

# BENARES HOTELS LIMITED

CIN: L55101UP1971PLC003480

Corporate Office: Taj Palace, Sardar Patel Marg, New Delhi - 110021

Phone: 011 6650 3549/3704, 26110202 | Website: www.benareshotelslimited.com

April 26, 2021

BSE Limited,  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Dalal Street, Fort,  
Mumbai – 400 001  
**Scrip Code : 509438**

## **SUB: OUTCOME OF THE BOARD MEETING**

Dear Sir,

We refer to our letter dated April 15, 2021. The Board of Directors of the Company in its meeting held earlier today, transacted the following Business:

1. Approved the Audited Financial Results of the Company for the financial year ended March 31, 2021 along with the Auditor's Report thereon.
2. PKF Sridhar & Santhanam LLP, the Statutory Auditors of the Company have issued the Auditor's Report with an unmodified Opinion on the Audited Financial Statements of the Company for the financial year ended March 31, 2021. This declaration is made pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. Not recommended any dividend for the FY 2020-21 (Previous Year Dividend @ 75 % i.e. Rs. 7.5/- per share)

Enclosed is the Copy of the Audited Financial Results of the Company in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the Auditors' Report thereon.

The meeting of Board of Directors commenced at 03.00 pm. and concluded at 4.15 p.m.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,  
for **Benare s Hotels Ltd.**

*Vanika*  
**Vanika Mahajan**  
Company Secretary



Encl. a/a

**Registered Office: Nadesar Palace Compound, Varanasi - 221 002**

**Tel.: 0542 666 0001**

**Independent Auditors' Report on the financial results**

**To the Board of Directors of Benares Hotels Limited**

**Opinion**

1. We have audited the accompanying Financial Results of **Benares Hotels Limited** (the "Company"), for the quarter and year ended 31 March 2021 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, the statement:
  - a) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard.
  - b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit for the quarter ended 31<sup>st</sup> March 2021 and net loss for the year ended 31<sup>st</sup> March 2021, and other comprehensive income and other financial information of the company for the quarter and year ended 31<sup>st</sup> March 2021.

**Basis for Opinion**

3. We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 Results 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 opinion.

**Emphasis of Matter**

4. We draw attention to:

Note 7 to the financial results, regarding the management's assessment of liquidity and going concern assumption, values of its financial and non-financial assets as at 31st March 2021 being considered as unimpaired and recoverable based on its internal and external sources of information and estimates, and its judgement on implications expected to arise from COVID-19 pandemic, wherein actual results could vary. The economic/social consequences of this event are impacting the very operation of the hotels and consumer demand.

Our opinion is not modified in respect of the above matter.

**Management's and Board of Directors' Responsibilities for the Financial Results**

5. This Statement has been prepared on the basis of the audited financial statements for the year ended March 31, 2021.

The Company's Board of Directors are responsible for the preparation of these Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

6. In preparing the Financial Results, the Board of Directors are 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 the Board of Directors 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 Results**

7. Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the entity has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such control.

# PKF SRIDHAR & SANTHANAM LLP

## Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation
9. 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.
10. 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.

### Other Matters

11. Attention is drawn to the fact that the figures for the quarter ended 31<sup>st</sup> March 2021 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year which were subject to limited review by us. Our opinion is not modified in respect of this matter.

For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No. 003990S/S200018

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n Ramaswamy Ramaswamy



**R. Suriyanarayanan**

Partner

Membership No. 201402

UDIN: 21201402AAAAAV7774

Place: Mumbai

Date: 26th April 2021

**BENARES HOTELS LIMITED**  
**STATEMENT OF FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021**

Figures in ₹ Lakhs

Particulars	Quarter Ended			Year Ended	
	Audited	Unaudited	Audited	Audited	Audited
	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020
1 Income from Operations	1,101.32	974.21	1,937.46	2,423.85	6,363.56
2 Other Income	4.66	0.92	12.34	57.03	20.14
3 <b>Total Income</b>	<b>1,105.98</b>	<b>975.13</b>	<b>1,949.80</b>	<b>2,480.88</b>	<b>6,383.70</b>
4 <b>Expenses</b>					
a. Cost of Materials Consumed	113.79	118.02	179.54	275.25	620.06
b. Employee Benefits Expense	186.98	179.51	276.36	799.42	1,123.72
c. Operating Fee	49.85	28.84	151.89	88.10	452.83
d. Fuel, Power and Light	90.64	91.21	93.37	297.84	466.72
e. Depreciation and Amortisation Expense	190.80	167.06	184.53	693.45	638.10
f. Finance Costs	22.47	29.31	27.04	99.70	107.64
g. Other Expenditure	317.36	287.35	452.56	923.97	1,624.96
<b>Total Expenses</b>	<b>971.89</b>	<b>901.30</b>	<b>1,365.29</b>	<b>3,177.73</b>	<b>5,034.03</b>
5 <b>Profit/ (Loss) before Exceptional Items</b>	<b>134.09</b>	<b>73.83</b>	<b>584.51</b>	<b>(696.85)</b>	<b>1,349.67</b>
Exceptional items	-	-	-	-	-
6 <b>Profit/ (Loss) before tax</b>	<b>134.09</b>	<b>73.83</b>	<b>584.51</b>	<b>(696.85)</b>	<b>1,349.67</b>
Less: Tax Expense					
Income Tax	-	-	138.00	-	312.15
Deferred Tax	31.75	19.80	11.83	(173.99)	(23.68)
7 <b>Tax Expense</b>	<b>31.75</b>	<b>19.80</b>	<b>149.83</b>	<b>(173.99)</b>	<b>288.47</b>
8 <b>Profit/ (Loss) after tax from continuing operations</b>	<b>102.34</b>	<b>54.03</b>	<b>434.68</b>	<b>(522.86)</b>	<b>1,061.20</b>
9 <b>Other Comprehensive Income/ (loss) (Net of tax)</b>					
<b>Items that will not be reclassified subsequently to profit and loss</b>					
Remeasurement of defined benefit obligation	12.54	-	(16.44)	12.54	(16.44)
Less :-income tax expense	-	-	(4.14)	-	(4.14)
<b>Other Comprehensive income for the period, net of tax</b>	<b>12.54</b>	<b>-</b>	<b>(12.30)</b>	<b>12.54</b>	<b>(12.30)</b>
<b>Total Comprehensive Income (Comprising Profit/ (Loss) and Other Comprehensive Income (after tax) )</b>	<b>114.88</b>	<b>54.03</b>	<b>422.38</b>	<b>(510.32)</b>	<b>1,048.90</b>
Paid-up Equity Share Capital (Face value per share - ₹ 10 each)	130.00	130.00	130.00	130.00	130.00
Other Equity (excluding Revaluation Reserves)				7,093.46	7,701.28
Earnings Per Share (Face value - ₹ 10 each)					
Basic and Diluted (in ₹) (* not annualised)	* 7.87	* 4.16	* 33.44	(40.22)	81.63
<b>See accompanying notes to the financial results</b>					



Suriyanarayanan  
Ramaswamy

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Suriyanarayanan Ramaswamy

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**BENARES HOTELS LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021**

Figures in ₹ Lakhs

Particulars	As at	As at
	Mar 31, 2021	Mar 31, 2020
	Audited	Audited
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	8,222.44	8,866.53
Right to Use Assets	124.14	127.16
Capital work-in-progress	10.52	4.02
Intangible Assets	53.83	71.44
	<b>8,410.93</b>	<b>9,069.15</b>
<b>Financial Assets:</b>		
Other non-current financial assets	35.55	23.96
Advance income tax (net)	59.29	187.22
Other Non-current Assets	70.55	108.60
	<b>8,576.32</b>	<b>9,388.93</b>
<b>CURRENT ASSETS</b>		
Inventories	82.31	105.36
<b>Financial Assets:</b>		
Trade and other receivables	78.22	432.87
Cash and Cash Equivalents	122.88	181.72
Other Balances with Banks	45.07	51.20
Other financial assets	68.76	146.94
Other Current Assets	115.89	172.57
	<b>513.13</b>	<b>1,090.66</b>
<b>TOTAL ASSETS</b>	<b>9,089.45</b>	<b>10,479.59</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share capital	130.00	130.00
Other Equity	7,093.46	7,701.28
<b>Total Equity</b>	<b>7,223.46</b>	<b>7,831.28</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
<b>Financial Liabilities:</b>		
Lease Liabilities	356.54	349.26
Employee benefit obligations	30.48	35.30
Deferred Tax Liabilities (net)	392.04	566.03
	<b>779.06</b>	<b>950.59</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities:</b>		
Borrowings	550.00	550.00
Trade Payables		
- Due to Micro and Small Enterprises	13.17	5.61
- Due to Others	163.80	559.71
Other financial Liabilities	171.71	346.50
Other current liabilities	176.50	196.27
Employee benefit obligations	11.75	39.63
	<b>1,086.93</b>	<b>1,697.72</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,089.45</b>	<b>10,479.59</b>

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**BENARES HOTELS LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED MARCH 31, 2021**

Figures in ₹ Lakhs

Particulars	For the Year ended	For the Year ended
	Mar 31, 2021	Mar 31, 2020
	Audited	Audited
<b>Net Profit Before Tax</b>	(696.85)	1,349.67
Adjustments For :		
Depreciation and Amortisation	690.42	635.06
Depreciation on Right to Use Assets	3.02	3.03
Finance Cost	64.37	72.96
Interest on lease liability	35.33	34.68
Provision for doubtful debts	36.02	15.32
(Gain)/ Loss on sale of property, plant and equipment	0.01	33.49
Interest Income	(45.32)	(15.03)
Lease Liability written back	(7.01)	-
Provision for Employee Benefits	12.54	(16.44)
	<b>789.38</b>	<b>763.07</b>
<b>Cash Operating Profit before working capital changes</b>	<b>92.53</b>	<b>2,112.74</b>
Adjustments For :		
Trade Receivables	318.63	(13.28)
Inventories	23.05	22.87
Non Current- Other Financial Asset	(11.60)	2.25
Other non-current assets	35.73	4.92
Current-Other Financial Assets	78.15	(21.06)
Other current assets	56.68	(120.13)
Trade Payables	(391.17)	(125.91)
Current liabilities- Other Financial Liabilities	(93.13)	89.00
Other Liabilities & Provisions	(29.88)	18.48
Total Changes in working capital (increase)/decrease in operating assets	(13.55)	(142.86)
<b>Cash Generated from Operating Activities</b>	<b>78.98</b>	<b>1,969.88</b>
Direct Taxes Paid - net	127.93	(293.62)
<b>Net Cash From Operating Activities (A)</b>	<b>206.91</b>	<b>1,676.26</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(135.00)	(1,517.70)
Proceeds from Sale Property, Plant and Equipment	-	50.07
Interest Received	45.35	17.64
Bank Balances not considered as Cash and Cash Equivalents	6.13	127.02
<b>Net Cash Used In Investing Activities (B)</b>	<b>(83.52)</b>	<b>(1,322.97)</b>
<b>Cash Flow From Financing Activities</b>		
Payment of lease liabilities	(21.04)	(27.20)
Proceeds from short-term borrowings	500.00	500.00
Repayment of short-term borrowings	(500.00)	(450.00)
Interest Paid	(63.69)	(71.31)
Dividend Paid (Including tax on dividend)	(97.50)	(235.08)
<b>Net Cash From/ (Used) In Financing Activities (C)</b>	<b>(182.23)</b>	<b>(283.59)</b>
<b>Net Increase/ (Decrease) in Cash and cash equivalents (A + B + C)</b>	<b>(58.84)</b>	<b>69.70</b>
Opening balance of Cash and cash equivalents	181.72	112.02
Closing balance of Cash and cash equivalents	122.88	181.72
<b>Net Increase/ (Decrease) in Cash and cash equivalents</b>	<b>(58.84)</b>	<b>69.70</b>

**Notes:**

1. These results were reviewed by the Audit Committee of the Board on April 26, 2021 and subsequently approved by the Board of Directors at its meeting held on April 26, 2021. The results have been audited by the Statutory Auditors of the Company.
2. As per the notification issued by Ministry of Corporate Affairs (MCA) on 24th July 2020, the company has elected to exercise the option given under para 46A and 46B of Ind AS 116, Accounting for Lease, on rental concessions received during the COVID-19. Accordingly, the company has recognized the waiver of lease rentals of INR 7.01 Lakhs received for its hotel Taj Nadesar Palace for the period 01<sup>st</sup> Apr'20 to 30<sup>th</sup> Jun'20 as other income.
3. These financial results for the quarter and year ended March 31, 2021 and corresponding period of the previous year have been prepared in accordance with the recognition and measurement principles as laid down in the Ind AS prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules i.e. Companies (Indian Accounting Standards) Rule, 2015 and the other accounting practices & policies generally accepted in India.
4. Results for the quarter and year ended March 31, 2021 are not comparable with the corresponding quarter and year ended of the previous year due to the impact of Covid 19 pandemic, as explained in para 5 below.
5. The figures for the quarter ended March 31, 2021 and March 31, 2020 is arrived at by subtracting the unaudited financial information for the period of nine months ended December 31, 2020 and December 31, 2019 from the audited financial information for the year ended March 31, 2021 and March 31, 2020 respectively.
6. Disclosure of segment wise information is not applicable as Hoteliering is the Company's only business segment.

**7. Disclosure on COVID-19**

The hotel business has been severely impacted during the year on account of outbreak of global pandemic COVID-19. The Company witnessed softer revenues due to the lockdown imposed during the first six months of the year. With the unlocking of the restrictions, hotels have been opened and business has gradually improved across all hotels. During the second half of the year, the Company witnessed some signs of recovery of demand. Whilst there has been a second wave of the COVID-19 pandemic in the last month in some States, there has also been increased vaccination drive by the Government and the Company continues to closely monitor the situation.

The Company has assessed the possible impact of COVID-19 in preparation of the financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has adequate funds at its disposal and the management has secured additional financing to prevent disruption of the operating cash flows and to enable the Company to meet its debts and obligations as they fall due. Accordingly, the financial results of the Company have been prepared on a going concern basis.

8. The Indian Parliament has approved the Code on Social Security, 2020. This has also received the consent of the Hon'ble President of India. The Code when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this Code is yet to be notified and the rules for quantifying the financial impact are yet to be framed. In view of this, any impact due to the change will be assessed and accounted for in the period of notification of the relevant provisions.
9. The results for the quarter and year ended March 31, 2021 are available on the Bombay Stock Exchange website (URL: [www.bseindia.com](http://www.bseindia.com)) and on the Company's website (URL: [www.benareshotelslimited.com](http://www.benareshotelslimited.com)).

For **BENARES HOTELS LIMITED**

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Date: 2021.04.26  
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Dated: April 26, 2021  
Place: Varanasi

**DR. ANANT NARAIN SINGH**  
CHAIRMAN  
(DIN: 00114728)

Suriyanarayanan  
Ramaswamy

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Ramaswamy



**UDIN: 21201402AAAAAV7774**