuity:

Provision for gratuity is determined by actuaries using the projected unit credit method.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(i) Changes in the present value of the defined benefit obligation are as follows:

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
Defined benefit obligation at the beginning of the year	40.26	12.24
Interest expense	2.82	0.92
Current Service cost	4.98	4.06
Past Service cost	-	0.12
Benefits paid	(4.57)	(2.97)
Actuarial (gain)/ loss on obligations	16.63	25.88
Defined benefit obligation at the end of the year	60.12	40.26

(ii) The amount to be recognized in the Balance Sheet:

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
Present value of obligation	60.12	40.26
Fair value of plan assets	-	-
Net assets / (liability) recognized in balance sheet as provision	(60.12)	(40.26)

(iii) Net employee benefit expense recognised in the statement of profit and loss:

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
Interest cost on benefit obligation	2.82	0.92
Current service cost	4.98	4.06
Past service cost	-	0.12
Net benefit expense	7.80	5.10

(iv) Net employee benefit expense recognised in the other comprehensive income (OCI):

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
Actuarial (gain)/Loss on Obligation	16.63	25.88
Total Actuarial (gain)/Loss	16.63	25.88

(v) *The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:*

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
Average Past Service (Years)	3.70	4.20
Average remaining working life (Years)	24.50	24.40
Average Age (Years)	33.50	33.60
Weighted average duration (Years)	16.00	16.00
Discounting rate	7.50 % PA	7.50 % PA
Future salary Increase	5.00 % PA	5.00 % PA

(vi) *Sensitivity Analysis*

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
Liability with 1% increase in Discount Rate	59.12	39.47
Liability with 1% decrease in Discount Rate	61.18	41.10
Liability with 1% increase in Salary Growth Rate	61.19	41.12
Liability with 1% decrease in Salary Growth Rate	59.10	39.45

(vii) *Maturity Profile of Defined Benefit obligations (Undiscounted Amount)*

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31st March, 2019	31st March, 2018
0-1 Year	40.35	24.55
1-2 Year	5.19	3.99
2-3 Year	5.44	4.17
3-4 Year	5.84	4.51
4-5 Year	5.84	4.94
5 Year Onwards	1.87	2.71

(B) Defined contribution plans	31st March, 2019	31 March 2018
Employer's Contribution to Provident Fund	11.63	10.36
Employer's Contribution to ESI	5.20	4.89
Total	16.83	15.25

(All amounts in Indian Rupees Lakhs unless otherwise stated)

33 SEGMENT INFORMATION

The Company's operations predominately relate to Hoteliering and accordingly this is the only reportable segment as per Ind AS 108 "Operating Segments".

Geographical Information

Particulars	31 March, 2019	31 March, 2018
A. Revenue from external customers		
- Within India	1,065.12	929.21
- Outside India	-	-
Total revenue as per statement of profit and loss	1,065.12	929.21

The revenue information above is based on the locations of the customers

No single customer contributes more than 10% or more of the Company's total revenue for the year ended March 31, 2019 and March 31, 2018.

B. Non-current operating assets	31 March, 2019	31 March, 2018
- Within India	1,366.07	1,421.88
- Outside India	-	-
Total	1,366.07	1,421.88

Non-current assets for this purpose consist of property, plant and equipment and intangible assets.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

34 (A) RELATED PARTY DISCLOSURES:

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures' the names of the related parties where control exists/ able to exercise significant influence along with the aggregate transactions and year end balances with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

(a) Key Managerial Personnel (KMP):

Mr. Nirankar Nath Mittal	Chairman & Managing Director
Mr. Nirvikar Nath Mittal	Whole Time Director
Mr. Shri Kant Mittal	Whole Time Director & CFO
Mr. Rakesh Kumar Agarwal	Independent Director
Mr. Ravi Kant Bansal	Independent Director
Ms. Alka Agarwal	Independent Director
Ms. Gazal Mittal	Company Secretary (resigned w.e.f. 07.04.2018)
Ms. Ekta Jain	Company Secretary (w.e.f. 04.05.2018)
Ms. Brijlata Mittal	Additional Director (w.e.f. 19.07.2018 to 07.09.2018)

(b) Enterprises over which KMP/ relatives of KMP exercise significant influence :-

UBS Buildtech Private Limited
 Rishireal Estates India Private Limited
 Shree Nath Exports (India) Pvt Ltd
 Exquisite
 D'Craft Collection

(c) Relative of KMP

Mr. Varun Mittal
 Mr. Abhinav Mittal
 Mr. Atiharsh Aggarwal

(B) RELATED PARTY TRANSACTIONS:

Particulars	KMP		Other Related Parties		Total	
	2019	2018	2019	2018	2019	2018
Short-term Employee Benefits	72.25	69.86	5.48	-	77.73	69.86
Director's Sitting fees	1.70	1.40	-	-	1.70	1.40
Lease Rent	0.05	0.05	-	-	0.05	0.05
Loan Taken	-	-	200.00	20.00	200.00	20.00
Loan Repaid	-	-	190.00	-	190.00	-
Interest Expenses	-	-	17.70	16.30	17.70	16.30
Rent Received	-	-	4.68	5.34	4.68	5.34
Payment on behalf of the company	-	-	0.31	-	-	-
Reimbursement of expense	-	-	0.31	-	-	-
Total	74.00	71.31	418.48	41.64	491.86	112.95
Balance outstanding:						
Due from	-	-	-	-	-	-
Due to	140.00	-	61.20	190.00	201.20	190.00

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and their settlement occurs in cash. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (PY 31 March 2018: Nil)

(All amounts in Indian Rupees Lakhs unless otherwise stated)

35 EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the Profit/ (Loss) and share data used in the basic and diluted EPS computation :

Particulars	31st March, 2019	31st March, 2018
Profit/(loss) for the year	(0.36)	(6.03)
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	91,13,200	91,13,200
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS (absolute value in number)	91,13,200	91,13,200
Earnings per share		
- Basic (on nominal value of Rs. 10 per share) Rs./ share	(0.004)	(0.07)
- Diluted (on nominal value of Rs. 10 per share) Rs./ share	(0.004)	(0.07)

(All amounts in Indian Rupees Lakhs unless otherwise stated)

36 CAPITAL COMMITMENTS**31 March, 2019****31 March, 2018**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Nil

Nil

37 Contingent liabilities**31 March, 2019****31 March, 2018**

- Claims against the Company not acknowledged as debts :

Provident Fund

9.19

9.19

38 Commitments and contingencies**Operating Lease****Company as a lessee:**

The Company has taken certain immovable properties on operating lease. All operating leases entered into by the Company are cancelable.

Company as a lessor:

The Company has given certain immovable properties on operating lease. All operating leases entered into by the Company are cancelable.

Finance Lease

The company does not have any finance lease as at March 31, 2019.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company principal financial liabilities comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interests rate primarily relates to the Company's long-term debt obligations with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed & floating rate borrowings.

The Company doesn't have any exposure to floating rate borrowings, accordingly, as at 31st March, 2019, the Company does not have any interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The predominant currency of the Company's revenue and operating cash flows is Indian Rupees (INR).

The Company operates in india only and is exposed to foreign exchange risk arising from foreign currency received from foreign customers. The exposure of the Company to foreign currency risk is not significant.

(iii) Price risk

There are no investments held by the company in any securities and classified in the balance sheet as at fair value through profit or loss or Other comprehensive income. Company does not have a practice of investing in any securities with a view to earn fair value changes gain. Accordingly, the Company is not exposed to market price risk.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans and other financial assets.

Trade receivables consist of large number of customers. 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, the Company is not exposed to any credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset.

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations.

The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. The Company also monitors compliance with its debt covenants.

The tables below summarise the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31-March-2019

Particulars	Carrying amount	Payable on demand	0-12 months	1-5 years	> 5 years	Total
Borrowings	213.58	200.00	11.97	1.61	-	213.58
Trade payables	54.44	-	54.44	-	-	54.44
Other financial liabilities	43.20	-	43.20	-	-	43.20
Total	311.22	200.00	109.61	1.61	-	311.22

As at 31-March-2018

Particulars	Carrying amount	Payable on demand	0-12 months	1-5 years	> 5 years	Total
Borrowings	221.43	190.00	17.85	13.58	-	221.43
Trade payables	58.86	-	58.86	-	-	58.86
Other financial liabilities	37.23	-	37.23	-	-	37.23
Total	317.51	190.00	113.93	13.58	-	317.51

40 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and short-term and long-term borrowings.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. Net debt are non-current and current borrowings as reduced by cash and cash equivalents and other bank balances. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

Particulars	31 March, 2019	31 March, 2018
Cash and cash equivalents	66.51	33.52
Other bank balances	-	12.81
Non-current bank deposits	6.62	6.14
Total (a)	73.13	52.46
Non-current borrowings	1.61	13.58
Current borrowings	200.00	190.00
Current maturities of non-current borrowings	11.97	17.85
Total (b)	213.58	221.43
Net debt [c=b-a]	140.45	168.97
Total Capital (d)	1,221.20	1,233.87
Capital and net debt [e=c+d]	1,361.65	1,402.84
Gearing ratio [c/e]	10.31%	12.04%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately recall loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

(All amounts in Indian Rupees Lakhs unless otherwise stated)

41 FINANCIAL INSTRUMENTS MEASUREMENTS AND DISCLOSURES**(a) Financial instruments by category**

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Non-current						
Other Financial Assets	-	-	6.62	-	-	6.14
Current						
Trade receivables	-	-	100.55	-	-	73.45
Cash and cash equivalents	-	-	66.51	-	-	33.52
Other bank balances	-	-	-	-	-	12.81
Loans	-	-	20.21	-	-	21.54
Total	-	-	193.89	-	-	147.45

HOWARD HOTELS LIMITED

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Liabilities						
Non-current						
Borrowings	-	-	1.61	-	-	13.58
Current						
Borrowings	-	-	200.00	-	-	190.00
Trade payables	-	-	-	-	-	58.86
Other financial liabilities	-	-	55.17	-	-	55.07
Total	-	-	256.78	-	-	317.51

(b) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of financial assets and liabilities carried at amortised cost are reasonable approximation of their fair values.

(c) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that 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.

The Company doesn't have financial instruments for which fair value is recognised or disclosed.

42 Figures are rounded off to nearest rupees in Lakhs.

43 Previous Year figures have been regrouped and rearranged, wherever applicable.

As per our report of even date

For B G G & ASSOCIATES

Chartered Accountants

(Firm Registration Number: 016874N)

Sd/-

(CA. Alok Kumar Bansal)

Partner

M.No.092854

Place : Agra

Date : 29.05.2019

For and on behalf of the Board

Sd/-

Nirankar Nath Mittal

Chairman & MD

DIN: 01533102

Sd/-

Ekta Jain

Company Secretary

A 45987

Sd/-

Nirvikar Nath Mittal

Whole Time Director

DIN: 00536470

Sd/-

Shri Kant Mittal

Whole Time Director and CFO

DIN: 01533368

HOWARD HOTELS LIMITED

CIN No.: L74899DL1989PLC03862

Registered Office: 20, Maurya Complex, B-28, Subhash Chowk, Laxmi Nagar, Delhi-110092

Corporate Office: Hotel Howard Plaza, Fatehabad Road, Agra-282001

Phone No: 0562-4048600; Fax: 0562-4048666; Email: info@howardhotelsltd.com; Website: www.howardhotelsltd.com

ATTENDANCE CARD

30th Annual General Meeting, September 05, 2019 at 10.00 A.M.

*Folio No. /DP & Client ID.....

No. of shares.....

Name.....

Address.....

We hereby record my/ our presence at the 30th Annual General Meeting of the Company being held on September 05, 2019 at Executive Club C/o Dolly Farms and Resorts Private Limited, 439, Village Shahoorpur, P.O. Fatehpurberi, New Delhi –74 at 10:00 A.M.

Proxy's Name.....

Proxy's Signatures.....

Member's Signature

Notes:

1. Please note that no gifts or coupons will be given to the Shareholders for attending the Annual General Meeting.
2. This Form should be signed and handed over at the Meeting Venue.
3. No Duplicate Attendance Slip will be issued at the Meeting Hall.
4. You are requested to bring copy of Annual Report to the Meeting.

* *Strike out whichever is not applicable*

REQUEST TO SHAREHOLDERS TO REGISTER THEIR E-MAIL IDs

The Ministry of Corporate Affairs and the Securities Exchange Board of India have, as part of their Green Initiative permitted the companies to send the annual report and the notices and oral communication to the shareholders in the electronics form. As per Rule 18 of the Companies (Management & Administration Rules), 2014, the company is permitted to send the notices of the meeting in electronic form and shall provide an advance opportunity at least once in a financial year, to the member to register his email address and changes therein.

Accordingly for receiving the Annual Report and other communication from the Company electronically, all the members who hold shares in physical form are requested to register their e-mail ids with the Register and Share Transfer Agents in the Format appended. Members holding shares in demat form may kindly furnish their details to their Depository Participant.

Please cut from here

To,

M/s Link Intime India Pvt. Ltd.
Noble Heights, 1st Floor, NH 2,
C-1 Block LSC, Near Savitri Market,
Janakpuri, New Delhi-110058

Dear Sirs,

Sub: Registration of email-id for receiving Annual Reports, notices and other communication of Howard Hotels Limited in electronic form.

With reference to the above email particulars relating to my holding in the above company is furnished below, which may kindly be registered for the said purpose.

Name of the sole/First Holder	
Folio No.	
Email-id	

Thanking You
Yours Faithfully

Signature
Place :
Date :

HOWARDHOTELS LIMITED

CIN No.: L74899DL1989PLC03862

Registered Office: 20, Maurya Complex, B-28, Subhash Chowk, Laxmi Nagar, Delhi-110092

Corporate Office: Hotel Howard Plaza, Fatehabad Road, Agra-282001

Phone No: 0562-4048600; Fax: 0562-4048666; Email: info@howardhotelsltd.com; Website: www.howardhotelsltd.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s):
Registered Address:
E-mail ID:
Folio/DP ID-Client ID No.

I/We, being the member(s) of _____ shares of the above named Company hereby appoint:

- | | |
|----------------|----------------------------------|
| 1) Name _____ | E-mail ID: _____ |
| Address: _____ | Signature: _____ or failing him; |
| 2) Name _____ | E-mail ID: _____ |
| Address: _____ | Signature: _____ or failing him; |
| 3) Name _____ | E-mail ID: _____ |
| Address: _____ | Signature: _____ or failing him; |

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Thursday September 05, 2019 at 10.00 A.M.. at The Executive Club, C/o Dolly Farms & Resorts Pvt. Ltd., 439, Village- Shahoorpur, P.O.-Fatehpur Beri, New Delhi- 74 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
Ordinary Business:		For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Board of Directors’ and Auditors’ thereon;		
2	Appoint a Director in place of Mr. Nirvikar Nath Mittal, who retires by rotation and being eligible, seeks reappointment		
Special Business:			
3	Re-appointment of Mr. Nirankar Nath Mittal as a Chairman and Managing Director.		
4	Re-appointment of Mr. Nirvikar Nath Mittal as a Whole time Director.		
5	Re-appointment of Mr. Shrikant Mittal as a Whole time Director.		
6	Re-appointment of Mr. Rakesh Kumar Agarwal as an Independent Director for second term of 5 years.		
7	Re-appointment of Mr. Ravi Kant Bansal as an Independent Director for second term of 5 years.		

Signed this _____ day of _____ 2019

**Affix Re.1
Revenue
Stamp**

.....
Signature of the member.....
Signature of the proxy holder(s)**Notes:**

- This form, in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
- * It is optional to indicate your preference. If you leave the 'For' or 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

