CHALET
HOTELS

INTEGRATED REPORT
2020-21

Unforeseen Challenges. Resolute Response.

Report index

About the Report

The Chalet Hotels Integrated Report 2020-21 is a critical communication document to shareholders and other stakeholders.

Reporting scope

This is Chalet Hotels'('We', 'the Company', 'Chalet') first Integrated Annual Report, prepared with the objective of providing our stakeholders a concise, complete and transparent assessment of our ability to create long-standing value. The Integrated Report is guided by the principles and requirements of the International Integrated Reporting Council's (IIRC) International Integrated Reporting Framework. This Report provides an in-depth overview of the Company's holistic approach to multi-dimensional value creation, covering both tangible and intangible, financial and non-financial aspects of the business.

The Report presents a balanced insight into Chalet's overall performance and showcases its governance structure, strategic priorities, operating environment, operating risks & opportunities and its prospects. Apart from financial performance, the Report covers the non-financial aspects, including operational, environmental and social performance.

All our values being considered are on consolidated basis.

Reporting period

April 1, 2020 to March 31, 2021

Reporting frameworks

- International <IR> framework of the International Integrated Reporting Council (IIRC)
- The Companies Act, 2013 (and the Rules made thereunder)
- Indian Accounting Standards (IndAS).
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India

Approach to Materiality

Our material issues are those that matter most to our key stakeholders and have a material impact on our ability to create value. These topics are influenced by the economic, social and environmental contexts in which we operate. Identifying our potential material matters is our responsibility and requires input from all divisions and input and feedback from all our stakeholders are considered.

During FY 2020-21, a comprehensive materiality assessment exercise was conducted with multiple internal and external stakeholders (senior management team, employees, customers, suppliers, investors). The aim was to identify material issues relevant to our stakeholder fraternity in the backdrop of an evolving operating environment.

Forward-looking statements

This Report has been prepared by the Company and the information on which it has been based was derived from sources believed to be reliable. Certain statements in this Report may constitute forward-looking statements within the meaning of applicable securities laws and regulations. The same may be based on the management assessment and expectations with respect to future circumstances, which involve a number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements. Forward-looking statements can be identified by words, such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion on future operational or financial performance.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, the Company's ability to manage growth, intense competition, including those factors which may affect its cost advantage, wage increases, ability to attract and retain highly skilled professionals, natural calamities, epidemics and pandemics, political instability, regulatory changes, currency risks, legal restrictions on raising capital or acquiring companies outside India, and unauthorised use of its intellectual property and general economic conditions affecting the industry.

The Company may, from time to time, make additional written and oral forward-looking statements, including reports to its shareholders and does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

JW Marriott Mumbai Sahar

Unforeseen challenges. Resolute response.

FY 2020-21 saw us combat an extraordinary set of challenges. Our resilience as a team and the flexibility of our business model in adapting to the new set of circumstances were severely tested.

We put together feasible strategies and an agile response to adversity. Despite overwhelming odds, we delivered on our priorities of supporting our guests, patrons, colleagues, communities, and all other stakeholders, while protecting our business from macro economic headwinds while continuing to act with caution and responsibility.

Our strategically chosen brands in key locations, continued support from patrons and other stakeholders, well-capitalised balance sheet and focus on sustainable business operations will hold us in good stead for the long term.

We have the right assets, right locations, right partnerships and above all the right team for a resolute response to the crisis.

Responding to COVID-19

Building resilience amid pressing challenges

We are adapting fast with discipline and diligence to survive and thrive in the new world order unfolding around us. Here is a succinct look at the strategies we had undertaken during the reporting year.

Phase 1: Surviving COVID-19

We had the advantage of early warning from our hotel operators who also have their presence in China. We developed a cautious and agile plan of action to ensure business continuity through extra focus on safety and hygiene, cash flow management and cost efficiencies and extended all possible support to authorities fighting COVID-19. (Please refer to Page 34 for more details on the said initiatives)

Phase 2: Reboot, Reinvent, Race Ahead

We prepared for the way forward and were ready to ramp up operations as business improved upon easing of lockdown restrictions starting June 2020.

Reboot

- Operationalised all hotels with full-room inventory
- Ramped up F&B operations by reopening bars, restaurants & banquets

Reinvent

- Initiated cost-control measures starting early February 2020
- Rolled out new hygiene, sanitisation and safety protocols/Standard Operating Procedures as new norms were being introduced
- Achieved 55% reduction in total cost base at the entity level in FY 2020-21
- Improved employee productivity and achieved a associate to room ratio of **0.74** in FY 2020-21 down from 1.08 in FY 2019-20
- Improved operational efficiencies by:
  - outsourcing non-core functions like transport fleet and laundry operations at its Mumbai hotels
  - centralising Finance Function for 4 large hotels
- Rolled out health, hygiene and safety protocols 'ALLSafe' and 'Commitment to Clean' in Accor and Marriott hotels, respectively
- Lowered utilities cost by 51%

Race Ahead

- Generated revenue from new categories, such as Special Purpose Groups (SPGs), Seafarer groups, Cargo airlines crew, Business Continuity Planning (BCP) rooms, film shoots, Staycations, food deliveries, among others besides quarantine (self-isolation) guests and rooms for COVID-19 front line warriors
- Hotels offered special packages, such as workcations to corporates and as alternate workspace set-ups in guest rooms and banquet halls
- Scaled up food deliveries and takeaways with app-based operators and direct-to-home services
- Strengthened partnerships with leading Online Travel Agencies (OTAs) attracting retail businesses
- Added recreational facilities like outdoor gyms, games, among others to focus on new forms of leisure segments, such as staycations
- Leveraged luxurious and spacious properties for the shooting of movies, web-series and reality shows
- Converted open lawns in a large property into a practice pitch for one of the IPL teams generating revenue

COVID-19 strategy

Strong focus on hygiene and safety

- Implementated stringent hygiene and safety protocols
- Participated in brand communication regarding hygiene and safety protocols to bolster travellers' confidence
- Our hotels implemented 'Committment to Clean' by Marriott and "ALL Safe" by Accor

Food & Beverage

- Leveraged outdoor spaces to promote alfresco dining
- Bundled staycations with curated dining experiences
- Promoted takeaway/delivery through tie ups with leading app-based aggregators

Re-engineer room segment mix

- Re-engineered segment and channel mix to maintain and strengthen market share
- Attracting non-traditional business segments, such as Special Purpose Groups, special cargo flight crews, seafarers, quarantine, project-related long stays

Alternate usage of underutilised spaces/rooms

- Rented out board rooms, meeting rooms, conference halls for office/retail usage

Adopt technology

- Digitised menus and payment options in restaurants for contactless dining
- Digital keys for touch-less entry to guest rooms
- Automated repetitive tasks and digitised records

Stay focused on cost optimisation

- Realigned cost structures: shifted fixed costs to fixed, variable or hybrid models
- Restricted capex spends to critical requirement only

Lakeside Chalet, Mumbai-Marriott Executive Apartments

Our Capitals

A prudent interplay of resources and relationships

Our ability to create and protect value over time is determined by how we leverage our resources and their interplay, and nurture our relationships with all stakeholders.

Financial Capital

We depend on various financial resources from debt and equity financing, internal accruals and returns on investments to conduct business.

Total Revenue (₹ in million)
3,167

EBITDA* (₹ in million)
253

Operating Cash Flow (₹ in million)
602

Total Expenditure (₹ in million)
2,873

Total Debt (₹ in million)
19,389

Capital Employed (₹ in million)
32,276

Infrastructure Capital

Hotel properties we own or manage, rental spaces, along with our offices, represent the physical infrastructure that enables us to do business and create value.

Hotels
7

Keys
2,554

Total Room Nights FY 2020-21
2,80,137

Mixed Use Retail & Commercial space (mn sq.ft)
~0.9

* Includes EBITDA from discontinued operations

Intellectual Capital

We are sharpening our edge with strong brand partnerships, parentage, specialised skills and expertise, along with deep market insight for smarter operations

Leadership team
11

Leadership team experience
243 YEARS

Human Capital

Our diverse and empowered teams are constantly striving to deliver rewarding experiences for our guests and clients. We are upskilling our workforce through tailor-made training programmes. Our enhanced focus is on strengthening diversity and inclusion among our teams. For two years in a row, we have been adjudged Great Place to Work®.

Associate to Room Ratio (Hospitality)
0.74

Revenue per Associate (₹ in million)
1.12

Associate Count
2,817*

*This includes both temporary and contract staff

Social & Relationship Capital

We nurture collaborative relationships with our wide fraternity of stakeholders (investors, operating partners, vendors, customers, employees and communities) where we operate. We are constantly strengthening our bonds with our stakeholders to drive shared value creation.

Brands across Asset Classes
9

Trade Body Memberships
6

Supplier Base
~6,700

Natural Capital

Making concerted efforts in restoring the natural wealth of the planet with a combination of minimisation and conservation initiatives.

Number of LEED-certified properties
4

Water Consumption (KL/Room/day)
04*
1.2**

Energy Consumption (KW/Room/day)
29*
95**

*For Total Rooms
**For Occupied Rooms

Chalet at a Glance

Creating some of life's most precious moments

We own, develop, asset manage and operate luxury hotels, including a serviced residence, at the heart of some of India's most important cities (Mumbai Metropolitan Region, Hyderabad, Bengaluru and Pune). We focus on driving efficiencies right from the pre-development stage and, maximising returns on every square foot we operate.

Our portfolio comprises seven fully operational hotels across mainstream and luxury segments and commercial and retail spaces close to our hospitality assets. Contemporary and well planned designs, strategic locations, long-standing experience in asset management, make our proposition an unmistakeable choice among stakeholders and customers alike. Even the selection of amenities, fine dining eateries and expansive outdoor activities keep our guests engaged and fulfilled. In addition, the Company also manages a leisure property 'The Resort' in Madh-Marve, a sea side weekend getaway at Mumbai.

We are part of K. Raheja Corp Group, a leading real estate developer with significant interests in commercial development, hospitality, residential development and retail outlets amongst others in India. We believe that we derive significant benefits from the confidence that consumers, lenders, hospitality partners, vendors and others place in the group.

Portfolio of global Hotel brands

JW Marriott

Westin

Marriott

Marriott Executive Apartments

Renaissance

Four Points by Sheraton

Novotel

4
Cities where our high-end hotels are making a difference to hospitality

9
Brands across asset classes

20
Years of experience

10
Properties across asset classes

2,817*
Employees

*This includes both temporary and contract staff

JW Marriott Mumbai Sahar

Vision

To create extraordinary shareholder value through enduring experiences for our guests, partners, colleagues and communities with a commitment to a sustainable future.

Intent: We keep shareholders as key focus for why we do business. We create value when we create lasting experiences for three key stakeholders – our guests, partners, colleagues and communities.

Values

Integrity

Our Values are the basis on which we build a strong and shared culture across all aspects of the business.

We uphold the highest standards of integrity in all of our actions.

Agility

Think, Decide, Act proactively

Our strength lies in being nimble, decisive and being proactive in our actions.

Efficiency

Transform optimally

We focus on results, act with ambition to be operationally competitive.

Collaboration

Work as one

We harness differences and interdependencies to unleash the power of one.

Sustainable development

We grow responsibly

Focus on growth tempered with respect towards the environment and local communities.

Respect

Recognising and enabling individual contribution and growth

We respect individual beliefs and diversity to provide a nurturing environment for our colleagues to grow.

Our Assets

Brands that patrons love to embrace

Mumbai

Keys

1,513

JW Marriott Mumbai Sahar

Renaissance Mumbai Convention Centre Hotel, Powai

Four Points by Sheraton Navi Mumbai, Vashi

Lakeside Chalet, Mumbai – Marriott Executive Apartments, Powai

0.5 mn sq.ft. of rental assets

Bengaluru

Keys

391

Bengaluru Marriott Hotel, Whitefield

0.4 mn sq.ft. of rental assets

Hyderabad

Keys

427

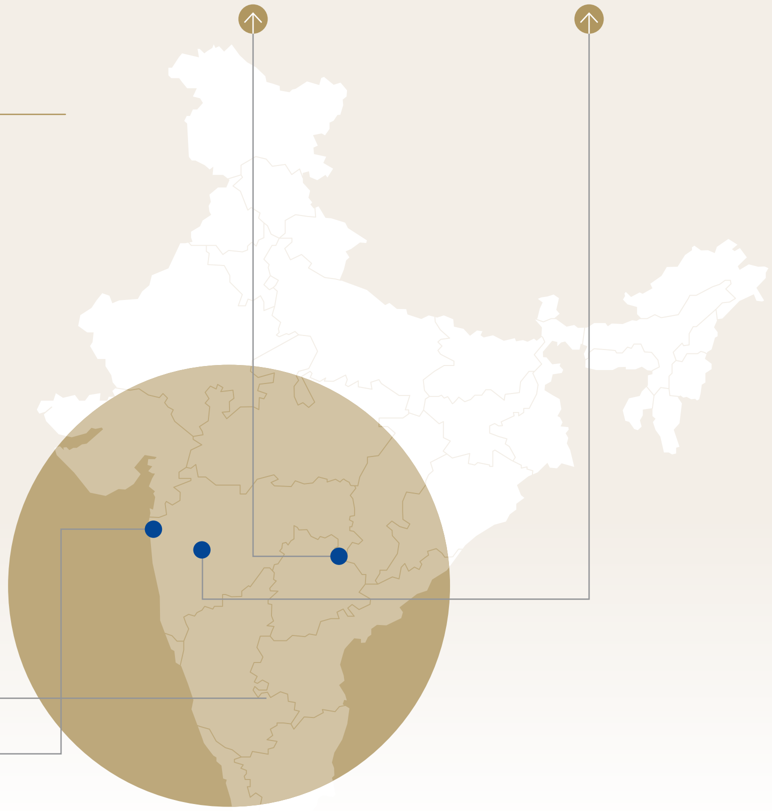
The Westin Hyderabad Mindspace

Pune

Keys

223

Novotel Pune Nagar Road



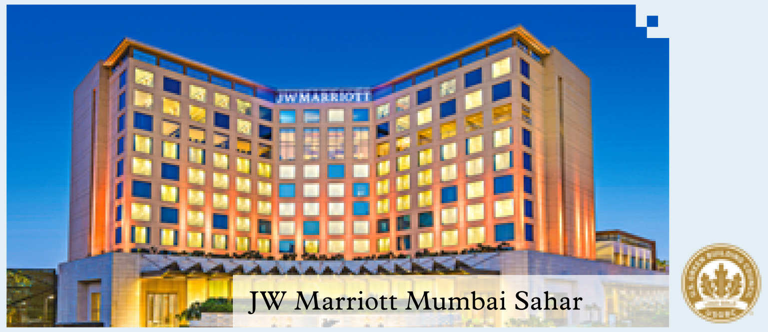
Categories

5 Star Luxury – Upper Upscale	4–5 Star Upscale and Midscale	Rental Assets
Keys	Keys	Sq.ft.
2,179	375	0.9MN

City-wise portfolio across strategic locations

Mumbai

Hotels



Keys

588

JW Marriott Mumbai Sahar

Offering unrivalled 5 star comfort and delight, creating an out-of-the-world experience for a global consumer base.

Renaissance Mumbai Convention Centre Hotel, Powai

Located at Mumbai's heart, this property spans 15 acres of green expanse overlooking the Powai Lake; providing an enriching and luxury experience

Keys

600

KEYS

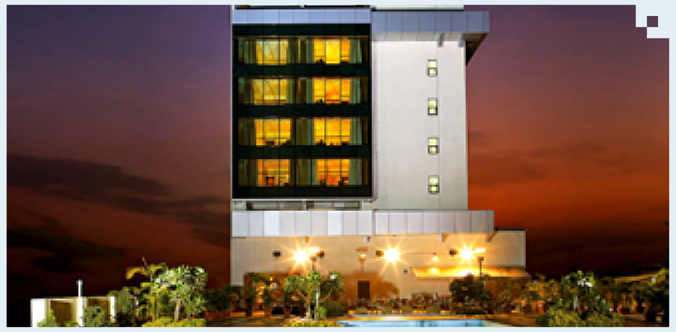
173

Lakeside Chalet, Mumbai – Marriott Executive Apartments, Powai

Along the banks of the scenic Powai Lake, enjoy elaborate 'staycations' at this homely apartment-like accommodation that comes with 5-star amenities at the customers' beck and call

Four Points by Sheraton, Navi Mumbai

Bringing to bustle the corporate hub of Navi Mumbai metropolis to allow visitors a luxury breakout time like none other



KEYS

152

City-wise portfolio across strategic locations

Mumbai

Commercial

SQ.FT.
0.5 Mn

Rental Asset, Sahar

Everything that a contemporary workspace should be and more, spaces that enhance productivity, empower occupiers

Pune

Hotels

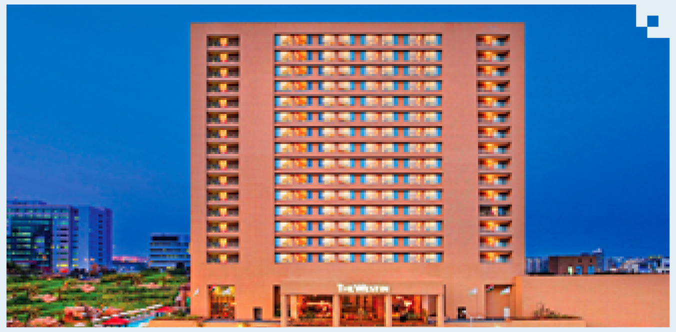
KEYS
223

Novotel Pune Nagar Road

The property quickly rose to fame for being among the finest business hotels in the location, a holistic ecosystem supporting both corporate clients as well as patrons seeking leisure

Hyderabad

Hotels



KEYS
427

The Westin Hyderabad Mindspace

Bringing together one-stop solutions for business as well as leisure travel, the property sits at the heart of Hyderabad city

Bengaluru

Hotels

KEYS
391

Bengaluru Marriott Hotel, Whitefield

A luxurious property located in close proximity to the corporate hub and entertainment centres in the New Business District, that ensures guests have an enjoyable stay

Commercial

Rental assets in Whitefield

Grade-A office space in the leading commercial district of Bengaluru and Inorbit Mall Bengaluru

SQ.FT.
0.4 Mn

Key Performance Indicators

Performing with fortitude

Economic

Profit and Loss

Total income
(₹ in million)

FY 2020-21	3,167
FY 2019-20	10,087
FY 2018-19	10,348
FY 2017-18	8,513

EBITDA*
(₹ in million)

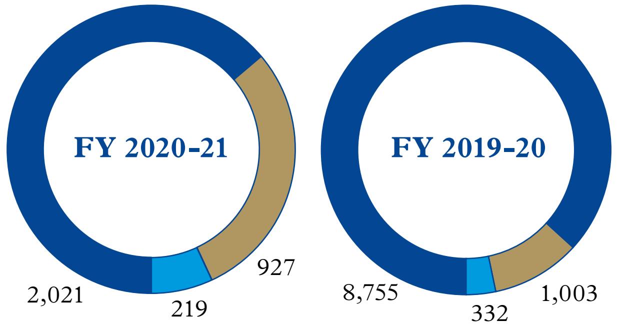
FY 2020-21	253
FY 2019-20	3,708
FY 2018-19	3,668
FY 2017-18	3,005

EBITDA* margin
(%)

FY 2020-21	8
FY 2019-20	37
FY 2018-19	35
FY 2017-18	35

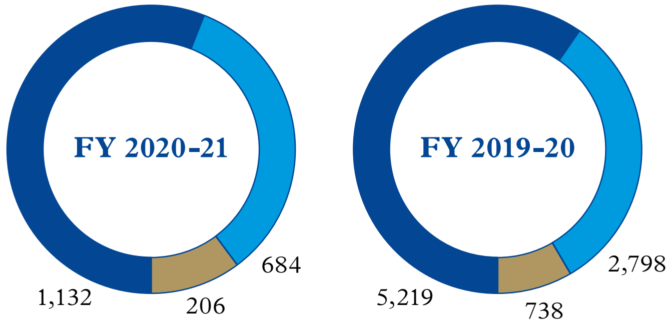
*Includes EBITDA from discontinued operations

Consolidated Total Income (%)



- Hospitality
- Other income
- Retail and commercial

Hospitality revenue split (%)



- Room
- F&B
- Other Income

Balance Sheet

Net Worth
(₹ in million)

FY 2020-21	14,157
FY 2019-20	15,543
FY 2018-19	14,255
FY 2017-18	4,955

Capital Employed
(₹ in million)

FY 2020-21	32,276
FY 2019-20	32,816
FY 2018-19	28,348
FY 2017-18	27,961

Total Debt
(₹ in million)

FY 2020-21	19,389
FY 2019-20	17,907
FY 2018-19	14,942
FY 2017-18	27,093

Operational

Average Daily Rate
(₹)

	FY 2020-21	FY 2019-20
MMR*	4,056	8,309
Bengaluru	4,611	9,093
Hyderabad	4,161	8,688
Pune#	2,871	5,255
Combined	4,040	8,482

Occupancy
(%)

	FY 2020-21	FY 2019-20
MMR*	35	72
Bengaluru	24	73
Hyderabad	19	70
Pune#	28	41
Combined	30	71

Revenue per Available Room
(₹)

	FY 2020-21	FY 2019-20
MMR*	1,415	5,942
Bengaluru	1,127	6,593
Hyderabad	794	6,115
Pune#	805	2,130
Combined	1,214	6,022

*MMR: Mumbai Metropolitan Region
Novotel Pune was acquired in February 2020 and hence only included for 2 months in the previous year

Environment

FY 2020-21

Electricity consumption trend
(KWH/room/day)

95*
29**

Water consumption trend
(KL/room/day)

1.2*
0.4**

Proportion of renewable energy used in operations
(%)

51

*Occupied rooms
**Total rooms

Social

FY 2020-21

No. of lives touched

50*

CSR expenditure
(₹ in million)

4.5

Employee training
(hours)

1,10,245

*No. of lives touched includes 50 persons trained through our CSR initiative on skill development. Besides this various other initiatives have been undertaken, the impact of which cannot be measured.

Chairperson's Letter

Battling the odds with a resolute response

"We are pleased with the progress we have made in weathering the storm to date. While the pandemic is far from over, more and more people are getting vaccinated every day, giving us hope that we are getting closer to normalcy. The timing for a full recovery cannot be predicted and recovery timelines are going to vary greatly by region, but we are optimistic about the return of travel."

Hetal Gandhi
Chairperson and Independent Director

Total Revenue (₹ in million)	Operating Cash Flow (₹ in million)
3,167	602

Dear Shareholders,

Arthur Golden said "Adversity is like a strong wind. It tears away from us all, but the things that cannot be torn, so we see ourselves as we really are".

The pandemic and its aftermath have had a deep impact on society, businesses and the economy. The Management of your Company reacted swiftly to address and mitigate the impact of the pandemic on our business. We shored up our liquidity, reduced costs both above property and at the hotel level and adjusted many of our operating protocols, with a focus on elevating our cleanliness standards.

Our brand partners rolled out customised safety and business continuity plans with Accor launching 'ALL Safe' and Marriott International's 'Commitment to Clean' with the endeavour to provide a safe hospitality experience.

In addition to continued focus on cost-saving initiatives, underutilised and underperforming assets were repurposed to provide a more sustainable stream of revenue in the coming years. Capital expenditure of ₹ 1,159 million contributed to the increase in net debt for the year by ₹ 2,141 million to ₹ 18,711 million. The strategic mix of asset classes helped in achieving break-even in operating profits for the year. Chalet recorded EBITDA of ₹ 253 million including EBITDA from discontinued operations against a revenue of ₹ 3,167 million for the year, and profit after tax was at ₹ (1,391) million.

We are pleased with the progress we have made in weathering the storm to date. While the pandemic is far from over, more and more people are getting vaccinated every day, giving us hope that we are getting closer to normalcy. The timing for a full recovery cannot be predicted and recovery timelines are going to vary greatly by region, but we are optimistic about the return of travel.

Chalet Hotels continues to seamlessly integrate environmental, social and governance practices into its operations. The sustainability initiatives are driven by the commitment to achieve energy efficiency with a focus on renewable resources, water conservation and recycling measures to name a few. Additionally, Chalet has achieved consistent reduction in the deployment of single-use plastic and paper. Chalet Hotels has also applied to the Climate Group's EV100 initiative across its properties, contributing to reduction of harmful emissions. This will help accelerate a shift to clean transport and reduce air pollution across our hotels.

The growth and development of our people continues to be a priority along with increased sensitisation on inclusivity and gender diversity. In a year rife with adversities, Chalet enhanced its commitment towards society and continued its CSR initiatives involving skill development of persons with disabilities, supporting healthcare initiatives in partnership with hospitals, providing meals to frontline warriors and essential supplies to the marginalised.

Chalet Hotels' Board of Directors endorse good corporate governance practices, with majority of the Board being independent. Maintenance of high levels of adherence with regulatory requirements are fairly evaluated and strengthened.

Chalet's policy and priorities concerning Environment, Social and Governance initiatives are articulated in its ESG Report, which will soon be made available on www.chalethotels.com.

Among Chalet's core pillars of value creation, 'Identifying high-potential locations' > 'Build efficiently' > 'Partner with the best' > 'Drive performance across the Board', have been held in good stead through turbulent waters, with a stronger path to continued returns on investments defined.

We are grateful that FY 2020-21 is behind us. As we look ahead, we know that our guests are eager to get on the road and get together in person. So many life events have been postponed - weddings, reunions, anniversaries. There is simply no virtual replacement for that. We believe we are well positioned to meet the needs of all of our guests as soon as they are ready to travel again. Without a doubt, we have a lot of work ahead as we navigate through the pandemic.

We continue to have great confidence in the strength of our Partners and Management team. We offer our best wishes that everyone stays safe and healthy and we look forward to seeing you soon at one of our hotels.

Yours Sincerely,

Hetal Gandhi
Chairperson and Independent Director
DIN 00106895

Managing Director's Perspective

Calibrating a resolute response to changing times

"The Company undertook a 2-pronged approach on protecting cash flow and sustaining the business. Phase 1: Surviving COVID Crisis, a hawk-like focus on expenses and conserving cash while protecting revenue market share. Phase 2: Post-COVID strategy, focused on boosting revenues and stabilising costs. I am happy to share that as a result we have been EBITDA positive at the Company level for all four quarters of the year with quarter-on-quarter improvement."

Sanjay Sethi
Managing Director & Chief Executive Officer

Occupancy in February 2021

42%

Dear Shareholders,

Smooth seas do not make skillful sailors. We have been through a wild storm and your Company will come out stronger in the post-pandemic world.

Your Company has worked hard though the year with key focus on health and well-being of guests and associates and prudent cash flow management.

The Company undertook a 2-pronged approach on protecting cash flow and sustaining the business. Phase 1: Surviving COVID Crisis, a hawk-like focus on expenses and conserving cash while protecting revenue and market share. Phase 2: Post-COVID strategy, focused on boosting revenues and stabilising costs. I am happy to share that as a result we have been EBITDA positive at the Company level for all four quarters of the year.

FY 2020-21 began with a nationwide lockdown as the COVID-19 virus spread though the country, crippling its economy. By June, the Indian economy started opening up as the state governments cautiously removed restrictions in a phased manner. As the situation became clearer, your Company fully operationalised all areas of its business with globally accepted safety and hygiene protocols and SOPs.

We catered to long-stay guests, asymptomatic quarantining, repatriating passengers from 'Vande Bharat' flights, airline crews, returning seafarers and companies seeking Business Continuity Plan (BCP) options for their employees. Digital solutions, such as electronic menus, contactless payment options, touch-less check-in and checkout became the new norm.

Starting August, various state governments started relaxing restrictions, encouraging businesses to recommence and from October onwards, Maharashtra allowed restaurants to welcome non-resident guests. India entered into air bubble agreements with several countries generating international traffic. Project-based demand resurfaced as a more sustainable form of business.

By Diwali, the country looked like it was on its way to normalcy. The next few months saw pent-up demand from leisure being the largest hospitality demand driver. Food delivery became a new revenue stream and social functions and weddings, which had been kept on hold for long, started generating momentum for Food & Beverage (F&B) segment.

During the period, we along with industry associations worked closely with the government to push relief for the hospitality industry, which is one of the worst-hit industries in the pandemic. The government of Maharashtra extended three-month waiver on property tax for hotels that housed doctors under the kindness package. They also gave a six-month waiver on excise fee. Maharashtra and Karnataka governments finally announced the much sought-after industry related benefits for electricity, water, and property tax to the hospitality sector.

The portfolio of rent-yielding, commercial assets continued to support the cash flow of the Company through the year. Lockdown restrictions across various states kept the retail segment as an underperformer among our asset classes.

India started vaccinating its frontline workers in January and the month-on-month positive trend continued with the daily positive case count falling to the lowest of sub 10,000 in February 2021. With air traffic reaching ~60% of pre COVID levels, the hospitality industry saw strong momentum build up in occupancies and F&B revenues. In this period new revenue streams came from film/web series/reality show shoots and sports events. Your Company saw an occupancy of 42% for the month of February.

With the second COVID-19 wave, the country again came to a standstill as we closed the year in March 2021. Spiraling infection rates forced state governments to re-impose restrictions at various levels. Business momentum slowed down as the daily case count kept creeping up to a peak of ~4 lakh cases a day in May 2021. The vaccination

Forecasted occupancy in India
(for FY 2021-22)

52.7%

Associate to room ratio
(employee per room)

0.74

"We have recently signed up for their EV100 initiative, which focuses on accelerating transition to electric vehicles under the aegis of the Climate Group. I am very happy to share on renewable energy front, our energy consumption has now moved to 51% of our energy coming through green sources."

drive in India has since picked up pace and daily reported cases have been tipping off , generating hope of restrictions being lifted from June 2021 onwards.

As of June 2021, India has fully vaccinated around 3.5% of its population and another 14% of the population has received the first dose. To put things in perspective the global vaccination status reports that 6% of the global population is now fully vaccinated.

The UK and the US, which are both key markets for Chalet are reporting 45% and 44% fully vaccinated citizens, respectively.

According to a recent report by Hotelivate, average occupancy in India reached 49% in Q4FY21 as compared to 65% in pre-COVID levels, largely led by pent-up demand in the leisure space and showcasing very importantly, the willingness to travel. The report has forecasted occupancies in India in FY 2021-22 to be 52.7% and in FY 2022-23 64.9%, driven by demand recovery as well as muted growth of supply.

Our cost control measures taken throughout the year have kept fixed costs at around 50% of previous year's level for the hospitality division. Our operating teams managed to reduce fixed costs by moving certain fixed costs to variable buckets. Variable costs were also in line with revenue levels and were down by 70% for FY 2020-21. A few strategic initiatives like centralising finance hub, outsourcing non-core activities like laundry service of our two large hotels in Mumbai resulted not only in improving efficiency but also helped lower cost on an ongoing basis.

Reduction in electricity consumption
(per room)

46%

Net Debt
(₹ in million)

18,711

Following prudent cash flow management, non-essential capital expenditure has been kept on hold till visibility emerges on hospitality demand. The work on commercial projects at two locations have been restarted and are on track to deliver 1.2 million sq. ft. of rent-yielding assets over the next 2 years. However, new hotel projects have been on hold for now.

Through our continued emphasis on staff productivity, the associate to room ratio continues to hold at 0.74 employees per room for the second quarter in a row. This ratio was 1.18 employees to a room in December 2019. For utility costs, another big cost head for our hotel portfolio, we managed 46% annual reduction in electricity units consumed per room in FY 2020-21. These efficiencies have also been driven over the last few years by the mission to go green as a company.

Led by these initiatives your Company ended FY 2020-21 with net debt of ₹ 18,711 million a total increase of ₹ 2,141 million within the year. The capital expenditure for the year was at ₹ 1,159 million.

We have recently signed up for their EV100 initiative, which focuses on accelerating transition to electric vehicles under the aegis of the Climate Group. I am very happy to share that on renewable energy front, our energy consumption has now moved to 51% of our energy coming through green sources.

In line with our CSR policy and considering the situation created by the pandemic, we felt the need to contribute to extend our support to healthcare initiatives. This year, the CSR expenditure was utilised primarily towards providing an ambulance to the Diabetic Association of India, which touched the lives of many in Mumbai city. We also supplied linen to the COVID-19 ward of J J Hospital and conducted skill development programmes to create employability for 50 persons with disabilities.

I am grateful that the team at our hotels, who have done a tremendous job of coping in very trying circumstances, both on the personal and professional front and continue to serve our guests with a smile. I am happy to share that Chalet Hotels has for the second consecutive time been certified as a great place to work by the Great Place To Work® Institute and has moved up by 10 places to 6th place within the small and mid sized corporates. Your Company has six young and dynamic lady colleagues in an 11-member senior management team in line with our gender diversity focus. This leadership team will now work towards driving the diversity ratios at all levels of the Company. We are further encouraged by being listed as one among India's best workplaces for women in 2020.

Travel and hospitality industry have a tendency to learn, evolve and bounce back. Your Company has taken the unforeseen challenges of the pandemic within its stride and put up a resolute response to come out stronger. The pillars of a well-diversified portfolio, re-strategised capital expenditure plan, sustainable initiatives and strong backing from the promoter group, your Company will continue to carve out a niche path for growth.

Stay Well! Stay Safe!

Yours Sincerely,

Sanjay Sethi
Managing Director & Chief Executive Officer
DIN: 00641243

Business Model

Built to maximise value sustainably

Capital inputs

Financial Capital
- Equity & Reserves: ₹ 14,157 million
- Total Debt (excluding preference capital): ₹ 19,389 million

Manufactured Capital
- Fixed assets: ₹ 20,620 million
- Hotels: 7
- Rental assets: 4
- Number of rooms: 2,554
- Total leased space: ~0.9 million sq. ft.

Intellectual Capital
- Asset management ability to enhance productivity
- Strategic and business knowledge with the Group

Human Capital
- Associate Count*: 2,817 as on March 31, 2021
- Employee training & engagement: ₹ 5.5 million

*includes employees hired on temporary contractual/casual basis

Social & Relationship Capital
- CSR spend during the year: ₹ 4.5 million
- Number of brand associations: 9
- Suppliers: ~6,700 active vendors
- Number of trade body memberships: 6

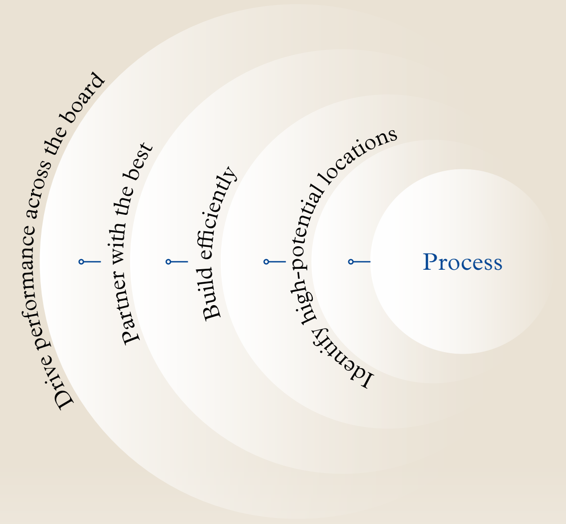
Natural Capital
Energy mix
- Renewable: 51%
- Non-renewable: 49%

Number of LEED-certified properties: 4

Value creation approach

Vision
To create extraordinary shareholder value through enduring experiences for our guests, partners, colleagues and communities with a commitment to a sustainable future.

Values
- Efficiency
- Agility
- Integrity
- Sustainable development
- Collaboration
- Respect



Strategic priorities
- Maximising returns
- Drive growth
- Sustainable best practices
- Industry leadership in operating performance
- Nurture relationships

Outcomes

Financial Capital
- Sustainable capital structure
- Generating optimal cash flows per asset
- Revenues: ₹ 3,167 million
- EBITDA* : ₹ 253 million

* Includes EBITDA from discontinued operations

Manufactured Capital
- Optimal returns from investment and property
- Market dominance across all hotel properties
- Annuity shield from mixed-used development
- Fixed cost down by ~50%
- Variable cost down by ~70%

Intellectual Capital
- Prudent Capital allocation
- Cost optimisation
- Right asset mix
- Sweating the assets

Human Capital
- Higher employee productivity
- Better employee satisfaction
- Right sizing - associate to room ratio: 0.74
- Stronger talent management
- Revenue per employee: ₹ 1.12 million

Social & Relationship Capital
- Higher customer acquisition and retention
- Fortified policy development
- Community development
- CSR initiatives reaching out to various sections across society

Natural Capital
- Sustainable resource utilisation
- Water consumption: 0.4 KL/room/day
- Consistent energy savings through various initiatives across all our properties
- CO_2 emissions avoided by embracing renewable energy

Stakeholder

Investors and promoters
Our approach is to take investors and stakeholders into confidence and respect their opinions.

Customers
Staying on top of all that is new and changing in the industry is a priority for us. It helps us connect with our customers better and deliver in line with their evolving preferences.

Business partners
We work to understand the expectations they have from us before we set a clear and transparent roadmap. The smoother our relationships are with our associates, the better our ability to co-create unforgettable experiences for our customers.

Employees
Our businesses are energised by our people. We continuously invest to upskill our talent and also focus on their safety and well-being.

Communities
As a conscientious corporate, we strive to make a positive and sustainable difference in the lives and livelihoods of the underprivileged.

Regulators
Adhering to the highest compliance standards and integrating global best practices across our decisions, operations and actions is our way of setting an example in the industry.

Value Creation Processes

Imperatives	Process	Strategic priorities
Identifying high-poential locations	• Premium assets in important gateway cities in AAA locations • Promoter pedigree and market expertise • Right-timing projects	• Maximising returns • Drive growth • Nurturing relationships
Build efficiently	• Sourcing of materials • Right-sizing projects • Efficient space usage • Mixed-use development (mutually complementary)	• Maximising returns • Sustainable best practices
Partner with the best	• Right operator and operator arrangement • Right supply chain • Best talent	• Maximising returns • Industry leadership in operating performance • Nurture relationships
Driving performance across the board	• Asset management • Operating efficiencies • Alternative use of underutilised spaces and rooms • Adopting new-age green technology • Maintaining sustainable capital structure	• Maximising returns • Drive growth • Sustainable best practices • Industry leadership in operating performance


The Resort Madh Marve, Mumbai

Evolving to gear up for a changing landscape

The world has been in a state of complete or semi lockdown for a year and a half, paralysing global trade and travel.

The year 2020 started on a positive note for the Indian hospitality sector with steadily increasing demand. However, things took a different turn when COVID-19 hit the world, compelling people to stay inside their homes with travel coming to a complete halt. Airlines and hospitality industries were worst affected. According to IMF, the global economy contracted by 3.3% in 2020, while the quantum of lives lost and the disruption to livelihood were immeasurable.

According to a recent report by Hotelivate, Indian FY 2019-20 occupancy and ADR were at 65.4% and ₹ 6,061, respectively, which saw a sharp drop to 33.8% and ₹ 4,013, respectively in FY 2020-21.

By 2021, several biotech companies developed vaccines that were ready to be rolled out. Public at large had adapted to the new normal and as the understanding of the virus improved, fear among people reduced. Businesses started recovering towards the end of 2020 and were all set for a steep RAMP UP in 2021. Vaccination drives were launched around the world and several countries such as US, and many EU countries had many of their population vaccinated by May 2021. Businesses across EU and the UK started re-opening and restrictions around international travel started easing.

In India, however, steady improvement was observed among businesses between January and mid-March, only to be dampened by the second wave of COVID-19 cases spiraling by count. With daily new case count coming to ~3-4 lakh between April and May, the governments of several Indian states, imposed lockdowns and restrictions. International travel to India, which had barely started, came to a halt again; 21 countries issued advisories against travel to India.

These disruptions notwithstanding, before the second wave hit India, the domestic air passenger traffic had reached ~60% of pre COVID levels. The industry was quick to respond and stringent protocols were rolled out in March 2020 to curb the spread of the infection. The high standards of hygiene and safety put to effect in the branded category of top global branded hotels were further enhanced with focus on anti-viral measures. Customers responded positively to these efforts and the confidence to travel and stay at hotels improved. As a result, nation-wide hotel occupancies for Q4 FY 2020-21 reached 49% according to Hotelivate.

With active vaccination drives being conducted across the country, improved sentiments and strict safety protocols in place, Indian corporations planned return to offices. The second wave delayed the recovery cycle by 6 months.

Hotels are moving towards a more efficient future, led by higher degree of employee productivity, long-term focus on cost management and realignment of services offered, focusing on selling price.

The pandemic brought about several changes in the way we live and work. Businesses have had to redefine and reinvent their way of operating, aligning them to emerging customer expectations. The travel industry witnessed a paradigm shift in terms of travel trends, with **new forms of demand, such as workcations, staycations, and BCP surfacing. Also, redefined food and beverage offerings by providing safe, luxury home dining experiences.**

Travel and Hospitality are among the largest industries and a significant job creator in India. **Industry bodies and the Government of India joined hands to address the needs of the industry. Maharashtra and Karnataka accorded 'industry'** status to the Hospitality industry, making way for access to numerous benefits, of which the biggest is that of power cost.

The ongoing financial strains, coupled with an uncertain economic environment over the mid term have caused stress to smaller players, and is discouraging hospitality investments and leading to subdued supply growth. **This resulted in a busy M&A space and the industry consolidating at several levels, promising a strong rate and occupancy recovery.**

Sustainable initiatives with focus on power consumption and monitoring of power sources, water conversation and waste management are redefining investment decisions and business operations in the hospitality industry. Hotels are moving towards a more efficient future, led by higher degree of employee productivity, long-term focus on cost management and realignment of services offered, focusing on selling price. Thus, creating a permanent cost arbitrage leading to improving returns on investments, going forward.

Adoption of new-age technology is accelerating as part of efforts to enhance business health, hygiene, and safety features of properties, while automating processes aimed at minimising human interactions for routine and repetitive tasks. Technology has also altered the approach within the Meetings, Incentives, Conferences and Events (MICE) segment, which are expected to move from physical to a hybrid of physical and virtual gatherings.

Stakeholder Engagement

Nurturing our enduring bonds

Our stakeholder strategy is based on regular, proactive and meaningful engagement with our stakeholders to identify their concerns and expectations, and ensure that we address those issues impacting our business collaboratively and responsibly. Their continued trust is critical for us.

Bengaluru Marriott Hotel Whitefield

Financial Capital | Human Capital | Intellectual Capital | Social & Relationship Capital | Natural Capital

Stakeholders	Investors and Promoters	Employees	Hotel Operators	Suppliers	Communities	Customers	Regulators
Impact on capital	Financial Capital, Social & Relationship Capital, Human Capital	Financial Capital, Human Capital, Social & Relationship Capital	Financial Capital, Social & Relationship Capital	Intellectual Capital, Social & Relationship Capital	Social & Relationship Capital	Social & Relationship Capital	Financial Capital, Social & Relationship Capital, Natural Capital
Functions	• Investor relations and Secretarial • Good governance and transparency	• Employee well-being • Human capital development	• Hotel operations, business teams, operational and resource efficiency	• Supply chain management, awarding tenders	• NGO partnerships, community development	• Business teams, service quality, data security	• Legal and secretarial • Compliance with systems and regulations
Key topics discussed	• Greater focus on governance • Regulatory compliance • Greater transparency and disclosures • Healthy EBITDA margin among hotels • Shareholder confidence	• Continuous year-on-year growth strategy • Key strengths of business: location, demand build-up, efficient building design • Diversity and inclusion • Unionised challenges • Training on good governance	• Adherence to applicable norms as per location of hotel operators	• Responsible procurement	• Impact on immediate community	• Customer satisfaction • Brand tenets with respective associated hotels managed by Chalet	• Statutory compliances
Engagement platforms	• Interactive meetings, conferences and correspondence • Surveys	• Personal/group interactions, mailers • Surveys	• Meetings, surveys and web portals	• Procurement team engagement	• Meetings, newsletters, survey • Employee volunteering, CSR activities	• Industry conferences • Survey and customer satisfaction assessment (through brand partners)	• Industry representations, filings, correspondence, meetings
Key inferences	• Building investor confidence • Sustainable profitability	• Enhanced employee engagement, satisfaction and motivation	• Closely partner to support the goals of the Company and its operating partners	• Long-term association, strengthened supplier relationship	• Community development, awareness and upliftment	• Long-term customer relationship, understanding customer requirements	• Ethical business conduct and moving towards going beyond regulatory requirements

Material Issues

Addressing issues of long-term impact

During the year, we interacted with various stakeholder groups to identify material topics that have both medium-term and long-term implications for our business.

During the reporting period stakeholders across categories, including senior management personnel, employees, suppliers and customers, were covered as part of this exercise. Online surveys were conducted to understand each stakeholder's point of view on the emerging material topics for Chalet. Over 80 stakeholders both internal and external were covered in this exercise. These detailed discussions and survey responses provided valuable insights that were used as inputs in the materiality assessment process. These inputs, together with an analysis of their external environment, led to the prioritisation of distinct material topics. The Integrated Report covers Chalet's approach and performance related to these topics.

Material topics

Environment

Bengaluru Marriott Hotel Whitefield

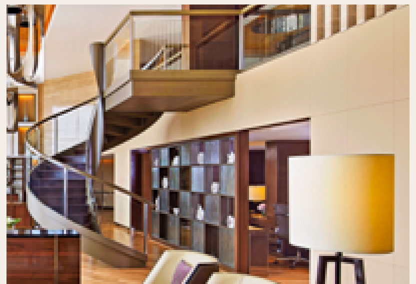
- Climate Change, Energy and Emissions
- Water
- Waste Management
- Biodiversity

Social

COVID Camp

- Sound HR Policies & Talent Management
- Health and Safety
- Gender Diversity
- Customer Delight
- Social Initiative
- Redressal Mechanism

Governance



JW Marriott Mumbai Sahar

- Policies
- Sustainable Profitability & Return on Investment
- Information and Cyber Security
- Responsible Procurement
- Service Quality
- Brand & Reputation
- Risk Mitigation

Investors and Promoters | Employees | Hotel Operators | Suppliers | Communities | Customers | Regulators

Material topics	Stakeholders impacted	Significant impact	Linkage with SDGs
Sustainable Profitability & Return on Investment		Within the organisation and outside	8
Sound HR Policies & Talent Management		Within the organisation and outside	3, 4, 5
Health & Safety		Within the organisation and outside	3
Human Rights Assessment		Within the organisation and outside	10, 16
Information and Cyber Security		Within the organisation	9
Service Quality		Within and Outside the organisation	8
Risk Mitigation		Within the organisation and outside	9
Climate Change, Energy and Emissions		Within the organisation and outside	7, 12, 13
Water Management		Within the organisation and outside	6
Waste Management		Within the organisation and outside	6
Biodiversity		Within the organisation and outside	14, 15
Governance		Within the organisation	8, 10, 16, 17
Responsible Procurement		Within the organisation and outside	12, 17
Brand & Reputation		Within the organisation	8, 16, 17
Customer Delight		Outside the organisation	16, 17
Social Initiative		Outside the organisation	8, 10, 11, 17
Redressal Mechanism		Within the organisation and outside	16, 17

Long-term Strategy Pillars

Roadmap for consistent progress

Our strategy is built around five strategic themes. We have set our priorities under each to secure a sustainable competitive advantage in the industry and deliver returns.

Capital trade-off

Capital	Maximising returns	Industry leadership in operating performance	Drive growth	Nurture relationships	Sustainable best practices
	Positive	Positive	Positive	Neutral	Neutral
	Positive	Positive	Positive	Positive	Positive
	Neutral	Positive	Positive	Positive	Positive
	Neutral	Neutral	Neutral	Positive	Positive
	Neutral	Neutral	Positive	Positive	Positive
	Neutral	Neutral	Neutral	Neutral	Positive
Explain the trade-off	Allocating funds based on a balance between investment returns and business sustainability	• Managing service levels by rationalising workforce • Driving optimum revenue from existing resources	• Designing new sources of revenue in line with changed business scenario • Group know-how on strategic expansion with in-house capability of asset management	Relationship management and maintaining position as industry leaders	Focus on long-term business impact on the environment with key business decisions

Our priorities	Implementation approach	Capitals impacted	SDGs met
Maximising returns Strategic capex deployment to increase efficiencies and improve guest satisfaction	• Prioritising occupancy over rates during adverse circumstances • Keeping two properties closed during peak lockdown to rationalise costs • Reviewing and rationalising costs for long-term benefits		8 Decent work and economic growth 12 Responsible consumption and production 9 Industry, innovation and infrastructure
Industry leadership in operating performance Partner with the best and enhance the performance of existing properties	• Evaluating assets based on ROI and ascertaining the final use (e.g. Sahar retail) • Optimising usage of existing assets • Centralising certain functions like HR, laundry and clustering finance • Believing in and leveraging the first-mover advantage		8 Decent work and economic growth 12 Responsible consumption and production 9 Industry, innovation and infrastructure
Fast-tracking growth Expand and develop best-in- class asset management capabilities	• Exploring new avenues of hospitality revenue • Adopting alternate use of assets • Maintaining a healthy pipeline of asset addition • Assessing and exploring new geographies with high future potential demand		12 Responsible consumption and production 8 Decent work and economic growth 17 Partnerships for the goals
Strengthening relationships Nurture mutually beneficial relationships with best-in-class brands and internal and external stakeholders	• Supporting employees in a fast-changing operating landscape with focused HR initiatives • Distributing food, essentials and masks to the frontline COVID-19 workers • Keeping hotel doors and services open for quarantining doctors and healthcare workers • Deliberating with government bodies over policy changes in industry		17 Partnerships for the goals 5 Gender equality 4 Quality education
Sustainable best practices Thriving communities and sustainable business growth with least adverse environmental impact	• Centralising laundry services for Mumbai hotels • Aligning power and water usage with occupancy • Investments made towards technology initiatives for energy efficiency		7 Affordable and clean energy 12 Responsible consumption and production 6 Clean water and sanitation 9 Industry, innovation and infrastructure

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

Environment

Protecting the planet is a non-negotiable commitment

We understand that businesses like ours have a critical responsibility towards the betterment of the environment in which we operate. Therefore, we consistently strive to improve resource efficiency and minimise our environmental footprint. We have a dedicated team backed by well-placed systems and processes that help us drive environmental stewardship.

Highlights FY 2020-2021

Energy mix

Renewable	Non-renewable
51%	49%

Participation

EV100

Number of LEED-certified properties

4

Wastewater discharged

0%

All properties are designed to treat 100% wastewater through STP for efficient water use.

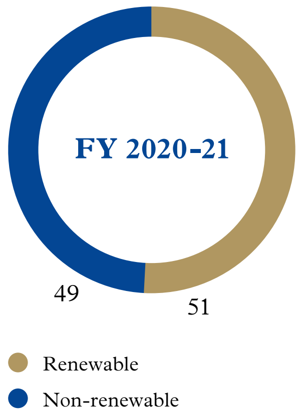
Bengaluru Marriott Hotel Whitefield

Energy management

Energy is a component with diversified efficiency and reduction solutions. Chalet's focus firmly remains on efficient energy utilisation, increasing renewable energy share and improving our specific energy consumption norms. The total energy consumption within the organisation for FY 2020-21 from all properties managed by Chalet (Bengaluru Marriott Hotel Whitefield, Hyderabad The Westin, Novotel Pune, Four Points by Sheraton Navi Mumbai, Renaissance Mumbai Convention Centre Hotel Mumbai and JW Marriott Sahar Mumbai) stood at 1,29,721.40 GJ.

Of the total energy consumed, electricity consumption and power generated across all our properties are as follows:

Electricity purchased (%)



Note: Inclusive of direct and indirect energy consumption within the organisation

Lakeside Chalet, Mumbai-Marriott Executive Apartments

Lakeside Chalet, Mumbai-Marriott Executive Apartments

As our contribution to minimise the environmental impact of our operations, Chalet has adopted the following initiatives during the year:

Building Management System (BMS) installed for low side HVAC at Four Points by Sheraton, Vashi, Navi Mumbai in this reporting year, which led to 87.62 GJ energy savings.

Electricity consumption trend*
(KWH per room per day)

*Calculated on total rooms

Water management

As population grows and the communities around us develop, there is a rising demand for water. We uninterruptedly work towards water conservation through our reliable water management practices and governance systems. We aim to protect and conserve water by optimum utilisation of the resource and establishing ways to mitigate its wastage.

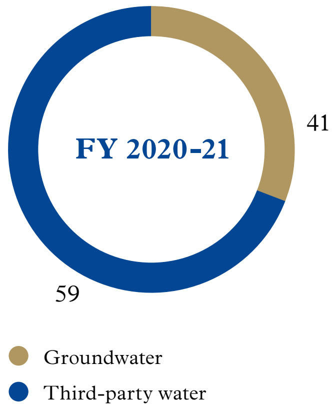
At JW Marriott Sahar, Renaissance Mumbai Convention Centre Hotel, Mumbai and Bengaluru Marriott Hotel Whitefield, we have three water intake sources available – third-party water (municipal and water tanker) and groundwater (borewell). Four Points by Sheraton, Vashi, Navi Mumbai only avails water from the municipal corporation.

Novotel Pune receives water from Municipal and bore well and Westin Hyderabad from municipal and third party.

Daily consumption of domestic water is mainly from guest rooms, kitchens, employee facilities, laundry, swimming pool and spa facilities. In addition, water tanks have been set up with holding capacity of 1,740 KL in Sahar and 760 KL in Marriott Whitefield, which help manage operations without additional water intake in case of breakdown or plant shutdown from respective municipal corporations. Rainwater harvesting system is in place, which regenerates the borewell during rain. Optimum water use is ensured. Centralised pumping station is tested on a weekly basis to avoid any water wastage through leakages.

Our hotels do not discharge any water to public drain or outside the premises. Sewage Treatment Plant (STP) and Effluent Treatment Plant (ETP) are in place. All properties are designed to treat 100% wastewater through STP for efficient water use. Water collected from the hotel user area (laundry, kitchen, washrooms, guest rooms and staff lockers) is recycled and reused for irrigation, cooling towers and toilet flushing. Water quality is maintained as per respective State Pollution Control Board norms.

Water withdrawal in m3 (%)



Water withdrawal

(m3)

Water withdrawal	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Surface water	56,498.45	63,290.6	68,506.19	18.52
Groundwater	144,311	102,381	108,796	123,588
Third-party water	380,094	412,650	333,637	177,442
Total water withdrawal	**580,903.5**	**578,321.6**	**510,939.2**	**301,048.52**

Note: On account of lower occupancy in FY 2020-21 due to pandemic, values for the current year are not comparable.

Waste management

The Company promotes waste reduction, as well as segregation and recycling. As the Company's primary service offering is hospitality services, its waste is mainly related to paper, wet waste (food waste), used cooking oil, municipal waste, and e-waste.

Chalet has strong practices in place for responsible disposal of all such waste through authorised third-party vendors.

At JW Marriott Sahar, Westin Hyderabad, Renaissance Mumbai, Novotel Pune and Four Points by Sheraton, Navi Mumbai Organic Waste Composter (OWC) machine has been installed to handle wet garbage generated through food waste, plant waste, which is further converted to compost. This compost is utilised for horticulture.

At Bengaluru Marriott Hotel Whitefield and Novotel Pune, wet (food) waste is also sent to animal farming as feed through authorised vendors.

Bottle crusher machine has been installed through which plastic bottles are crushed and stored and handed over to authorised vendors for recycling. Water bottling plant is being set up to minimise and reduce single-use plastic bottles.

Social: Workforce

Motivated team leading with resolve

We place great emphasis on our human capital and their well-being is imperative for our long-term success. Therefore, we strive to create unforgettable experiences to keep our people motivated and empowered. During the unprecedented event of the COVID-19 pandemic, we realised that it was more important than ever to stay connected and lend a helping hand to one another. In the time of crisis, we ensured that we support our employees in navigating through this challenging phase.

Great Place To Work. Certified APR 2021-MAR 2022 INDIA

As an employer of choice for the second consecutive year, moving up 10 places to 6th rank

Renaissance Mumbai Convention Center Hotel

JW Marriott Mumbai Sahar

Worforce engagement

A motivated and engaged workforce is a key component of an organisations's success. We recognise this and constantly engage with individuals across locations to explore their full potential and prepare them for leadership roles.

Our constant efforts have created an inclusive culture that is non-discriminatory, and there is no bias whether by religion, gender, caste or disabilities and has a policy of providing equal opportunities for all. Besides equal employment, the workforce (including contractual workers and those with disabilities) is entitled to equal benefits, training and skill enhancement.

Diversity and inclusion

We aim to promote a space where we treat each other as equals show support and respect to each other and our partners. We believe in diversity and providing equal opportunity to employees irrespective of the gender, caste, religion, creed. We encourage freedom of expression and understanding of differences. Implementation of 'The Pride Policy' is a step forward to reaffirm our belief in strengthening a non-discriminative and transparent workplace.

The Company has 6 women employees as part of the 11 member leadership team at the corporate office. At the hotels we have 233 women employees. To further our diversity and inclusion initiatives we are working in partnership with International Finance Corporation (IFC) to have focused drives to improve ratio of women in our workforce.

We appreciate that our employees' unique viewpoints, diverse backgrounds and experiences working together, lead us to better business outcomes and we attribute this, in part, to our ongoing success. We value the diversity of our workforce and are committed to promoting equal opportunities and empowering women. Policies like Women Leadership Programme and Aanchal the maternity programme, mark the steps taken by the Company in this direction.

Lakeside Chalet Mumbai-Marriott Executive Apartments

Our human resource pool

As on 31-march-2021							
Employee category	Hotel name	Total number	Age group (no.)			Gender (no.)	
			<30 Yrs	30-50 Yrs	>50 Yrs	Male	Female
Permanent	Hotels	1,758	791	920	47	1,525	233
	Chalet Corporate Office	88	14	60	14	72	16
	Total	1,846	805	980	61	1,597	249
Temporary	Hotels	128	99	29	0	119	9
	Chalet Corporate Office	87	0	87	0	87	0
	Total	215	99	116	0	206	9
Contractual		756					
	Grand Total	**2,817**					


JW Marriott Mumbai Sahar

Learning and development

Skill development and upgrading oneself is considered as an essential driver in growing within any field of life. A highly skilled workforce is of prime importance to an organisation's competitive advantage. At Chalet, the focus on training and development is significantly high. There are multiple avenues and options available to employees to build their capabilities.

Various other training programmes were conducted across levels and domains covering nurturing emotional intelligence, mindset matters, financial planning, design thinking, physical & emotional well-being as well as financial fitness for women to name a few.

Training hours

1,10,245

Health and safety

Ensuring the health and safety of people at all its workplaces is a key goal for us. During the year, an array of health and safety initiatives and programmes were unveiled at Chalet. Some key interventions are stated below:

- As of June 2021, 83% employee across corporate offices and our properties have received atleast one dose of the COVID-19 vaccine
- Rolled out health, hygiene and safety protocols 'ALL Safe' and 'Commitment to Clean' in Accor and Marriott, respectively
- Technology and app-based solutions to ensure employee health and safety and transport services
- Fire safety training for FY 2020-21 is 100% complete


Renaissance Mumbai Convention Center Hotel

Social: Community

Conscientious and caring

Giving back to society has been a constant endeavour at Chalet Hotels. Our CSR objective is to conceive, develop and fund programmes that can benefit the underprivileged, with focus on people with disabilities and those from the economically weaker sections. In the wake of the COVID-19 health crisis, we realised the alarming need to promote the importance of healthcare and have contributed towards it through our thoughtful initiatives.

CSR spends
(₹ in million)
4.5

Lives impacted through CSR programmes
50*

*No. of lives touched includes 50 persons trained through our CSR initiative on skill development. Besides this various other initiatives have been undertaken, the impact of which cannot be measured.

Renaissance Mumbai Convention Center Hotel


JW Marriott Mumbai Sahar

The past year was one of the most unprecedented and difficult years because of the pandemic. At Chalet we worked to help those in need by working on the following initiatives:

- Chalet provided a fully equipped cardiac ambulance to Diabetic Association of India and healthcare plans for COVID-19 patients to J J Hospital, both at Mumbai towards providing healthcare facilities
- Chalet also supported Trust for Retailers & Retail Associates of India (TRRAIN) in a unique initiative called PANKH that aims to create sustainable livelihoods for Persons with Disabilities (PwDs). 50 PwDs have undergone training in Bengaluru and Hyderabad as of March 31, 2021.
- Freshly cooked and hygienically packed meal boxes/snacks were distributed to a wide range of COVID-19 warriors, including doctors, nurses, policemen, municipality officials and sweepers, control room officials in Mumbai, Bengaluru, Pune and Hyderabad
- Lunch Meal Boxes were donated to a slum in collaboration with the Robin Hood Army at Hyderabad
- At JW Sahar Mumbai and Four Points by Sheraton (FPS) Vashi, we partnered with local surrounding institutes and NGOs to support them in the wake of the pandemic in offering support to the vulnerable people by arranging for food ration distribution, distribution of bedsheets and towels, clothes/bags, among others. Additionally, FPS Vashi also provided The City and Industrial Development Corporation of Maharashtra (CIDCO)with PPE and essential products for distribution
- Clothes donation drive was organised at Pune and Bengaluru.

We have identified areas and avenues for inclusion of disadvantaged, vulnerable and marginalised stakeholders. We continue to support differently abled individuals as well as those dedicated to the ‘Swachh Bharat Abhiyan’. We have partnered with Trust for Retailers and Retail Associates of India (TRRAIN) to create employability for individuals with physical infirmities.

Employees of Chalet show up for the community by way of volunteering time, skill, knowledge, and resources to support initiatives that promote individual and community welfare.

In light of the ongoing pandemic and upholding the Company’s commitment to promoting health and welfare, we contributed towards providing a fully equipped cardiac ambulance to the Diabetic Association of India and purchase of healthcare plans for COVID-19 patients of J J Hospital, in Mumbai.

Many initiatives have been undertaken by the hotels with a view to reaching out and helping the community around them in these trying times.

Social

Chalet cares

The pandemic has brought tough times to our employees. Chalet at the corporate office has initiated the following to help them cope:

Term insurance
In case of an unfortunate event, Chalet Corporate employees, family receive one annual CTC as a lump sum amount, to ensure their financial security

Mediclaim cover
Additional cover sanctioned from corporate buffer if an employee fully exhausts his eligible limits

Benevolent scheme
Supporting and extending fund to employees in case of contingencies

Company sponsored vaccination camps
Conducted vaccination camps for employees and their families in the eligible age group

Unlimited paid leave
If an employee exhausts his/her leave, unlimited fully paid leave is given to take time off while they are treated for COVID-19 or any other critical illness

COVID-19 support
Support is extended to employees to book COVID-19 tests online and reach out to a doctor via the chat options

Doctor on call
Employees seeking Doctor's consultation on urgent basis can reach out to our empanelled Doctor on call

Chalet war room
A dedicated team is available 24*7 to help employees connect with leads in case of emergencies.

Reach out
Company sponsored initiative towards ensuring emotional and mental well-being of employees and their families with access to professional counselling 24*7

Time off for self -care
Our leave policy now includes 3 days time-off for self care while there is no comparison to the scale of loss caused by this

Advance salary
For employees facing medical and financial exigencies, advance salary is credited to help them meet their expenses in difficult times

Isolation rooms at offices and sites
Fully sanitised isolation rooms at offices and sites

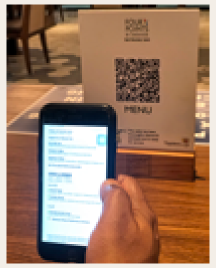
Time Off for volunteering
Employees are encouraged to utilise our time-off for volunteering policy to extend support to the communities around them

Tech Interventions

Technology, a critical value enabler, in the new normal

We are strengthening our technology backbone and digital ecosystem to elevate our overall value proposition many notches up. It is an 'essential' in the new world order, which we are trying to adapt to. This is just the beginning, and we have many more milestones to cross.

Across our operations and touchpoints, we have identified improvement areas and implemented latest technology solutions to improve efficiency, safety and and guest experience. We believe that these industry-leading initiatives are going to transform the hospitality landscape, pave way for richer experiences across our properties, while affording stronger business continuity in the future.



Hotels

Our technology initiatives focus on improving efficiencies, reducing costs and enhancing customer experience.

- Key-less mobile or digital check-in and check-out using handheld devices
- VSERVE, an ongoing project across Marriott hotels, is our contactless service that has helped digitise the room directory, TV guide, spa booking, laundry, valet parking, pickup, concierge services, welcome letter and hotel info with an integrated digital payment mode/option
- Operationalised IRIS at Marriott hotels with e-menu and e-ordering using the app, which is connected with hotel POS and integrated digital payment mode/option
- Touch-less attendance for employees to help replace fingerprint scanning
- Digitisation of internal processes

Corporate

We introduced our workforce to more advanced level of engagement and management of our properties and relationships. Technology has helped us automate various mechanisms and ensured overall efficiency of our processes.

- Implementation of SAP – ARIBA for procure-to-pay process by executing supplier lifecycle and performance module for complete supplier lifecycle functionality from onboarding to performance analytics
- Data Management System (DMS) to automate internal approvals and facilitate workflow automation
- Robotic Process Automation (RPA) to automate repetitive processes
- Operationalised business intelligence or analytics
- Automation of hotel MIS with analytics
- ISO-27001 security process implementation
- Introduced online application to share documents relating to Board's meetings and its committees

Governance

Enabling responsible conduct

Corporate governance is the process that focuses on conducting business in a way that is ethical and legal. It emphasises on the importance of a responsible and transparent decision-making process that prioritises the interests of all stakeholders. A solid corporate governance framework not only helps an organisation in building trust in its stakeholders but also enables it to achieve and sustain its long-term goals.

While the fundamentals of the values and ethics are resolute, adaptation to the evolving regulatory framework is essential. Moreover, compliance and governance should align in letter and spirit.

JW Marriott Mumbai Sahar

At Chalet we believe that corporate governance is crucial to whistle blower mechanism overall efficiency as well as maximising value for our stakeholders. Chalet aims at maximising value for our stakeholders, while not compromising in any manner on our commitment to values and ethical practices and also maintaining a balance with the society and environment.

Chalet, through the Board of Directors and Management team is continuously and consistently committed to good corporate governance practices at all times for achieving its goals and targets, and at the same time not compromising on quality of its deliverables and ethics at any point of time. We also seek and apply the service and advice of experts wherever considered necessary to ensure smooth flow of operations and activities, within the statutory ambit.

Board structure and oversight

The Board consists of industry veterans leaders from diverse backgrounds and geographies with varied areas of specialisation. This bestows Chalet with significant competitive advantage in decision-making, tapping new business opportunities, among others.

Chalet's Board is led by an Independent Non-Executive Chairperson and has an ideal mix of Independent and Non-Independent Directors. Additionally, the Promoter Directors guide us with foresight and wisdom. The business is driven by an unrelated Professional Managing Director and his team of professionals to assist him.

As the highest governing body, the Board facilitates formulation of policies, strategies and goals pertaining to Chalet's overall performance, including ESG. This is done in alignment with our corporate vision, values and business strategies.

The Board comprises:

- Four Non-Executive Independent Directors, including one woman Director
- Two Non-Executive Promoter Directors
- One Executive Director

Key focus areas of the Board are:

- To set goals/targets for the Company's performance
- To supervise and control the performance of the Company
- Strategic guidance to the Company's management from time to time
- Review the Company's strategic and business development plans
- Monitoring responsibilities delegated to committees and/or individuals to ensure proper and effective governance and control of the Company's activities.
- Risk Assessment & Management

Chalet also ensures a strengthened and healthy connect between the leadership and employees. Access to the whistle blower mechanism of the Company is strengthened through posters and emails.

Chalet has appointed a Chief Internal Auditor, who is dedicated to overseeing the internal control and reporting framework, and in this capacity reports to the Audit Committee's Chairperson.

Board committees

The Board has established specific Board committees to facilitate focus and discharge of some of its responsibilities and monitor key activities. These committees concentrate on specific areas and make informed decisions within the delegated authority. The Board is also kept updated about the developments in the committee level meetings.

The Board Committees are listed below:

- Audit and Risk Management Committee
- Compensation, Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Finance Committee
- Operations Committee

Internal systems and control

To ensure that ethics, transparency and integrity are ingrained in our decisions, activities and conduct, we have established policies and mechanisms, such as the Code of Conduct, Vigil Mechanism policy, among others. Resonating with our vision and values, these mechanisms underline our commitment to conducting business in an ethical manner, thereby creating long-term value and enhancing stakeholder confidence. In addition, Chalet has in place an adequate system of internal control covering all corporate functions and franchise hotels.

Risk management

To safeguard the interests of stakeholders and ensure business sustainability, it is essential to have an effective risk management process. It acts a barrier against potential threats and risks arising out of emerging scenarios in the external environment. The Board of Directors of Chalet Hotels Limited recognises that it has a responsibility to manage risks and supports a structured, systematic and focused approach to managing them in accordance with the risk management strategy. Mitigating the risks that arise during the course of day-to-day operations would be dealt with by the Board and/or other employees at the time of its occurrence.

In this regard, we have a risk management policy in place and an established process for managing risks and ensuring that our business is conducted in compliance with the regulatory requirements. This framework seeks to create transparency, minimise adverse impact on Chalet's business objectives and enhance our competitive advantage. For further details refer to the section on risk on Page 44 of this Report.

Policies

Policies and codes have been designed to imbibe the Company's values in all areas of its operations. At Chalet, the Board of Directors periodically reviews the policies of the Company against evolving statutory framework. Besides code of conduct, risk management and other polices, there are policies in place like Environment policy, Business Responsibility policy and CSR policy, which brace our ESG outlook. The list of policies is available on the Company's website at https://www.chalethotels.com/policies/.

Risk Management

Managing uncertainties with prudence

Effective risk management and an agile response to evolving circumstances is critical to deliver on our strategy.

Our commitment

The Board of Directors of Chalet Hotels Limited through its Audit & Risk Management Committee recognises its responsibility to manage risks and supports a structured, systematic and focused approach to managing those risks. Mitigating risks emanating from day-to-day operations are dealt with by the Board, employees under the guidance of the Senior Management team and would be escalated to the Board/Committees in case it so merits, at the time of its occurrence.

Risk management means understanding, identifying, assessing and prioritising risks followed by coordinated and economical application of resources to minimise, monitor and control the probability and/or the impact of unfortunate events. Risks could be posed by various factors — from the uncertainty in financial markets, market conditions, threats from project failures (at any phase in design, development and operations), legal liabilities, to credit risks, accidents, natural causes and disasters as well as deliberate attack from an adversary or events of uncertain or unpredictable root cause.

Risk management principles

Given the inevitability of risks arising from strategic decisions, the Company operates on a proactive risk management framework to optimise the risk-reward relationship. The Board has, in accordance with Regulation 21 of the Listing Regulations, on May 10, 2019 authorised its Audit and Risk Management Committee to discharge and carry out the functions of the Risk Management Committee.

As per the terms of reference, the Audit and Risk Management Committee is responsible for evaluation of both internal financial controls and risk management systems.

Our principles of risk management are broadly the following:

- Robust process of identification and classification of risks that are pertinent to the Company's business and operations. This process identifies and reviews areas that require periodic mitigation
- Business decisions will be made with the prior information and acceptance of risks involved
- The risk management policy shall provide for the enhancement and protection of business value from uncertainties and consequent losses
- Our risk-mitigation measures will be effective in the long term and to the extent possible be embedded in the Company's business processes
- Risk tolerance levels are regularly reviewed and decided upon depending on the changes in our strategy and the evolving economic environment
- The occurrence, progress and status of all risks are promptly reported to the Audit and Risk Management Committee and appropriate suggestions are implemented
- The Audit and Risk Management Committee, comprising three Board members, meets regularly and is joined by key management personnel and other members of the Board

Key risks and measures

Risk description	Risk mitigation measures	Capitals impacted	
Slower than expected pricing growth in case of adverse events, which can lead to slower than anticipated increase in ARR	• A dynamic and competitive pricing policy to retain and increase market share • Creating adaptability to the changing business environment • Improving and improvising on product offering and packages • Strategy of growth through the RevPar concept • Keeping the long and medium term objectives of the Company in mind, strategic location plays a key role in optimising demand supply opportunity • Regular market research helps garner business and opportunities for expansion	• Financial Capital	• Sustainable profitability & return on investment • Governance
Ability to sustain returns from matured hotels in a competitive environment	• Hospitality is a customer-centric industry and aligning the business to meet the mind of the customer is key to the Company's risk mitigation plan • Flexibility in aligning the offering and working closely with the operators	• Financial Capital • Social and Relationship Capital	
Business disruptions (Economic)	• Always maintaining cost consciousness and conserving resources • Identifying and creating demand drivers through collective ideation • Structured capital spends aligned to cash flows • Leverage the experience of promoters and operating partners • Long-term planning and having a backup • Protect health and safety of stakeholders, including guests and associates	• Financial Capital • Human Capital • Social and Relationship Capital	• Sustainable profitability & return on investment • Governance • Risk mitigation • Service quality • Risk mitigation • Health and safety
Adaptation of systems with new technology	• Extensive use of automation and artificial intelligence have been implemented across all business verticals • Guest engagement software implemented across all Marriott properties where guest concerns and requirements can be digitally communicated to the identified service provider within the hotel. • Enabled key-less mobile or digital check-in and check-out using hand-held devices across all hotels • Various automation initiatives are being implemented across hotel units	• Intellectual Capital • Natural Capital • Manufactured Capital	• Information and cyber security

The risk management policy has been uploaded in the policies section of the website https://www.chalethotels.com/policies/

Financial Capital | Human Capital | Intellectual Capital | Social & Relationship Capital | Natural Capital

Board of Directors

Agile and responsive leadership

Hetal Gandhi | Chairperson and Independent Director M C C

Mr. Hetal Gandhi is a Chartered Accountant and Commerce graduate from University of Mumbai. He is the Co-founder and Managing Director of Tano India Advisors Private Limited (TIA). He was previously associated with a diversified financial services company as its Head - Financial Services and with ORIX Auto and Business Solutions Limited as its Chief Executive Officer. He has over 3 decades of experience in the financial services industry spanning private equity, investment banking and asset financing. Mr. Gandhi was appointed as an Independent Director and Chairperson of our Company with effect from June 12, 2018.

Joseph Conrad D'Souza | Independent Director C C C

Mr. Joseph Conrad D'Souza holds a Master's Degree in Commerce and a Diploma in Financial Management from the University of Mumbai and a Master's Degree in Business Administration from South Gujarat University. He is also a graduate of the Senior Executive Programme from London Business School. He has been associated with HDFC Limited since 1984, where his responsibilities as a member of executive management and Chief Investor Relations Officer include corporate planning and budgeting, corporate finance and investor relations. He is also Senior Independent Director on the Board of Nations Trust Bank PLC, Sri Lanka.

Radhika Piramal | Independent Director M

Ms. Radhika Piramal holds a Bachelor's degree in Arts from Brasenose College, University of Oxford and a Master's in Business Administration from Harvard Business School. She is the Executive Vice Chairperson of VIP Industries Ltd., one of India's leading luggage companies. She has been Executive Vice Chair since April 2017 and prior to this role, was the Managing Director of VIP Industries from 2010 to 2017, before which she worked in various sales and marketing roles in VIP from 2000 to 2004. Outside of VIP, she worked as a management consultant with Bain & Company in New York from 2006 to 2008. Ms. Piramal's leadership has been integral to revitalising VIP Industries' profitable growth.

Arthur de Haast | Independent Director M

Mr. Arthur de Haast holds a Bachelor's degree in Hotel Management from the University of Strathclyde and has also been elected as a Life Fellow of the Institute of Hospitality. He is Chairman of the Global Capital Markets Advisory Council of JLL, which provides advice on long-term strategic matters that could influence the business, and undertakes specific projects related to the ongoing growth of Capital Markets. Mr. de Haast has over 36 years of experience in the hospitality and real estate sector and has led a wide range of transactional and advisory assignments, apart from having extensive experience in managing and growing relationships with global clients. He is also a member of the Advisory Board of the Scottish Business School, University of Strathclyde, Glasgow and past Chairman of the Institute of Hospitality. In January 2020, he was appointed as an Independent Non-Executive Director of InterContinental Hotels Group PLC, an FTSE 100 company.

Ravi C. Raheja | Non-Executive Director M M M M

Mr. Ravi C. Raheja is an alumnus of the London Business School, with more than 25 years of comprehensive experience across real estate, retail and hospitality. He has spearheaded business development for the real estate arm of the K Raheja Corp Group and played a significant role in guiding the teams of corporate strategy, finance and planning for the Group's retail and hospitality divisions. At the helm of the most significant growth strategies, Ravi is actively involved in charting the future growth of K Raheja Corp and each of its businesses and has been a catalyst in the Company's evolution from a family-owned business to a well-diversified conglomerate. An evangelist for the green cause, he spearheaded the signing of the memorandum of understanding with CII-Green Building Council to construct green buildings back in 2007. He plays a key role in the Group's philanthropic initiatives through K Raheja Foundation, Sadhana Education Society and S. L. Raheja Hospital.

In 2019, he was awarded the EY Entrepreneur of the Year Award in the Energy, Real Estate and Infrastructure category, along with his brother Mr. Neel Raheja.

Committee

- Audit & Risk Management Committee
- Compensation, Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Finance Committee
- Operations Committee

C Chairperson M Member

Neel C. Raheja | Non-Executive Director M M M M M

Mr. Neel Raheja comes with a strong background in finance, a degree in Law from the Mumbai University and is an alumnus of the Harvard Business School. He has extended the Company beyond the realms of real estate. Working his way to the top, he has earned his place at the helm of the Company, scaling it to new heights. With an ear to the ground and ability to pre-empt current and possible future trends and practices, he has been at the forefront of driving change and innovation within the Group. He also ushered in the malls and department stores format in India. Inorbit Malls and Shoppers Stop are the culmination of his endeavour to bring organised retail into India.

He plays an active role in the Group's philanthropic initiatives through K Raheja Foundation, Sadhana Education Society and S. L. Raheja Hospital. He also drives the Group's growth through Green Building initiatives in sustainable development.

In 2019, he was awarded the EY Entrepreneur of the Year Award in the Energy, Real Estate and Infrastructure category, along with his brother Mr. Ravi Raheja.

Sanjay Sethi | Managing Director and CEO M M M M

Mr. Sanjay Sethi is a hotel management graduate from IHM Pusa. He is a Certified Hotel Administrator (CHA) from American Hotel and Lodging Educational Institute and has completed various management programmes from IIM-Bangalore, XLRI and Cornell.

Mr. Sanjay Sethi has over 33 years of experience in the hospitality industry. Mr. Sethi founded Berggruen Hotels Private Limited in 2006 along with Berggruen Holdings, New York. He has briefly worked with ITC Limited as Chief Operating Officer for their Hotels division and had a fourteen year stint with the Taj Group of Hotels. Mr. Sethi is actively associated with many industry forums in bringing about reforms for the Hospitality sector and championed the cause of getting Industry status for hotels in Maharashtra. He is an Executive Committee Member of Hotel Association of India (HAI) and a special invitee to the Executive Committee of Hotel and Restaurant Association of Western India (HRAWI). He is also a member of the National Real Estate Committee of FICCI and member of CII's National Tourism Committee.

Committee

- Audit & Risk Management Committee
- Stakeholders' Relationship Committee
- Finance Committee
- Compensation, Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Operations Committee

Ⓒ Chairperson Ⓜ Member

Awards

Honoured for the recognitions

Marriott Bengaluru, Whitefield recognised as the 'Best of the Best' at the Travellers' Choice Awards

Lake View Cafe recognised for the Best Buffet by Times Food Nightlife Awards

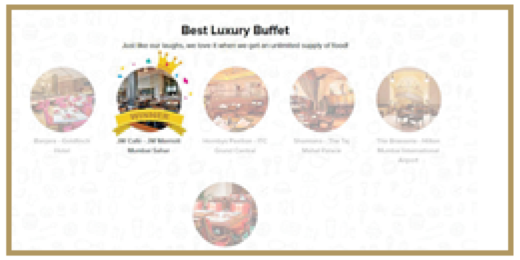

Four Points by Sheraton Navi Mumbai, recognised in 'Swachh Bharat Mission – Navi Mumbai' by Navi Mumbai Municipal Corporation

Renaissance Mumbai Convention Centre Hotel, Mumbai awarded in Star Mice Hotel category at EEA

Four Points by Sheraton received award for Excellence in Hospitality by Awaaz Today

Lakeside Chalet - Marriott Executive Apartments awarded the Leading Serviced Apartments/Hotel/Resort by South Asian Travel Awards

JW Marriott, Sahar recognised among the Top 10 - Innovations adopted by Hotels list



JW Marriott, Sahar awarded the Best Luxury Brunch in the City at WHO Awards

Report of the Board of Directors

Dear Members,
Chalet Hotels Limited

The Board of Directors present your Company's Thirty Sixth Annual Report along with the Audited Financial Statements for the Financial Year ended March 31, 2021.

Financial Results

Your Company's financial performance for the Financial Year ended March 31, 2021 is summarised below:

(₹ in million)

Particulars	Standalone For the year ended		Consolidated For the year ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue from Operations	2,843.17	9,762.45	2943.87	9,808.49
Other Income	207.10	272.44	223.38	278.97
Total Income	**3,050.27**	**10,034.89**	**3,167.25**	**10,087.46**
Total Expenses	**2,702.77**	**6,542.16**	**2,873.35**	**6379.52**
EBITDA from Continuing Operations	**347.50**	**3,492.73**	**293.90**	**3707.94**
(Loss) from Discontinued Operations	**(40.62)**	**(62.82)**	**(40.62)**	**(62.82)**
EBITDA	306.88	3,429.91	253.28	3645.12
Depreciation and Amortisation Expenses	1,076.34	1,113.66	1,174.62	1,133.17
Finance Costs	1,450.08	1,446.13	1519.78	1,461.76
(Loss) / Profit before Exceptional Items and Tax	**(2,219.54)**	**870.12**	**(2,441.12)**	**1,050.19**
Exceptional Items	(41.71)	(41.71)	(41.71)	(41.71)
(Loss) / Profit before tax	**(2,261.25)**	**828.41**	**(2,482.83)**	**1,008.48**
Tax Expense	(1,093.21)	12.27	(1,091.55)	12.22
(Loss) / Profit for the year	**(1,168.04)**	**816.14**	**(1,391.28)**	**996.26**
Total Comprehensive Income / (Expense) attributable to Owners of the Company	-	-	(1,390.48)	1015.48
Earnings Per Share (Basic & Diluted)	(5.70)	3.98	(6.78)	5.01

This has been an unprecedented year. Your Company geared-up to combat the impact of the pandemic on business and tackle cashflow requirements through various cost saving initiatives, rationalisation of expenses across all verticals and addition of new revenue streams. Our associates at every hotel stood strong amidst challenging times, to serve our guests with a smile. Your Company participated in the fight against COVID by housing doctors & medics at its hotels, providing meals, PPE's and other necessities to the frontline workers.

All the projects, with the exception of renovation at the Renaissance Mumbai Convention Centre Hotel at Powai were initially kept on hold. Post evaluation of the demand dynamics of the respective markets, your Company restarted work on the Commercial Building Projects at Powai, Mumbai and Whitefield, Bengaluru.

Further, the Board of Directors of your Company has decided to repurpose a retail mall, The Orb at Sahar, Mumbai into Commercial Office space after assessment of mid to long term impact of the pandemic. A portion of the said mall at Sahar, Mumbai continues to house some retail outlets.

Our initiatives led to performance looking up during the third and fourth quarter of the financial year. However, the second wave across the country has led to restrictions on travel and lockdown orders in several parts of the country including the geographies that your Company operates in.

The efforts of various industry forums, some of which your Company's officials actively engage with and hold executive committee positions, have been instrumental in hotels receiving Industry Status with effect from April 01, 2021, both in Maharashtra and Karnataka. With this change, hospitality industry will be charged for utilities and property tax at industrial rates along with other benefits available to industries.

Further, a detailed note on the state of the Company's affairs and that of its subsidiaries is covered in the Management Discussion & Analysis section of the Annual Report.

Going Concern

During the year under review, the hospitality operations of your Company had been adversely impacted, in line with the impact on hospitality industry. Your Company, has however managed its cash flows effectively through stable revenues from the commercial office segment. The Company has met all monetary obligations out of cash generated from operations and debt raised. Accordingly, the Financial Statements for the year under review have been prepared on a going concern basis.

Further, there has been no change in the nature of business of the Company.

Capital Structure

Authorised Share Capital
During the year under review, there was no change in the Authorised Share Capital of the Company. The Authorised Share Capital of your Company is ₹ 4,451,000,000/-.

Paid-up Equity Share Capital
During the year under review, there was no change in the paid-up Equity Share Capital of the Company. The Paid-up Equity Share Capital of your Company stands at ₹ 2,050,238,640/-.

Paid-up Preference Share Capital
During the year under review, there was no change in paid-up Preference Share Capital of the Company, which stood at ₹ 1410,000,000/-.

Your Company had entered into a Subscription Agreement dated June 4, 2018 with Mr. Ravi C. Raheja and Mr. Neel C. Raheja, Promoters of the Company, wherein they agreed to provide your Company with funds required to meet any costs, expenses and liabilities pertaining to the Koramangala Residential project, including any costs and expenses towards the ongoing litigation and the completion of the Koramangala Residential project, by way of subscription by themselves or by their Designated Nominees to 20,000 Zero Coupon Non-Cumulative, Non-Convertible, Redeemable Preference Shares ('NCRPS' / 'Subscription Securities') of ₹ 100,000 each in two series (viz. Series A and Series B) of 10,000 each, aggregating to ₹ 2,000 million (Initial Subscription Amount). The Promoters of your Company have further agreed that in the event the amount required towards meeting the project expenses exceeds the Initial Subscription Amount, the Promoters shall provide such additional funds as may be required to meet the project expenses.

The NCRPS have been fully subscribed. An amount of ₹ 1,000 million and ₹ 250 million has been called and paid-up as on the date of the Balance Sheet in respect of the Series A NCRPS and Series B NCRPS respectively. The amounts raised have been utilised in line with the Subscription Agreement referred to hereinabove.

Further, keeping in mind the project requirements and expected capital expenditure to be incurred, it has been decided to raise upto ₹ 1000 million from the Promoters or their Designated Nominees, either by way of a further issue upto a maximum of 10,000 Zero Coupon, Non-Cumulative, Non-Convertible, Redeemable Preference Shares viz. Series C NCRPS of ₹ 100,000 each, or Unsecured Loans or Inter Corporate Deposits. The Series C NCRPS, if issued, will be allotted in tranches based on the requirement of funds.

Borrowings

The borrowing of your Company on a standalone basis stood at ₹ 18,505.38 million and on a consolidated basis stood at ₹ 19,388.63 million (both excluding Preference Share Capital of ₹ 1,194.61 million) as at March 31, 2021, as compared to ₹ 16,732.44 million on a standalone basis and ₹ 17,907.49 million on consolidated basis (both excluding Preference Share Capital of ₹ 1,107.99 million) as at March 31, 2020.

The foreign currency borrowings as on March 31, 2021 along with those of the subsidiary company were lower at US$ 20.80 million as compared to US$ 26.24 million as at March 31, 2020.

Appropriations / Dividend

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has adopted the Dividend Distribution Policy, setting out the broad principles for guiding the Board and the Management in matters concerning declaration and distribution of dividend, which is attached as **Annexure-I** hereto and is also available on the Company's website at www.chalethotels.com/policies/.

No dividend is being recommended by the Board of Directors on the Equity Shares and the 0.001% Non-Cumulative Non-Convertible Redeemable Preference Shares for the year under review.

On account of the losses incurred during the Financial Year under review, no amount has been transferred to Reserves.

Pursuant to the applicable provisions of the Companies Act, 2013 ('the Act'), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the IEPF Rules'), all unpaid or unclaimed dividends are required to transferred by the Company to the IEPF; established by the Government of India, after completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. The Company does not have any unpaid or unclaimed dividends and accordingly, the aforesaid provisions are not applicable to the Company.

Projects Under Development

Your Company's proposed development pipeline consists of the following projects:

Hotels
All the projects pertaining to development of new hotels, expansion and product improvement plans excluding the lobby renovation at Renaissance Mumbai Convention Centre Hotel, Powai, were kept on hold during the year under review. Your Company reaffirms its decision that the proposed development pipeline will be paced appropriately after assessment of the impact of COVID-19 on its business, demand and consumer behaviour.

Commercial, Retail and Office Space
The proposed development pipeline assumes the construction of leasable area of nearly 1.2 million square feet across two locations, namely Powai at Mumbai and Whitefield at Bengaluru, including capex on repurposing of the retail asset at Sahar, Mumbai. Additionally, repurposing of some portions of the retail asset at Sahar, Mumbai is ongoing. The new developments have started progressing after being suspended due to imposition of lockdowns across the country during the year under review. The finalisation of plans for the repurposing of assets is underway.

Re-Branding Hotels
Your Company had entered into an agreement with Marriott Hotels India Private Limited and its affiliates (Marriott) for rebranding of the existing hotel viz. Renaissance Mumbai Convention Centre Hotel, Powai, as 'Westin Mumbai Powai Lake'.

The requisite upgrade of the asset for the same is expected to be completed in two phases, in the FY 2021-22 and FY 2022-23.

Residential Project – Koramangala, Bengaluru

The residential development project at Bengaluru was on hold during the year under review due to the pending writ petition.

The Hon'ble Karnataka High Court on May 29, 2020 ('Order'), delivered its judgement in the writ petition filed by your Company, in connection with the cancellation by Hindustan Aeronautical Limited ('HAL') of its height permission for the project of your Company. The Hon'ble High Court had by the judgement inter-alia allowed the writ petition in part and quashed the cancellation of the height NOC by HAL [in so far as cancellation of NOC for construction upto 62 meters above ground level, so that the top of the structure when erected shall not exceed 932 meters Above Mean Sea Level ('AMSL')] and remanded the matter to HAL for re-survey of site AMSL within a time bound manner and thereafter, based on the re-survey, to proceed further in accordance with law. HAL filed an appeal challenging the said order. In November 2020, your Company also filed an appeal challenging certain parts of the order. Both matters are pending.

Your Company is proposing completion of the project and is in discussions with the customers for consenting to a revised development inter-alia by limiting the height to 40 meters and adding a residential wing and a commercial building. The Company has also initiated the process for renewing/applying for permissions. Subject to the conclusion of discussions with the customers and obtaining order from the Court and NOC from HAL for the revised development, work on the project is expected to commence in the next few months.

Deposits

Your Company has neither accepted nor renewed any deposits during the year under review and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

Loan from Directors

During the year under review, your Company has not accepted loans from any of its Directors.

Loans, Investments, Guarantees and Securities

Your Company falls within the definition of 'Infrastructure Company' as provided under Schedule VI of the Act and is therefore exempt from the provisions of Section 186 of the Act with regard to Loans, Investments, Guarantees and Securities. Details of loans given, security provided in connection with a loan and investments made by your Company are given in Note No. 7, 8, 15 and 42 of the Standalone Financial Statements.

Foreign Exchange Earnings and Outgo

During the year under review, your Company and its subsidiary, earned foreign exchange of ₹ 166.27 million and ₹ 3.62 million respectively, as compared to ₹ 4,253.37 million and ₹ 78.77 million respectively in the previous year.

The total foreign exchange outgo of your Company and its subsidiary during the year under review was ₹ 377.33 million and ₹ 57.97 million, respectively, as compared to ₹ 896.42 million and ₹ 93.05 million, respectively, in the previous year.

Subsidiaries, Associates and Joint Ventures

The Company had three subsidiaries and two associates as on March 31, 2021. There has been no material change in the nature of the business of the subsidiaries. The Company does not have any Joint Venture. Further, no company became or ceased to be a Subsidiary, Joint Venture or Associate of the Company during the year under review.

Belaire Hotels Private Limited ('BHPL') and Seapearl Hotels Private Limited ('SHPL') are wholly-owned subsidiaries of the Company which were acquired in the previous year.

BHPL is the owner of 'Novotel Pune Nagar Road' Hotel. During the year under review, BHPL reported a Total Income of ₹ 110.88 million and Net (Loss) after tax of (₹ 221.35) million.

SHPL had insignificant or no operations and reported a Total Income of ₹ 6.31 million and Net Profit (after tax) of ₹ 3.64 million during the year under review.

Chalet Hotels & Properties (Kerala) Private Limited is a subsidiary of your Company, which had insignificant or no operations during the year under review.

During the year under review, the Company had filed a Scheme of Arrangement and Amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the Company, which inter-alia aims at synergy in operations, greater financial strength and improvement in the position of the merged entity. The Appointed Date for the Scheme is April 1, 2020.

Pursuant to the Order dated February 05, 2021 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'), meetings of the Equity Shareholders and Preference Shareholders of the Company were held on April 12, 2021, wherein they accorded their approval to the said Scheme. The final order of the NCLT is awaited.

In terms of provisions of Section 136 of the Act, the audited financial statements of the subsidiary companies can be accessed on the website of the Company viz. www.chalethotels.com/annual-report-20-21.

Your Company had for securing the supply of renewable energy acquired 20.8% of the Equity Share Capital of Krishna Valley Power Private Limited and 26% of the Equity Share Capital of Sahyadri Renewable Energy Private Limited, being entities engaged in generation of hydropower. Your Company continues to hold the aforesaid securities, however it does not have the ability to participate and neither is involved in the operations and/or relevant activities of these companies/ entities, and neither has exposure or rights to variable returns. Hence, the aforementioned entities have not been considered as Associate companies in the consolidation of Financial Statements.

The Consolidated Financial Statements of your Company and its Subsidiaries, prepared in accordance with the relevant Accounting Standards, duly audited by the Statutory Auditors, form a part of the Annual Report and are reflected in the Consolidated Accounts.

The statement under Rule 8 of the Companies (Accounts) Rules, 2014 relating to Subsidiaries & Associates in Form AOC-1 is annexed as **Annexure II** to this Report.

The Company does not have any material subsidiary, however, the Company has formulated a policy for determining material subsidiary(ies) and such policy has been disclosed on the Company's website at www.chalethotels.com/policies/.

Management Discussion and Analysis, Corporate Governance and Business Responsibility Reports

Your Company has complied with the requirements of Corporate Governance under the Act and the Listing Regulations. A separate section on Corporate Governance, a detailed report on Management Discussion & Analysis and Business Responsibility Report form an integral part of this Report.

Directors and Key Managerial Personnel

The Board of Directors of the Company at its Meeting held on November 10, 2020 had, based on the recommendation of the Compensation, Nomination & Remuneration Committee, re-appointed Mr. Sanjay Sethi as the Managing Director & CEO of the Company for a further period of three years w.e.f. February 9, 2021, subject to the approval of the Members. The Board recommends his re-appointment as the Managing Director & CEO for which the approval of the Members is being sought in the Notice convening the Annual General Meeting ('AGM') of the Company.

Further, in view of inadequacy of profits for payment of managerial remuneration, the Company is also seeking approval of the Members by way of a special resolution for payment of remuneration and waiver in respect of excess remuneration paid / payable to Mr. Sanjay Sethi, Managing Director & CEO.

In accordance with the Act and the Articles of Association of the Company, Mr. Neel C Raheja (DIN: 00029010) is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Accordingly, the re-appointment of Mr. Neel C Raheja is being placed for approval of the Members at the ensuing AGM.

Mr. Rajeev Newar had expressed his desire to step down as Executive Director & CFO of the Company. Accordingly, he ceased to be an Executive Director at the end of his term with effect from August 02, 2020 and as the Chief Financial Officer with effect from August 19, 2020. Further, Mr. Milind Wadekar, VP - Finance & Tax of the Company was appointed as the Interim Chief Financial Officer of the Company effective September 15, 2020.

The disclosures pertaining to Directors being re-appointed as required pursuant to the Listing Regulations and Secretarial Standard-2 is given in the Explanatory Statement to the Notice convening the AGM.

Except for professional fees paid to Mr. Arthur DeHaast, the Non-Executive Directors of the Company had no pecuniary relationship or transaction with the Company, other than sitting fees.

In view of the COVID-19 pandemic and challenges faced by the Company thereby, the remuneration of employees, including Key Managerial Personnel & Senior Management was restructured as a mitigation measure, whereby a certain percentage component of the current compensation was made variable pay, effective April 01, 2020. The terms of remuneration of Mr. Sanjay Sethi, Managing Director & CEO was restructured accordingly which was approved by the Board of Directors at its meeting held on June 08, 2020, pursuant to recommendations of the Compensation, Nomination & Remuneration Committee. However, the component of the compensation which was converted to variable has been reinstated w.e.f. December 01, 2020.

Annual Return

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Annual Return of your Company in Form MGT-7 for the Financial Year 2020-21, shall be hosted on the website of your Company at www.chalethotels.com/annual-report-20-21.

Number of Board Meetings

During the Financial Year 2020-21, the Board of Directors met five times. The details of the meetings held have been given in Corporate Governance Report.

Directors' Responsibility Statement

On the basis of internal financial control framework and compliance systems in place and the work carried out by the Internal and Statutory Auditors, including audit of internal financial controls over financial reporting and internal reviews performed by the Management and the Audit & Risk Management Committee, the Board is of the opinion that your Company's internal financial controls were reasonable and adequate for the Financial Year 2020-21.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) In the preparation of the accounts for the Financial Year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

(ii) The Board of Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent in order to give a true and fair view of the state of affairs of your Company at the end of the Financial Year and of the loss of your Company for the Financial Year ended March 31, 2021;

(iii) The Board of Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

(iv) The Financial Statements for the Financial Year ended March 31, 2021 have been prepared on a 'going concern' basis;

(v) The Board of Directors have laid down internal financial controls for your Company which it believes are adequate and are operating effectively; and

(vi) The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

Accounting Treatment

The Accounting Treatment is in line with the applicable Indian Accounting Standards ('Ind AS') recommended by The Institute of Chartered Accountants of India and prescribed by the Central Government in accordance with Section 133 of the Act.

Adequacy of Internal Financial Controls including reference to the Financial Statements

The Internal Financial Control Systems including inter-alia the Internal Audit and Internal Controls are commensurate with the size and scale of your Company's operational and commercial activities.

Your Company has provided an adequate system of internal control covering all corporate functions and franchise hotels. The internal control systems provide assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability on financial controls and compliance with applicable laws. The operations of the hotel are largely managed through globally reputed hospitality companies which have their respective internal control systems in place.

Based on the recommendation of the Audit & Risk Management Committee, the Board has approved the appointment of Ernst & Young LLP as Internal Auditors of the Company for Financial Years 2021-22 and 2022-23. The Chief Internal Auditor who reports to the Audit & Risk Management Committee oversees the Internal Audit function of the Company. The reports by the Internal Auditors are placed before the Audit & Risk Management Committee for their review and improvements.

Details of Fraud
During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Act and Rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit. Therefore, no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Board Effectiveness & Board Evaluation

Pursuant to Section 134(3)(p) of the Act, as amended from time to time, and Regulations 17 and 25 of the Listing Regulations, the Board of Directors had carried out an annual evaluation of its own performance, Individual Directors and its Committees, for the Financial Year under review. A structured questionnaire was prepared after taking into consideration the Guidance Note issued by SEBI on Board Evaluation, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The feedback and suggestions received from all the Directors have been discussed at the meeting of the Board of Directors held on May 18, 2021. The Directors expressed their satisfaction with the evaluation process.

Independent Directors

All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and Listing Regulations. They have declared that they do not suffer from any disqualifications specified under the Act and are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact the ability to discharge their duties.

Further, all the Independent Directors have registered their names in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Committees

Your Company has constituted Committees of the Board as per the requirements of the Act and the Listing Regulations. Details of constitution, meetings held, attendance of the members and terms of reference of the said Committees, have been enumerated in the Corporate Governance Report which forms a part of the Annual Report.

Corporate Social Responsibility ('CSR')
Your Company had adopted a CSR Policy indicating the broad philosophy and objectives, which is available on the website of your Company at www.chalethotels.com/policies/.

The annual report on CSR activities and details about the composition of CSR Committee along with the initiatives undertaken by the Company on CSR activities during the year under review is annexed as **Annexure III** to this Report.

Compensation, Nomination & Remuneration
Your Company had in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, adopted a Policy for Appointment of Directors and Remuneration of Directors and Senior Management. The same is available on the website of your Company viz. www.chalethotels.com/policies.

The Compensation, Nomination & Remuneration ('CNR') Committee of your Company, while formulating the above policy, has ensured that:

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and performance linked bonuses reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration / compensation / commission (including annual increments, if any) for the Directors and Senior Management will be determined and recommended by the CNR Committee and will be subject to approval by the Board.

Employee Stock Option Scheme (ESOP)

The Board had granted an option in respect of 2,00,000 Equity Shares of ₹ 10 each at a price of ₹ 320 each to Mr. Sanjay Sethi, Managing Director & CEO of your Company, under the Chalet Hotels Limited - Employee Stock Option Plan 2018, to vest in three tranches. The first tranche of ESOPs granted had vested in the previous year whereas the second tranche was vested during the year under review. No options have been exercised during the year under review or till date.

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options granted under the ESOP Scheme have been made available on the website of the Company at www.chalethotels.com, under the head 'Annual Reports' in the Investor Relations section. Further, certificate from B S R & Co. LLP, Statutory Auditors of the Company, with respect to implementation of ESOP, would be placed at the ensuing AGM for inspection by the Members of the Company.

Statutory Auditors

At the AGM of your Company held on September 22, 2017, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), were appointed as the Statutory Auditors for a term of five consecutive years.

The Report of the Statutory Auditors along with its Annexures forms a part of this Annual Report. The Auditors' Report to the Members for the year under review was issued with an unmodified opinion.

Explanation or Comments on Qualifications, Reservations, Adverse Remarks or Disclaimers made by the Auditors

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors in their report on the Financial Statements for the Financial Year 2020-21. However, the Statutory Auditor has drawn attention i.e. Emphasis of Matter with regard to Note 42(c) and Note 49 of the Standalone Financial Statements, in their report, details of which are as follows:

Emphasis of Matter

a) We draw attention to Note 42(c) of the standalone financial statements, in respect of the entire building comprising of the hotel and apartments therein, purchased together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai), from K. Raheja Corp Private Limited, on which the Company's Four Points by Sheraton Hotel has been built. The allotment of land by City & Industrial Development Corporation of Maharashtra Limited ('CIDCO') to K. Raheja Corp Private Limited has been challenged by two public interest litigations and the matter is currently pending with the Honorable Supreme Court of India. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the standalone financial statements as at and for the year ended 31 March 2021 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to ₹ 50.93 million (31 March 2020: ₹ 52.13 million) and the hotel assets thereon (reflected as property, plant and equipment) as at 31 March 2021 is ₹ 400.77 million (31 March 2020: ₹ 427.21 million) respectively.

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

b) We draw attention to Note 49 to the standalone financial statements relating to remuneration paid / payable to the Managing Director & CEO of the Company for the financial year ended 31 March 2021, being in excess of limits prescribed under Section 197 of the Act by ₹ 47.49 million, of which the proportionate remuneration from 09 February 2021 of ₹ 6.63 million is subject to approval of the shareholders.

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

The Auditors have clarified that their opinion is not qualified in respect of these matters.

Detailed explanation in respect of the matters at Item No. 1 and 2 have been provided under Note No. 42(c) and Note No. 49 of the Standalone Financial Statements.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. BNP & Associates, Company Secretaries in Practice (Firm Registration No. P2014MH037400) to undertake Secretarial Audit for Financial Year 2020-21. The Secretarial Audit Report is annexed herewith as **Annexure IV**. There are no qualifications, reservations, adverse remarks or disclaimers in the report.

Further, the subsidiaries of the Company as mentioned above do not meet the criteria for material unlisted subsidiaries. Therefore, the provisions of Regulation 24A of the Listing Regulations, in respect of Secretarial Audit are not applicable for the year under review.

During the year under review, the Secretarial Auditor had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

Cost Audit

Your Company has been maintaining cost accounting records as specified by the Central Government under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014. Further, your Company was also required to conduct an audit of cost records as specified by the Central Government under Section 148 of the Act and the Rules framed thereunder for the financial year under review. The Board of Directors appointed Mr. Vikas Vinayak Deodhar, Cost Accountant (Membership No. 3813) as the Cost Auditor for conducting the audit of cost records for the Financial Year 2020-21, at the remuneration approved by the Members at the previous AGM.

Audit & Risk Management Committee

The Committee comprises of two Independent- Non Executive Directors i.e. Mr. Joseph Conrad D'Souza (Chairman), Mr. Hetal Gandhi (Member) and Mr. Ravi C. Raheja, Promoter and Non-Executive Director (Member). There were no changes in the composition of the Committee during the year under review. During the year under review, all the recommendations made by the Committee were accepted by the Board.

Particulars of Contracts or Arrangements with Related Parties

In line with the requirements of the Act and in accordance with the Listing Regulations, your Company has formulated a policy on dealing with Related Party Transactions ('RPTs') which is available on the website of your Company at www.chalethotels.com/policies/.

The contracts, arrangements or transactions entered into during the year under review by the Company with Related Parties were in the Ordinary Course of Business and on an Arm's Length Basis.

During the year under review, the Company had not entered into any contract / arrangement / transaction with Related Parties, which are materially significant as per the Policy adopted by your Company.

The disclosure in Form AOC-2 is not applicable to the Company for the Financial Year 2020-21 and hence does not form part of this Report.

Risk Management

Your Company has constituted an Audit and Risk Management Committee as required under the Listing Regulations. Further, your Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis.

Your Company is faced with risks of different types, each of which need varying approaches for mitigation. The Risk Management framework defines the risk management approach across the enterprise. The risk framework which seeks to create transparency, minimise adverse impact on business objective and enhance your Company's competitive advantage is reviewed by the Audit & Risk Management Committee periodically. An impact analysis of the identified risks including risk mitigation approach and risk mitigation status is also done at regular intervals taking into consideration the changing business environment. The Policy is available on the Company's website at www.chalethotels.com/policies/.

Details of the key risks faced by your Company and measures for mitigation have been provided on Page 44 of the Integrated Reporting section of the Annual Report.

Vigil Mechanism Policy & Whistle Blower Policy

Your Company has, in accordance with Section 177 of the Act, drawn a Whistle Blower Policy for its Directors and Employees, to enable reporting of any wrongdoing within the Company / branches / hotels that fall short of your Company's business principles on ethics and good business practices.

Your Company's Vigil Mechanism & Whistle Blower Policy provides a formal mechanism to the Directors and all the employees of the Company to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy is available on the Company's website at www.chalethotels.com/policies/.

The Policy covers the adequate safeguards against victimisation of Directors and employees who avail of the mechanism and also have provided them direct access to the Chairperson of the Audit & Risk Management Committee. Matters reported under the Vigil Mechanism are informed to the Audit & Risk Management Committee from time to time. It is affirmed that no personnel of the Company has been denied access to the Chairperson of the Audit & Risk Management Committee.

Significant and Material Orders passed by Regulators, Courts or Tribunals impacting the Going Concern status and Company's operations in future

During the year under review, judgement had been passed by the Hon'ble Karnataka High Court in respect of the residential project at Bengaluru. Please refer to the section 'Residential Project – Koramangala, Bengaluru' for more details in this Report.

The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee in compliance with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 in respect of the Corporate Office and various units. The said policy is available on the Company's website at www.chalethotels.com/policies/.

During the year under review, your Company received and/or resolved three complaints on sexual harassment, and appropriate action has been taken, wherever necessary. There are no pending cases. The Company also conducts workshops from time to time to promote awareness on the issue.

Human Capital Initiatives & Particulars of Employees

Your Company focuses on building on the capability of its employees, through training and development and work life balance. During the year under review, your Company has undertaken various training initiatives towards nurturing talent, keeping its people connected and taking various steps for maintaining the physical and emotional wellbeing of its employees. Your Company also rolled out health, hygiene and safety protocols and technology and app-based solutions to ensure employee health and safety.

Further, your Company has been certified by the Great Place to Work® Institute for the second time in a row for benchmarking and planning actions to strengthen its workplace culture.

The 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, is annexed to this Report as **Annexure V**.

Further, 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, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company and others entitled thereto. Any Member interested in obtaining such information may write to the Company Secretary at companysecretary@chalethotels.com and the same will be furnished on request. The Annual Report including the aforesaid information is also available on the Company's website.

Integrated Reporting

Your Company being among the top 500 listed companies in the country in terms of market capitalisation, has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable its Members to take well informed decisions and have a better understanding of the Company's long term perspective. The Report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial, manufactured, intellectual, human, social & relationship and natural capitals.

Environmental Initiatives and Energy Management

The management team of your Company sets its goals for improvement, leading to various initiatives including conservation of energy. With an aim to maintain a balance with the environment and a steady focus on sustainability, your Company has led various initiatives including sourcing of energy from renewable resources.

As a part of its efforts to ensure constant focus on sustainability and to support the deployment of this promise, objectives have been articulated for the year that lay out improvement targets that have led to conservation of energy. The Company's policy and priorities concerning Environment, Social and Governance initiatives are articulated as a separate ESG Report, which is being made available on www.chalethotels.com. Various aspects of ESG are also being covered in the Integrated Section of this Annual Report.

Your Company has embarked on its journey towards managing environmental impact and has set its targets therefor. As a part of the Climate Group's EV 100 initiative, which the Company has applied, it is proposed to move to electric vehicles at the hotels as a part of embracing a greener business model by reducing dependence on fossil fuels and to set up charging infrastructure at all our assets for use by guests and employees by the year 2023.

As required by Section 134 of the Act read with Rule 8 of Companies (Accounts) Rules, 2014 the information relating to conservation of energy is annexed as **Annexure VI** to this Report.

The information relating to technology absorption is not given since the same is not applicable to your Company.

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of your Company, which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

Compliance with Secretarial Standards:

Your Company is in compliance with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

Acknowledgements

Your Directors would like to thank the Members for their support received and their continued confidence in the Company. Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Regulatory and Statutory Authorities, Government and its agencies, hotel & retail operating partners, Stock Exchanges, Depositories, lenders, legal advisors, Registrar & Share Transfer Agent, Auditors, vendors and other key stakeholders.

Your Company lauds the Central Government, State Governments, Municipal Corporations and other government bodies for their initiatives to combat the pandemic and steps in aiding the industry to emerge out of this crisis.

Your Directors place on record their gratitude to the Company's employees at all levels.

For and on behalf of the Board of Directors of
Chalet Hotels Limited

Hetal Gandhi
Chairperson
DIN: 00106895

Place: Mumbai
Date: May 18, 2021

Annexure I

Dividend Distribution Policy

Objective and Philosophy

- This Dividend Distribution Policy ("the Policy") establishes the principles to ascertain amounts that can be distributed to Equity Shareholders as dividend by the Company as well as enable the Company to strike a balance between pay-out and retained earnings, in order to address future needs of the Company.
- The hospitality industry is a capital intensive industry and the hotels of the Company are owned by the Company which entails substantial capital outlays.
- The objective of this Policy is to reward its shareholders by returning a portion of its profits after retaining sufficient funds for growth of the Company thus maximising shareholders' value.
- The Policy sets forth the broad principles for guiding the Board and the Management in matters concerning declaration and distribution of dividend, with a view to ensure fairness, transparency, sustainability and consistency in the decision for distributing profits to shareholders.
- The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits inter-alia for working capital requirements, capital expenditure to meet expansion needs, reducing borrowings, earmarking reserves for growth opportunities and thereafter distributing the surplus profits in the form of dividend to the shareholders.
- The Policy shall broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilised, etc.

Regulatory Framework

- The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires listed companies to formulate a Dividend Distribution Policy.
- The Company has framed this policy to comply with the aforesaid requirements which has been approved by their Board of Directors.
- This Policy shall be effective and applicable for dividend, if any, declared for the Financial Year 2018-19 and onwards.
- Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, out of the profits of the Company for the current year or out of profits of the Company for any previous financial years or out of both, as may be permitted by the Companies Act, 2013 ('the Act').
- In the event of inadequacy or absence of profits in any year, the Board may recommend to declare dividend out of the accumulated profits earned by the Company in any previous financial years and transferred to free reserves, provided such declaration of dividend shall be in accordance with the provisions of the Act and Rules framed thereunder.
- The Board may also declare interim dividends as may be permitted by the Act.
- Subject to the provisions of the applicable laws, the Company's dividend pay-out will be determined based on available financial resources, investment and business requirements and taking into account optimal shareholder return.
- While determining the nature and quantum of the dividend pay-out, the Board would take into account the following factors:

a) Internal Factors:

- Cash flow position of the Company
- Profit after Tax during the financial year
- Working capital requirements
- Capital expenditure requirement
- Future cash requirements for Business expansion / organic growth and / or for inorganic growth
- Likelihood of crystallisation of contingent liabilities, if any
- Upgradation of technology and physical infrastructure
- Debt levels and cost of borrowings
- Past dividend pay-out ratio / trends

b) External Factors:

- Business cycles
- Industry Outlook for the future
- Economic environment
- Capital markets
- Global conditions
- Changes in the government policies and regulatory provisions and guidelines

c) Circumstances under which the shareholders of the Company may or may not expect dividend

The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- Proposed expansion plans, renovations and up-gradations requiring higher capital allocation
- Decision to undertake any acquisitions, amalgamations, merger, joint ventures, new launches etc. which requires significant capital outflow
- Requirement of higher working capital for the purpose of business of the Company
- Debt obligations
- Proposal for buy-back of securities
- In the event of loss or inadequacy of profit

d) Utilisation of Retained Earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following factors:

- Market expansion plans
- Organic and / or inorganic growth
- Diversification of business
- Long term strategic plans for growth
- Replacement of capital assets
- Such other criteria's as the Board may deem fit from time to time.

Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at www.chalethotels.com/policies/.

Policy review and amendments

The Board may review the Policy from time to time or when changes may be required.

Annexure II

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries /associate companies

Part "A": Subsidiaries

₹ in Million

Sl. No	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant FY in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share-holding
1.	Chalet Hotels & Properties (Kerala) Pvt. Ltd.*	December 22, 2006	April 1, 2020 to March 31, 2021	Indian Rupees	277.88	(310.06)	1.07	1.07	NIL	0.06	(5.19)	-	(5.19)	NIL	90%
2.	Belaire Hotels Private Limited	February 03, 2020	April 1, 2020 to March 31, 2021	Indian Rupees	1407.05	(475.45) (includes FCCD of ₹ 845.04 mn which is included in the Reserves in the Financial Statements)	2850.97	2850.97	NIL	110.88	(222.06)	-	(222.06)	NIL	100%
3.	Seapearl Hotels Private Limited	February 10, 2020	April 1, 2020 to March 31, 2021	Indian Rupees	52.66	53.06	105.85	105.85	NIL	6.31	5.30	1.66	3.64	NIL	100%

Notes:

* Names of subsidiaries which are yet to commence operations

Names of subsidiaries which have been liquidated or sold during the year: NIL

Annexure 'II'

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries /associate companies

Part "B": Associates

Name of Associates	Date on which the Associate or Joint Venture was associated or acquired	Latest audited Balance Sheet Date	Shares of Associate held by the Company on the year end: No.	Amount of Investment in Associates (₹ in Million)	Extent of Holding %	Description of how there is significant influence	Reason why the Associate is not consolidated	Net-worth attributable to Shareholding as per latest audited Balance Sheet (₹)	Net Profit or Loss for the year after tax: Considered in Consolidation (₹)	Not Considered in Consolidation (₹)
Krishna Valley Power Private Limited	January 8, 2019	March 31, 2020	622,960	12.54	20.80%	There is no significant influence.	Your Company has for securing the supply of renewable energy acquired 20.8% of the Equity Share Capital of Krishna Valley Power Private Limited and 26% of the Equity Share Capital of Sahyadri Renewable Energy Private Limited, being entities engaged in generation of hydro power. Your Company, does not have the ability to participate and neither is involved in the operations and/or relevant activities of these companies/ entities and neither has exposure or rights to variable returns. The financials of the abovementioned entities have thus not been considered as Associate companies in the consolidation of Financial Statements.	N.A.	N.A.	N.A.
Sahyadri Renewable Energy Private Limited	November 5, 2017	March 31, 2020	1,044,500	31.46	26%			N.A.	N.A.	N.A.

Notes:

1. Names of associates which are yet to commence operations - NIL
2. Names of associate which have been liquidated or shares sold during the year – NIL

For and on behalf of the Board of Directors of Chalet Hotels Limited

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Joseph Conrad D'Souza
Director
(DIN: 00010576)

Christabelle Baptista
Company Secretary
ACS17817

Place: Mumbai
Date: May 18, 2021

Annexure III

Annual Report on CSR Activities

Financial Year 2020-21

1. Brief outline on CSR Policy of the Company

The CSR Policy of your Company enables it to embark on a CSR journey covering various initiatives within the permitted regulatory framework. During the year under review, while the focus continued on sustainability initiatives within the operating properties and the development pipeline, the Company extended its CSR program towards providing healthcare initiatives and also touched the lives of 50 'People with Disabilities' ('PwDs') through a vocational and skill enhancement program, which was instrumentalised by TRRAIN (Trust for Retailers and Retail Associates of India). Also, at the operating properties, the Company along with its operating partners viz. Marriott (Marriott Hotels India Pvt Ltd and its affiliates) and Inorbit (Inorbit Malls (India) Private Limited) undertook various activities to reach out through various social initiatives that have been undertaken either directly or in association with NGOs.

2. Composition of the CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Hetal Gandhi	Chairperson Independent Director	2	2
2	Ms. Radhika Piramal	Member Independent Director	2	1
3	Mr. Neel C. Raheja	Member Non-Executive Director	2	2
4	Mr. Sanjay Sethi	Member Managing Director & CEO	2	2

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

CSR Committee	https://www.chalethotels.com/composition-of-committees-2/
CSR Policy	https://www.chalethotels.com/policies/
CSR projects	https://www.chalethotels.com/wp-content/uploads/2021/05/CSR-PLAN-2020-21.pdf

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

Not applicable for the Financial Year under review.

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any

Not Applicable for the Financial Year under review.

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1			
2			
	Total		

6. Average Net Profit of the Company as per Section 135(5): ₹ 22,43,49,064/-

7. (a) Two percent of average Net Profit of the Company as per Section 135(5): **₹ 44,86,981/-**

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 44,86,981/-**

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹): Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
44,90,045	Nil	--	N.A.	Nil	--

(b) Details of CSR amount spent against ongoing projects for the Financial Year: **Not Applicable**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project: State	District	(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - through Implementing Agency: Name	CSR Registration number
	Total											

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project: State	District	(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency: Name	CSR Registration number
1.	Livelihood creation for persons with disabilities (Employment linked training)	Schedule VII – Clause ii - Promoting education and employment enhancing vocation skills among differently abled and livelihood enhancement projects	Yes	Karnataka - Telangana	Bengaluru District - Hyderabad District	8,78,045	No	Trust for Retailers and Retail Associates of India	CSR00002617
2.	Provision of medical equipments to a multi-disciplinary Hospital	Schedule VII – Clause i – promoting health care including preventive health care	Yes	Maharashtra –	Mumbai District	35,12,000	No	Diabetic Association of India	CSR00005411
3.	Provision of medical equipments to a Hospital (for COVID-19 patients)	Schedule VII – Clause i – promoting health care including preventive health care	Yes	Maharashtra –	Mumbai District	1,00,000	No	Jeevan Jyot Cancer Relief & Care Trust –Grant Govt. Medical College & Sir J J Group of Hospitals, Mumbai	N.A.
	Total					**44,90,045**			

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

(e) Amount spent on Impact Assessment, if applicable: **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 44,90,045**

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

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average Net Profit of the Company as per Section 135(5)	**44,86,981**
(ii)	Total amount spent for the Financial Year	**44,90,045**
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	**3,064**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**NIL**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**3,064**

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

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

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s): **Not Applicable**

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details)

Not Applicable

(a) Date of creation or acquisition of the capital asset(s):

(b) Amount of CSR spent for creation or acquisition of capital asset:

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

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

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

Not Applicable

Place: Mumbai
Date: May 18, 2021

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Hetal Gandhi
Chairperson - CSR Committee
(DIN: 00106895)

Annexure IV

Form No. MR - 3

Secretarial Audit Report

for the Financial Year ended on March 31, 2021

[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,
Chalet Hotels Limited
Raheja Tower,
Plot No.C-30, Block 'G',
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400051.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chalet Hotels Limited [CIN: L55101MH1986PLC038538] (hereinafter called the "Company") for the audit period from April 1, 2020 to March 31, 2021, ('the year'/ 'audit period'/ 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) our verification of the books, papers, minute books, soft copy as provided by the company and other records maintained by the Company and furnished to us, forms/ returns filed and compliance related action taken by the company during the financial year ended March 31, 2021 as well as before the issue of this report,

(ii) Compliance Certificates confirming Compliance with all laws applicable to the company given by Key Managerial Personnel / senior managerial Personnel of the company and taken on record by Audit Committee / Board of Directors, and

(iii) Representations made, documents shown, and information provided by the company, its officers, agents, and authorised representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2021, the Company has:

(i) Complied with the statutory provisions listed hereunder, and

(ii) Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this Report, along with our letter of even date annexed to this report as Annexure- A.

1. Compliance with specific statutory provisions

We further report that:

1.1. We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions/ clauses of:

i. The Companies Act, 2013 ("the Act") and the Rules framed thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"): -

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

vi. Secretarial Standards issued by The Institute of Company Secretaries of India ("Secretarial Standards").

1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2021, but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us :

i. Complied with the applicable provisions/ clauses of the Act, Rules and SEBI Regulations mentioned under sub-paragraphs (ii), (iii) and (v) of paragraph 1.1 above

ii. Complied with the applicable provisions/ clauses of:

a) The Act and rules mentioned under paragraph 1.1 (i); and

b) The Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above to the extent applicable to Board meetings and Committee meetings held during the review period and the 35th Annual General Meeting ("AGM") held on August 11, 2020. The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board meeting and Committee meetings held through video conferencing during the review period were verified based on the minutes of the meeting provided by the Company.

1.3. We are informed that, during the year, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form / returns thereunder:

i. The following Regulations and Guidelines prescribed under the SEBI Act: -

a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client.

1.4. Based on the nature of business activities of the Company, following acts are specifically applicable to the Company, which has been duly complied with:

i. Food Safety and Standards Act, 2006 and Rules thereunder;

ii. Prevention of Food Adulteration Act, 1954 and Rules thereunder;

iii. The Legal Metrology Act, 2009 and Rules thereunder;

iv. The Legal Metrology (Packaged Commodities) Rules, 2011; and

v. The provisions of the Real Estate (Regulation & Development) Act, 2016 and Rules thereunder

We further report that the Company has constituted a combined committee i.e.: Audit and Risk Management Committee. The committee performs the functions of both Audit as well as Risk Management Committee as per the terms of reference as specified in SEBI LODR Regulations.

2. Board processes

We further report that

2.1. The Board of Directors of the Company as on March 31, 2021, comprised of:

i. One Executive Director;

ii. Two Non-Executive Non Independent Directors; and

iii. Four Non-Executive Independent Directors, including a Woman Independent Director.

2.2. The processes relating to the following change in the composition of the Board of Directors during the year were carried out in compliance with the provisions of the Act and LODR:

i. Resignation of Mr. Rajeev Newar (DIN: 00468125) as the Executive Director of the Company with effect from August 2, 2020.

ii. Re-appointment of Mr. Sanjay Sethi (DIN: 0641243) as the Managing Director & CEO of the Company with effect from February 9, 2021, subject to approval by the shareholders at the ensuing Annual General Meeting.

2.3. Adequate notice was given to all Directors of the Company to schedule the Board Meetings (including Committees), Agenda and detailed notes on Agenda were sent at least 7 (seven) days in advance, and where the same were given at shorter notice than seven days, more than one Independent Director was present at the Board Meeting as required under Section 173(3) of the Act and Secretarial Standard related to Board Meetings.

2.4. A system exists for Directors to seek and obtain further information and clarifications on the Agenda items before the meetings and for their meaningful participation at the Meetings.

2.5. Decisions at the Meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the Audit Period.

3. Compliance mechanism

There are reasonably adequate systems and processes in the company, commensurate with the company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. Specific event(s)/action(s)

During the year, the following specific events/actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:

i. The Board of Directors of the Company at its Meeting held on August 11, 2020 approved the scheme of arrangement in respect of amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited, wholly-owned subsidiaries into the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

Avinash Bagul
Partner
FCS 5578 / CP No. 19862
UDIN: F005578C000358887

Place: Mumbai
Date: May 18, 2021

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

Annexure A

To,
The Members,
Chalet Hotels Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the company after March 31, 2021, but before the issue of this report.
4. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

Avinash Bagul
Partner
FCS 5578 / CP No. 19862
UDIN: F005578C000358887

Place: Mumbai
Date: May 18, 2021

Annexure V

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

I The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21:

Sr. No.	Name of Directors	Designation	Ratio of Remuneration of each Director to median remuneration	Remuneration (₹)
1	Mr. Hetal Gandhi	Non Executive Chairperson & Independent Director	4.72	7,75,000
2	Mr. Ravi C. Raheja	Non Executive Director	4.72	7,75,000
3	Mr. Neel C. Raheja	Non Executive Director	4.27	7,00,000
4	Mr. Joseph Conrad D'Souza	Independent Director	5.33	8,75,000
5	Mr. Arthur De Haast [2]	Independent Director	11.63	19,08,717
6	Ms. Radhika Piramal	Independent Director	3.20	5,25,000
7	Mr. Sanjay Sethi	Managing Director and CEO	249.00	4,08,41,264
8	Mr. Rajeev Newar [3]	Executive Director and CFO	60.91	99,93,934

II The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year 2020-21 as compared to Financial Year 2019-20:

Sr. No.	Name of Directors and KMPs	Designation	% increase / decrease in remuneration
1	Mr. Hetal Gandhi	Non Executive Chairperson & Independent Director	22%
2	Mr. Ravi C. Raheja	Non Executive Director	23%
3	Mr. Neel C. Raheja	Non Executive Director	59%
4	Mr. Joseph Conrad D'Souza	Independent Director	32%
5	Mr. Arthur De Haast [2]	Independent Director	-23%
6	Ms. Radhika Piramal	Independent Director	75%
7	Mr. Sanjay Sethi	Managing Director and CEO	-35%
8	Mr. Rajeev Newar [3]	Executive Director and CFO	-57%
9	Ms. Christabelle Baptista	Company Secretary	-30%
10	Mr. Milind Wadekar [4]	V P - Finance & Tax (Interim Chief Financial Officer)	-22%

Notes:
1 The remuneration of Non Executive Directors consists only of Sitting Fees.
2 Mr. Arthur DeHaast was paid professional fee as per the terms of his appointment.
3 Mr. Rajeev Newar resigned as Executive Director w.e.f. August 02, 2020 and Chief Executive Officer w.e.f. August 19, 2020.
4 Mr. Milind Wadekar has been appointed as Interim Chief Financial Officer of the Company w.e.f. September 15, 2020.

III The percentage increase in the median remuneration of employees in the Financial Year 2020-21:
The percentage increase in the median remuneration of all employees for the Financial Year was negative 17%.

IV The number of permanent employees on the rolls of Company as on March 31, 2021:
The number of permanent employees on the rolls of Company as on March 31, 2021 was 1713.

V Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
There was no increase in the remuneration of the employees, including managerial personnel, during the Financial Year under review.

VI It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and members of senior management team is as per the Company's Policy for Appointment of Directors & Remuneration of Director and Senior Management.

Annexure VI

Energy Conservation Measures undertaken by the Company during Financial Year 2020 – 21

The energy conservation measures undertaken during the financial year under review have been broadly categorised into 02 sections – Projects & Operations:

A. Projects:

Your Company continues to deploy the principles set out by the U S Green Building Council for Leadership in Energy and Environmental Design (USGB LEED) Certification while executing all the projects under development, which will result in energy efficient building models. Few of the measures are elaborated as below:-

1) **Chiller Plant Optimiser:**
All air-conditioning plant rooms are equipped with Chiller Plant Optimiser in order to achieve highest efficiency of the HVAC equipment.

2) **DOAS (Dedicated outdoor-air systems)**
Using DOAS helps to reduce total installed Cooling / Heating Capacity.

3) **Heat Recovery Wheels (HRW)**
This helps in achieving of high-performance energy saving.

4) **LED Lights**
Energy efficient LED type of light fixtures will be used, which will not only help reduce power consumption but also reduce heating and thus reduce the requirement for cooling for those areas.

5) **Motion Sensors**
Major Public Areas are considered with Passive Infra-Red (PIR) based Automatic Lighting Control. This has improved reduction in un-wanted burning of power in lighting.

6) **Solar PV Panels**
Options of Solar Energy generation are being worked out in respect for the terrace/landscape areas, to generate solar energy for captive consumption, which will in turn bring down the consumption of energy from external sources.

B. Operations:

Some of the measures that have been deployed are as follows:

1) **Energy Management:**
- Plant Room Optimiser: Complete automated IP Based system with high efficient Chillers, In line pumps with VFD's, Low Approach Cooling Towers.
- Auto Tube Cleaner installed for chiller condenser unit to keep copper tubes clean all the time which increase the efficiency of the chiller plant.
- Hot water generators operating on high speed diesel/piped gas replaced with water-to-water Heat Pumps, operating on electricity, which not only give hot water but also helps the air-conditioning system by getting chilled water as a by-product.
- EC Fans have been introduced for bigger capacity Air Handling Units (AHUs) to achieve the accurate temperature with improved efficiency.
- Heat Recovery Wheels (HRW) are used for reduction of ventilation and humidification for treated fresh air system (TFA).
- LEDs & Motion Sensors for Light Controls are implemented.
- Solar PV panels for generation of solar energy have been installed at some of our projects.
- Pressure Independent Balancing Valves for AHU's & FCU's
- Carbon Dioxide sensors for fresh air monitoring
- Guest room automation with occupancy sensor

2) **Water Management:**
- All properties are designed to treat 100% waste water through Sewage Treatment Plant (STP) for efficient use of water.
- Ultra-filtration & on-line monitoring systems are used for STP treated water to further purify and make it suitable for usage in air conditioning condenser water & flushing, apart from gardening.
- Efficient collection of terrace / periphery rainwater & routing it into rainwater harvesting tanks or re-charging/percolation pits, in order to improve the water table of surrounding areas.
- Water aerators have been fixed for all water taps
- Waterless urinals are being installed in the common areas
- Sensor based taps are being installed
- Dual flush tanks being implemented

3) **Waste Management:**
- Natural Organic Waste Composter installed to convert wet-waste into manure which is used in the gardens within the properties.
- Use of "Bottle Crusher Machine", whereby plastic bottles are crushed & stored and then handed over to authorised vendor for re-cycling.
- Water bottling plant is being implemented for reduction of single use plastic bottles

Management Discussion and Analysis

"Strength does not come from physical capacity. It comes from an indomitable will."

– Mahatma Gandhi

Over the past fifteen months we have been battling the biggest known pandemic of the century which has united the world in many ways. However, even the united world has struggled to fix the problem in a permanent way. It is the sheer INDOMINABLE WILL that has allowed the fittest to survive the storm.

GLOBAL ECONOMY

As per World Bank's GEP (Global Economic Prospects) Report of January 2021, the COVID-19 pandemic that has caused major disruptions in the global economy is expected to leave long-lasting adverse effects on global economic activity and per capita incomes. A comprehensive policy effort is needed to rekindle robust, sustainable and equitable growth.

IMF in its World Economic Outlook report April 2021 states 'Global prospects remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support.' The report further states, 'Global growth is projected at 6 % in 2021, moderating to 4.4 % in 2022.'

INDIAN ECONOMY

As per the International Monetary Fund and the Reserve Bank of India, India's GDP witnessed a de-growth of 7.7% for Financial Year 2020-21. The Consumer Price Index was also at an all time low of 3.7. As per a World Banks GEP January 2021, India's economy is estimated to contract by 9.6% in the fiscal year 2020-21, reflecting a sharp drop in household spending and private investment, and the growth is expected to recover to 5.4% in 2021. Various measures by the government to aid the industry and the economy have helped in tiding the crisis, but the aftermath of the pandemic is expected to stay in the near to medium term.

GLOBAL HOSPITALITY INDUSTRY PERFORMANCE

As per the Indian Hospitality – The Stats & Pulse Report FY21 by Hotelivate RevPar in the Asia Pacific region witnessed a decline of 71% in 2021 over 2020.

INDIAN HOSPITALITY INDUSTRY PERFORMANCE

The performance of the hospitality sector for FY21 will remain etched in history. As per Hotelivate's Report the year would have closed with a nationwide Occupancy of 33.8% and an Average Room Rate of ₹ 4,013 which represents close to 50% decline in occupancy and a 33% decline in ADR over FY20. It is noteworthy that over 5,000 new rooms opened across the nation in this fiscal, despite the grim situation of the industry. Further, some segments of the industry such as leisure hotels continued to maintain levels at nearly pre-COVID rates, for the period from October 2020 to February 2021.

In the mid to long term, the report states forecasted occupancy in India to be 52.7% in FY22 and 64.9% in FY23 driven by post pandemic resurgence and muted growth on the supply side.

India's recovery from the pandemic was envious until the second wave, which witnessed a rapid spurt in cases beginning in March 2021. The vaccination drive and various initiatives across the country give a ray of hope.

Evolving Market Conditions in India

The Financial Year 2021 began amongst the restrictions laid down by the Central and various State Governments. The Indian economy started opening up in the first quarter as the governments cautiously began removing restrictions and we experienced positive indications with businesses slowly gaining momentum. The Indian hospitality industry too saw new guidelines allowing the opening of economic activities. Hotels could open their doors to regular guests in all the four cities that our portfolio hotels are located in. Globally accepted safety and hygiene protocols and SOPs became the norm at our hotels. Digital solutions, such as e-menus, contactless payment options and digital room keys enabled through smartphones started getting incorporated at our hotels. 2021 started with hope amidst news of several vaccines on the brink of roll-out. India's vaccine drive started earlier than expected in January 2021, with priority being given to high risk categories. Number of cases dropped significantly in February 2021 boosting the public sentiment across the country. Businesses picked-up and travel started picking pace.

However, India saw the emergence of a massive second wave of COVID in March. The average daily count of new cases went up from ~10,000 in March to ~4,00,000 by the end of April. Major cities Mumbai, Delhi, Bangalore, Pune were all hit badly by this wave and lockdowns/re-imposing of restrictions by the government returned to contain the virus spread.

On the positive side, India's vaccination drive is slowly but steadily picking pace. As on May 14, 2021 India has vaccinated ~140 mn people with the first dose and ~ 40 mn people with the second dose which is third highest in the world at 13% of all the first doses administered. The expansion of vaccine manufacturing facilities is currently underway and is expected to take care of the current shortfall. Further, the Government of India has extended financial support to vaccine manufacturers to augment production. The State Governments are also focusing on expediting the vaccination drive.

With the progress on the vaccines and stable policy environment the mid to long term recovery for the economy and Hospitality industry remains unaffected. IMF in the past few days has raised India's GDP forecast to 12.5% for 2021 while the RBI is expecting a recovery of 10.5% for the fiscal year ending March 2022. According to a recent Bloomberg survey in March 2021, economists had raised India's 2021 GDP forecast by an average of ~100 bps as compared to February 2021 which is the highest movement across Asia.

Domestic air traffic is constantly growing. As per data published by DGCA for the quarter October to December 2020 domestic air traffic grew by 113% as against from July to September 2020 and has continued to witness a steady increase in the first 3 months of the year 2021 the monthly number was further up by 23% as compared to the preceding quarter. However, with the onslaught of the second wave of COVID from early April 2021, there has been a short-term dip in domestic air traffic. As per a report by Hotelivate, while over two thirds of the decline in air passenger traffic is expected to be reversed in FY22, it is expected that the number of passengers will reach pre-COVID levels only by the close of FY23 or mid FY24.

The Government of Maharashtra has rolled out several initiatives to alleviate the pains of the hospitality industry. The tourism ministry regularly engaged with the industry bodies (HAI & HRAWI) to understand the needs of the industry and after several meaningful interactions with the industry representatives, the Government of Maharashtra announced the following:

- waiver of property tax in respect of rooms that housed doctors
- 6-month waiver on liquor license excise fee and industry rate benefits for electricity, water and property tax, extended to Hotels.

With Maharashtra as the benchmark, similar initiatives were being worked upon in Karnataka and Telangana and in the month of February 2021, the Government of Karnataka also awarded industry status to the hospitality industry with similar benefits.

Our Resolute Response
We started the year with a 2-pronged approach on protecting cash-flows and sustaining the business:

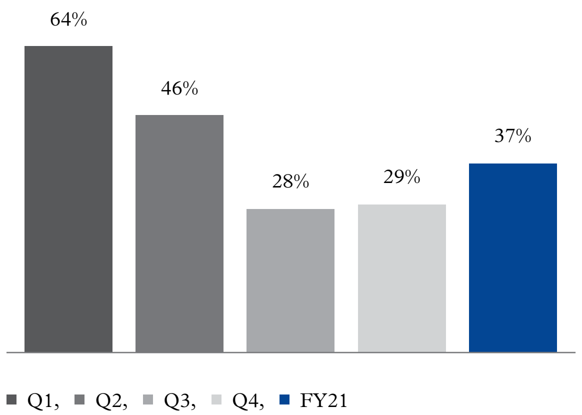
- **Phase 1: Surviving COVID Crisis**
The strategy was developed at the onset of the pandemic and Phase I was in action from March to June 2020. During this phase, the Company focused on conserving cashflows, by clamping hard on expenses, halting all ongoing projects, besides strict implementation of COVID protocols and SOPs for the safety of guests and associates. New revenue streams such as Special Purpose Groups, quarantine for Vande Bharat passengers, medical and front-line workers, seafarers were targeted to drive occupancy in hotels. The Company extended support to authorities fighting COVID by supplying PPE Kits and meal packets to frontline and healthcare workers. Our Hotels offered rooms to MCGM's medical teams engaged in fighting the pandemic from April till November 2020.

- **Phase 2: Post-COVID strategy**
In this phase, focus moved to boosting revenues and stabilising costs. New revenue streams were identified such as Drive-in Breakfast, Staycation, Workcation, food delivery & takeaways, etc., all while not taking eyes off continuous cost saving initiatives. During the year under review, the Company recorded a reduction of ~70% in Variable Costs and ~50% in Fixed Costs. Repurposing unutilised or underutilised spaces at the properties, also added to revenue during the year under review.

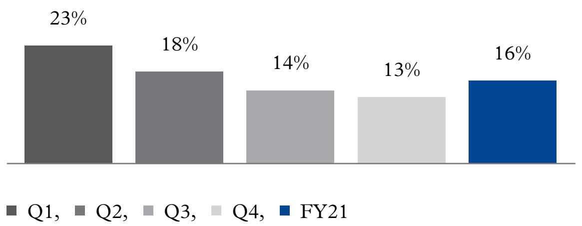
Cost Savings

~50%	~70%	0.74
reduction in **Fixed costs**	reduction in **Variable costs**	Staff to room Mar-21 (1.08 as on March-20)

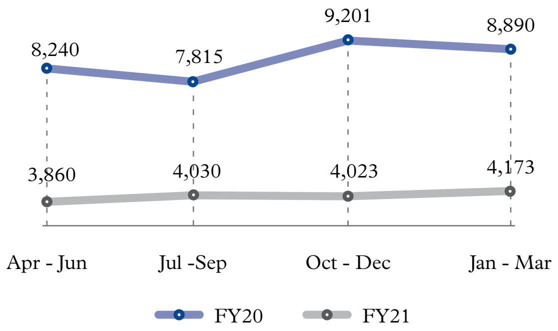
Payroll Costs % of Revenue



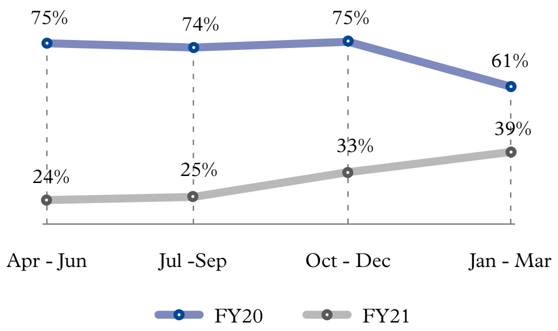
Utilities as a % Revenue



ADR* (₹)



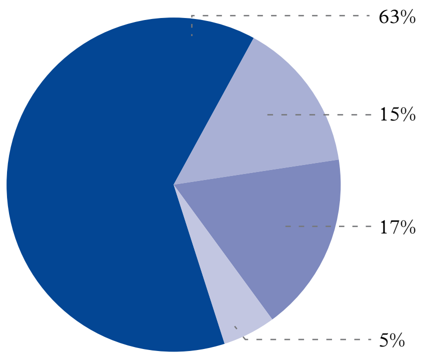
Occupancy (%)



* ADR and Occupancy % have been calculated on total inventory

Our city-wise performance for FY 2020-21

FY21 Revenue ₹ 2,021 Mn



	FY21	FY20	Y-o-Y %
ADR (₹)			
MMR	4,056	8,309	-51%
Bengaluru	4,611	9,093	-49%
Hyderabad	4,161	8,688	-52%
Pune	2,871	5,255	-45%
Combined	**4,040**	**8,482**	**-52%**
Occupancy %			
MMR	35%	72%	-3700 bps
Bengaluru	24%	73%	-4900 bps
Hyderabad	19%	70%	-5100 bps
Pune	28%	41%	-1200 bps
Combined	**30%**	**71%**	**-4100 bps**
RevPAR (₹)			
MMR	1,415	5,942	-76%
Bengaluru	1,127	6,593	-83%
Hyderabad	794	6,115	-87%
Pune	805	2,130	-62%
Combined	**1,214**	6,022	-80%

MMR: Mumbai Metropolitan Region
Novotel Pune was acquired in February 2020 and hence only included for 2 months in the previous year

OPERATIONAL PERFORMANCE

Hospitality Operations
The Average Daily Rate or ADR for the hospitality portfolio of Chalet, was ₹ 4,040 for the year under review, whilst the overall occupancy levels were at 30% for the financial year ended March 31, 2021.

Overall, the entire year has borne the brunt of the pandemic and all the key metrices of the Company such as ADR, Occupancy and RevPar reflect the same.

EBITDA deficit margins were reduced by optimising fixed and variable costs.

Some of the measures taken for reducing costs include:

1. Reviewed & lowered fixed costs:
   a. Renegotiated AMC's revising scope and lowering annual contract rates
   b. Shutdown in-house laundry at the Hotels at Powai and Sahar in Mumbai. Complete laundry operations are now outsourced to a third-party and laundry costs have been brought down
   c. Reduced Minimum Demand for electricity load at all locations thereby reducing fixed charges
   d. Renegotiated service contracts like Hi-speed internet access, Satellite TV, transport services to revise scope and lower costs
   e. Improved employee productivity
   f. Finance function centralised for hotels managed by Marriott Group; Central Finance Hub created in Mumbai
2. Reviewed & lowered variable costs:
   a. Renegotiated with vendors to extend previous year's or lower rates wherever possible

Commercial Operations
The two commercial towers of the Company at Sahar, Mumbai and Whitefield, Bengaluru continue to contribute to steady revenue and cash flows. The retail portfolio witnessed closure of various units both at Sahar and Bengaluru. Repurposing of the Retail operations at Sahar, Mumbai into largely commercial office space and retaining a few F&B outlets to support the commercial set up has been approved by the Board and necessary steps are being taken in this direction. The retail operations at Whitefield, Bengaluru will continue to be closely monitored taking into consideration the demand drivers.

PORTFOLIO

An overview of the updated portfolio of the Company has been provided on Page 06 of this report.

Pipeline
The projects pertaining to development of new hotels, expansion and product improvement plans excluding the renovation at Renaissance Mumbai Convention Centre Hotel, Powai (Renaissance, Powai) have been kept on hold and will be paced appropriately after assessment of the impact of COVID-19 on the business, demand and consumer behaviour. On the commercial side, the construction of nearly 1.2 Million square feet is underway at two locations, i.e. at Powai at Mumbai and at Whitefield in Bengaluru. The commercial projects have been restarted after being suspended temporarily due to imposition of lockdown across the country during the year under review. Improvements are also being carried out with a view to repurpose the unutilised portion of the retail complex at Sahar as Office/ Commercial space.

Re-Branding Hotels
Your Company had entered into an agreement with Marriott and its affiliates for rebranding of the existing hotel viz. Renaissance Mumbai Convention Centre and Hotel, Powai, as 'Westin Mumbai Powai Lake'. The requisite upgrade of the asset for the same is expected to be completed in two phases, in the FY22 and FY23.

Residential Project – Koramangala, Bengaluru
Completion of the residential project at Bengaluru, is now being proposed, after being on hold since FY14 due to ongoing litigation. The Company has initiated the process for renewing / applying for permissions and discussions with the flat purchasers are underway. Work on the project is expected to commence in the second quarter of FY22.

HUMAN RESOURCES

We are a people-led organisation. We strive to be an employer of choice by encouraging our employees to reach their highest potential in an engaging, professional work environment.

Read more on Page 34

RISK MANAGEMENT

We have an integrated risk management framework ensuring effective governance of operational and strategic risks.

Read more on Page 44

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Internal Financial Control Systems including inter-alia the Internal Audit and Internal Controls are commensurate with the size and scale of your Company's operational and commercial activities.

The internal control systems provide assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability on financial control and compliance with applicable laws. The operations of the hotel are largely managed through globally reputed hospitality companies which have their respective internal control systems in place.

FINANCIAL PERFORMANCE

Results of Operations for the year ended March 31, 2021
The Company's Consolidated financial performance for the year ended March 31, 2021

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	Change %
Revenue from Operations	2,943.87	9,808.49	-70%
Other Income	223.38	278.97	-20%
Total Income	**3,167.25**	**10,087.46**	-69%
Total Expenses	**2,873.35**	**6,379.52**	-55%
EBITDA from Continuing operations	**293.90**	**3,707.94**	-92%
EBITDA from discontinued Operations	(40.62)	(62.82)	
EBITDA	**253.28**	**3,645.12**	
Depreciation and amortisation expenses	1,174.62	1,133.17	4%
Finance costs	1,519.78	1,461.76	4%
(Loss)/Profit before Exceptional items and Tax	**(2,441.12)**	**1,050.19**	
Exceptional items	(41.71)	(41.71)	0%
(Loss)/Profit before income tax	**(2,482.83)**	**1,008.48**	
Tax Expense	(1,091.55)	12.22	
(Loss)/Profit for the year	**(1,391.28)**	996.26	

(₹ in million)

Particulars	Q4FY21	Q3FY21	Q2FY21	Q1FY21
Revenue from Operations	978.27	850.77	588.77	526.20
Other Income	42.55	65.26	52.37	63.20
Total Income	**1,020.82**	**916.03**	**641.14**	**589.40**
Total Expenses	**956.63**	**746.63**	**611.41**	**586.43**
EBITDA from Continuing operations	**64.19**	**169.40**	**29.73**	**2.97**
EBITDA from discontinued Operations	(13.01)			
EBITDA	**51.18**	**169.40**	**29.73**	**2.97**
Depreciation and amortisation expenses	286.74	294.61	297.09	296.18
Finance costs	351.93	374.00	393.07	400.78
(Loss) / Profit before Exceptional items and Tax	**-587.49**	**-499.21**	**-660.43**	**-693.99**
Exceptional items	-10.16	-10.59	-10.58	-10.38
(Loss)/Profit before income tax	**-597.65**	**-509.80**	**-671.01**	**-704.37**
Tax Expense	-337.81	-199.52	-243.53	-310.69
(Loss) / Profit for the year	**-259.84**	**-310.28**	**-427.48**	**-393.68**

The worst pandemic of the century which started at the end of December 2019 in China and came to India in early 2020 has kept business uncertainty high across the globe for over a year now. The Company saw business impact from March 2020 onwards, as detailed in the business update.

In addition to the annual performance, an analysis of the sequential quarterly performance for the 4 quarters in FY21 has also been made available in this document.

The Company saw a gradual pick-up in business performance quarter on quarter in FY21 as the Central, State and local Governments systematically eased restrictions and public confidence grew.

- Revenue increased from ₹ 589 million in Q1FY21 to ₹ 1,021 million in Q4FY21.
- The company reported positive EBITDA through the period which moved up from ₹ 3 million in Q1FY21 to ₹ 169 million in Q3FY21 and dropped to 64 million in Q4FY21 due to the severe second wave.

Revenue Break-up

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	Change %
Hospitality	**2,017.95**	**8755.01**	-77%
Room Revenue	1,131.66	5,218.77	-78%
Food & Beverage Revenue	683.77	2,798.21	-76%
Other Revenue	202.52	738.03	-73%
Retail & Commercial	**925.92**	**1000.54**	-7%
Lease Rent	827.54	810.51	2%
Maintenance and other recoveries	80.73	122.53	-34%
Revenue from other services	17.65	67.50	-74%
Real Estate			
Sale of residential flats	0.00	52.94	-100%
Other Income	**223.38**	**278.97**	-20%
Total Income	**3167.25**	10087.46	-69%

Hospitality FY21 performance:
- Hospitality revenue declined by 77% against previous year and formed 64% of the consolidated revenues
- Room revenue declined by 78% against the previous year, driven by 52% decline in Average Daily Rates (ADR) for the year while the Occupancy contracted by 4100 Bps to 30% for the same period
- Food and Beverages revenue dropped by 76% to ₹ 684 million
- Other Revenue declined by 73% over the previous year led by limited services at the hotels

(₹ in million)

Particulars	Q4FY21	Q3FY21	Q2FY21	Q1FY21
Hospitality	**723.77**	**624.75**	**359.39**	**313.37**
Room Revenue	369.71	310.19	236.62	215.14
Food & Beverage Revenue	272.91	261.16	93.02	56.68
Other Revenue	81.14	53.41	29.75	41.55
Retail & Commercial	**257.70**	**226.01**	**229.38**	**212.83**
Other Income	**38.71**	**65.26**	**52.37**	**63.20**
Total Income	**1,021.12**	**916.02**	**641.14**	**589.40**

Hospitality performance

(₹ in million)

Particulars	March 31, 2021	March 31, 2020	Change %	Q4FY21	Q3FY21	Q2FY21	Q1FY21
Consolidated ADR (₹)	**4,040**	**8,482**	**-52%**	**4,173**	**4,023**	**4,030**	**3,860**
MMR*	4,056	8,309	-51%	4,562	4,110	3,812	3,616
Bengaluru	4,611	9,093	-49%	3,900	4,520	5,337	5,245
Hyderabad	4,161	8,688	-52%	4,067	4,196	4,726	3,958
Pune**	2,871	5,255	-45%	2,888	2,835	2,930	-
Consolidated Occupancy %	**30%**	**71%**	**-4,100 bps**	**39%**	**33%**	**25%**	**24%**
MMR*	35%	72%	-3,700 bps	39%	37%	33%	30%
Bengaluru	24%	73%	-4,800 bps	35%	24%	20%	19%
Hyderabad	19%	70%	-5,100 bps	27%	22%	9%	18%
Pune**	28%	41%	-1,200 bps	63%	42%	7%	-
Consolidated RevPAR	**1,214**	**6,022**	**-80%**	**1,610**	**1,318**	**1,007**	**926**
MMR*	1,415	5,942	-76%	1,788	1,506	1,272	1,099
Bengaluru	1,127	6,593	-83%	1,360	1,087	1,050	1,016
Hyderabad	794	6,115	-87%	1,095	934	442	711
Pune**	**805**	2,130	-62%	**1,831**	**1,188**	**214**	**-**

*MMR represents Mumbai Metropolitan Region

**Novotel Pune was acquired in February 2020 and hence only included for 2 months in the previous year

Quarterly performance:

- Hospitality revenues grew from ₹ 313 million in Q1FY21 to ₹ 724 million in Q4FY21
- Room revenues grew from ₹ 215 million to ₹ 370 million from Q1 to Q4 of FY21 led by occupancy expansion of 1,500 bps to 39% during the same period
- ADR during the year improved from ₹ 3,860 to ₹ 4,173 from Q1FY21 to Q4FY21
- With easing in restrictions on dining out and banqueting events, curation of innovative streams of revenue, Food and Beverages revenue grew from ₹ 57 million in Q1FY21 to ₹ 273 million forming 38% of Q4FY21 revenues
- Food & Beverage revenues declined by 76% for the year, in line with the weak consumer demand environment
- Novotel Pune Nagar Road Hotel and Four Points by Sheraton Vashi were closed during Q1FY21 to consolidate business during the first phase of the lockdown and to optimise spends

Retail and Commercial:

- Steady rentals from commercial helped us keep our head above water
- Segment Revenues declined by 8% against the previous year. Rental revenues from commercial segment remained steady. Due to lockdown restrictions the retail business were primarily closed during the first 2 months of the year while we saw gradual pick-up in footfalls during the remaining months as public sentiment gradually improved

Real Estate:

- The Segment saw no income or sale as there were no ongoing residential projects during the year. The previous year revenue was at ₹ 53 million led by sale of the last 3 residential flats at the Hyderabad project which concluded the project in the same period

Other Income for the period decreased to ₹ 223 million against ₹ 279 million for the previous year due to lower export benefit and entitlement income in the current year and a gain on mark to market of derivative contracts in the previous year.

Operating Expenses:

Operating expenses for the period were lower by 55% against the previous year in line with business contraction on account of the pandemic.

(₹ in million)

Particulars	For the year ended		Change %
	March 31, 2021	March 31, 2020	
Real estate development cost	95.06	228.9	-58%
Food and beverages consumed	242.87	828.39	-71%
Operating supplies consumed	123.35	306.71	-60%
Employee benefits expense	906.57	1516.67	-40%
Other expenses	1505.50	3498.85	-57%
Total Expenses	**2873.35**	6379.52	-55%

- Real Estate development cost was at ₹ 95 million against ₹ 229 million in the previous year
- Food and Beverages consumed for the period was lower by 71% and in-line with the decline in our Food and Beverage Revenue and cost control initiatives by the company
- Operating Supplies consumed declined by 60% and other expenses declined by 57% due to lower operations during the period and cost control initiatives
- Employee benefit expenses were lower by 40% led by initiatives to increase employee productivity and efficiency. Employee cost was 37% of revenue for the year
- Additional details on cost control initiatives are provided in the Business Section, while you may read further on energy initiatives on Page 31.

EBITDA

Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items was at ₹ 253 million as compared to the previous year of ₹ 3,645 million. EBITDA margin for the period was at 8% against steady state 36.1% for the previous year.

In the current financial year, the Company has discontinued its retail operations at Sahar, Mumbai and will rejig a large part of the property for commercial purposes continuing with couple of F&B/retail outlets. The Income and EBITDA of retail operations at Sahar, Mumbai has been disclosed separately as income and EBITDA from discontinued business operations. The discontinued business costs include all direct and indirect costs of retail operations at Sahar, Mumbai.

Excluding this, EBIDTA from Continuing operations was at ₹ 294 million as against ₹ 3,708 million during the previous year.

Depreciation and amortisation expenses were steady at ₹ 1,175 million for the year as compared to ₹ 1,133 million.

Finance costs were at ₹ 1,520 million which was higher by ₹ 58 million from the previous year. The average cost of Rupee loans for the year was at 8.04% as compared to 9.20% for the previous year.

Exceptional Items

(₹ in million)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Provision for estimated cost in relation to potential cancellation	**41.71**	41.71

The Company had commenced a residential project at Bengaluru after obtaining requisite approvals. During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of the buildings. Pursuant to an interim order passed by the Karnataka High Court, in the writ petition filed by the Company, the Company had suspended construction activity at the Project and sale of flats. Provision for interest in relation to potential cancellations of ₹ 41.71 million for the year ended March 31, 2021 (March 31, 2020: ₹ 41.71 million) is reflected as an exceptional item. By judgement dated May 29, 2020 the Honorable High Court of Karnataka has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter to proceed in accordance with law. The Company has filed an appeal in November 2020 against the said Order. Management is of the view that no changes are required on this account in the financial statements as at and for the year ended March 31, 2021.

Profit/(Loss) for the year

Loss for the year with discontinued operations was at ₹ 1,391 million against a profit of ₹ 996 million in the previous year. The cash burn from operations (EBITDA less Finance Cost) for the Company was at ₹ 1,267 million as against a cash gain of ₹ 2,183 million in the previous year.

Equity & Debt

(₹ in million)

Particulars	For the year ended March 31, 2021	March 31, 2020
Equity share capital	2,050.24	2,050.24
Other equity	12,110.38	13,495.27
Non-Controlling interests	(3.22)	(2.70)
Total equity	**14,157.40**	**15,542.81**
Non-cumulative redeemable preference shares	1,194.61	1,107.99
Gross Debt (excluding Preference Share Capital)	19,388.63	17,907.49
Debt / Equity	**1.37**	1.15

- For the year ending March 31, 2021 the ECB exposure was at USD 20.80 million at the end of the year as compared to USD 26.24 million at the beginning of the year.
- The capital expenditure for FY21 was at ₹ 1,159 million towards ongoing projects

Equity

Total equity was lower by ₹ 1,385 million accounting for losses for the year.

Working Capital movement

(₹ in million)

Particulars	For the year ended March 31, 2021	March 31, 2020	Change %
Debtors Turnover[1]	14.64	24.21	(40%)
Inventory Turnover[2]	0.81	2.57	(69%)
Current Ratio[3]	0.73	0.90	(19%)
Interest Coverage Ratio (Continuing operations)[4]	**0.17**	2.54	(92%)

1: Total Income/ Trade receivable
2: Total Income / Inventories
3: Current assets/ Current liabilities
4: Earnings before interest, depreciation, amortisation, exceptional items and tax (EBITDA)/ Finance Costs

Debtors and inventory turnover were lower due to conscious efforts from the Company towards cash management.

Interest coverage ratio was lower due to lower EBIDTA on account of business impact from the pandemic.

Cashflow:

(₹ in million)

Particulars	For the year ended March 31, 2021	March 31, 2020
Net Cash from Operating Activities	601.71	2,524.41
Net Cash from Investing Activities	(499.22)	(3,937.24)
Net Cash from Financing Activities	(340.89)	1,327.86
Net Change in Cash and Cash Equivalent	**(238.40)**	(84.97)

Standalone Financials

The Total Income as per the Company's Standalone Financials accounts for 96.3% of the Total Income as per the Company's Consolidated Financial results.

(₹ in million)

Particulars	For the year ended March 31, 2021	March 31, 2020	Change %
Revenue from Operations	2,843.17	9,762.45	-71%
Other Income	207.10	272.44	-24%
Total Income	**3,050.27**	**10,034.89**	-70%
Total Expenses	**2,702.77**	**6,542.16**	-59%
EBITDA from Continuing operations	**347.50**	**3,492.73**	-90%
EBITDA from discontinued Operations	**40.62**	**62.82**	
EBITDA	**306.88**	**3,429.91**	
Depreciation and amortisation expenses	1,076.34	1,113.66	-3%
Finance costs	1,450.08	1,446.13	0%
(Loss)/Profit before Exceptional items and Tax	**(2,219.54)**	**870.12**	
Exceptional items	(41.71)	(41.71)	
(Loss)/Profit before income tax	**(2,261.25)**	**828.41**	
Tax Expense	(1,093.21)	12.27	
(Loss)/Profit for the year	**(1,168.04)**	816.14	

Standalone Revenue of the year de-grew by 70% to ₹ 3,050 million against previous year led by 77% decline in Hospitality segment while Retail and Commercial segment declined by 7% led by pandemic led events.

Earnings before interest, depreciation, amortisation and tax (EBITDA) including discontinued operations was at ₹ 307 million with margin of 10.1% for the year as compared to ₹ 3,430 million with a margin of 34.2% in the previous year.

Loss for the year was at ₹ 1,168 million as compared to profit of ₹ 816 million in the previous year.

Report on Corporate Governance

Pursuant to the Companies Act, 2013 {'Act'} and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {'Listing Regulations'} and forming a part of the Report of the Board of Directors

Philosophy on Code of Corporate Governance

Chalet Hotels Limited focuses on enhancement of long-term value creation for all its stakeholders without compromising on integrity, social obligations and regulatory compliances. The Company is committed to achieve and maintain highest standards of corporate governance and believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period of time and that profitability must go hand in hand with a sense of responsibility towards all stakeholders. While the fundamentals of values and ethics are resolute, adaptation to the evolving regulatory framework is essential. Moreover, the Company believes that compliance and governance should abide not only by the letter but also by the spirit of the law.

The Company through its Board of Directors and Management team is continuously and consistently committed to good Corporate Governance practices at all times for achieving its goals and targets, and at the same time not compromising on quality of its deliverables and ethics at any point of time. Policies and codes have been designed to imbibe the Company's values in all areas of its operations. The Board of Directors of the Company periodically reviews the policies of the Company against evolving statutory framework. The Company also seeks and applies the service and advice of experts wherever considered necessary to ensure smooth flow of operations and activities, within the statutory realm.

Board of Directors

Composition and Category of Directors

The Company's Board of Directors comprises of seven members, of which four are Independent Directors including one Woman Independent Director, two are Non-Executive Promoter Directors and one is an Executive Director. Furthermore, the Chairman of the Board is a Non-Executive Independent Director.

The four Independent Directors and the two Promoter Directors are Non-Executive Directors ('NEDs'). The Board's composition is in compliance with the requirements of Regulation 17(1) of the Listing Regulations read with Section 149 of the Act. Further, more than half of the Board of Directors of the Company comprises of Independent Directors. Members of the Board of Directors of the Company possess experience in diverse fields including real estate, retail, banking, finance, consumer goods and hospitality. The rich and varied experience of the Board has proven to be of immense value to the Company.

The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' value are met.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with Rules framed thereunder. All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and the Listing Regulations and they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence. Further, the Independent Directors have also registered their names in the databank maintained by the Indian Institute of Corporate Affairs and the Independent Directors to whom online self-assessment proficiency test was applicable, have completed the same.

Further, based on the declarations received from the Independent Directors, in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Details of the Director seeking re-appointment at the Annual General Meeting ('AGM') have been mentioned in the Notice convening the AGM.

During the year under review, the Company convened various meetings of the Board and its Committees from time to time. Board / Committee Meetings are convened by giving appropriate notice well in advance of the meetings. The maximum gap between two Board Meetings held during the year was not more than 120 days. The schedule of meetings for the financial year is decided at the beginning of the financial year after taking into consideration the convenience of all the Directors. The Directors / Members of the Committee are provided with appropriate information in the form of a detailed agenda including relevant information in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management in this regard. Additionally, the Directors are provided with any information that may be requested for by them.

The detailed composition of the Board and synopsis of attendance of the Directors at the meetings of the Board and Committees held during the Financial Year under review is given below:

Name of the Directors and DIN	Category of Director	Attendance at Meetings					
		Board Meetings	Audit & Risk Management Committee Meetings	CNR Committee Meetings	Stakeholders' Relationship Committee Meetings	CSR Committee Meetings	Previous Annual General Meeting (August 11, 2020)
No of Meetings held in FY 2020-21		5	4	5	2	2	1
Independent Directors							
Mr. Hetal Gandhi (DIN: 00106895)	Chairperson & Independent Director	5	4	-	-	2	Present
Mr. Joseph Conrad D'Souza (DIN: 00010576)	Independent Director	5	4	5	2	-	Present
Mr. Arthur William DeHaast (DIN: 07893738)	Independent Director	5	-	5	-	-	Present
Ms. Radhika Piramal (DIN: 02105221)	Independent Director	5	-	-	-	1	Present
Non-Executive Directors							
Mr. Ravi C. Raheja (DIN: 00028044)	Promoter, Non – Executive Director	5	4	-	2	-	Present
Mr. Neel C. Raheja (DIN: 00029010)	Promoter, Non – Executive Director	5	-	4	2	2	Present
Executive Directors							
Mr. Sanjay Sethi (DIN: 00641243)	Managing Director & Chief Executive Officer	5	-	-	-	2	Present
Mr. Rajeev Newar (DIN: 00468125) *Ceased to be Director w.e.f. August 02, 2020*	Former Executive Director & Chief Financial Officer	2	-	-	1	-	N.A.

CNR: Compensation, Nomination & Remuneration
CSR: Corporate Social Responsibility

Video-conferencing facility is also made available at the Board / Committee Meetings in case any Director is unable to attend but wishes to participate in the meetings. Further, during the Financial Year under review, due to the pandemic, meetings of the Board and its Committees, as well as the Annual General Meeting were held through two-way Video Conferencing facility as per the provisions of the Act as well as various circulars issued by Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI). The proceedings of all meetings were seamless.

The necessary quorum was present for all the meetings. As required by Secretarial Standard - 1 issued by The Institute of Company Secretaries of India (ICSI), certain Unpublished Price Sensitive Information (UPSI) such as Unaudited / Audited Financial Results with Presentation thereon were being circulated to the Board Members at a shorter Notice as per the general consent given by the Board of Directors at the first Board Meeting held at each Financial Year.

During the year under review:

- the Board of Directors met five times, on June 08, 2020, August 11, 2020, October 23, 2020, November 10, 2020 and February 09, 2021;
- the Audit & Risk Management Committee met four times on June 08, 2020, August 11, 2020, November 10, 2020 and February 09, 2021;
- the Compensation Nomination & Remuneration ('CNR') Committee met five times on April 27, 2020, June 08, 2020, June 15, 2020 November 10, 2020 and March 25, 2021;
- the Stakeholders' Relationship Committee met twice on June 08, 2020 and November 10, 2020; and
- the Corporate Social Responsibility ('CSR') Committee met twice on June 08, 2020 and November 10, 2020.

Directors' Details

None of the Directors hold Directorships in more than 20 Indian Companies including 10 Public Limited Companies. Further, none of the Directors on the Board is a member of more than 10 Board Committees and Chairperson of more than 5 Board

Committees across all public companies in which he / she is a Director. All the Directors have made necessary disclosures regarding Committee positions occupied by them in other companies. Board Committees for this purpose include the Audit Committee and the Stakeholders' Relationship Committee. None of the Directors, except Mr. Ravi C. Raheja and Mr. Neel C. Raheja, who are brothers, are related to each other.

None of the Independent Directors of the Company serve as Independent Directors in more than 7 listed companies and none of the Whole-time Directors of any listed company serve as Independent Directors in more than 3 listed companies.

Name of the Director	Date of Appointment in the current term	No. of Directorships in listed entities including this listed entity	No. of memberships in Audit / Stakeholders' Relationship Committee(s) including this listed entity	No. of posts of Chairperson in Audit / Stakeholders' Relationship Committee held in listed entities including this listed entity	Salary & Perks for FY 2020-21 (in ₹)	ESOPs	Sitting Fees (in ₹)	No. of Equity Shares held
Independent Directors								
Mr. Hetal Gandhi (DIN:00106895)	5 years w.e.f. June 12, 2018	1	1	Nil	N.A.	--	7,75,000	0
Mr. Joseph Conrad D'Souza (DIN: 00010576)	5 years w.e.f. June 12, 2018	2	7	3	N.A.	--	8,75,000	689
Mr. Arthur William DeHaast (DIN: 07893738)	5 years w.e.f. June 12, 2018	1	Nil	Nil	N.A.	--	6,25,000	0
Ms. Radhika Piramal (DIN: 02105221)	5 years w.e.f. June 12, 2018	2	Nil	Nil	N.A.	--	5,25,000	0
Non-Executive Directors								
Mr. Ravi C. Raheja (DIN: 00028044)	September 04, 1995	3	8	1	N.A.	--	7,75,000	1,03,26,318
Mr. Neel C. Raheja (DIN: 00029010)	December 12, 1996	3	7	Nil	N.A.	--	7,00,000	1,03,26,318
Executive Directors								
Mr. Sanjay Sethi (DIN: 00641243)	3 years w.e.f. February 09, 2021	1	2	Nil	4,08,41,264	2,00,000 options to Equity Shares have been granted	N.A.	0
Mr. Rajeev Newar (DIN: 00468125) *Ceased to be a Director w.e.f. August 02, 2020*	3 years w.e.f. August 03, 2017	Nil	Nil	Nil	99,93,934	--	N.A.	0

Notes:

1. Mr. Joseph Conrad D'Souza is an Independent Director of Camlin Fine Sciences Limited and is also the Chairperson of the Audit Committee of one unlisted public company.
2. Ms. Radhika Piramal is the Executive Director & Vice Chairperson of V.I.P. Industries Limited.
3. Mr. Ravi C. Raheja is a Non-Executive Director of Shoppers Stop Limited and a Non-Executive Member of the Governing Board of K Raheja Corp Investment Managers LLP, who are Managers of Mindspace Business Parks REIT.
4. Mr. Neel C. Raheja is a Non-Executive Director of Shoppers Stop Limited and a Non-Executive Member of the Governing Board of K Raheja Corp Investment Managers LLP, who are Managers of Mindspace Business Parks REIT.

Except, Mr. Neel C. Raheja and Mr. Ravi C. Raheja who are brothers, none of the other Directors are related to each other.

Familiarisation Program

The Policy on Familiarisation Programmes for Independent Directors and details of such programs held during the Financial Year under review have been uploaded on the website of the Company pursuant to Regulation 46 of the Listing Regulations and is accessible on www.chalethotels.com/.

The Company's familiarisation programs provide insight to the Independent Directors on strategy operations and functioning of the Company. The presentations and discussions at the Board & Committee meetings include updates on local and global market, economic trends, competition, strategy, risk management, changes in the relevant laws / regulations and the impact vis-à-vis the Company from time to time, etc. The management also presents the Board with available opportunities for business development, the emerging scenario for the industry, industry wide best practices and noteworthy initiatives by the Company.

Profile & Core Competencies

Brief profile of the Board of Directors of the Company is provided below:

Name	Educational Qualification	Brief Profile
Mr. Hetal Gandhi	- Bachelor of Commerce, University of Mumbai - Chartered Accountant	Mr. Hetal Gandhi is the co-founder and Managing Director of Tano India Advisors Private Limited. He was previously associated with a diversified financial services company as Head - Financial Services and with ORIX Auto and Business Solutions Limited as Chief Executive Officer. He has over three decades of experience in the financial services industry spanning private equity, investment banking and asset financing.
Mr. Joseph Conrad D'Souza	- Master of Commerce, University of Mumbai - Diploma in Financial Management, University of Mumbai - Master's Degree in Business Administration from South Gujarat University - Graduate of the Senior Executive Program from the London Business School	Mr. Joseph Conrad D'Souza has been associated with HDFC Limited since 1984. He is currently their Chief Investor Relations Officer and a member of the executive management. His responsibilities include corporate planning and budgeting, corporate finance and investor relations. He is also Senior Independent Director on the Board of Nations Trust Bank PLC, Sri Lanka.
Mr. Arthur William DeHaast	- Bachelor's Degree in Hotel and Catering Management, University of Strathclyde	Mr. Arthur William DeHaast has been associated with Jones Lang LaSalle Incorporated (JLL) since 1987 in a variety of senior roles, including the Global Chief Executive Officer and then Chairman of its hotels and hospitality group. Currently, he is Chairman of JLL's Global Capital Markets Advisory Council, which provides advice on long term strategic matters that could influence the business and undertakes specific projects related to the ongoing growth of Capital Markets. He has over 36 years of experience in hospitality and real estate and has led many transactional and advisory assignments. He is also a Member on the Board of InterContinental Hotels Group PLC and a member of the Advisory Board of the Scottish Business School, University of Strathclyde, Glasgow and past Chairman of the Institute of Hospitality.
Ms. Radhika Piramal	- Bachelor's Degree in Arts, Brasenose College, University of Oxford - Master's in Business Administration, Harvard Business School.	Ms. Radhika Piramal is the Executive Vice Chairperson of VIP Industries Ltd., one of India's leading luggage companies. Ms. Piramal has been Executive Vice Chair since April 2017. Prior to this role, Ms. Piramal was the Managing Director of VIP Industries from 2010 to 2017, before which she worked in various sales and marketing roles in VIP from 2000 to 2004. Outside of VIP, she worked as a management consultant with Bain & Company in New York from 2006 to 2008. Ms. Piramal's leadership has been integral to revitalising VIP Industries' profitable growth.
Mr. Ravi C. Raheja	- Bachelor of Commerce, University of Mumbai - Masters of Business Administration from London Business School	Mr. Ravi C. Raheja is Group President at K Raheja Corp where he has been actively involved in directing and managing the business including finance, corporate strategy and planning growing the business from a family-run Company to one of India's largest business conglomerates, with diversification to hospitality, retail and malls. His foresight steered the business towards building a robust portfolio of rentable assets. He guided the business to the build-and-hold model and has been the force behind building a well-diversified Group portfolio including commercial space under the brand names of Mindspace and Commerzone; and a strong residential portfolio. The successful retail formats of Shoppers Stop and Inorbit Malls; thriving luxury hospitality brands listed under our Company's portfolio, have each been carefully curated under his able leadership. An open-minded leader, Ravi is agile to modify strategies to capture emerging opportunities or tackle unexpected challenges. He has more than 25 years of experience across the real estate, hotel and retail industry.
Mr. Neel C. Raheja	- Bachelor of Law, University of Mumbai - Master of Commerce, University of Mumbai - Owner/President Management Program from Harvard Business School	Mr. Neel C. Raheja is the Group President of K Raheja Corp Group, where he has been at the forefront of driving change and innovation. He has more than two decades of experience across the real estate, hospitality and retail industry. He ushered in the now much familiar malls which used to be a small percentage of the retail landscape through Shoppers Stop & Inorbit Malls. He perceived the need for intelligent workspaces with 'Mindspace' and 'Commerzone', IT Parks across India. He also plays an active role in the Group's philanthropic initiatives through K Raheja Foundation, Sadhana Education Society and S. L. Raheja Hospital. He has also driven several of the green initiatives for the Group. He chairs some of the most important committees that shape key industry developments.

Name	Educational Qualification	Brief Profile
Mr. Sanjay Sethi	- Diploma in Hotel Management, Catering and Nutrition, IHM Pusa - Certified Hotel Administrator (CHA) from American Hotel and Lodging Educational Institute - General Management Course in Business Excellence from IIM Bangalore	Mr. Sanjay Sethi has over 33 years of experience in the hospitality industry. Mr. Sethi founded Berggruen Hotels Private Limited in 2006 along with Berggruen Holdings, New York. He has briefly worked with ITC Limited as Chief Operating Officer for their Hotels Division and had a 14 year stint with the Taj Group of Hotels. Mr. Sethi is actively associated with many industry forums in bringing about reforms for the Hospitality sector and championed the cause of getting Industry status for Hotels in Maharashtra. He is an Executive Committee Member of Hotel Association of India (HAI) and a special invitee to the Executive Committee of Hotel and Restaurant Association of Western India (HRAWI). He is also a member of the National Real Estate Committee of FICCI and member of CII's National Tourism Committee.

Key Skills, Expertise and Competencies of the Board

The Board comprises qualified Members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. These Directors are nominated based on the Company's Policy for Appointment of Directors & Remuneration of Director and Senior Management. The CNR Committee considers, inter-alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of a Director. The Board of Directors have, based on the recommendations of the CNR, identified the following core key skills / expertise / competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by and mapped against each of the Directors:

Sr. No.	Particulars	Hetal Gandhi	Joseph Conrad D'Souza	Arthur DeHaast	Radhika Piramal	Ravi C. Raheja	Neel C. Raheja	Sanjay Sethi
1	Industry Knowledge / Expertise		✓	✓	✓	✓	✓	✓
2	Operational Knowledge / Expertise			✓		✓		✓
3	Leadership Attributes	✓	✓	✓	✓	✓	✓	✓
4	Strategic Planning	✓	✓	✓	✓	✓	✓	✓
5	Risk Management	✓	✓	✓			✓	✓
6	Financial Acumen	✓	✓	✓	✓	✓	✓	✓
7	Stakeholder Engagement	✓	✓		✓			✓
8	Legal / Regulatory Expertise		✓			✓	✓	
9	M & A / Business Development	✓		✓	✓	✓	✓	✓

*Mr. Rajeev Newar ceased to be a Director w.e.f. August 02, 2020, and is therefore not included in the above list.

Remuneration of Executive Directors

The details of the remuneration paid to Mr. Sanjay Sethi, Managing Director & CEO and Mr. Rajeev Newar, former Executive Director & CFO during the year under review is as follows:

(Amount in ₹)

Particulars	Mr. Sanjay Sethi	Mr. Rajeev Newar
Salary	2,83,62,324	32,91,029
Perquisites	19,10,400	67,02,905
Superannuation	--	--
Bonus (Statutory, Retention and Performance)	1,05,68,540	0
Number of stock options granted	2,00,000 Equity Shares	--
Total	**4,08,41,264**	**99,93,934**

Note: Retention Bonus for FY 2019-20 was paid in FY 2020-21. Provision for Retention Bonus of ₹ 81,60,000/- for FY 2020-21 to be paid in FY 2021-22 has been made in the Financial Statements.

The ESOPs granted to Mr. Sanjay Sethi, Managing Director & CEO under the Chalet Hotels Limited - Employee Stock Option Plan 2018 shall vest not earlier than one year and not later than maximum of three years from the date of grant i.e. June 26, 2018. The first tranche of ESOPs granted had vested in the previous year whereas the second tranche vested during the year under review. The options which have vested can be exercised within two years from the date of vesting and shall lapse thereafter. No options have been exercised till the date of this report. ESOP expense amounting to ₹ 5,591,878 has been recognised during the Financial Year ended on March 31, 2021.

No stock options have been granted to any of the Non-Executive Directors.

Your Company had w.e.f. April 1, 2020 revised the terms of remuneration of Mr. Sanjay Sethi, Managing Director & CEO, by shifting 30% of the salary drawn by him from fixed to variable, payable on the basis of his and your Company's performance. The same was approved by the Board of Directors at its meeting held on June 08, 2020, pursuant to recommendation of the CNR Committee. However, the component of the compensation which was converted to variable has been reinstated w.e.f. December 01, 2020. The Managing Director is entitled to performance bonus which is based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

Mr. Arthur DeHaast, Independent & Non-Executive Director is also paid a Professional Fee (apart from the sitting fees for attending Board and Committee Meetings) of GBP 2,625 per day for every meeting which amounted to ₹ 12,83,717 during the year under review, as per contract entered into with him, which was entered pursuant to approval of the Shareholders at their Meetings held on August 02, 2017 and June 13, 2018. Taking into consideration the global economic situation and the liquidity crunch faced by the Company, Mr. DeHaast had voluntary proposed reduction of the professional fees paid to him from GBP 3750 to GBP 2625 per day for the Financial Year under review. The same was accordingly revised by the CNR Committee at its Meeting held on June 08, 2020.

Service Contract, Notice Period & Severance Fee

The contract of the Executive Directors of the Company is for a period of three years and can be terminated by giving 90 days' notice from either side. The term of the Executive Directors is subject to retirement by rotation, in accordance with the provisions of the Act.

Criteria for making payments to Non-Executive Directors

The Non-Executive Independent Directors are only paid sitting fees for their attendance at the Board and Committee Meetings. The Company pays sitting fees of ₹ 1,00,000/- for attending each Board Meeting, ₹ 50,000/- for attending each Audit & Risk Management Committee Meeting and ₹ 25,000/- for attending each meeting of the CNR Committee, CSR Committee, Stakeholders' Relationship Committee and Finance Committee. No remuneration has been paid by the Company to the Non-Executive Directors, and is therefore not in excess of 1% of the Net Profits of the Company as mentioned under Section 197 of the Act.

Meeting of Independent Directors

During the year under review, one meeting of the Independent Directors was held on March 11, 2021 and all the Independent Directors were present at the meeting.

At the meeting held on March 11, 2021, the Independent Directors deliberated on the performance of the Non-Independent Directors, the Board as a whole and the Chairperson of the Company during the Financial Year 2020-21 and the measures/steps for improvement of Board performance. The policies adopted and the procedures followed including timeliness of flow of information between the Company management and the Board were also discussed. The Independent Directors also deliberated upon the quality, quantity and flow of information to the Board and its Committees and delved into various aspects of Board/Management practices.

Code of Conduct

The Company is committed to compliance with all laws and regulations that apply to it, with the spirit and intent of high business ethics, honesty and integrity. To this end, the Company requires all Directors and its Senior Management to respect and embrace the principles set forth in the 'Code of Conduct for the Board of Directors and Senior Management'.

The Directors and Senior Management of the Company have affirmed their adherence to this Code of Conduct for 2020-21. Mr. Sanjay Sethi, Managing Director & CEO of the Company, has signed a declaration stating that the Board of Directors and Senior Management personnel of the Company have affirmed compliance with this Code of Conduct, which is annexed to this Report as an Annexure.

Additionally, all Directors and Senior Management adhere with the 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons' and 'Code of Practices for Fair Disclosure of Unpublished Price Sensitive Information' pursuant to Regulations 8(1) and 9(1) respectively of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The above codes are also displayed on the Company's website www.chalethotels.com/policies/.

Composition of Committees of the Board of Directors and Attendance at the Meetings

Details in respect of the Board's Committees and the attendance thereat are as follows:

Audit & Risk Management Committee

The Company's Audit & Risk Management Committee comprises of Mr. Joseph Conrad D'Souza, Chairperson & Independent Director, Mr. Hetal Gandhi, Independent Director and Mr. Ravi C. Raheja, Non-Executive Director. Each member of the Committee has relevant experience in the field of finance, banking & accounting and hospitality industry. The Board has in accordance with Regulation 21 of the Listing Regulations, on May 10, 2019 authorised the Audit Committee to discharge and carry out the functions of the Risk Management Committee. Ms. Christabelle Baptista, Company Secretary, acts as the secretary to the Audit & Risk Management Committee. The Committee has the following terms of reference:

1. oversight of the Company's financial reporting process, examination of the financial statement and auditor's report thereon and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company;
3. reviewing the financial statement with respect to its subsidiaries, in particular investments made by the unlisted subsidiaries;
4. approval of payment to the Company's Statutory Auditors for any other services rendered by the Statutory Auditors;
5. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by management of the Company;

d. significant adjustments made in the financial statements arising out of audit findings;

e. compliance with listing and other legal requirements relating to financial statements;

f. disclosure of any Related Party Transactions; and

g. modified opinion(s) in the draft audit report.

6. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

7. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

8. reviewing the auditor's independence and performance, and effectiveness of audit process;

9. approval of any subsequent modification of transactions of the Company with Related Parties and Omnibus Approval for Related Party Transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "Related Party Transaction" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and / or the applicable Accounting Standards and / or the Companies Act.

10. scrutiny of inter-corporate loans and investments;

11. valuation of undertakings or assets of the Company, wherever it is necessary;

12. evaluation of internal financial controls and risk management systems;

13. formulating a policy on Related Party Transactions, which shall include the materiality of Related Party Transactions;

14. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

15. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

16. discussion with internal auditors of any significant findings and follow up there on;

17. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

18. discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. reviewing the functioning of the whistle blower mechanism;

21. overseeing the vigil mechanism established by the Company, with the Chairman;

22. approval of appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

23. reviewing the utilisation of loans and / or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

24. lay down procedures to inform members of Board of Directors about risk assessment and minimisation procedures;

25. monitoring and reviewing the risk management plan, including plan for cyber security;

26. any other function as is mentioned in the terms of reference of the Audit Committee as per the Listing Regulations; and

27. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be performed by the Audit Committee.

The Audit & Risk Management Committee acts as a link between the statutory and internal auditors and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. Majority of the Members on the Committee, including the Chairperson are Independent Directors. The Committee is governed by a Charter that is in line with the regulatory requirements mandated by the Act and SEBI Regulations.

The Committee also receives the report on compliance under the Code of Conduct for Prohibition of Insider Trading Regulations, 2015 and the Whistle Blower Policy. The Committee monitored and reviewed the investigations of the whistle blower complaints received during the year.

Meetings of the Audit & Risk Management Committee are also attended by Chief Executive Officer, Chief Financial Officer, Chief Internal Auditor, Company Secretary, Statutory Auditors and Internal Auditors.

The attendance at the meetings of the Committee during the year under review is as follows:

Name of the Chairperson/Member	Category	Date of Meeting			
		June 08, 2020	August 11, 2020	November 10, 2020	February 09, 2021
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes	Yes	Yes
Mr. Hetal Gandhi	Member and Independent Director	Yes	Yes	Yes	Yes
Mr. Ravi C. Raheja	Member and Non-Executive Director	Yes	Yes	Yes	Yes

Compensation, Nomination and Remuneration Committee

The Company's CNR Committee comprises of Mr. Joseph Conrad D'Souza, Chairperson & Independent Director, Mr. Arthur DeHaast, Independent Director and Mr. Neel C. Raheja, Non-Executive Director. During the year, there were no changes in the composition of the Committee. The Committee has the following terms of reference:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key management personnel and senior management;

2. The Compensation, Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

   i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii. remuneration to directors, key management personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

3. formulation of criteria for evaluation of performance of Independent Directors and the Board;

4. devising a policy on diversity of Board of Directors;

5. identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance (including Independent Director);

6. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of directors;

7. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

8. perform such other activities as may be delegated by the Board or specified / provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority;

The Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes, relating to Directors, Key Managerial Personnel and the Senior Management. The Chairperson of the CNR Committee conducted the performance evaluation process as mandated under the Act, the Listing Regulations and the Guidance Note issued by SEBI.

The attendance at the meetings of the Committee during the year under review is as follows:

Name of the Chairperson/Member	Category	Date of Meeting				
		April 27, 2020	June 8, 2020	June 15, 2020	November 10, 2020	March 25, 2021
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Arthur William DeHaast	Member and Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes	Yes	No	Yes	Yes

Performance Evaluation Criteria for Independent Directors
Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance including its Committees and Directors individually, for the Financial Year under review. For the aforesaid purpose a structured questionnaire was prepared after taking into consideration the Guidance Note issued by SEBI on Board Evaluation, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

The Independent Directors at their separate meeting reviewed the performance of Non-Independent Directors, the Board as a whole, Chairperson of the Company, the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties. They also reviewed the attributes of the Board and its members.

The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

Stakeholders' Relationship Committee
The Company's Stakeholders' Relationship Committee which was reconstituted on August 11, 2020 comprises of Mr. Joseph Conrad D'Souza, Chairperson & Independent Director, Mr. Ravi C. Raheja, Non-Executive Director, Mr. Neel C. Raheja, Non-Executive Director and Mr. Sanjay Sethi, Managing Director & CEO. The Committee has the following terms of reference:

1. considering and resolving grievances of shareholders, debenture holders and other security holders;
2. redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer/transmission of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, issue of new/duplicate certificates, general meetings, etc;
3. allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
5. review of measures taken for effective exercise of voting rights by shareholders;
6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
7. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
8. carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

The attendance at the meeting of the Committee during the year under review is as follows:

Name of the Chairperson/ Member	Category	Date of Meeting	
		June 8, 2020	November 10, 2020
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes
Mr. Ravi C. Raheja	Member and Non-Executive Director	Yes	Yes
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes	Yes
Mr. Sanjay Sethi	Member and Managing Director & Chief Executive Officer	Yes	Yes
Mr. Rajeev Newar *(Ceased to be Director w.e.f. August 02, 2020)*	Former Member and Executive Director & Chief Financial Officer	Yes	N.A.

Corporate Social Responsibility Committee
The Company's CSR Committee comprises of Mr. Hetal Gandhi, Chairperson & Independent Director, Ms. Radhika Piramal, Independent Director Mr. Neel C. Raheja, Non-Executive Director and Mr. Sanjay Sethi, Managing Director & Chief Executive Officer. The Company Secretary acts as the Secretary of the Committee. The Committee has the following terms of reference:

1. formulate and recommend to the Board, a 'Corporate Social Responsibility Policy' which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. review and recommend the amount of expenditure to be incurred on the activities referred to in clause(1);
3. monitor the Corporate Social Responsibility policy of the Company and its implementation from time to time; and
4. any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

The Committee also focuses and oversees the sustainability initiatives of the Company and provides guidance to the Management team with respect to the same.

The attendance at the meetings of the Committee during the year under review is as follows:

Name of the Chairperson/ Member	Category	Date of Meeting	
		June 08, 2020	November 10, 2020
Mr. Hetal Gandhi	Chairperson & Independent Director	Yes	Yes
Ms. Radhika Piramal	Member & Independent Director	No	Yes
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes	Yes
Mr. Sanjay Sethi	Member and Managing Director & CEO	Yes	Yes

Name and Designation of Compliance Officer
Ms. Christabelle Baptista
Company Secretary & Compliance Officer
Address: Raheja Tower, Plot No. C-30, Block 'G',
Next to Bank of Baroda, Bandra Kurla Complex,
Bandra (E), Mumbai, Maharashtra 400051.
Phone: 022-26565496
Fax: 022-26565451
E-mail: companysecretary@chalethotels.com

General Body Meetings

Given below are the details of Annual General Meetings for the previous three financial years:

Year	Particulars of Meeting	Location	Number and Nature of Special Resolutions passed, if any
2020-21	Tuesday, August 11, 2020 at 4.00 p.m.	Through Video Conference Deemed Venue of the AGM: Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (E), Mumbai 400051	No Special Resolutions
2019-20	Tuesday, August 13, 2019 at 3.00 p.m.	Boundary Hall, First Floor, MCA Recreation Centre, RG-2, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400051	Two Special Resolutions - Approval of remuneration of Mr. Sanjay Sethi (DIN: 00641243) as Managing Director & CEO in excess of the limits prescribed under Companies Act, 2013 - Approval of remuneration of Mr. Rajeev Newar (DIN: 00468125) as Executive Director & CFO of the Company in excess of the limits prescribed under Companies Act, 2013
2018-19	Wednesday, June 13, 2018 at 10:30 a.m.	Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (E), Mumbai 400051	Nine Special Resolutions - Confirmation of appointment of Mr. Sanjay Sethi (DIN: 00641243) as Managing Director & CEO of the Company. - Loan to Mr. Sanjay Sethi, Managing Director & CEO of the Company. - Raising of Capital through a further issue of securities. - Issuance of Preference Shares Series A Non-Cumulative Non-Convertible Redeemable Preference Shares and Series B Non-Cumulative Non-Convertible Redeemable Preference Shares pursuant to the Private Placement Offer. - Revision in borrowing powers of the Company. - Creation of mortgage/charge on the assets of the Company. - Approval of 'Chalet Hotels Limited – Employee Stock Option Plan 2018' - Identification of Promoters. - Confirmation of appointment of Mr. Rajeev Newar (DIN: 00468125) as Executive Director & CFO of the Company.

Postal Ballot
The Company has not passed any special resolution through Postal Ballot during the Financial Year 2020-21.

No special resolutions are proposed to be conducted through Postal Ballot as covered under Section 110 of the Act, at the ensuing AGM.

Means of Communication

The Company, on a timely basis, disseminates information to the Stock Exchanges, viz. National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The same is also published on its website at www.chalethotels.com. The Company interacts on a regular basis with stakeholders through announcements, investor meetings, investor calls, annual report, results, press releases, media interactions & interviews and the Company's website. Operational updates are also posted on social media, such as LinkedIn, Facebook and Instagram from time to time.

The financial results of the Company are generally published in Financial Express english newspaper circulating in substantially whole of India and Navshakti (Marathi) vernacular newspaper, on a quarterly basis. The same are also available on the website of the Company at www.chalethotels.com/.

The website of the Company also displays news releases by the Company.

Presentations made to institutional investors/analysts are also displayed on the Company's website and submitted to the Stock Exchanges where the securities of the Company are listed.

Green Initiative

In line with the 'Green Initiative' undertaken by the MCA and pursuant to Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 read with Circular Nos. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 due to the continuing COVID-19 pandemic, the Company will be sending this year's Annual Report (including notices and communications, as permissible) by email to the shareholders who have registered their email address with the Company / Depository / Registrar & Share Transfer Agent. The Annual Report of the Company are also available in the Investor Relations section of the Company's website at www.chalethotels.com/annual-report-20-21.

General Shareholder Information

Annual General Meeting:

Date: August 12, 2021

Time: 4:00 p.m. (IST)

Venue: The Company is conducting the AGM through VC/OAVM pursuant to the aforementioned MCA Circulars. As such, there is no requirement for a venue of the AGM. The venue of the AGM shall be deemed to be the Registered Office of the Company.

Financial Year : April 01, 2020 to March 31, 2021

Dividend Payment Date : No dividend on Equity Shares is proposed to be declared at the forthcoming Annual General Meeting

Listing Information :

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai 400051.
Scrip Code: CHALET

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001.
Scrip Code: 542399

Listing Fees are paid within due dates to both the Stock Exchanges where the Equity Shares of the Company are listed.

Corporate Identification Number (CIN) :
L55101MH1986PLC038538

Market Price (based on daily closing price) and number of equity shares of the Company traded during each month in the Financial Year 2020-21 on National Stock Exchange of India Limited and BSE Limited:

Month	National Stock Exchange of India Limited			BSE Limited		
	High Price	Low Price	Total no. of shares traded	High Price	Low Price	Total no. of shares traded
April 2020	220.00	142.55	28,34,591	213.90	144.00	9,65,389
May 2020	148.00	99.60	27,14,295	154.45	99.00	81,035
June 2020	176.00	109.85	1,67,51,111	179.80	110.00	9,51,268
July 2020	157.00	126.00	37,95,982	159.40	126.55	4,32,313
August 2020	178.00	127.00	94,35,098	175.05	126.00	9,86,406
September 2020	164.00	135.00	30,56,825	162.00	135.05	3,33,742
October 2020	149.75	127.35	21,54,407	149.60	128.05	2,13,047
November 2020	161.90	135.00	50,64,019	162.00	132.00	7,06,731
December 2020	217.70	149.75	1,40,89,110	215.25	149.60	14,61,720
January 2021	194.80	161.30	39,65,215	193.75	160.10	5,56,320
February 2021	182.10	162.60	56,37,975	182.00	162.90	4,19,540
March 2021	186.90	145.70	59,15,432	186.90	146.00	79,22,591

Share price performance as compared with performance index of National Stock Exchange of India Limited and BSE Limited:

Month	National Stock Exchange of India Limited		BSE Limited	
	Chalet Hotels Limited Closing Price	NIFTY 500 Closing	Chalet Hotels Limited Closing Price	S&P BSE 500 Closing
April 2020	147.80	8,012.90	148.25	12,721.00
May 2020	100.40	7,822.40	100.70	12,414.85
June 2020	131.20	8,474.80	131.35	13,438.14
July 2020	127.90	9,035.75	128.00	14,346.18
August 2020	156.30	9,372.05	156.60	14,890.06
September 2020	138.35	9,341.75	138.15	14,851.00
October 2020	136.40	9,581.65	136.60	15,215.01
November 2020	150.85	10,719.05	150.90	16,995.01
December 2020	183.40	11,518.30	183.15	18,300.10
January 2021	171.40	11,302.40	171.10	17,975.30
February 2021	166.05	12,181.40	166.20	19,371.25
March 2021	146.30	12,313.70	146.90	19,601.95

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500 032.
Website: https://www.kfintech.com/
Email: einward.ris@kfintech.com
Contact Person: Mr. Umesh Pandey
(Unit: Chalet Hotels Limited)
Toll-free No.: 1800-3454-001
SEBI Registration No.: INR000000221

Share Transfer System

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 01, 2019, except in case of requests received for transmission or transposition of securities.

The shares of the Company are traded on the Stock Exchanges through the Depository System. 100% of the Equity Shares of the Company are in dematerialised form. The ISIN allotted to the Equity Shares of ₹ 10/- each of the Company is INE427F01016. All requests received by the Company / RTA are disposed of expeditiously.

Distribution of Shareholding

Shareholding of Nominal Value (₹)	As on March 31, 2021				As on March 31, 2020			
	Number of Shareholders	% to total number of Shareholders	Amount in ₹	% to total amount	Number of Shareholders	% to total number of Shareholders	Amount in ₹	% to total amount
upto 5000	25,416	91.49	2,33,31,110	1.14	2,678	90.75	16,04,570	0.08
5001 - 10000	1,251	4.50	95,91,030	0.47	106	3.59	7,33,760	0.04
10001 - 20000	544	1.96	80,15,100	0.39	21	0.71	3,15,000	0.02
20001 - 30000	197	0.71	49,97,570	0.24	7	0.24	1,77,680	0.01
30001 - 40000	80	0.29	28,33,710	0.14	11	0.37	3,96,850	0.02
40001 - 50000	43	0.15	19,69,960	0.10	2	0.07	87,380	0.00
50001 - 100000	101	0.36	75,20,390	0.37	7	0.24	4,95,940	0.02
100001 & Above	148	0.53	1,99,19,79,770	97.16	119	4.03	2,04,64,27,460	99.81
	27,780	**100.00**	**2,05,02,38,640**	**100.00**	2,951	100.00	2,05,02,38,640	100.00

Investor Complaints

No. of complaints pending at the beginning of the Financial Year	No. of Complaints received during the Financial Year	No. of complaints not solved to the satisfaction of the shareholders	No. of Complaints pending at the end of the Financial Year
0	0	0	0

Dematerialisation of shares and Liquidity

Trading in Company's Equity Shares is compulsorily in dematerialised mode for all investors, as prescribed by SEBI. As on the date of this Report, entire share capital of the Company is held in dematerialised mode. The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensures the necessary liquidity to shareholders.

Outstanding GDRs/ADRs

The Company has not issued any GDRs or ADRs or warrants or any convertible instruments which has likely impact on Equity Share Capital.

Equity Shares in Suspense Account

There are no Equity Shares of the Company which have been kept in Suspense Account.

Commodity price risk or foreign exchange risk and hedging activities

The Company uses foreign currency forward contracts, from time to time, based on market conditions, to hedge its foreign exchange exposures / External Commercial Borrowings (ECB).

The Company based on market conditions hedges its foreign exchange exposures / ECBs with forward cover. The Company had booked forward cover for USD 10.708 million, USD 9 million expiring on April 2021 and the balance USD 1.708 million, expiring in 4 equal amounts of USD 0.427 million, at the end of every quarter thereafter.

Currently, the Company has booked forward cover for USD 6.598 million, with USD 4.3 million expiring on April 22, 2022 and the balance USD 2.298 million expiring at the end of every quarter.

Unit locations

Hospitality Portfolio:

JW Marriott Mumbai, Sahar
IA Project Road, Chhatrapati Shivaji Maharaj International Airport, Andheri East, Mumbai 400099.

Lakeside Chalet, Marriott Executive Apartments, Mumbai & Renaissance Mumbai Convention Centre Hotel
2&3B, Near Chinmayanand Ashram, Powai, Mumbai 400087.

Four Points By Sheraton Vashi
Plot No - 39/1, 6 to 15, Sector - 30A, Vashi, Navi Mumbai 400701.

The Westin Hyderabad Mindspace
Raheja IT Park, Hitec City, Madhapur, Hyderabad 500081.

Bengaluru Marriott Hotel Whitefield
Plot No 75, EPIP Area, Whitefield, Bengaluru 560066.

Hospitality Portfolio of Wholly Owned Subsidiary (Belaire Hotels Pvt. Ltd.):

Novotel Nagar Road Pune
Weikfield IT City Infopark, Viman Nagar Pune 411014.

Non-Hospitality Portfolio:

Inorbit Mall, Whitefield, Bengaluru
Plot No 75, EPIP Area, Whitefield, Bengaluru 560066.

Whitefield Bengaluru – Commercial
Plot No 75, EPIP Area, Whitefield, Bengaluru 560066.

The Orb Retail, Sahar and Business Centre and Office, Sahar
IA Project Road, Chhatrapati Shivaji Maharaj International Airport, Andheri East, Mumbai 400099.

Investor Correspondence

For any queries, investors are requested to get in touch with the Company Secretary & Compliance Officer of the Company. Details are as below:

Ms. Christabelle Baptista
Company Secretary & Compliance Officer
Address: Raheja Tower, Plot No. C-30, Block 'G',
Next to Bank of Baroda, Bandra Kurla Complex,
Bandra (E), Mumbai, Maharashtra 400051.
Phone: 022-26565496
Fax: 022-26565451
E-mail: companysecretary@chalethotels.com

Credit Ratings

During the year under review, the Company has received the following credit ratings:

Credit Rating Agency	Type	Rating at the beginning of the year under review	Revised Rating	Outlook
India Ratings & Research Private Limited	Term Loans and Fund Based Working Capital limits	IND BBB+	IND BBB+	Rating Watch Negative
	Non-Fund based Working Capital limits	IND A2+	IND A2+	Rating Watch Negative
ICRA Limited	Term Loans, Long-Term Fund Based limits	ICRA BBB+	ICRA BBB+	Negative Reaffirmed
	Short Term Non-Fund based limits	ICRA A2	ICRA A2	Reaffirmed

Other Disclosures

Material Transactions with Related Parties

During the year under review, there were no Related Party Transactions that were materially significant or that may have potential conflict with the interests of the Company at large.

Details of Compliance

There have been no instances of non-compliance by the Company, imposition of penalties and strictures by the Stock Exchanges(s), SEBI or any statutory authority, on any matter related to the capital markets, during the last three years, other than those mentioned below:

There was a delay in uploading the quarterly Corporate Governance Report with the BSE Limited for the quarter ended March 31, 2019 due to technical glitches. The report was however submitted to the BSE Limited through email within due time. However, BSE Limited had levied a fine of ₹ 2,360 for delayed filing upon the Company.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated a Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of Directors and employees who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Chairperson of the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at www.chalethotels.com/policies/.

Policy for determining material subsidiaries

The Board of Directors of the Company has adopted a Policy for Determination of Material Subsidiaries and the same is published on the website website at www.chalethotels.com/policies/. During the year under review, none of the companies were identified as material subsidiaries.

Policy for determining Related Party Transactions

The Board of Directors of the Company has adopted a Policy for dealing with Related Party Transactions and the same is published on the website at www.chalethotels.com/policies/.

Disqualification of Directors

The names of Mr. Ravi C. Raheja and Mr. Neel C. Raheja, Directors of the Company, were included in the list published on the official website of MCA as persons disqualified by the Registrar of Companies ('ROC'), Bengaluru for appointment as Directors under Section 164(2)(a) of the Act. The said Directors filed a Writ Petition before the Hon'ble High Court of Karnataka against the ROC, Bengaluru to set aside the operation of the disqualifications and any other consequential action pursuant to the publication of the disqualification lists under Section 164(2)(a) of the Act. Through an interim order dated June 15, 2018, the Hon'ble High Court of Karnataka stayed the disqualification of the aforesaid Directors to act as Directors of companies and ROC, Karnataka had, by its letter dated September 11, 2018, stated that the Hon'ble High Court of Karnataka has granted stay in respect of the disqualification by the said order. The ROC has informed that the DIN of the said Directors are "Active". Further, the Hon'ble High Court of Karnataka by its order dated June 12, 2019, allowed the Writ Petition, and quashed the list published by MCA, on certain grounds. The Directors have however petitioned the High Court for action on the remaining prayers that formed part of their Writ Petition.

M/s. BNP & Associates, Company Secretaries in Practice, have certified that as on March 31, 2021, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, MCA or any such statutory authority.

Recommendations of Committees

All recommendations of the Committees have been considered by the Board of Directors, from time to time, while arriving at any decision, and there has been no instance during the year under review, where any such recommendation which is mandatory in nature has not been abided with.

CEO and CFO Certificate

As required under Regulation 17(8) of the Listing Regulations, the Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2021.

Total fees for services paid to Statutory Auditor

Total fees of ₹ 1,35,31,045 for Financial Year 2020-21, for all services, were paid by the Company and its subsidiaries, on a consolidated basis, to M/s. B S R & Co. LLP, Chartered Accountants, Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part.

Details relating to the fees paid to the Statutory Auditors are also given in Note 44 to the Standalone Financial Statements and Note 43 to the Consolidated Financial Statements.

Disclosures in relation to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has constituted Internal Complaints Committee (ICC) to consider and resolve all sexual harassment complaints. The Constitution of ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Committee includes an external member with relevant experience.

The details of number of complaints filed and resolved during the Financial Year is as follows:

Number of complaints filed during the Financial Year	Number of complaints disposed of during the Financial Year	Number of complaints pending as on end of the Financial Year
3	3	Nil

Compliance with Non-Mandatory Provisions

The status concerning compliance by your Company with discretionary requirements as listed out in Part E of Schedule II of the Listing Regulations is as follows:

- The Board: The Company has a Non-Executive & Independent Director as Chairman. Currently no reimbursement towards his expenses for performance (other than payment of sitting fees) and maintenance of Chairman's Office is being done.
- Shareholders' Rights: Quarterly and half yearly financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events are also posted on the Company's website under the Investors section. Hence, no half yearly results and significant events were sent to each of household of Shareholders.
- Modified opinion(s) in audit report: During the year under review, the Statutory Auditors have issued unmodified audit opinion on the Company's Financial Statements. The Company continues to adopt best practices to ensure a track record of financial statements with unmodified audit opinion on financial statements.
- Separate posts of Chairperson and Managing Director & CEO: The positions of Chairperson and Managing Director & CEO are separately held and the Chairperson is not in any way related to the Managing Director & CEO of the Company in terms of Section 2(77) of the Act.
- Reporting of Internal Auditor: Internal Auditors are invited to the meetings of Audit Committee to make presentation to the Committee on their observations during the course of their Internal Audit. Further, the Company has also appointed Ms. Asha Nair as General Manager – Internal Audit of the Company to look after the in-house internal audit function.

Details of Compliance with Mandatory Requirements

The Company is in compliance with all mandatory Corporate Governance Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Details of Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A) of the Listing Regulations

The Company has not raised funds through Preferential Allotment or Qualified Institutional Placement.

Declaration by Chief Executive Officer

Declaration signed by Mr. Sanjay Sethi, Managing Director & Chief Executive Officer of the Company, stating that the Board of Directors and Senior Management Personnel have affirmed compliance with the 'Code of Conduct of Board of Directors and Senior Management' is annexed to this Report at Annexure - A.

Compliance Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance

A certificate from Practising Company Secretary regarding compliance of conditions of Corporate Governance is attached as Annexure - B to this Report.

Annexure - A

Declaration on adherence to the Code of Conduct

To,
The Members of
Chalet Hotels Limited

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Sanjay Sethi, Managing Director & CEO of the Company hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliance with the Company's Code of Conduct for the Board of Directors and Senior Management Personnel during the Financial Year ended March 31, 2021.

For Chalet Hotels Limited

Sanjay Sethi
Managing Director & CEO
DIN: 00641243

Date: May 18, 2021
Place: Mumbai

Annexure – B

Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To,
The Members of
Chalet Hotels Limited

We have examined all relevant records of Chalet Hotels Limited (further known as the Company) for the purpose of certifying compliance of the disclosure requirements and corporate governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the financial year ended 31st March 2021. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for listed company.

We further report that the Company has constituted a one combined committee which performs role and responsibilities of Audit Committee as well as Risk Management Committee.

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

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Avinash Bagul
Partner
FCS 5578 / CP No. 19862
PR No. 637/2019
UDIN: F005578C000358911

Place: Mumbai
Date: May 18, 2021

Business Responsibility Report

(Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Section A: General Information About the Company

1. Corporate Identity Number (CIN) of the Company:	L55101MH1986PLC038538	
2. Name of the Company:	Chalet Hotels Limited	
3. Registered Office Address:	Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (E), Mumbai 400051	
4. Website:	www.chalethotels.com	
5. E-mail id:	companysecretary@chalethotels.com	
6. Financial Year Reported	April 1, 2020 to March 31, 2021	
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	**Group**	**Description**
	551	Hotels, restaurants, accommodation and related services
	701	Real Estate activities
8. List three key products/services that the Company manufactures / provides (as in Balance Sheet)	1	Hospitality (Hotels)
	2	Commercial and Retail
	3	Real Estate
9. Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations	Nil
	(b) Number of National Locations (including subsidiary)	The Company has its business activities and operations spread across the following cities viz. – Mumbai, Navi Mumbai, Pune, Bengaluru and Hyderabad.
10. Markets served by the Company	National	Services are provided from the respective locations as mentioned above.

Section B: Financial Details of the Company

1. Paid up Capital (₹):	₹ 3,460.24 million (including Preference Share Capital)
2. Total Turnover (₹):	₹ 2,843.65 million (Other Income of ₹ 207.33 million has not been considered as Turnover)
3. Total Profit/Loss after taxes (₹):	Loss after tax is ₹ (1,167.95) million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	₹ 44,90,045/- (the amount spent on CSR is 2% of the average adjusted Net Profit of the last three years).
5. List of activities in which expenditure in 4 above has been incurred:	- Promoting Healthcare initiatives - Promoting employment enhancing vocational skills among differently abled persons

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has three Subsidiary Companies as at March 31, 2021.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(ies)	Yes – One – Belaire Hotels Private Limited
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	Yes.
If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company has business arrangements with service providers to oversee a large part of its hospitality operations. The revenue from such arrangement accounts for more than 60% of Turnover.

Section D: BR Information

1. Details of Director/Directors responsible for BR

(a) Details of the Directors responsible for implementation of the BR policy/policies

Corporate Social Responsibility ('CSR') Committee comprising of:

No.	Particulars	Details			
1	DIN	00106895	02105221	00029010	00641243
2	Name	Mr. Hetal Gandhi	Ms. Radhika Piramal	Mr. Neel C. Raheja	Mr. Sanjay Sethi
3	Designation	Chairperson – Independent Director	Independent Director	Non-Executive Non-Independent Director	Managing Director & CEO
4	Telephone Number	022-26564000			
5	E-mail ID	companysecretary@chalethotels.com			

(b) Details of the BR head

No.	Particulars	Details		
1	DIN (if applicable)	NA	NA	NA
2	Name	Mr. Rajneesh Malhotra	Mr. Pragnesh Doctoria #	Ms. Suborna Biswas # #
3	Designation	Chief Operating Officer	GM – Engineering	Senior Manager - Human Resources
4	Telephone number	022 – 26564000	022 – 26564000	022 – 26564000
5	e-mail id	Rajneesh.malhotra@chalethotels.com	Pragnesh.doctoria@chalethotels.com	Suborna.biswas@chalethotels.com

Responsible for ensuring observance of BR Policy in engineering / construction / operations of the Company.
Responsible for ensuring observance of BR Policy by the Company generally, including observance by employees and agencies.

2. Principle-wise (as per National Voluntary Guidelines ('NVG') on Social, Environmental and Economic Responsibilities of Business) BR Policy

(a) The NVG released by the Ministry of Corporate Affairs are based on nine principles in the realm of Business Responsibility. These are as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Business should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Business should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(b) Details of compliance (Reply in Y / N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for*:	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy been formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Consultations with stakeholders are ongoing wherever required and possible and the relevant policies continue to evolve over time.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Business Responsibility Policy is in accordance with principles laid down in the NVG on Social, Environmental and Economic Responsibilities of Business published by the Ministry of Corporate Affairs. The other policies are in accordance with applicable laws and conform to industry benchmarks. The Company has adopted the principles of Integrated Reporting Framework prescribed by the International Integrated Reporting Council while presenting this Integrated Report, for the year under review.								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes. Policies mandated under the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are approved by the Board and circulated amongst relevant stakeholders. Other policies are approved by the Managing Director/functional heads of the Company as deemed appropriate from time to time. Business Responsibility Policy is approved by the Board of Directors for the Company and is made available on the website of the Company.								
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		CSR Committee								
6	Indicate the link for the policy to be viewed online?	The Policies mandated to be displayed on the website of the Company as per the Act and Listing Regulations are available online on www.chalethotels.com/policies/. Other policies are accessed on the intranet/website in place for the Company/service provider as applicable.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		As deemed appropriate, the Business Responsibility Policy has been made available on the Company's website www.chalethotels.com/policies/. It has been the Company's practice to have the relevant policies either uploaded on the intranet site for information/ implementation by the concerned stakeholders or put up on notice board or communicated through town hall meetings or emails. Select policies are available on the Company's website www.chalethotels.com.								
8	Does the company have in-house structure to implement the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The implementation of the Business Responsibility Policy by the Company is being evaluated internally.								

(c) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	
1	The company has not understood the Principles	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-
3	The company does not have financial or manpower resources available for the task	-
4	It is planned to be done within next 6 months	-
5	It is planned to be done within the next 1 year	-
6	Any other reason (please specify)	-
7.	Governance related to BR	
(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3 - 6 months, Annually, More than 1 year.	
	The Business Responsibility performance is assessed annually by the CSR Committee.	
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	
	This Business Responsibility Report is being published by the Company for the Financial Year 2020-21. It will be made available on the website of the Company at www.chalethotels.com/annual-report-20-21/ . The Business Responsibility Report will be published on an annual basis.	

Section E: Principle-Wise Performance

Principle 1: Ethics

1. Does the policy relating to ethics, bribery and corruption cover only the Company?
   The Company has a Business Responsibility Policy, an internal Group HR Policy and Company's Whistle Blower Policy which relates to ethics, bribery and corruption. The framework has been set up for the Company and its associates and covers dealings with suppliers, customers, business partners and other stakeholders. Also, the policy has been published on the website of the Company and can be accessed by all stakeholders.
2. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?
   The framework that has been set up for the Company and its associates covers dealings with suppliers, customers, business partners and other stakeholders. The Policies are uniform and are being adopted in respect of the subsidiary company, as may be applicable.

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Following matters were reported under the Vigil / Whistle Blower mechanism during the year under review:

a) As per information received, an investigation was carried out and irregularities were found against three associates, who were part of Hotel operations. The concerned associates resigned before closure of the investigation and were marked as 'not to be rehired'.

b) There was an allegation from a whistleblower about misuse of hotel premises and property. However, there was no evidence of misconduct on the part of the employees and the investigation has been closed.

c) A grievance was received against one of the senior officials at one of the hotels. The matter was investigated by the Hotel Management Company and the charges of unethical conduct were unsubstantiated. With regards to the disrespectful behaviour, the official was counselled in-person by the Brand's Area Team and advised to uphold the brand values.

d) The Company received a complaint with respect to a car sold through a dealer, citing various irregularities. Upon investigation, a decision was taken to blacklist the dealer immediately.

The matters stated at (a), (b) & (c) related to the operating properties and were investigated by the Hotel Management Company and (d) was investigated by the Whistle Blower Committee of the Company.

Principle 2: Sustainability

1. List up to 3 of products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company, whose primary focus is hospitality, owns and operates hotels providing accommodation, F & B experience and banqueting facilities. The Company is also engaged in development of Real Estate and letting out of the same viz. Retail and Commercial/Office spaces.

It is the Company's endeavor to incorporate measures for energy and water conservation and treatment of waste, in its operations. Various measures are undertaken for reduction of water consumption such as optimal usage of sewage treated water, effluent treatment plant for laundry water, ultra-filtration system, online monitoring of treated water, aerators for all water taps, sensor-based taps and dual flushing tanks. Other water saving measures such as waterless urinals are under trial at some of the properties. Substantial energy is sourced from renewable sources such as wind, solar and hydropower. In house solar plants have been installed in the hotels and electricity generated therefrom is utilised for staircase and public area lighting. The setting up of the water bottling plant, to reduce use of one-time plastic was delayed on account of the pandemic and is expected to be commissioned in FY 2021-22.

All upcoming projects undergo pre-certification under USGBC (US Green Building Council) LEED (Leadership in Energy and Environment Designs) system, which certification imbibes reduction measures in consumption of energy and water and use of environment friendly processes, besides several intangible benefits from the building stage itself.

The interiors of all the Company's properties are designed to incorporate energy saving measures.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

During the year under review, 51% of the total power consumed by the Company was sourced from renewable resources.

Our new projects are being designed as per green building certifications with use of the latest available energy efficient technology & equipment. The Company has implemented plant room optimisation systems and installed auto tube cleaning system for chiller condenser tubes for better heat exchange to optimise efficiency of the chiller plant. Also, Electrolytic Control Fans (EC/DC Fans) are being installed to replace Variable Frequency Drives (VFD) for the Air Handling Units (AHU) & ventilation systems.

Almost all of the Company's properties are designed to treat 100% wastewater through Sewage Treatment Plants, where Sewage Treatment Plant Water is treated not only through the Water Treatment Plant but also through Ultra-Filtration system, resulting in odorless and colourless water that can be utilised for purposes apart from flushing toilets. Parameters have been set and the quality of the treated water is being monitored online. Also, all used cooking oil is supplied to third party vendors for conversion into biodiesel.

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Yes. The company has, as a result of its aggressive energy conservation initiatives, achieved a cumulative reduction in consumption per room per day of 13% in electricity consumption over FY16 to FY20 and the consumption per room per day in the year 2019-20 was 5%, lower than the previous year. The consumption in the Financial Year 2020-21 is not comparable due to substantial drop in business levels on account of the pandemic.

Further, the Company has been successful in its endeavor to reduce consumption of water at its properties by various initiatives and modernisation techniques.

Recycling of water through Sewage Treatment Plant and use of Ultra-Filtration system, resulting in reduction of dependency and consumption of fresh water. Apart from this, rainwater harvesting tanks & ring-wells have been constructed to collect rainwater from terrace and periphery areas. The water collected water through rainwater harvesting tanks is being used at the respective properties and water collected through the ring wells is being percolated to the ground which helps increasing in the water table.

The following measures undertaken by the Company across its properties to improve efficiency of natural resources and strengthen sustainability:

- installation of plant room optimisers for complete automation and remote operation/monitoring of Air conditioning system (Chiller plantroom)
- water to water heat pumps
- LED lamps have been installed at all the Hotels
- heat recovery wheels have been installed for treated fresh air
- auto tube cleaning system for chiller condenser tubes
- EC Fans for all air handling units
- Pressure Independent Balancing Valves for AHU's & FCU's
- carbon dioxide sensors for fresh air monitoring
- guest room automation with occupancy sensors for reduction of electricity consumption
- Chiller plant with variable primary & condenser system
- Low approach cooling tower
- Variable primary pump driven chiller plant room for smaller hotels (avoiding secondary pumps)

c) Does the company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has crafted strategies and engages with the hotel operator to ensure sustainable consumption of energy, water and other resources at its Hotels and is continuously exploring initiatives to increase this. Some of the initiatives undertaken include recycling of water through use of Sewage Treatment Plants, rainwater harvesting, installation of water saving taps/fixtures, pressure reducing valves at various Hotels. The Company has been focusing on energy conservation, increasing the share of renewable energy in its total energy consumption, water conservation and recycling and reusing waste generated.

The Hotels' guests are encouraged to participate in our water conservation efforts by opting out of daily change of bed and bath linen.

Total units generated through tie-ups with suppliers of renewable sources of energy is 51% of the total consumption.

d) Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Company's Hotels are engaging with local Non Governmental Organizations (NGOs) to source products/supplies for the Hotels and empowering women and children. The procurement team endeavors to provide opportunity to all suppliers.

The Company endeavors wherever possible to employ local labour and also provides transport and other infrastructural facilities. Various local festivals are celebrated from time to time.

e) Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company aims to integrate sustainability in the procurement process for its products and services across its business. It encourages resource efficiency in the supply chain and its partners to adopt sustainable practices. The Company has installed natural drum type organic waste composters at Hotels where 100% of wet waste is being converted into natural manure with minimal electricity consumption. Compost machines have been introduced for recycling dry and wet garbage.

During the year under review, 100% of the wet waste produced by the Company was recycled through natural drum composter and 100% of the total water consumed was recycled.

Used cooking oil is given to certified agencies which in-turn convert the same into biodiesel.

E-waste generated in the Company's properties is given to recyclers certified by the Pollution Control Board.

The setting up of the water bottling plant, to reduce use of one-time plastic was delayed on account of the pandemic and is expected to be commissioned in FY 2021-22.

Principle 3: Employee Wellbeing

1	Please indicate the Total number of employees #	1,713 (on-roll)
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis	Temporary – 197 Contractual - 756
3	Please indicate the Number of permanent women employees	227
4	Please indicate the Number of permanent employees with disabilities	1
5	Do you have an employee association that is recognised by management?	Yes, Employee Association named Bharatiya Kamgar Sena at Renaissance Hotel & Convention Centre Powai Mumbai and JW Marriott Mumbai Sahar
6	What percentage of your permanent employees is members of this recognised employee association?	46%
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	3 complaints relating to sexual harassment were received during the year and they have been addressed and closed.

	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
	Child labour / forced labour / involuntary labour	NIL	NIL
	Sexual harassment	3	NIL
8	Discriminatory employment	NIL	NIL

What percentage of under mentioned employees were given safety & skill up- gradation training in the last year?

Permanent Employees - 100%

Permanent Women Employees - 100%

Casual / Temporary / Contractual Employees - 100%

Employees with Disabilities – 100%

Employees of the subsidiary have not been included

During the year under review, various initiatives have been undertaken by the Company towards ensuring the health and safety of people at all its workplaces, which is a key goal to the Company's business responsibility. Some key interventions are stated below:

– Rolled out health, hygiene and safety protocols 'ALL Safe' & 'Commitment to Clean' at Accor and Marriott respectively

– Technology and app-based solutions to ensure employee health & safety

– Transport and shuttle services

Your Company also organised multiple trainings sessions across levels and domains viz. nurturing emotional intelligence, mindset matters, financial planning, design thinking, physical & emotional wellbeing for women and financial fitness for women to name a few, which aim at creating a breakthrough for employees in these tough times.

As a measure of support to employees to combat the pandemic, your Company introduced 'Chalet Cares' at the Corporate Office and Project Sites, an initiative which includes:

Chalet War Room: a dedicated team which is available 24*7 to help employees connect with leads in in case of emergencies.

Term Insurance: In case of an unfortunate event, employee's family receives One Yearly CTC as a lump sum amount, to ensure their financial security.

Mediclaim Cover: Additional cover sanctioned from Corporate Buffer if an employee fully exhausts his eligible limits.

Reach Out: Company sponsored initiative towards Employee Emotional & Mental Wellbeing. Employees and their families get access to professional counselling 24*7.

Benevolent Scheme: Company sponsored fund to provide financial help to employees and their immediate family members, in case of certain contingencies.

Time-Off for self-care: Our Leave Policy now includes three days time-off for Self-care.

Company Sponsored Vaccination Camps: Vaccination Camps for employees and their families in the eligible age group.

Advance Salary: For employees facing medical and financial exigencies, advance salary is credited to help them meet their expenses in difficult times.

Unlimited Paid Leave: If an employee exhausts his/her leave, unlimited fully paid leave is given to take time-off while they are treated for COVID-19 or any other critical illness.

Isolation Rooms at Offices & Sites: Fully sanitised isolation rooms at offices and sites.

COVID-19 Support: Support is extended to employees to book COVID-19 tests online and reach out to a Doctor via chat.

Employees are provided time-off for volunteering on request.

Principle 4: Stakeholders Interest

1. Has the company mapped its internal and external stakeholders? Yes/No

   Yes. The Company has mapped its internal and external stakeholders, the major/key categories viz. shareholders, Central and State Governments / regulatory authorities, customers, employees, vendors, suppliers, media, financial institutions/banks, service providers, society at large.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?

   Yes. The Company acknowledges the important role played by the society in its growth and development and strives to discharge its responsibility towards the society at large. The Company has identified areas/avenues for inclusion of disadvantaged, vulnerable & marginalised stakeholders.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so:

   The Company is engaging with local NGOs to source products/supplies for the Hotels and empowering women and children. During the year under review, the Company/Hotels have contributed to the community around them by extending support to orphanages, old age homes, frontline and healthcare workers, etc. On account of the pandemic, physical/group engagements were kept on hold.

   Further, the Hotels/properties are designed in a manner that they are conducive to use by differently abled persons. There are dedicated washrooms for differently abled persons in all public areas. There are access ramps at all level changes on the outside and within the hotel premises. Also, every hotel has one room designed to suit physically challenged persons.

   Also, during the year under review, the Company partnered with TRRAIN to create employability/skill development in persons with disabilities. The Company's initiative touched the lives of 50 such persons. Various other initiatives that were carried out at the Hotel & Retail Units have been listed in the Annual Report on CSR Activities which is on Page 62 of the Annual Report.

Principle 5: Human Rights

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

   The Company firmly believes in upholding and promoting human rights. It adheres to all statutes which embodies the principles of human rights such as prevention of child labour and women empowerment.

   We strive at adopting a humane approach when dealing with internal and external stakeholders and include values relating to respecting human rights and women empowerment. The Policy extends to its consultants and others who represent or act on behalf of the Company. We believe in an inclusive work culture which embraces differences and encourages employees in being who they are.

   The Company's Pride Policy includes:

   - Zero Discrimination in Hiring – ensure recruitment of the right candidate purely on merit without any bias
   - Financial Support [upto ₹ 2 Lakh towards Gender Reassignment Surgery]
   - Adoption Assistance Benefit extended to LGBTQ employees, on a case to case basis as determined by the Adoption Assistance Committee
   - Professional Counselling Sessions - to support employees
   - Workshops on Employee Sensitisation – to educate employees on the topic

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   NIL

Principle 6: Environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?

   The Company's policy extends to all its business units, employees, consultants, contractors and service providers to the business of the Company. The Company strives to use energy in the most efficient, cost-effective and environmentally responsible manner. The Company has been having environmental management plan (EMP) for its projects, which extend into the life cycle of the projects. The Company ensures adherence to the same by the suppliers and contractors providing services therein. The Code of Conduct for the Company's Senior Management lays out that the Company acknowledges the impact of its business activities on the environment and are committed to improving environmental track record through precautionary measures and the use of environment friendly technology.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   Various initiatives pertaining to Environment, Health and Safety are being evolved and implemented at the Hotels/properties.

   The Company recognises the importance of sustainability and has adopted responsible business practices and measures across its properties to ensure waste minimisation and solid waste recycling.

   In addition to the key areas identified for implementing sustainable practices such as carbon footprint measurement and recycling, the Company has commissioned a solution for moving our hotels from plastic water bottles to sustainable glass bottles. This initiative will also result in reducing carbon footprint and promote the elimination of single use plastic, which is becoming a hazard to our environment.

   Directional guidance towards climate change mitigation and natural resource replenishment initiatives is given to employees and hotels/project teams.

   Rainwater is harvested for internal usage. Water is conserved through various techniques adopted during carrying out Hotels operations. The Company's properties are designed to treat its wastewater through Sewage Treatment Plant, where wastewater is treated not only through the Water Treatment Plant but also through Ultra-Filtration system, resulting in water that is odorless and colourless and can be utilised for purposes apart from flushing toilets. Parameters have been set and the quality of the treated water is being monitored online.

   As a responsible corporate, the Company is committed to energy conservation. Towards achieving this, all greenfield projects of the Company are being designed as per green building certifications with use of the latest available energy efficient technology & equipment.

   The Company has tied up with various providers for sourcing electricity from renewable sources. During the year under review, 51% of the total power consumed by the Company was from renewable resources. The Company has installed Solar PV Cells for generation of electricity.

   Further, the Company has embarked on its journey towards managing environmental impact by applying to Climate Group's EV 100 initiative, whereby, it is proposed to move to electric vehicles at the hotels as a part of embracing a greener business model by reducing dependence on fossil fuels and to set up charging infrastructure at all locations for use by guests and employees by the year 2023.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes – the potential impact on environment is assessed while embarking on any of its projects. The Company is compliant with local / national laws concerning waste-water treatment and recycling.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   As a responsible corporate, the Company is committed to energy conservation. Towards achieving this, all the new projects of the Company have been designed as per green building certifications with use of the latest available energy efficient technology and equipment.

   Yes – an environmental compliance report is submitted prior to grant of green building certificate.

   Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   The Company has tied up with various providers for sourcing electricity from renewable sources. The Company has installed Solar PV Cells for generation of electricity. The Company has replaced all hot water generators which work on High Speed Diesel with electrical heat-pumps. Most of the Company's existing properties have replaced existing CFL light fixtures with LED light fixtures and all upcoming properties are designed with 100% LED light fixtures along with motion sensors. Other similar initiatives undertaken have been detailed hereinabove.

   Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes

   Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Nil

Principle 7: Responsibility towards public and regulatory policy

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

   Yes, the Company is part of the following associations:
   a) Confederation of Indian Industry (CII)
   b) Hotel Association of India (HAI)
   c) Hotel and Restaurant Association (Western India) (HRAWI)
   d) Federation of Indian Chambers of Commerce and Industry (FICCI)
   e) The Federation of Hotels & Restaurant Associations of India (FHRAI)
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes, The Company has been participating in promoting Governance and Administration, sustainable business practices, economic reforms, inclusive development policy and energy security.

   The Company and its management team are actively involved with these associations for promotion of the interest of the hospitality sector. The Company's team communicates ideas and suggestions towards improvement of the hospitality and real estate sector. Various measures for reform are also recommended through them.

   The Company also participates as a stakeholder in other industry associations related to economic reform and promotion of tourism policies.

   It is pertinent to note that the efforts of various industry forums, some of which your Company's officials actively engage with and hold executive committee positions, have been instrumental in Hotels receiving Industry Status with effect from April 01, 2021, both in Maharashtra and Karnataka. With this change, hospitality industry will be charged for utilities and property tax at industrial rates along with other benefits available to industries.

Principle 8: Inclusive Growth & Equitable Development

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Various initiatives have been undertaken at the Hotel units during the year under review, which include amongst many others CSR activities, donation of grains, pulses & stationery items and sanitising materials, etc. Food/meals distribution has also been carried out on various occasions during the year. On account of the pandemic, physical/group engagements were kept on hold.

   Further, the Company in association with TRRAIN has developed and conducted specified programmes at two locations, towards inclusion by providing skill-based training to differently abled persons/persons with disabilities.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?

   The programmes and projects during the year under review have been undertaken by the Hotel's in-house team as well as in association of an external charitable trust.
3. Have you done any impact assessment of your initiative?

   No
4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

   During the year under review, Company has not made any direct contribution to community development projects.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   No

Principle 9: Value to guests

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

   Customer Satisfaction is of utmost importance for the Company. The Company receives customer complaints which are appropriately redressed. At the end of the financial year under review, two consumer cases/litigations are pending (no fresh cases have been filed during the year).
2. Does the company display product information on the product label, over and above what is mandated as per local laws?

   Since the Company is in the Hospitality business and not manufacturing, the requirement of display of product information on the product label is not applicable to the Company.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   A complaint has been filed before the Industrial Court, Mumbai by five employees of a contractor, engaged by the Company at its project site, alleging unfair labour practice. The matter is sub-judice.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes - The Company's Hotel Operators have systems in place to assess guest satisfaction. Surveys are conducted periodically through formal and informal means to access the guest satisfaction level and experience.

Independent Auditors' Report

To the Members of **Chalet Hotels Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Chalet Hotels Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the Standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

a) We draw attention to Note 42 (c) of the standalone financial statements, in respect of the entire building comprising of the hotel and apartments therein, purchased together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai), from K. Raheja Corp Private Limited, on which the Company's Four Points by Sheraton Hotel has been built. The allotment of land by City & Industrial Development Corporation of Maharashtra Limited ('CIDCO') to K. Raheja Corp Private Limited has been challenged by two public interest litigations and the matter is currently pending with the Honorable Supreme Court of India.

Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the standalone financial statements as at and for the year ended March 31, 2021 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to ₹ 50.93 million (March 31, 2020: ₹ 52.13 million) and the hotel assets thereon (reflected as property, plant and equipment) as at March 31, 2021 is ₹ 400.77 million (March 31, 2020: ₹ 427.21 million) respectively.

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

b) We draw attention to Note 49 to the standalone financial statements relating to remuneration paid/payable to the Managing Director & CEO of the Company for the financial year ended March 31, 2021, being in excess of limits prescribed under Section 197 of the Act by ₹ 47.49 million, of which the proportionate remuneration from February 09, 2021 of ₹ 6.63 million is subject to approval of the shareholders.

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

Key Audit Matters

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

Deferred Tax Assets (refer note 23 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the Deferred tax assets represents 4.24 % of the Company's total assets. Recognition and measurement of deferred tax assets Under Ind AS, the Company is required to reassess recognition of deferred tax asset at each reporting date. The Company has recognised deferred tax assets on brought forward losses / deductions and other temporary differences, as set out in note 23 to the standalone financial statements. The Company's deferred tax assets in respect of brought forward losses / deductions are based on the projected profitability. Such projected profitability is based on approved business plans, which demonstrate availability of sufficient taxable income to utilise such losses / deductions. We focused on this area as recognition of deferred tax requires significant judgment in estimating future taxable income and accordingly recognition of deferred tax.	Our audit procedures included: • Obtained the approved business plans, projected profitability statement. • Evaluated the design and testing the operating effectiveness of controls over quarterly assessment of deferred tax balances and underlying data. • Evaluated the projections of future taxable profits. Testing the underlying data and assumptions used in the profitability projections and performing sensitivity analysis. • Assessed the recoverability of deferred tax assets by evaluating profitability, Company's forecasts and fiscal developments. • Considered the adequacy of the Company's disclosures on deferred tax and assumptions used. The Company's disclosures concerning income taxes are included in note 23 to the standalone financial statements.

Impact of COVID-19 on Going concern (refer note 57 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The impact of the COVID-19 pandemic and measures to control the virus, have created uncertainties related to going concern for the Company. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has prepared a range of scenarios to estimate cash flows from operating activities and the financing requirements. Based on the above, the standalone financial statements of the Company for the year ended March 31, 2021 have been prepared on a going concern basis. In view of uncertainties identified outlined above, we identified a key audit matter related to going concern due to the significant judgement required to conclude on the going concern assumption.	Our audit procedures included: • Obtained understanding of the key controls relating to the Company's forecasting process. • Obtained an understanding of key assumptions adopted by the Company in preparing the cash flow forecast, for revenue, fixed costs, operating costs, capital expenditure and commitments. Assessed the key assumptions based on our understanding of the Company's business. • Compared the future expected cash flows in the cash flow forecast with the Company's business plan approved by the Board of Directors • Performed sensitivity analysis to the cash flow forecast by considering plausible changes to the key assumptions adopted by the Company and its impact on the going concern assumption. • Obtained details of borrowing disbursed subsequent to the year end and tested with underlying documentation. • Assessed compliance with the loan covenants during the year, and subsequent to the year-end. • Considered the adequacy of the Company's disclosure in respect of management's assessment of going concern assumption.

Litigations and Claims (refer note 11, 29, 36 and 42 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
As at March 31, 2021, the Company has two key litigations pertaining to Bengaluru Residential project carried under inventories and leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited. We focused on this area as a key audit matter due to inherent uncertainty in measurement as per accounting standards to determine amount to be provided for and the disclosures to be made	Our procedures included, amongst others: • Evaluated the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures and tested operating effectiveness of these controls. • Read correspondence from the Company's external lawyers in response to our requests for significant litigations and assessed the competence and objectivity of the external lawyers; and • Additionally, considered effect of new information post April 01, 2021 till the date of signing of the report to evaluate any change required in the Company's position on the litigation and claims as at March 31, 2021. • Assessed the Company's disclosures adequately reflect the quantitative and qualitative considerations in relation to the matters in accordance with auditing standards.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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, to the extent applicable.

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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;

   e) on the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) with respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Notes 36 and 42 to the standalone financial statements;

   ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts, Refer note 29 to the standalone financial statements;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

   iv. the period November 08, 2016 to December 30, 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended March 31, 2021.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, we report that:

   i. we draw a attention to note 49 to the Standalone Financial Statement relating to remuneration paid / payable to the Managing Director & CEO of the Company for the financial year ended March 31, 2021, being in excess of limits prescribed under Section 197 of the of the Act by ₹ 47.49 million, of which the proportionate remuneration from February 09, 2021 of ₹ 6.63 million is subject to approval of the shareholders. Our opinion is not modified in respect of this matter.

   ii. the Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwala
Partner
Membership No: 108511
UDIN: 21108511AAAACV9123

Mumbai
May 18, 2021

Annexure A to the Independent Auditors' Report – March 31, 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2021, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets including property, plant and equipment and investment properties.

(b) The Company has a regular programme of physical verification of its fixed assets including property, plant and equipment and investment properties by which the fixed assets including property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain fixed assets including property, plant and equipment and investment properties during the year and no discrepancies were noticed in respect of assets verified during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties comprising of freehold land and buildings and lease agreement in respect of the leasehold land and building, as listed in Notes 2 and 4 of the standalone financial statements, are held in the name of the Company, except as stated in the table below:

Land / building	Number of cases	Freehold	Note in the standalone financial statements	Gross block (₹ in million)	Net block (₹ in million)	Remarks
Building	1	Freehold	2	544.90	331.18	Refer note 42 (c) in the standalone financial statements in respect of the matter which is presently under litigation

Further in respect of the leasehold land acquired by the Company, attention is invited to the table below:

Land / building	Number of cases	Freehold	Note in the standalone financial statements	Gross block (₹ in million)	Net block (₹ in million)	Remarks
Land	1	Lease hold	11	65.06	50.93	Refer note 42 (c) in the standalone financial statements in respect of the matter which is presently under litigation

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company does not have any stock lying with third parties at the year-end. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

(iii) The Company has granted unsecured loans to two companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any other loans, secured or unsecured, to firms or other parties covered in the register required to be maintained under Section 189 of the Act.

i) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the unsecured loan granted to one wholly owned subsidiary is interest free and the interest in case of the unsecured loan granted to other company and other terms and conditions of the unsecured loans granted by the Company to the two companies covered in the register required to be maintained under Section 189 of the Act are not, prima facie, prejudicial to the interests of the Company.

ii) According to the information and explanations given to us and based on the audit procedures conducted by us, the unsecured loans granted to the companies are repayable on demand. The Company has not made demand during the current year and one of the unsecured loans granted is interest-free. Accordingly, the requirements related to payment of principal and interest are not applicable.

iii) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted to the companies during the year.

(iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Sections 185 of the Act in respect of loans granted and guarantee given during the year. Accordingly, the provisions of Section 185 of the Act in respect of investments made and securities provided are not applicable to the Company. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given and security provided are not applicable to the Company, since it is covered as a Company engaged in infrastructural facilities. The Company has not made any investments during the year, and accordingly, the provisions of Section 186 of the Act, in respect of investments made during the year are not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vi) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Goods and Service tax, Labour cess, Profession tax, Property tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income-tax have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, Labour cess, Profession tax, Property tax, Cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Value added tax and Goods and Service tax as at March 31, 2021, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Nature of the dues	Amount not deposited on account of demand ₹ in million	Amount paid ₹ in million	Financial year (F.Y.) to which the amount relates	Forum where dispute is Pending
Finance Act, 1994	Denial of CENVAT credit of service tax paid on Marriott fees paid	57.91	-	FY 2004-05 to FY 2010-11	CESTAT, Mumbai
Finance Act, 1994	Demand for service tax on Telephone services and Laundry wet cleaning service as accommodation services	4.24	-	FY 2011-12	Commissioner (appeals), Hyderabad
MVAT Act, 2002	Joint Commissioner has included Service Tax in the Gross Turnover and charged VAT on the same demand is not included in the Demand Notice as the same is covered under section 23 (8) of MVAT Act	9.35	-	FY 2012-13	Joint Commissioner Appeals LTU-2
TVAT Act, 2002	VAT demand on Sale of cocktail	1.59	0.40	FY 2010-11 to FY 2012-13	Deputy Commissioner, Hyderabad
TVAT Act, 2002	VAT demand on sale of cocktail and others	1.76	1.41	FY 2013-14 to FY 2015-16	Deputy Commissioner, Hyderabad
Income Tax Act, 1961	Section 14A of Income-tax Act, 1961 disallowance	134.65	-	FY 2015-16 to FY 2017-18	Commissioner of Income tax (Appeals)

Name of the statute	Nature of the dues	Amount not deposited on account of demand ₹ in million	Amount paid ₹ in million	Financial year (F.Y.) to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Depreciation disallowance	7.09	-	FY 2012-13 to FY 2017-18	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Deemed rental income on house property	13.73	-	FY 2015-16 to FY 2016-17	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Disallowance of Sahar retail and commercial interest	169.43	-	FY 2018-19	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Disallowance of administrative charges	7.04	-	FY 2011-12	Commissioner of Income tax (Appeals)
Foreign Trade Policy (Duty of Customs)	Recovery of SFIS benefits granted to foreign brands	5.74	-	2017	Karnataka High Court

(vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to banks or financial institutions. The Company does not have any loans or borrowings from government and dues to debenture holders during the year.

(viii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company has been applied for the purpose for which they are raised.

(ix) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(x) According to the information and explanations given to us and based on our examination of the records of the Company, due to inadequate profits during the current year, the managerial remuneration paid / payable to the Managing Director & CEO of the Company is in excess of the limits specified under Section 197 of the Act read with Schedule V to the Act by ₹ 47.49 million, of which the proportionate remuneration from February 09, 2021 of ₹ 6.63 million is subject to approval of the shareholders. Refer note 49 of the Standalone Financial Statements.

(xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwala
Partner
Membership No: 108511
UDIN: 21108511AAAACV9123

Mumbai
May 18, 2021

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements for the year ended March 31, 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1 A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of Chalet Hotels Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at March 31, 2021 based on the internal financial controls with reference to the standalone financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act")

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to the Standalone Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwala
Partner
Membership No: 108511
UDIN: 21108511AAAACV9123

Mumbai
May 18, 2021

Standalone Balance Sheet

as at March 31, 2021

(₹ in million)

	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	2	17,719.52	19,797.38
Capital work-in-progress	3	358.48	875.13
Investment property	4	9,950.73	7,138.18
Goodwill	5	226.11	226.11
Other intangible assets	6	24.24	32.24
Financial assets			
(i) Investments in subsidiaries	7	1,264.92	1,264.92
(ii) Other investments	8	44.94	45.14
(iii) Loans	9	98.25	100.80
(iv) Others	10	219.91	70.88
Other non-current assets	11	595.73	604.68
Deferred tax assets (net)	23	1,796.65	852.81
Non-current tax assets (net)		392.08	772.73
Total non-current assets		**32,691.56**	**31,781.00**
Current assets			
Inventories	12	3,909.48	3,920.58
Financial assets			
(i) Trade receivables	13	212.41	393.54
(ii) Cash and cash equivalents	14a	264.03	65.46
(iii) Bank balances other than (ii) above	14b	80.78	1,085.94
(iv) Loans	15	1,091.02	691.38
(v) Others	16	26.97	151.80
Other current assets	17	850.98	752.29
Total current assets		**6,435.67**	**7,060.99**
Total Assets		**39,127.23**	**38,841.99**
Equity and Liabilities			
Equity			
Equity share capital	18	2,050.24	2,050.24
Other equity	19	12,279.10	13,441.98
Total equity		**14,329.34**	**15,492.22**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	17,027.77	15,772.64
(ii) Others	21	190.97	198.27
Provisions	22	74.19	74.23
Deferred tax liabilities (net)	23	137.51	222.11
Other non-current liabilities	24	109.58	132.51
Total non-current liabilities		**17,540.02**	**16,399.76**
Current liabilities			
Financial liabilities			
(i) Borrowings	25	808.20	377.20
(ii) Trade payables	26		
(a) Total outstanding dues of micro enterprises and small enterprises and		28.89	29.53
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises		759.12	988.48
(iii) Other financial liabilities	27	2,321.87	2,215.01
Other current liabilities	28	2,236.61	2,256.28
Provisions	29	908.18	888.51
Current tax liabilities		195.00	195.00
Total current liabilities		**7,257.87**	**6,950.01**
Total Equity and Liabilities		**39,127.23**	**38,841.99**
Significant Accounting Policies	1		
Notes to the Standalone Financial Statements	2 - 57		

The notes referred to above form an integral part of the standalone financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

Mansi Pardiwalla
Partner
Membership No: 108511

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Joseph Conrad D'souza
Director
(DIN: 00010576)

Milind Wadekar
Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in million)

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from Continuing operations			
Revenue from Continuing operations	30	2,843.17	9,762.45
Other income	31	207.10	272.44
Total income (A)		**3,050.27**	**10,034.89**
Expenses from Continuing operations			
Real estate development cost	32(a)	95.06	205.56
Changes in inventories of finished good and construction work in progress	32(a)	-	23.34
Food and beverages consumed	32(b)	234.52	823.38
Operating supplies consumed	32(c)	116.82	302.31
Employee benefits expense	33	855.09	1,501.80
Other expenses	35	1,401.28	3,685.77
Total expenses (B)		**2,702.77**	**6,542.16**
Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items from Continuing operations (C) (A-B)		**347.50**	**3,492.73**
Depreciation and amortisation expenses	2,4,6	1,076.34	1,113.66
Finance costs	34	1,450.08	1,446.13
(Loss) / Profit before exceptional items and tax from Continuing operations (D)		**(2,178.92)**	**932.94**
Exceptional items (E)	36	(41.71)	(41.71)
(Loss) / Profit before income tax from Continuing operations (F) (D+E)		**(2,220.63)**	**891.23**
Tax expense (G)		(1,093.21)	12.27
Current tax	23	-	195.00
Deferred tax (credit)	23	(1,028.21)	(182.73)
Excess provision for the earlier years		(65.00)	
(Loss) / Profit for the year from Continuing operations (H) (F-G)		**(1,127.42)**	**878.96**
Discontinued Operations	51		
(Loss) from discontinued operations before tax		(40.62)	(62.82)
Tax expense of discontinued operations		-	-
(Loss) from discontinued operations (I)		**(40.62)**	**(62.82)**
(Loss) / Profit for the year (J) (H + I)		**(1,168.04)**	**816.14**
Other comprehensive (Expense) from Continuing operations			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(0.66)	(17.34)
Income tax Credit on above		0.23	6.06
Other comprehensive (expense) for the year, net of tax (K)		**(0.43)**	**(11.28)**
Total comprehensive (expense) / income for the year (I) (G+K)		**(1,168.47)**	**804.86**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)			
Basic	37	(5.50)	4.29
Diluted	37	(5.50)	4.29
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)			
Basic	37	(0.20)	(0.31)
Diluted	37	(0.20)	(0.31)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)			
Basic	37	(5.70)	3.98
Diluted	37	(5.70)	3.98
Significant Accounting Policies	1		
Notes to the Standalone Financial Statements	2 - 57		

The notes referred to above form an integral part of the standalone financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
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Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Standalone Statement of Cash Flows
for the year ended March 31, 2021

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from Operating Activities:		
(Loss) / Profit before tax from Continuing operations	(2,220.63)	891.23
(Loss) before tax from discontinued operations	(40.62)	(62.82)
Adjustments for:		
Interest income from instruments measured at amortised cost	(56.60)	(47.85)
Dividend received*	-	-
Depreciation and amortisation expenses	1,076.34	1,113.66
Finance costs	1,450.08	1,446.13
Unrealised exchange (gain) / loss	(20.33)	46.64
Provision for estimated cost	41.71	41.71
Profit on sale of property, plants and equipment (net)	(4.69)	(11.20)
Property, plants and equipment written off	1.86	6.31
Provision for impairment of investment	-	250.09
(Gain) / Loss on sale/redemption of investments	(0.10)	45.95
Provision for doubtful debts, advances and bad debt written off	11.91	14.43
Employee stock option expense	5.59	12.06
Export benefits and entitlements	(21.66)	(132.72)
Provision for mark to market on derivative contract	62.19	(28.59)
Provision for stock obsolescence	2.68	6.78
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Total	**2,548.98**	**2,763.40**
Operating Profit before working capital changes	287.73	3,591.81
Adjustments		
Decrease in trade receivables and current assets	191.69	35.00
Decrease in inventories	11.10	34.06
(Increase) in trade payables and current liabilities	(302.74)	(842.01)
Total	**(99.95)**	**(772.95)**
Income Taxes (net of refund)	445.65	(255.03)
Net Cash Generated from Operating Activities (A)	**633.43**	**2,563.83**
B. Cash Flow from Investing Activities:		
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(482.31)	(962.66)
Proceeds from sale of property, plants and equipments and investment property	14.40	65.08
Purchase of investments (including investment property and investment property under construction)	(950.19)	(2,331.43)
Sale/redemption of Investments	0.30	478.92
Dividend received*	-	-
Loans given (refer note 49)	(375.05)	(661.30)
Loans received (refer note 49)	15.45	-
Interest income received	56.60	47.85
Fixed deposits matured / (placed) (net)	811.82	(629.64)
Margin money matured / (placed) (net)	44.31	(49.39)
Net Cash Generated (used in) Investing Activities (B)	**(864.67)**	**(4,042.57)**

Standalone Statement of Cash Flows
for the year ended March 31, 2021

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
C. Cash Flow from Financing Activities:		
Issue of preference shares	-	740.00
Proceeds from long-term borrowings	3,970.00	6,035.00
Repayment of long-term borrowings	(2,607.73)	(3,973.97)
Repayment of short-term borrowings (net)	-	(55.24)
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Interest and finance charges paid	(1,363.46)	(1,338.88)
Net Cash (used in) / Generated From Financing Activities (C)	**(1.19)**	**1,406.91**
Net (Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	**(232.43)**	**(71.83)**
Cash and Cash Equivalents – Opening Balance	**(311.74)**	**(239.91)**
Cash and Cash Equivalents – Closing Balance	**(544.17)**	**(311.74)**
*Amount less than million		
Notes:		
1. Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.		
2. Reconciliation of cash and cash equivalents with the balance sheet	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents (refer note 14)	264.03	65.46
Less: Over draft accounts from banks (refer note 25)*	(808.20)	(377.20)
Cash and cash equivalents as per Standalone statement of cash flows	**(544.17)**	**(311.74)**
3. The movement of borrowings as per Ind AS 7 is as follows:		
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening borrowings	17,463.23	14,797.78
Proceeds from long-term borrowings**	3,970.00	6,775.00
Repayment of long-term borrowings	(2,607.73)	(4,029.21)
Non-cash adjustments	66.29	(80.34)
	18,891.79	**17,463.23**

** Cash and cash equivalents includes bank overdrafts that are payable on demand and form an integral part of the Company cash management.*
*** Includes issue of preference shares*

The notes referred to above form an integral part of the standalone financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

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Membership No: 108511

Mumbai
May 18, 2021

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Milind Wadekar
Interim CFO
(DIN: 00468125)

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Standalone Statement of Changes in Equity

as at March 31, 2021

(a) Equity share capital

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the reporting year	2,050.24	2,050.24
Balance at the end of the reporting year	**2,050.24**	**2,050.24**

(b) Other equity

(₹ in million)

	Attributable to the owners of the Company						
	Equity Component of Compound Instrument	Employee stock option reserve	Capital Reserve	Securities Premium	General reserve	Retained earnings*	Total
Balance at March 31, 2020	**373.48**	**26.70**	**0.05**	**10,269.19**	**1,071.96**	**1,700.60**	**13,441.98**
Total comprehensive income for the year							
Adjustments:							
Employee stock option reserve	-	5.59	-	-	-	-	5.59
Loss for the year	-	-	-	-	-	(1,168.04)	(1,168.04)
Remeasurements of defined benefit plans (net of tax)						(0.43)	(0.43)
Total comprehensive expense for the year	**-**	**5.59**	**-**	**-**	**-**	**(1,168.47)**	**(1,162.88)**
Balance at March 31, 2021	**373.48**	**32.29**	**0.05**	**10,269.19**	**1,071.96**	**532.13**	**12,279.10**
Balance at April 1, 2019	**167.06**	**14.64**	**0.05**	**10,269.19**	**1,071.96**	**895.74**	**12,418.64**
Adjustments:							
Equity Component of Compound Instrument	206.42	-	-	-	-	-	206.42
Employee stock option reserve	-	12.06	-	-	-	-	12.06
Profit for the year	-	-	-	-	-	816.14	816.14
Proposed dividend**	-	-	-	-	-	(0.00)	(0.00)
Tax on dividend**	-	-	-	-	-	(0.00)	(0.00)
Remeasurements of defined benefit plans (net of tax)						(11.28)	(11.28)
Total comprehensive income for the year	**206.42**	**12.06**	**-**	**-**	**-**	**804.86**	**1,023.34**
Balance at March 31, 2020	**373.48**	**26.70**	**0.05**	**10,269.19**	**1,071.96**	**1,700.60**	**13,441.98**

** Includes impact of fair valuation of land on transition to Ind AS (net of related tax impact) ₹ 3,710.05 million (March 31, 2020 ₹ 3,710.05 million).*

*** Amount less than million*

The notes referred to above form an integral part of the standalone financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Chalet Hotels Limited
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Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

1.1 Company background

Chalet Hotels Limited (the Company) is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra East, Mumbai 400 051. The Company was incorporated under the Companies Act, 1956 on January 6, 1986 and has been converted into a public company with effect from June 6, 2018.

The Company is primarily engaged in the business of hospitality (hotels), commercial and retail operations and real estate development. At March 31, 2021, the Company has, (a) five hotels (and one service apartment building) operating at Powai and Sahar (Mumbai), Vashi (Navi Mumbai), Bengaluru and Hyderabad, (b) developed residential property at Hyderabad (c) Retail Block at Sahar, Mumbai and at Bengaluru, (d) commercial property at Bengaluru and Sahar, Mumbai and (e) is engaged in construction and development of a residential property at Bengaluru.

In the current financial year, the Company has discontinued its retail operations at Sahar, Mumbai based on internally evaluated financial feasibility and commercial negotiation with existing retailers. The Company will customise the property for commercial operations. (Refer note 51)

1.2 Going concern

As at March 31, 2021, the Company faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Company adversely starting from the month of March 2020 onwards particularly by way of reduction in occupancy of hotels and average realisation rate per room and fall in revenue of other assets. During the year, the hotels have been operational though at a significantly reduced occupancy rate. Management has undertaken various cost saving initiatives to maximise operating cash flows in the given situation. Management has assessed the impact of existing and anticipated effects of COVD-19 on the future cash flow projections on the basis of significant assumptions as per the available information. As per the management, the Company has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, in addition to the funds expected to be generated from the operating activities. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2021.

1.3 Significant accounting policies

Basis of preparation and presentation

Compliance with Indian Accounting Standard (Ind AS)

These standalone financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis. These Standalone Financial Statements of the Company for the year ended March 31, 2021 are approved by the Company's Audit Committee and by the Board of Directors on May 18, 2021.

(i) Basis of measurement

The Standalone Financial Statements has been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer- Accounting policy regarding financials instruments);
- Net defined benefit (asset) / liability – plan assets measured at fair value less present value of defined benefit obligation; and
- land at fair value on transition date.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and service.

(ii) Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All the financial information have been presented in Indian Rupees (INR) and all amounts have been rounded-off to the nearest millions, except for share data and as otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentage may not precisely reflect the absolute figures.

(iii) Use of estimates and judgements

While preparing the Standalone Financial Statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgements. These judgements affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the Standalone Balance Sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, estimates and assumptions are required in particular for:

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

- *Determination of the estimated useful lives*
  Useful lives of property, plant and equipment and investment property are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- *Recognition and measurement of defined benefit obligations*
  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- *Recognition of deferred tax assets*
  Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

- *Recognition and measurement of other provisions*
  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- *Discounting of long-term financial assets / liabilities*
  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

- *Determining whether an arrangement contains a lease*
  At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

  Critical judgements in determining the lease term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

  Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- *Fair value of financial instruments*
  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Further information about the assumptions made in measuring fair values is included in the following notes:

Note G, H, I & J – impairment test of non-financial assets: key assumptions underlying recoverable amounts; and

Note N-1(c) – Impairment of financial assets

(iv) Measurement of fair values
The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 2 – Property, plant and equipment (Freehold land)
- Note 4 – Investment property
- Note 46 – Financial instruments

(v) Current and non-current classification
The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the balance sheet date.

All other liabilities are classified as non-current.

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

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

A. Business combination

Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are recognised in the Standalone Statement of Profit and Loss.

Common control

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as Common control entities. Common control transactions are accounted using pooling of interest method. The financial statements in respect of prior periods have been restated from the period that the Transferor Company became a subsidiary of the Transferee Company where the assets and liabilities of the transferee are recorded at their existing carrying values, the identity of reserves of the transferee company is preserved.

B. Revenue

i. Real estate development and sale

Revenue from real estate activity is recognised to the extent that it is probable that the economic benefits will flow to the Company, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

Revenue from real estate development activity is recognised at a point in time when significant risks and rewards are transferred to the Customer i.e. when the control of the residential flat is transferred to the Customer.

Cost of construction/development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue from Real Estate represents revenue recognised over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

ii. Hospitality business

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, food, beverages, smokes and allied services relating to hotel operations. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Performance obligation in contract with customers are met throughout the stay of guest in the hotel or on rendering of services and sale of goods.

Revenue recognised is net of indirect taxes, returns and discounts.

iii. Rental income

Revenues from property leased out under an operating lease are recognised over the tenure of the lease / service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

Initial direct costs incurred by lessors in negotiating and arranging an operating lease is accounted as separate asset and will be recognised as an expense over the lease term on the same basis as the lease income.

iv. Income from other services

Maintenance income is recognised as and when related expenses are incurred.

Income from ancillary services are recognised as and when the services are rendered.

v. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

vi. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets on initial recognition. Interest income is included in other income in the Standalone Statement of Profit or Loss.

C. Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Standalone Statement of Profit or Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Standalone Statement of Profit and Loss on a net basis within other gains / (losses).

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

D. Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognised in the period in which the employee renders the related service.

ii. Post-employment benefits

Defined contribution plans

The defined contribution plans i.e. provident fund (administered through Regional Provident Fund Office) and employee state insurance corporation are post-employment benefit plans under which a Company pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The following post – employment benefit plans are covered under the defined benefit plans:

- **Gratuity**

  The Company follows unfunded gratuity except for one of its Hotel division (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India. The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus of the Company's defined benefit plans.

  When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

  The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

  When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

  Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

iii. Terminal Benefits:

All terminal benefits are recognised as an expense in the period in which they are incurred.

iv. Employee stock option expense

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

E. Income-tax

Income-tax expense comprises current and deferred tax. It is recognised in net profit in the Standalone Statement of Profit or Loss except to the extent that it relates to items recognised directly in equity or in the Other Comprehensive Income (OCI).

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961.

Taxable profit differs from 'profit before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

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.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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 at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Standalone Statement of Profit and Loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/ conditions defined in the said section.

F. Inventories

Hospitality

Stocks of stores, food and beverages and operating supplies (viz. crockery, cutlery, glassware and linen) are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the

inventories to their present condition and location. Cost is arrived at by the weighted average cost method.

Stocks of stores and spares and operating supplies (viz. crockery, cutlery, glassware and linen) once issued to the operating departments are considered as consumed and expensed to the Standalone Statement of Profit and Loss. Unserviceable/damaged/discarded stocks and shortages are charged to the Standalone Statement of Profit and Loss.

Real Estate Development (Residential Flats)

Property is valued at lower of cost and net realisable value. Cost comprises of land, development rights, materials, services, and other expenses attributable to the projects. Costs of construction / development (including cost of land) incurred is charged to the Standalone Statement of Profit and Loss proportionate to area sold and the balance cost is carried over under inventories as part of property under development.

Cost of construction material (including unutilised project materials) at site is computed by the weighted moving average method and carried at lower of cost and Net Realisable value.

G. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation / amortisation and impairment losses, if any except for freehold land which is not depreciated. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Standalone Statement of Profit and Loss.

Properties in the course of construction for production, supply or administration purposes are carried at cost, less any impairment loss recognised. Cost includes professional fees and, for qualifying assets borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property, Plant & Equipment when completed and are ready for intended use. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is charged to the Standalone Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.:

<table>
<tr><th rowspan="2">Asset Type</th><th colspan="3">Useful Life</th></tr>
<tr><th>March 2021</th><th>March 2020</th><th>Schedule II</th></tr>
<tr><td>Buildings (Interior and Accessories)</td><td>14 Years</td><td>14 Years</td><td>NA</td></tr>
<tr><td>Plant and Machinery</td><td></td><td></td><td></td></tr>
<tr><td>- Food and beverages and Kitchen equipment</td><td>8 Years</td><td>8 Years</td><td rowspan="4">15 Years</td></tr>
<tr><td>- Audio video equipment</td><td>5 Years</td><td>5 Years</td></tr>
<tr><td>- Laundry equipment, DG set, HVAC system, Elevators, Fire fighting system,</td><td>15 Years</td><td>15 Years</td></tr>
<tr><td>- Others</td><td>14 Years</td><td>14 Years</td></tr>
<tr><td>Electrical installations</td><td>14 Years</td><td>14 Years</td><td>10 Years</td></tr>
<tr><td>Office Equipments</td><td></td><td></td><td></td></tr>
<tr><td>- Mobile phones</td><td>2 Years</td><td>2 Years</td><td rowspan="2">5 Years</td></tr>
<tr><td>- Others</td><td>4 Years</td><td>4 Years</td></tr>
<tr><td>Vehicles</td><td>5 Years</td><td>5 Years</td><td>6 Years</td></tr>
<tr><td>Carpet</td><td>7 Years</td><td>7 Years</td><td>NA</td></tr>
<tr><td>Furniture and Fixtures</td><td>10 Years</td><td>10 Years</td><td>8 Years</td></tr>
<tr><td>Computer software</td><td>4 Years</td><td>4 Years</td><td>NA</td></tr>
</table>

Building interiors and accessories comprise of the interiors of the Hotel building which will undergo renovation, are depreciated on a SLM basis over a period of 10 years, which in management's view, represents the useful life of such assets.

Building constructed on leasehold land are amortised from the date of commencement of commercial operations over the balance lease period.

Leasehold Improvements are depreciated over the primary period of lease.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Temporary structures and assets costing ₹ 5,000/- or less are depreciated at 100% in the year of capitalisation.

Freehold land is measured at fair value as per Ind AS 113 with the resultant impact being accounted for in the reserves. The fair value of the Company's freehold land parcels as at April 1, 2016 have been arrived at on the basis of a valuation carried out by an independent registered appraiser not related to the Company with appropriate qualifications and relevant experience in the valuation of properties at relevant locations. The fair value was determined based on a combination of Discounted Cash Flow method and Residual method.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

Impairment losses recognised in prior years are reversed when there is an indicator that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

H. Intangible assets

Recognition and measurement

Intangible assets comprises of trademarks and computer software and are measured at cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Standalone Statement of Profit or Loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Intangible assets are amortised on straight-line method over estimated useful life of 4 years, which in management's view represents the economic useful life of these assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate prospectively.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Standalone Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

I. Goodwill

Goodwill on business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent the amount was previously charged to the Standalone Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

J. Investment property and investment property under construction

(a) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Investment property and investment property under construction represents the cost incurred in respect of areas retail block and commercial office space. Property under construction is accounted for as investment property under construction until construction or development is complete.

Direct expenses like cost of land, including related transaction costs, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties under construction are carried individually at cost less impairment, if any. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.

(b) Depreciation

Depreciation on investment property has been provided pro rata for the period of use by the Straight Line Method. The useful lives of Investment Property is estimated by management and the same is as prescribed in Schedule II to the Act, except in respect of the following categories of assets, where the life of these assets differs from Schedule II.

Any gain or loss on disposal of an investment property is recognised in Standalone Statement of Profit and Loss.

The fair values of investment property are disclosed in the notes. Fair values are determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Asset Type	Useful Life		Schedule II
	March 2021	March 2020	
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery			
- DG set, HVAC system, Elevators and Firefighting system	15 years	15 years	15 Years
- Others	14 Years	14 Years	
Electrical installations	14 Years	14 Years	10 Years
Office Equipment's	4 Years	4 Years	5 Years
Carpet	7 Years	7 Years	NA
Furniture and Fixtures	10 Years	10 Years	8 Years
Computer software	4 Years	4 Years	NA

Investment properties are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell.

K. Investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

L. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Standalone Statement of Profit and Loss using the effective interest method.

M. Segment reporting

As per IND AS 108 Operating Segments, if a financial report contains both the Consolidated financial statements of a parent that is within the scope of IND AS 108 as well as the parent's Standalone financial statements, segment information is required only in the Consolidated financial statements. Accordingly, information required to be presented under IND AS 108 Operating Segments has been given in the consolidated financial statements.

N. Financial Instruments

1. Financial assets

(a) Recognition and initial measurement

Trade receivable are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value plus, for an item not at Fair Value through Profit and

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement
The Company classifies its financial assets into a) financial assets measured at amortised cost, and b) financial assets measured at fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

(i) Financial assets measured at amortised costs

A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in the Standalone Statement of Profit and Loss. Any impairment loss arising from these assets are recognised in the Standalone Statement of Profit and Loss.

(ii) Financial assets measured at fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which do not meet the criteria for classification as at amortised cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the Standalone Statement of Profit or Loss.

(iii) Financial assets measured at fair value through other comprehensive income (FVOCI)

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Standalone Statement of Profit and Loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Standalone Statement of Profit and Loss.

(b) Derecognition
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset and associated liability for any amounts it may have to pay.

(c) 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 and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables- The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. 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.

2. Financial liabilities

(a) Recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments. 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 at amortised cost includes loan and borrowings, interest free security deposit, interest accrued but not due on borrowings, Retention money payable, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

The Company's financial liabilities at fair value through profit or loss includes derivative financial instruments.

(b) Financial guarantee contracts
The Company on a case to case basis elects to account for financial guarantee contracts as a financial intruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in Standalone Statement of Profit and Loss.

(c) Derecognition
The Company derecognises financial liabilities when its contractual obligations are discharged or cancelled or have expired.

3. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the Standalone statement of financial position when, and only when, the Company has legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to their fair value. The resulting gain/loss is recognised in Standalone Statement of Profit and Loss immediately at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company does not designate the derivative instrument as a hedging instrument.

O. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

P. Leases

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

a. Company as a lessor
At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Payments received under operating leases are recognised in the Standalone Statement of Profit and Loss on a straight- line basis over the lease term. The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

b. Company as a lessee
Lease Liability
At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets
The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or less and leases of low-value assets.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

Q. Litigation
From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

R. Discontinued Operations
Discontinued operations are reported when a component of the Company comprising operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Company operations is classified as held for sale or has been disposed of, if the component either (1) represents a separate major line of business or geographical area of operations and (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or (3) is a subsidiary acquired exclusively with a view to resale.

In the standalone statement of profit and loss, income/(loss) from discontinued operations is reported separately from income and expenses from continuing operations. The comparative standalone statement of profit and loss is re-presented; as if the operation had been discontinued from the start of the comparative period. The cash flows from discontinued operations are presented separately in Note 51.

S. Government Grants
Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Standalone Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Standalone Balance Sheet and transferred to Standalone Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

T. Cash and cash equivalents
Cash and cash equivalent in the Standalone 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.

U. Cash flow statement
Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

For the purpose of presentation in the statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

V. Earnings Per Share ("EPS")
The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

W. Exceptional items
The Company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Company and provides consistency with the Company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

periods and to assess underlying trends in the financial performance of the Company.

X. Earnings before interest and depreciation and amortisation ("adjusted EBITDA")
The Company presents adjusted EBITDA in the Standalone Statement of Profit and Loss; this is not specifically required by Ind AS 1. The terms adjusted EBITDA are not defined in Ind AS. Ind AS complaint Schedule III allows companies to present Line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the Company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of adjusted EBITDA
Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortisation (adjusted EBITDA) before exceptional items, as a separate line item on the face of the Standalone Statement of Profit and Loss. The Company measures adjusted EBITDA before exceptional items, on the basis of profit / (loss) from continuing operations including other income. In its measurement, the Company does not include exceptional items, depreciation and amortisation expense, finance costs, share of profit from associate and tax expense.

Standard issued but not yet effective
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Recent Pronouncements
On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:
Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of Standalone Financial Statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 2 Property, plant and equipment

Reconciliation of carrying amount

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation/ amortisation				Net block
	Opening balance as at April 1, 2020	Additions	Deductions/ Transfers	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	For the year	Deductions/ Transfers	Closing balance as at March 31, 2021	As at March 31, 2021
Tangible assets									
Freehold land	7,960.22	-	727.63	7,232.59	-	-	-	-	7,232.59
Buildings	12,615.13	79.22	751.19	11,943.16	3,513.91	390.45	131.30	3,773.07	8,170.09
Plant and machinery	4,221.64	35.50	45.00	4,212.14	2,622.39	244.52	33.04	2,833.87	1,378.27
Data processing equipments	263.84	0.72	19.61	244.95	207.01	29.61	18.95	217.67	27.28
Electrical installations	1,599.21	10.40	5.71	1,603.90	1,048.48	73.93	4.74	1,117.67	486.23
Furniture and fixtures	1,982.10	12.24	1.88	1,992.46	1,462.33	113.51	1.61	1,574.24	418.22
Vehicles	158.46	-	23.57	134.89	152.44	1.53	23.57	130.40	4.49
Office equipments	96.67	0.02	0.44	96.25	93.33	1.01	0.43	93.92	2.33
Total	**28,897.27**	**138.10**	**1,575.03**	**27,460.34**	**9,099.89**	**854.57**	**213.64**	**9,740.82**	**17,719.52**

Note: *Assets pertaining to Commercial complex, Powai, Mumbai have been transferred from Property, plant and equipment to Investment property under construction with net block of ₹ 1,349.99 million based on change of intended use of such assets (refer note 4).*

As at March 31, 2020

(₹ in million)

Particulars	Gross block				Accumulated depreciation/ amortisation				Net block
	Opening balance as at April 1, 2019	Additions	Deductions/ Transfers	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	For the year	Deductions/ Transfers	Closing balance as at March 31, 2020	As at March 31, 2020
Tangible assets									
Freehold land	7,958.76	1.46	-	7,960.22	-	-	-	-	7,960.22
Buildings	12,584.34	65.01	34.22	12,615.13	3,152.47	392.56	31.12	3,513.91	9,101.22
Leasehold improvements	6.92	-	6.92	-	6.92	-	6.92	-	-
Plant and machinery	4,177.80	74.77	30.93	4,221.64	2,403.67	239.62	20.90	2,622.39	1,599.25
Data processing equipments	215.55	51.82	3.53	263.84	186.04	24.19	3.22	207.01	56.83
Electrical installations	1,598.18	2.61	1.58	1,599.21	977.86	72.00	1.38	1,048.48	550.73
Furniture and fixtures	1,982.19	15.79	15.88	1,982.10	1,333.55	143.56	14.78	1,462.33	519.77
Vehicles	234.52	0.68	76.74	158.46	209.28	18.37	75.21	152.44	6.02
Office equipments	95.91	1.08	0.32	96.67	92.23	1.41	0.31	93.33	3.34
Total	**28,854.17**	**213.22**	**170.12**	**28,897.27**	**8,362.02**	**891.71**	**153.84**	**9,099.89**	**19,797.38**

Notes:

1) *Refer note 20 and 25 for information on Property, plant and equipment pledged as security by the Company.*
2) *Refer note 42 for contractual commitments with respect to property plant and equipments.*
3) *In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected in the schedule above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the standalone financial statements. The carrying value of property, plant and equipment in respect of the aforementioned hotel as at March 31, 2021 is ₹ 400.77 million (March 31, 2020: ₹ 427.21 million).*

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 3 Capital work-in-progress

1) Details of capital work-in-progress

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening balance	875.13	284.76
Add: Additions during the year	1,022.76	836.16
Less: Capitalised during the year	(140.25)	(245.79)
Less: Cost incurred for Commercial complex, Powai, Mumbai transfered to Investment property under construction (refer note 4)	(1,399.16)	-
Closing balance	**358.48**	**875.13**

2) Expenses (net) capitalised to capital work-in-progress during the year.

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Legal and professional charges	2.16	80.71
Employee costs	2.09	74.98
Rates, taxes and license fees	0.08	162.27
Interest and other finance costs	20.93	35.00
Repairs and maintenance	0.05	-
Miscellaneous expenses	0.66	20.34
Other income/sale of scrap	-	(3.30)
Total	**25.97**	**370.00**

Note 4 Investment property

A. Reconciliation of carrying amount

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation / amortisation				Net block
	Opening balance as at April 1, 2020	Additions/ Transfers	Deductions/ Transfer	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	For the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Commercial complex, Bengaluru I	893.35	-	-	893.35	105.00	26.95	-	131.95	761.40
Retail block, Sahar, Mumbai	1,193.04	3.10	-	1,196.14	127.51	38.99	-	166.50	1,029.64
Commercial block, Sahar, Mumbai	3,202.86	0.68	-	3,203.54	171.31	87.71	-	259.02	2,944.52
Retail block, Bengaluru	1,806.30	3.75	0.56	1,809.49	573.24	57.99	0.39	630.84	1,178.65
Total (A)	**7,095.55**	**7.53**	**0.56**	**7,102.52**	**977.06**	**211.64**	**0.39**	**1,188.31**	**5,914.21**
Investment property under construction									
Business centers and offices, Sahar, Mumbai									3.21
Commercial complex, Powai, Mumbai*									2,749.15
Commercial complex, Bengaluru II									1,283.73
Mall Building under Construction, Bengaluru II									0.43
Total (B)									**4,036.52**
Total (A+B)									**9,950.73**

Note: *Assets pertaining to Commercial complex, Powai, Mumbai have been transferred from Property, plant and equipment to Investment property under construction with net block of ₹ 1,349.99 million (refer note 2) and from Capital work in progress to Investment property under construction of ₹ 1,399.16 million (refer note 3), based on change of intended use of such assets.*

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 4 Investment property (Contd.)

As at March 31, 2020

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block
	Opening balance as at April 1, 2019	Additions	Deductions	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	For the year	Deductions	Closing balance as at March 31, 2020	As at March 31, 2020
Commercial complex, Bengaluru I	893.35	-	-	893.35	77.05	27.95	-	105.00	788.35
Retail block, Sahar, Mumbai	1,191.89	30.46	29.31	1,193.04	88.72	38.79	-	127.51	1,065.53
Commercial block, Sahar, Mumbai	3,141.63	61.23	-	3,202.86	85.14	86.17	-	171.31	3,031.55
Retail block, Bengaluru	1,783.02	24.52	1.24	1,806.30	512.31	62.01	1.08	573.24	1,233.06
Hyderabad flats	15.27	-	15.27	-	0.78	0.05	0.83	-	-
Total (A)	**7,025.16**	**116.21**	**45.82**	**7,095.55**	**764.00**	**214.97**	**1.91**	**977.06**	**6,118.49**
Investment property under construction									
Business centers and offices, Sahar, Mumbai									9.04
Commercial complex, Bengaluru II									1,009.91
Mall Building under Construction, Bengaluru II									0.74
Total (B)									**1,019.69**
Total (A+B)									**7,138.18**

Notes:

1. *Refer note 20 and 25 for information on investment property pledged as security by the Company.*
2. *Borrowing cost aggregating to ₹ 170.40 million (March 31, 2020 ₹ 66.86 million) are capitalised under investment property under contruction.*
3. *Details of investment property under construction*

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening Balance	1,019.69	548.41
Add: Additions during the year	275.21	558.19
Add: Cost incurred for Commercial complex, Powai, Mumbai transfered from Capital work-in-progress (refer note 2 and 3)	2,749.16	-
Less: Capitalised during the year	(7.54)	(86.91)
Closing Balance	**4,036.52**	**1,019.69**

4. *Expenses (net) capitalised to investment property under construction during the year.*

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Legal and professional charges	29.72	11.68
Employee costs	81.07	28.10
Rates, taxes and license fees	35.58	0.04
Repairs and maintenance	0.10	0.24
Interest and other finance costs	170.40	66.86
Miscellaneous expenses	10.65	7.40
Other income/sale of scrap	-	(1.32)
Total	**327.52**	**113.00**

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 4 Investment property (Contd.)

B. Fair value measurement

i. Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualification and experience.

The fair value measurement for all of the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

(₹ in million)

Investment properties	Fair Value as on March 31, 2021	Fair Value as on March 31, 2020
Commercial complex, Bengaluru I	771.00	826.00
Retail block, Sahar, Mumbai	1,291.00	1,339.00
Commercial block, Sahar, Mumbai	6,927.00	6,948.00
Retail block, Bengaluru	1,338.00	1,344.00

ii. Valuation technique and significant unobservable inputs

Valuation technique

The fair value of investment property has been determined by external, independent property valuers / management, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Company follows discounted cash flows technique. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant years, occupancy rate, lease incentive costs such as rent-free years and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The land of Commercial Complex, Bengaluru - I is valued by residual method. The valuation of Retail block, Sahar, Mumbai considers change in end use to commercial purpose and is disclosed in note no 51.

C. Information regarding income and expenditure of investment property

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Rental income derived from investment properties	827.54	810.42
Direct operating expenditure (including repairs and maintenance) generating rental income	71.19	140.35
Profit arising from investment properties before depreciation and indirect expenses	756.35	670.07
Depreciation	211.64	214.97
Profit arising from investment properties before indirect expenses	544.71	455.10

D. The Company has no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 4 Investment property (Contd.)

E. Asset wise breakup of investment property is as follows:

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block
	Opening balance as at April 1, 2020	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	For the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Tangible assets									
Freehold land	813.67	-	-	813.67	-	-	-	-	813.67
Buildings	4,725.95	4.43	0.53	4,729.85	502.52	111.71	0.38	613.85	4,116.00
Plant and machinery	1,080.17	1.92	0.03	1,082.06	287.91	70.44	0.02	358.33	723.73
Computers	2.03	0.30	-	2.33	1.53	0.53	-	2.06	0.27
Electrical installations	399.05	0.29	-	399.34	129.85	24.62	-	154.47	244.87
Furniture and fixtures	72.82	0.20	-	73.02	53.93	4.12	-	58.05	14.97
Office equipments	1.27	0.40	-	1.67	0.80	0.23	-	1.03	0.64
	7,094.96	**7.54**	**0.56**	**7,101.94**	**976.54**	**211.65**	**0.40**	**1,187.79**	**5,914.15**
Intangible assets									
Software	0.59		-	0.59	0.52	0.01	-	0.53	0.06
	0.59	-	-	0.59	0.52	0.01	-	0.53	0.06
Total	**7,095.55**	**7.54**	**0.56**	**7,102.53**	**977.06**	**211.66**	**0.40**	**1,188.32**	**5,914.21**

As at March 31, 2020

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block
	Opening balance as at April 1, 2019	Additions	Deductions	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	For the year	Deductions	Closing balance as at March 31, 2020	As at March 31, 2020
Tangible assets									
Freehold land	841.78	1.20	29.31	813.67	-	-	-	-	813.67
Buildings	4,666.86	74.36	15.27	4,725.95	392.11	111.24	0.83	502.52	4,223.43
Plant and machinery	1,052.94	27.25	0.02	1,080.17	217.46	70.45	-	287.91	792.26
Computers	1.85	0.18	-	2.03	1.20	0.33	-	1.53	0.50
Electrical installations	386.13	12.92	-	399.05	105.55	24.30	-	129.85	269.20
Furniture and fixtures	73.84	0.20	1.22	72.82	46.55	8.46	1.08	53.93	18.89
Office equipments	1.22	0.05	-	1.27	0.61	0.19	-	0.80	0.47
	7,024.62	**116.16**	**45.82**	**7,094.96**	**763.48**	**214.97**	**1.91**	**976.54**	**6,118.42**
Intangible assets									
Software	0.54	0.05	-	0.59	0.52	-	-	0.52	0.07
	0.54	**0.05**	**-**	**0.59**	**0.52**	**-**	**-**	**0.52**	**0.07**
Total	**7,025.16**	**116.21**	**45.82**	**7,095.55**	**764.00**	**214.97**	**1.91**	**977.06**	**6,118.49**

Note 5 Impairment testing for cash generating unit (CGU) containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Company's operating segments which represent the lowest level within the Company at which goodwill is monitored for internal management purposes. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Hotel at Bengaluru	164.04	164.04
Retail at Bengaluru	25.49	25.49
Commercial complex at Bengaluru	36.58	36.58
Total	**226.11**	**226.11**

The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use is based on the following key assumptions:

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 5 Impairment testing for cash generating unit (CGU) containing goodwill (Contd.)

The table below shows the key assumptions used in the value in use calculations of:

A. Hotel

Particulars (in%)	March 31, 2021	March 31, 2020
Discount rate	12.00%	12.00%
Terminal value multiple	13.5 times	15.0 times

B. Retail

Particulars (in%)	March 31, 2021	March 31, 2020
Discount rate	11.83%	12.00%
Terminal value multiple	12 times	10.8 times

C. Commercial complex at Bengaluru

Particulars (in%)	March 31, 2021	March 31, 2020
Discount rate	11.83%	12.00%
Terminal value multiple	12 times	10.8 times

Discount rate

The discount rate is a pre tax measure based on the rate of 10 year government bonds issued by the Government of India, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Terminal value growth rate

Terminal value growth rate used for the purpose of calculation of terminal value has been determined based on the long-term compound annual growth rate in EBITDA.

The above assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at March 31, 2021 and March 31, 2020 as the recoverable value of the CGU exceeded the carrying value.

With regard to the assessment of value in use, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to exceed their recoverable amount.

Note 6 Other intangible assets

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated amortisation				Net block
	Opening balance as at April 1, 2020	Additions	Deductions	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	Charged for the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Trade marks	0.04	-	-	0.04	0.04	-	-	0.04	-
Computer software	96.81	2.14	1.26	97.69	64.57	10.13	1.25	73.45	24.24
Total	**96.85**	**2.14**	**1.26**	**97.73**	**64.61**	**10.13**	**1.25**	**73.49**	**24.24**

As at March 31, 2020

(₹ in million)

Particulars	Gross block				Accumulated amortisation				Net block
	Opening balance as at April 1, 2019	Additions	Deductions	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	Charged for the year	Deductions	Closing balance as at March 31, 2020	As At March 31, 2020
Trade marks	0.04	-	-	0.04	0.04	-	-	0.04	-
Computer software	68.45	32.57	4.21	96.81	62.12	6.98	4.53	64.57	32.24
Total	**68.49**	**32.57**	**4.21**	**96.85**	**62.16**	**6.98**	**4.53**	**64.61**	**32.24**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 7 Investment in subsidiaries

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in equity shares (non-trade, unquoted)		
In subsidiary companies (equity shares of ₹ 10/- each fully paid)		
25,009,000 (March 31, 2020: 25,009,000) shares of Chalet Hotels and Properties (Kerala) Private Limited	250.09	250.09
Less: Provision for Impairment	(250.09)	(250.09)
	-	-
140,704,838 (March 31, 2020: 140,704,838) shares of Belaire Hotels Private Limited	694.73	694.73
52,66,000 (March 31, 2020: 52,66,000) shares of Seapearl Hotels Private Limited	58.21	58.21
Investments in debentures (non-trade, unquoted)		
In subsidiary companies (Debenture of ₹ 100/- each fully paid) (At amortised cost)		
8,450,354 (March 31, 2020: 8,450,354) coupon of Belaire Hotels Private Limited	511.98	511.98
(The fully compulsorily convertible debentures ("FCCD") with coupon rate of 0% per annum.)		
	1,264.92	**1,264.92**
Aggregate amount of unquoted securities	1,264.92	1,264.92
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	250.09	250.09

Note 8 Other Investments

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Measured at fair value through profit and loss		
Unquoted, fully paid up:		
Investments in equity shares (non-trade, unquoted)		
In other companies (equity shares of ₹ 10/- each fully paid)		
1,000 (March 31, 2020: 1,000) shares of Stargaze Properties Private Limited	0.01	0.01
8,000 (March 31, 2020: 10,000) shares of Renew Wind Power Energy (AP) Limited	0.80	1.00
622,960 (March 31, 2020: 622,960) shares of Krishna Valley Power Private Limited	12.54	12.54
1,044,500 (March 31, 2020: 1,044,500) shares of Sahyadri Renewable Energy Private Limited	31.46	31.46
Measured at amortised cost		
National Saving Certificates	0.13	0.13
	44.94	45.14
Aggregate amount of unquoted securities	44.94	45.14
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	-	-

Note 9 Loans

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Deposits		
Security deposits - related parties	18.40	17.60
Security deposits - others	79.85	78.20
Option deposits - related parties (refer note 49)	-	5.00
	98.25	**100.80**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 10 Other non-current financial assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
To other than related parties		
Deposits with banks with more than 12 months maturity	219.91	70.88
	219.91	**70.88**

Note 11 Other non-current assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Secured, unsecured, considered good)		
To other than related parties		
Capital advances	355.77	352.56
Prepayments (refer footnote)	212.08	224.97
Deferred Finance Expenses	27.88	27.15
	595.73	**604.68**

In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected under prepayment and others above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the standalone financial statements. The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2021 is ₹ 50.93 million (March 31, 2020: ₹ 52.13 million).

Note 12 Inventories

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(valued at lower of cost and net realisable value)		
Hospitality:		
Food, beverages and smokes	75.37	93.12
Stores and spares	2.19	3.23
Property development:		
Property under development (refer note 52)	4,180.78	4,172.15
Less: Provision for impairment	(442.65)	(442.65)
Property under development, net	**3,738.13**	**3,729.50**
Materials at site	91.10	91.66
Retail:		
Materials at site.	2.69	3.07
	3,909.48	**3,920.58**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 13 Trade receivables

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	209.00	377.50
Less: Allowance for doubtful trade receivables	(8.82)	(15.41)
Considered good	**200.18**	**362.09**
Trade receivables	22.81	44.23
Less: Allowance for doubtful trade receivables	(10.58)	(12.78)
Trade Receivables which have significant increase in Credit Risk	**12.23**	**31.45**
Trade receivables	70.91	74.63
Less: Allowance for doubtful trade receivables	(70.91)	(74.63)
Credit Impaired	**-**	**-**
	212.41	**393.54**

Above balances of trade receivables include balances with related parties (refer note 49)

Note 14a Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with banks		
- Current accounts	258.83	58.93
Cheques on hand	-	1.11
Cash on hand	5.20	5.42
	264.03	**65.46**

Cash and cash equivalents includes balances in escrow account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

Note 14b Other bank balances

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
In term deposit accounts (balances held as margin money)	30.35	74.66
In term deposit accounts (others)	50.43	1,011.28
	80.78	**1,085.94**

- Includes accrued interest of ₹ 0.99 million (March 31, 2020: ₹ 3.22 million)

Note 15 Loans

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Deposits		
Security deposits - related parties (refer note 49)	12.32	12.32
Security deposits - others	7.80	17.76
Option deposits - related parties (refer note 49)	50.00	-
Loans to related parties (refer footnote and note 49)	1,020.90	661.30
	1,091.02	**691.38**

Loan to related parties include amounts due from Belaire Hotels Private Limited aggregating to ₹ 1020.90 million (March 31, 2020: ₹ 661.30 million) in which directors of the Company are directors.

The interest rate applicable to the amounts due from Belaire Hotels Private limited in which directors of the Company are directors is 0.00%. These amounts are unsecured and repayable on demand.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 16 Other current financial assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
To other than related parties		
Export benefits and entitlements	-	123.20
Mark to market derivative contracts	-	28.60
Others	26.97	-
	26.97	**151.80**

Note 17 Other current assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
To other than related parties		
Advance to suppliers	40.43	45.82
Less: Provision for doubtful advances	(10.73)	(9.07)
	29.70	**36.75**
Unbilled revenue	671.46	546.57
Less: Provision for doubtful revenue	(11.16)	-
	660.30	**546.57**
Indirect tax balances/receivable credits	32.51	49.82
Prepayment	119.76	98.05
Others	8.71	21.10
	850.98	**752.29**

Note 18 Share capital

(a) Details of the authorised, issued, subscribed and fully paid-up share capital as below:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(i) Authorised		
229,100,000 (March 31, 2020: 229,100,000) equity shares of the par value of ₹ 10 each	2,291.00	2,291.00
(ii) Issued, subscribed and paid-up		
205,023,864 (March 31, 2020: 205,023,864) equity shares of the par value of ₹ 10 each	2,050.24	2,050.24
Total	**2,050.24**	**2,050.24**

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

(₹ in million)

Particulars	March 31, 2021		March 31, 2020	
	Number	Amount	Number	Amount
Equity shares				
Number of equity shares outstanding at the beginning of the year	20,50,23,864	2,050.24	20,50,23,864	2,050.24
Number of equity shares outstanding at the end of the year	**20,50,23,864**	**2,050.24**	**20,50,23,864**	**2,050.24**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 18 Share capital (Contd.)

(c) Registered shareholder holding more than 5% equity shares in the Company is set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Casa Maria Properties LLP	1,64,96,280	8.05%	1,64,96,280	8.05%
Capstan Trading LLP	1,64,95,680	8.05%	1,64,95,680	8.05%
Raghukool Estate Development LLP	1,64,95,680	8.05%	1,64,95,680	8.05%
Touchstone Properties and Hotels Private Limited	1,45,00,000	7.07%	1,45,00,000	7.07%
Anbee Construction LLP	1,31,16,180	6.40%	1,31,16,180	6.40%
Cape Trading LLP	1,31,16,180	6.40%	1,31,16,180	6.40%
K Raheja Private Limited	1,24,00,000	6.05%	1,24,00,000	6.05%
Ivory Properties And Hotels Private Limited*	1,13,51,833	5.54%	1,13,51,833	5.54%
Ravi Raheja	1,03,26,318	5.04%	1,03,26,318	5.04%
Neel Raheja	1,03,26,318	5.04%	1,03,26,318	5.04%
	13,46,24,469	**65.69%**	**13,46,24,469**	**65.69%**

** Ivory Properties and Hotels Private Limited (Registered owner) holds 7,780,404 Equity Shares for and on behalf of the beneficiaries of Ivory Property Trust, out of its total shareholding of 11,351,833 Equity Shares.*

(d) Rights, preferences and restrictions attached to equity shares.

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The equity shareholders are eligible for dividend when recommended by the Board of Directors and approved by the Shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 19 Other equity

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Component of Compound Instruments		
On issue of preference shares balance at the beginning of the year	373.48	167.06
Add: Additions during the year	-	206.42
At the end of the year	**373.48**	**373.48**
ESOP reserve		
Balance at the beginning of the year	26.70	14.64
Add: Additions during the year	5.59	12.06
At the end of the year	**32.29**	**26.70**
Securities premium		
Balance at the beginning of the year	10,269.19	10,269.19
At the end of the year	**10,269.19**	**10,269.19**
General reserve		
Balance at the beginning of the year	1,071.96	1,071.96
At the end of the year	**1,071.96**	**1,071.96**
Capital reserve		
Balance at the beginning of the year	0.05	0.05
At the end of the year	**0.05**	**0.05**
Retained earnings		
Balance at the beginning of the year	1,700.60	895.74
Add: (Loss) / Profit for the year	(1,168.47)	804.86
Proposed dividend*	-	(0.00)
Tax on dividend*	-	(0.00)
At the end of the year	**532.13**	**1,700.60**
	12,279.10	**13,441.98**

**Amount less than million*

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 19 Other equity (Contd.)

Nature and purpose of reserves

Equity Component of Compound Instruments
Equity component of Component Instruments comprises of the impact of fair valuation of preference shares issued by the Company.

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve
General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Capital reserve
The reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

Employee stock option plan reserve
Represents expense recognised towards employee stock option plans issued by the Company. (Refer note no.50).

Retained earnings
Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders. It includes impact of fair valuation of land on transition to Ind AS and are presently not available for distribution to shareholders (net of related tax impact): ₹ 3,710.05 million (March 31, 2020 ₹ 3,710.05 million).

Note 20 Long-term borrowings

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings		
Secured		
Rupee term loans		
i) From bank (refer note A)	11,304.19	9,380.11
ii) From financial institutions (refer note A)	3,997.07	4,593.18
Foreign currency term loans		
i) From bank (refer note A)	531.90	691.36
Preference share liability		
Non-cumulative redeemable preference shares (refer note B)	1,194.61	1,107.99
	17,027.77	**15,772.64**

A) Terms of repayment

(₹ in million)

Particulars	Sanction Amount	Loan Oustanding as at March 31, 2021/ (March 31, 2020)	Carrying rate of Interest as at March 31, 2021	Carrying rate of Interest as at March 31, 2020	Repayment/ Modification of terms	Security Details
TERM LOANS – Rupee Loans						
From Banks						
Standard Chartered Bank*	2,000	1,295.42 (1,592.23)	9.30% to 8.80%	9.95% to 9.30%	Repayable monthly instalment over 84 month starting from April 2016 to February 2023 and balance amount is bullet payment on March 2023.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables at Powai – Phase I and II (ii) pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Powai Phase I and II.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 20 Long-term borrowings (Contd.)

(₹ in million)

			Carrying rate of Interest			
Particulars	**Sanction Amount**	**Loan Oustanding as at March 31, 2021/ (March 31, 2020)**	**as at March 31, 2021**	**as at March 31, 2020**	**Repayment/ Modification of terms**	**Security Details**
HDFC Bank Ltd*	2,500 (Term loan - ₹ 2,300 million with ₹ 200 million OD as a sub-limit of term loan)	1979.06 (1354.88)	8.95% to 7.75%	8.95%	Repayable in quarterly 30 instalments from December 2021 to March 2029.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Powai Phase I and II.
HSBC Ltd	1,150 (Term loan - ₹ 1,130 million with ₹ 20 million OD as a sub-limit of term loan)	1072.93 (1144.54)	8.90% to 7.90%	8.90%	Repayable in monthly installments starting from January 2020 to December 2029.	It is secured by (i) Exclusive charge on immovable and movable property and receivables at Commercial Complex at Bangalore (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Commercial Complex at Bangalore
ICICI Bank Ltd	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan)	1,336.57 (1,627.98)	9.25% to 8.40%	9.60% to 9.25%	Repayable quarterly instalment starting from December 2017 to September 2025.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables (both present and future) from Hotel and Retail Block, Sahar (ii) Pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Hotel and Retail Block, Sahar.
Bank of Baroda	900	-	-	9.20% to 9.85%	Repayable monthly instalment from December 2018 to October 2026 of ₹ 8.30 million and remaining amount bullet payment on November 2026. The loan has been fully repaid in the month of January 2020.	
Other Loans from Banks - Vehicle	45	-	-	11%	Repayable in monthly instalments till year ending June 2019.	It is secured against hypothecation of vehicles financed by those banks.
Other Loans from Banks - Vehicle			-	11%	Repayable in monthly instalments.	It is secured against hypothecation of vehicles financed by those banks.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 20 Long-term borrowings (Contd.)

(₹ in million)

			Carrying rate of Interest			
Particulars	**Sanction Amount**	**Loan Oustanding as at March 31, 2021/ (March 31, 2020)**	**as at March 31, 2021**	**as at March 31, 2020**	**Repayment/ Modification of terms**	**Security Details**
Standard Chartered Bank *	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	668.75 (702.15)	9.30% to 8.80%	9.55% to 9.30%	Repayable monthly instalment over 144 months starting from July 2017 to July 2029	It is secured by (i) Exclusive charge on immovable property and receivables at Retail Block at Bengaluru (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Retail Block at Bengaluru (iii) Charge over DSRA amounting to ₹ 50 million.
ICICI Bank Ltd	2500	2,476.21	8.45% to 8.40%	-	Repayable in 36 Quarterly installments starting from Jan-22	First pari passu charge on the immovable & movable fixed assets of the Marriott hotel, Bengaluru ("Hotel") First pari passu charge on current assets of the Hotel First pari passu charge on receivables of the Hotel
ICICI Bank Ltd	1,900	864.49 (1075.30)	9.25% to 8.40%	9.60% to 9.25%	Repayable quarterly instalment from September 2016 to June 2025.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables (both present and future) from Marriott Hotel Bangalore, Whitefield (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Marriott Hotel Bangalore, Whitefield.
DBS Bank Ltd	3,250 (Term Loan - ₹ 2,900 million, DSRA OD ₹ 150 million and OD ₹ 200 million)	2,786.88 (2,885.83)	9.35% to 7.85%	9.45% to 9.00%	Repayable in Monthly instalments from April 2020 to Sept 2025.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present and future) at Business Centre at Sahar, Mumbai. (ii) Exclusive charge on Current Accounts, DSRA Account and assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at, Sahar Mumbai.
Bajaj Finance Ltd	5,000	480.00 (498.66)	9.00% to 7.85%	9.45% to 9.00%	Repayable in Monthly instalments from April 2020 to Sept 2025.	
From Financial Institutions						
Housing Development Finance Corporation Limited	1,350	535.12 (709.34)	8.65% to 7.50%	9.35%	Repayable in 120 monthly instalment from loan drawn out date i.e, October 2014.	It is secured by (i) Exclusive charge on immovable property and receivables at Four Points By Sheraton, Vashi (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Four Points By Sheraton, Vashi (iii) Guarantee by related party.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 20 Long-term borrowings (Contd.)

(₹ in million)

Particulars	Sanction Amount	Loan Oustanding as at March 31, 2021/ (March 31, 2020)	Carrying rate of Interest as at March 31, 2021	Carrying rate of Interest as at March 31, 2020	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	2,500 (Line of Credit)	1,700.00 (1525.32)	9.25% to 7.50%	9.35% to 9.25%	Line of credit to be reduced every year starting from March 2019 to March 2026.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Sahar Hotel and retails operations (ii) pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Sahar Hotel and retails operations.
Housing Development Finance Corporation Limited	3,600	1,826.11 (2,418.89)	8.65% to 7.50%	9.35%	Repayable in 120 monthly instalment from loan drawn out date i.e, December 2015.	It is secured by (i) Exclusive charge on immovable and movable property and receivables at Westin Hotel (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Westin Hotel.
Foreign Currency Loans						
From Banks						
Standard Chartered Bank, UK	USD 15 million	-	-	3.75% fixed plus 3 month libor	Repayable quarterly from April 2018 to January 2027. The loan has been fully repaid in the month of January 2020.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Sahar Hotel and retails operations (ii) pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Sahar Hotel and retails operations.
ICICI Bank Ltd - Bahrain	USD 48 million (drawn down USD 12.2 million)	675.64 (819.70)	4.00% fixed plus 3 month libor	4.00% fixed plus 3 month libor	Repayable quarterly from June 2018 to March 2027.	

**the bank has confirmed that no event of default has been called due to the breach of covenants during the year 2020-21.*
There are no material breaches of the covenants associated with the borrowings (referred to above) and none of the borrowings were called back during the year.

B) Preference Share Capital

(a) Details of the Authorised, Issued, Subscribed and Paid-up Preference Share Capital as below:

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Authorised		
1,600 (March 31, 2020: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
10,000 (March 31, 2020: 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each- Series A	1,000.00	1,000.00
10,000 (March 31, 2020: 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each- Series B	1,000.00	1,000.00

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 20 Long-term borrowings (Contd.)

(ii) Issued, Subscribed and paid-up		
1,600 (March 31, 2020: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
20,000 (March 31, 2020: 20,000) (Series A 10,000 and Series B 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares. Fully paid up ₹ 100,000 each of Series A (Fully paid up ₹ 100,000 each in year ended March 31, 2020) and partly paid up ₹ 25,000 each of Series B (partly paid up ₹ 25,000 each in year ended March 31, 2020).	947.99	947.99
Total	**1,107.99**	**1,107.99**

(b) Reconciliation of the number of shares outstanding at the beginning and end of the year:

(₹ in million)

Particulars	As at March 31, 2021 Number	As at March 31, 2021 Amount	As at March 31, 2020 Number	As at March 31, 2020 Amount
1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each				
Number of Preference shares outstanding at the beginning of the year	1,600.00	160.00	1,600.00	160.00
Issued during the year	-	-	-	-
Number of Preference shares outstanding at the end of the year	**1,600.00**	**160.00**	**1,600.00**	**160.00**
10,000 (March 31, 2020: 10,000) (Series A) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and fully paid up of Series A ₹ 100,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000.00	758.74	10,000.00	351.10
Adjustments * / Issued during the year	-	69.26	-	407.65
Number of Preference shares outstanding at the end of the year	**10,000.00**	**828.00**	**10,000.00**	**758.75**
10,000 (March 31, 2020: 10,000) (Series B) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and partly paid up of Series B ₹ 25,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000.00	189.24	10,000.00	7.08
Adjustments* / Issued during the year	-	17.37	-	182.16
Number of Preference shares outstanding at the end of the year	**10,000.00**	**206.61**	**10,000.00**	**189.24**
Total	**21,600.00**	**1,194.61**	**21,600.00**	**1,107.99**

**Adjustments represents notional interest on debt components of Preferences share*

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 20 Long-term borrowings (Contd.)

(c) Shareholder holding more than 5% Preference shares in the Company is set out below:

(₹ in million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each				
Chandru Lachmandas Raheja jointly with Jyoti Chandru Raheja*	1600	100%	1600	100%
*Held by the said registered owners for and on behalf of the beneficiaries of Ivory Property Trust				
10,000 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each subscribed and fully paid up (March 31, 2020: 10,000 fully paid up ₹ 100,000 each)				
Series A				
Mr Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	**10,000**	**100%**
10,000 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each subscribed and partly paid up of ₹ 25,000 each. (March 31, 2020:10,000 partly paid up ₹ 25,000 each)				
Series B				
Mr Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	**10,000**	**100%**

(d) Rights, Preferences and restrictions attached to preference shares.

The Company has two classes of preference shares having a par value of ₹ 100,000 each per share.

1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each.

Rights, Preferences and restrictions attached to 0.001% Non-cumulative redeemable preference shares

The preference shares do not carry any voting rights, even if dividend has remained unpaid for any year or dividend has not been declared by the Company for any year. Preference shares shall, subject to availability of profits during any financial year, be entitled to nominal dividend of Re.1 per preference share per year.

Preference shares issued by the Company are due for redemption at par. Accordingly, the preference shares are liable to be redeemed at any time at the option of the Company but not later than December 21, 2023.

In the event of liquidation of the Company before redemption of the equity shares, holders of the preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

20,000 0.00% (Series A) Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each.

20,000 0.00% (Series B) Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each.

Rights, Preferences and restrictions attached to 0.00% (Series A & Series B) Non-cumulative Non convertible redeemable preference shares

The preference shares do not carry any voting rights.

With respect to the Residential project at Bengaluru ("Project"), w.e.f. June 4, 2018, the Promoter - Directors, have agreed to provide the Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0% Non- Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of ₹ 2,000 million. A designated bank account is maintained for the Project and redemption of NCRPS's shall

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 20 Long-term borrowings (Contd.)

be after completion, out of surplus in the account, not later than 20 years from the date of issue and subject to applicable law/s. In this regard, the Company has a paid up preference share capital of ₹ 1,250 million as at March 31, 2021 (March 31, 2020: ₹ 1,250 million)."

The Preference Shares do not carry any voting rights whatsoever in any meetings of the shareholders of the Company or of members of any class of shares of the Company.

Subject to applicable laws, other than the amounts payable for redemption, no amounts shall be payable to the Preference Shareholders, whether by way of dividend or in any other manner whatsoever.

In the event of liquidation of the Company before redemption of the equity shares, holders of the preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

Note 21 Other non-current financial liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	187.01	198.27
Retention payable	3.96	-
	190.97	**198.27**

Note 22 Provisions

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	74.19	74.23
	74.19	**74.23**

Note 23 Tax expense

(a) Amounts recognised in Statement of Profit and Loss for continuing operations

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
Current year	-	195.00
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(1,028.21)	(169.94)
Recognition of deferred tax on previously unrecognised tax losses	-	(12.79)
Deferred tax credit	**(1,028.21)**	**(182.73)**
Excess provision for the earlier years	**(65.00)**	**-**
Tax (credit) / charge for the year	**(1,093.21)**	**12.27**

(b) Amounts recognised in other comprehensive income

(₹ in million)

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(0.66)	0.23	(0.43)	(17.34)	6.06	(11.28)
	(0.66)	**0.23**	**(0.43)**	**(17.34)**	**6.06**	**(11.28)**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 23 Tax expense (Contd.)

(c) Reconciliation of effective tax rate for continuing operations

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(Loss) / Profit before tax	(2,261.25)	828.41
Company's domestic tax rate	34.94%	34.94%
Tax using the Company's domestic tax rate	**(790.17)**	**289.48**
Tax effect of:		
Recogition of deferred tax on previously unrecognised tax losses	-	(12.79)
Deferred tax asset recognised on previous year's house property losses	-	(252.98)
Addition on deduction under Section 35 AD of Income-tax Act 1961, adjusted against current year loss	-	(16.64)
Loss on sale of investments	-	16.06
Expenses not allowed under tax	-	(6.40)
Income not subject to tax	30.27	-
Standard deduction	(70.32)	(43.97)
Indexation of land and investment property	(84.60)	(68.43)
Provision for Impairment of Investment	-	87.39
Transfer from Property, plant and equipment to Investment property	(124.16)	-
	10.77	20.55
	(1,028.21)	**12.27**

The Company's weighted average tax rates for years ended March 31, 2021 and March 31, 2020 is 45.47% and 1.48%, respectively. The effective tax rate is primarily low in current year and high in previous year on account of indexation benefit recognised on land and unquoted equity shares. Further unabsorbed tax losses have been utilised during some years to reduce the current tax expense.

The Company has recognised deferred tax asset on the brought forward house property losses pertaining to previous years after considering the relevant facts and circumstances to the extent that the Company had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Company has recognised deferred tax asset of ₹ Nil as at March 31, 2021 (March 31, 2020: ₹ 253 million).

During the year, the Company has transferred Property, plant and equipment to Investment property and Company has recognised deferred tax Asset of ₹ 124.16 million as at March 31, 2021 (March 31, 2020: ₹ Nil).

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended March 31, 2021.

(d) Movement in deferred tax balances for continuing operations

Movement in deferred tax balances for the year ended March 31, 2021

(₹ in million)

Particulars	Net balance as at April 1, 2020	Recognised in profit or loss credit/(charge)	Recognised in OCI	Recognised in equity	Net balance as at March 31, 2021
Deferred tax asset/(liabilities)					
Property, plant and equipment	(3,185.42)	269.92	-	-	(2,915.50)
Investment property	157.40	(18.82)	-	-	138.58
Assets classified as held for sale	0.05	-	-	-	0.05
Real estate inventory	(20.24)	-	-	-	(20.24)
Expenditure on specified business u/s 35AD	2,165.89	-	-	-	2,165.89
Investments	(0.00)		-	-	-
Provisions	414.05	(2.28)	0.23	-	412.00
Borrowings	(21.71)	6.18	-	-	(15.53)
Other current liabilities	145.26		-	-	145.26
Other current assets	(165.52)	(32.92)	-	-	(198.44)

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 23 Tax expense (Contd.)

(₹ in million)

Particulars	Net balance as at April 1, 2020	Recognised in profit or loss credit/(charge)	Recognised in OCI	Recognised in equity	Net balance as at March 31, 2021
Unabsorbed depreciation/ carry forward tax losses	507.82	740.23	-	-	1,248.05
Unabsorbed losses on House property	372.14	44.68			416.82
Employee Stock Option	2.04	0.87	-	-	2.91
Inventory	5.72	1.06	-	-	6.78
Other items	58.22	19.29	-	-	77.51
MAT Credit Entitlement	195.00	-	-	-	195.00
Deferred tax assets/(liabilities)	**630.70**	**1,028.21**	**0.23**	**-**	**1,659.14**

(₹ in million)

Particulars	Net balance as at March 31, 2021
Deferred tax assets	1,796.65
Deferred tax liabilities	137.51
Net deferred tax assets/(liabilities)	**1,659.14**

Movement in deferred tax balances for the year ended March 31, 2020

(₹ in million)

Particulars	Net balance as at April 1, 2019	Recognised in profit or loss credit/(charge)	Recognised in OCI	Recognised in equity	Net balance as at March 31, 2020
Deferred tax asset/(liabilities)					
Property, plant and equipment	(3,285.62)	100.20	-	-	(3,185.42)
Investment property	180.79	(23.39)	-	-	157.40
Assets classified as held for sale	0.05	-	-	-	0.05
Real estate inventory	(17.04)	(3.20)	-	-	(20.24)
Expenditure on specified business u/s 35AD	2,172.64	(6.75)	-	-	2,165.89
Investments	(0.28)	0.28	-	-	(0.00)
Provisions	385.08	22.91	6.06	-	414.05
Borrowings	(29.82)	8.11	-	-	(21.71)
Other current liabilities	145.26	-	-	-	145.26
Other current assets	(38.34)	(127.18)	-	-	(165.52)
Unabsorbed depreciation/ carry forward tax losses	897.00	(389.18)	-	-	507.82
Unabsorbed losses on House property	-	372.14			372.14
Employee Stock Option	2.65	(0.61)	-	-	2.04
Inventory	-	5.72	-	-	5.72
Other items	29.54	28.68	-	-	58.22
MAT Credit Entitlement	-	195.00	-	-	195.00
Deferred tax assets/(liabilities)	**441.91**	**182.73**	**6.06**	**-**	**630.70**

(₹ in million)

Particulars	Net balance as at March 31, 2020
Deferred tax assets	852.81
Deferred tax liabilities	222.11
Net deferred tax assets/(liabilities)	**630.70**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 23 Tax expense (Contd.)

of taxable income and the year over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Deferred tax assets for the carry forward of unused tax losses on business and house property are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

The Company has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The business losses can be carried forward for a year of 8 years as per the tax regulations and the Company expects to recover the losses.

Further, the Company had incurred losses in relation to the residential project at Bengaluru pursuant to litigation which arose during the financial year ended March 31, 2014. During the financial year ended March 31, 2018, without prejudice to its rights and remedies under law and keeping the commercial considerations in perspective, the Board of Directors of the Company, decided that the Company should proactively consider re-commencement of construction up to the permissible limits and engage with the buyers above the 10th floor for evaluating possible options. Consequently, the Company has made a provision for estimated losses on such cancellations pertaining to all flats above 10 floors and recognised the same during the financial year ended March 31, 2018 (refer note 36). Further, the Company does not expect any further material losses to be incurred in relation to the said project.

Accordingly, the Company, has recognised deferred tax asset on the carried forward business losses after considering the relevant facts and circumstances during each financial year to the extent that the Company had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Company has recognised deferred tax asset of ₹ 1,664.87 million as at March 31, 2021 (March 31, 2020: ₹ 880.00 million) on the carried forward losses of the Company.

Note 24 Other non-current liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred finance income	109.58	132.51
	109.58	**132.51**

Note 25 Borrowings

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Over draft accounts from banks	808.20	377.20
	808.20	**377.20**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 25 Borrowings (Contd.)

A) Terms of repayment

Rate of interest

(₹ in million)

Particulars	Sanction Amount	Carrying rate of Interest		Repayment/ Modification of terms	Security Details
		As at March 31, 2021	As at March 31, 2020		
Standard Chartered Bank	500 (Including two sub limit of ₹20 million each)	10.05% to 7.60%	10.70% to 10.05%	Renewal every year.	Secured against land parcel admeasuring 6,826 sq. mtrs. at Powai (including future receivables)
ICICI Bank Ltd	3,080 (Term Loan - ₹2,285 million with ₹300 million OD as a sub-limit of term loan) OD 300 (Including four sub-limit - ₹20 million, ₹20 million ₹10 million and ₹5 million)	9.25% to 8.35%	9.35% to 9.25%	Renewal every year and maturity is in September 2026 in line with the Term loan.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Hotel and Retail Block, Sahar (ii) Pari Passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Hotel and Retail Block, Sahar.
DBS Bank Ltd	3250(Term Loan - ₹2900 million, DSRA OD ₹150 million and OD ₹200 million)	8.70% to 7.20%	9.60% to 8.70%	Renewal every year and maturity is in September 2025 in line with the Term loan.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present future) at Business Centre at Sahar, Mumbai. (ii) Exclusive charge on Current Accounts, DSRA Account and assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at, Sahar Mumbai.
Indian Overseas Bank	50	12.55%	12.80%	Renewal every year.	Cash Credit is secured by hypothecation of inventories, crockery, cutlery, and linen held by the Company at its property in Powai, both present and future.
ICICI Bank Ltd	1,900 (Term Loan - ₹1,530 million and OD ₹150 million)	9.25% to 8.35%	9.85% to 9.25%	Renewal every year and maturity is in June 2025 in line with the Term loan.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Marriott Hotel Bangalore, Whitefield (ii) Pari Passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Marriott Hotel Bangalore, Whitefield

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 25 Borrowings (Contd.)

(₹ in million)

Particulars	Sanction Amount	Carrying rate of Interest		Repayment/ Modification of terms	Security Details
		As at March 31, 2021	As at March 31, 2020		
HDFC Bank Ltd	2,500 (Term loan - ₹2,300 million with ₹200 million OD as a sub-limit of term loan)	8.30%	-	Repayable in quarterly 30 instalments from December 2021 to March 2029.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Powai Phase I and II.
HSBC Ltd	1,150 (Term loan - ₹ 1,130 million with ₹ 20 million OD as a sub-limit of term loan)	8.26%	-	Repayable in monthly installments starting from January 2020 to December 2029.	It is secured by (i) Exclusive charge on immovable and movable property and receivables at Commercial Complex at Bangalore (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Commercial Complex at Bangalore
Standard Chartered Bank*	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	9.50% to 6.95%	10.25% to 9.50%	Overdraft to be reduced on a proportionate basis in line with term loan repayment.	It is secured by (i) Exclusive charge on immovable property and receivables at Retail Block at Bengaluru (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Retail Block at Bengaluru (iii) Charge over DSRA amounting to ₹ 50 million.
Buyers credit					
Buyers credit	NA		4% to 6%	Repayable within 1 year	Unsecured

**the bank has confirmed that no event of default has been called due to the breach of covenants during the year 2020-21.*
There are no material breaches of the covenants associated with the borrowings (referred to above) and none of the borrowings were called back during the year.

Note 26 Trade payables

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (refer note 43)	28.89	29.53
Total outstanding dues to creditors other than micro enterprises and small enterprises	759.12	988.48
	788.01	**1,018.01**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 27 Current - Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturity of long term debt (refer note 20)	1,864.02	1,690.59
Creditors for capital expenditure		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	56.39	19.05
- Total outstanding dues to creditors other than micro enterprises and small enterprises	109.91	274.27
Retention payable	19.17	24.77
Proposed Dividend*	-	0.00
Tax on dividend*	-	0.00
Security deposits	91.13	66.61
Mark to market derivative contracts	62.19	-
Other liabilities	119.06	139.72
	2,321.87	**2,215.01**

**Amount less than million*

Note 28 Other current liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from customers towards sale of residential flats*	1,868.37	1,872.35
Advances from customers towards hospitality services	123.30	119.31
Statutory dues payable**	244.94	264.62
	2,236.61	**2,256.28**

** Advances from customers towards sale of residential flats includes amount refundable to customers on estimated cancellation of flats for the year ended March 31, 2021 above 10 floors of ₹ 692.13 million (March 2020: ₹ 692.13) (refer note 36).*

***Statutory dues payable includes ESIC, TDS payable, provident fund payable, indirect taxes payable etc.*

Note 29 Short-term provisions

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	34.73	34.35
Provision for compensated absences	38.10	60.69
Provision for estimated / actual cancellation and alteration cost (Refer foot note and note 36)	835.35	793.47
	908.18	**888.51**

Bengaluru residential project

During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of buildings of the Company's Bengaluru residential project. Pursuant to an interim order passed by the Karnataka High Court, in the petition filed by the Company, the Company had suspended construction activity at the Project and sale of flats.

Pending the outcome of the proceedings and a final closure of the matter, the Company suspended revenue recognition based on the percentage completion method after financial year ended March 31, 2014. Further, in case of cancellations subsequent to March 31, 2014, the Company reversed the revenue and derecognised margins in the respective year of cancellation. The Company also recompensed flat owners, in accordance with mitigation plans framed by the Company on account of the delay in completion of the project.

During the year ended March 31, 2018, without prejudice to its rights and remedies under law and keeping the commercial considerations in perspective, the Board of Directors of the Company, decided that the Company should proactively consider re-commencement of construction up to the miminum permissible limits and engage with the buyers above the 10th floor for evaluating possible options. Accordingly, the Company has reassessed the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and has recognised a provision towards the following:

- cost of alteration of superstructure
- estimated costs in relation to potential cancellations

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 29 Short-term provisions (Contd.)

Further, cost of actual cancellation (where applicable) has also been provided for and included in the provision referred to above.

By Judgement dated May 29, 2020 the Karnataka High Court has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter proceed in accordance with law. The Company is having without prejudice discussions with the existing customers for seeking their consent to a revised development proposal, inter alia, by addition of a residential wing / wings, one commercial building and limiting the height of all buildings up to 40 meters; which will be subject to orders from the court and obtainment of HAL's approval. The Company has also filed certain, without prejudice, applications with the authorities i.e. HAL, Bangalore Development Authority, MOEF and Fire NOC for processing of certain approvals relating to the proposed revised development. Management is of the view that no changes in the are required on this account in the standalone financial statements as at and for the year ended March 31, 2021.

Movement for provision for estimated / actual cancellation and alteration cost

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for cost of alteration of super structure	250.00	250.00
Provision for estimated/actual cancellation		
Opening balance	543.47	620.95
Provisions made during the year	41.88	41.90
Provisions utilised during the year	-	(119.38)
Closing balance	**585.35**	**543.47**
Total	**835.35**	**793.47**

Note 30 Revenue from operations from Continuing operations

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) **Sale of services**		
Hospitality:		
Room income	1,066.14	5,189.47
Food, beverages and smokes	650.62	2,782.27
Others services	200.49	737.32
Retail and commercial:		
Lease rent	827.54	810.42
(b) **Sale of products**		
Real estate:		
Sale of residential flats	-	52.94
Retail and commercial:		
Maintenance and other recoveries	80.73	122.53
Revenue from other services	17.65	67.50
	2,843.17	**9,762.45**

Note 31 Other income

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income from instruments measured at amortised cost	56.60	47.85
Net mark to market gain on derivative contracts	-	41.24
Export benefits and entitlements	21.66	132.72
Profit on sale of investments (net)	0.10	-
Profit on sale of property, plant and equipment (net)	4.69	11.20
Gain on foreign exchange fluctuation (Net)	18.20	-
Dividend received *	-	0.00
Interest on income tax refund	84.66	-
Miscellaneous income	21.19	39.43
	207.10	**272.44**

**Amount less than million*

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 32 (a) Real estate development cost

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) **Real estate development cost**	95.06	205.56
(ii) **Changes in inventories of finished good and work in progress**		
Opening project work in progress	4,106.15	4,096.82
Inventory of unsold flats	-	16.14
Inventory of unsold flats - Transfer from Investment Property	-	14.42
	4,106.15	4,127.38
Add:		
Incurred during the year	8.63	2.11
Less: Closing stock		
Transferred to Inventory of unsold flats	-	-
Transferred to property under development project	4,114.78	4,106.15
	-	**23.34**

Note 32 (b) Food and beverages consumed*

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Food and beverages materials at the beginning of the year	93.12	111.10
Purchases	216.77	805.40
Food and beverages materials at the end of the year	75.37	93.12
	234.52	**823.38**

**Includes complimentaries ₹ 21.19 million (March 31, 2020: ₹ 90.90 million)*

Note 32 (c) Operating supplies consumed

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchases	116.82	302.31
	116.82	**302.31**

Note 33 Employee benefits expense

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	754.61	1,271.93
Contributions to provident fund and other funds	37.31	68.60
Staff welfare expenses	57.58	149.21
Employee stock option expense (refer note 50)	5.59	12.06
	855.09	**1,501.80**

Note 34 Finance costs

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses	1,398.04	1,355.24
Exchange differences regarded as an adjustment to borrowing cost *	-	90.89
Other borrowing cost	52.04	-
	1,450.08	**1,446.13**

** Excludes exchange loss on ECB of ₹ Nil (March 31, 2020: ₹ 18.39 million) accounted as operating expenses.*

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 35 Other expenses

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Travelling and conveyance expenses	4.30	31.81
Power and fuel *	311.46	642.13
Rent	20.63	20.80
Repairs and maintenance		
- Buildings	56.48	143.50
- Plant and machinery	127.35	187.70
- Others	35.44	94.21
Insurance	39.70	37.56
Rates and taxes	190.49	255.08
Business promotion expenses	73.40	390.15
Commission	32.31	242.49
Royalty and management fees	51.41	417.28
Legal and professional charges	87.49	135.84
Other hotel operating expenses	92.34	301.03
Bad debt written off	2.45	1.27
Provision for doubtful debts	9.46	9.74
Loss on foreign exchange fluctuation (Net)**	-	46.64
Donations	-	0.06
Director sitting fees	4.28	3.12
Payment to auditors (refer note 44)	9.80	12.47
Buyout labour & manpower contract	37.78	154.61
Corporate social responsibility expenses	4.49	1.90
Loss on sale/redemption of investments	-	45.95
Provision for impairment of investment	-	250.09
Reversal of Export benefits and entitlements	123.20	-
Reversal of unbilled revenue	0.99	-
Miscellaneous expenses ***	86.03	260.34
	1,401.28	**3,685.77**

**Net of ₹ 26.46 million (March 31, 2020: ₹ 46.17 million) on account of recoveries.*

*** It includes exchange loss on ECB of Nil and Nil is considered under finance cost (March 31, 2020: Exchange loss on ECB of ₹ 18.39 million and ₹ 160.97 million is considered under finance cost)*

****Net of ₹ 2.47 million (March 31, 2020:₹ 10.19 million) on account of recoveries.*

Note 36 Exceptional items

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Exceptional items		
- Provision for estimated cost in relation to potential cancellation	(41.71)	(41.71)
Total	**(41.71)**	**(41.71)**

Notes:

During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of buildings of the Company's Bengaluru residential project. Pursuant to an earlier interim order passed by the Karnataka High Court, in the petition filed by the Company, the Company had suspended construction activity at the Project and sale of flats.

The Company had suspended revenue recognition based on the percentage completion method after financial year ended March 31, 2014. Further, in case of cancellations subsequent to March 31, 2014, the Company had reversed the revenue and derecognised margins in the respective year of cancellation. The Company also compensated flat owners, in accordance with mitigation plans framed by the Company on account of the delay in completion of the project.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 36 Exceptional items (Contd.)

By Judgement dated May 29, 2020 the Karnataka High Court has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter proceed in accordance with law. HAL filed an appeal challenging the said order. In November, 2021, your Company also filed an appeal challenging certain parts of the order.

Your Company is proposing completion of the project and is in discussions with the customers for consenting to a revised development inter alia by limiting the height to 40 meters and adding a residential wing and a commercial building. The Company has also initiated the process for renewing/applying for permissions. Subject to the conclusion of discussions with the customers and obtaining order from the Court and NOC from HAL for the revised development,

Accordingly, the Company has reassessed the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and has recognised a provision towards the following:

- cost of alteration of superstructure
- estimated costs in relation to potential cancellations including interest payable on cancellation.

Consequently, interest payable on cancellation for flats above 10th floor is shown as exceptional expenses.

Further, cost of actual cancellation (where applicable) has also been provided for and included in the provision referred to above.

With respect to the said residential project, w.e.f. June 4, 2018, the Promoter - Directors, have agreed to provide the Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0% Non- Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of ₹ 2,000 million. A designated bank account is maintained for the Project and redemption of NCRPS's shall be after completion, out of surplus in the account, not later than 20 years from the date of issue and subject to applicable law/s. In this regard, the Company has a paid up preference share capital of ₹ 1,250 million as at March 31, 2021 (March 31, 2020: ₹ 1,250 million).

Note 37 Earnings Per Share (EPS)

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(Loss) / Profit attributable to equity holders from Continuing operations	(1,127.42)	878.96
(Loss) attributable to equity holders from Discontinued operations	(40.62)	(62.82)
(Loss) / Profit attributable to equity holders of the Company	**(1,168.04)**	**816.14**
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	20,50,23,864	20,50,23,864
Weighted average number of equity shares outstanding during the year	**20,50,23,864**	**20,50,23,864**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)		
Basic	(5.50)	4.29
Diluted	(5.50)	4.29
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)		
Basic	(0.20)	(0.31)
Diluted	(0.20)	(0.31)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)		
Basic	(5.70)	3.98
Diluted	(5.70)	3.98

Note:

Weighted average number of shares is the number of equity shares outstanding at the beginning of the year/ year adjusted by the number of equity shares issued during year/ year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

The impact of dilution on account of ESOP will not be considered if they are anti-dilutive.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 38 Government grant

Export Promotion Capital Goods (EPCG) scheme
The Company under the EPCG scheme receives a grant from the Government towards import of capital goods without any levy of import duty. The Company has an obligation towards future exports of the Company.

The Company has recognised a deferred grant at the point of waiver of import duty in relation to import of capital goods. Given that the grant is conditional on fulfillment of future export obligation, the same is treated as a revenue grant and is accordingly recognised in the Statement of Profit and Loss on fulfilment of such obligation.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Grants received during the year	21.66	13.90
Less: Released to Statement of Profit and Loss	(21.66)	(13.90)
Closing balance	**-**	**-**

Served from India scheme (SFIS)/Service exports from India scheme (SEIS)

The Company under SFIS / SEIS receives an entitlement / credit to be sold separately (only in case of SEIS) or utilised against future imports.

The Company recognises income in respect of duty credit entitlement arising from export sales under the SFIS/SEIS of the Government of India in the year of exports, provided there is no significant uncertainty regarding the entitlement and availment of the credit and the amount thereof. Export credit entitlement can be utilised within specified benefit year, by way of adjustment against duties payable on purchase of capital equipments, spare parts and consumables or sale of such licenses.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening balance	123.20	239.07
Grants received during the year	-	118.82
Less: Utilisation	-	(234.68)
Less: Written off	(123.20)	-
Closing balance	**-**	**123.20**
Income recognised in Statement of Profit and Loss on account of EPCG (A)	21.66	13.90
Income recognised in Statement of Profit and Loss on account of SFIS/SEIS (B)	-	118.82
Total income recognised in the Statement of Profit and Loss (A+B)	**21.66**	**132.72**

Note 39 Employee benefits

a) *Defined contribution plan*
The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Standalone Statement of Profit and Loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company has recognised the following amounts in the Standalone Statement of Profit and Loss for the year.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Employer's contribution to Provident Fund and ESIC	37.31	68.89
	37.31	**68.89**

b) *Defined benefit plan*

Gratuity
The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972.

The Company follows unfunded gratuity except for one of its Hotel division (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 39 Employee benefits (Contd.)

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation	107.83	108.58
Less: Fair value of plan assets	(0.87)	(1.22)
Net defined benefit obligation	**106.96**	**107.36**

Fair value of the plan assets and present value of the defined benefit obligation
The amount included in the Balance sheet arising from the Company's obligation and plan assets in respect of its defined benefit schemes is as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
1. Movement in defined benefit obligation:		
At the beginning of the year	108.58	83.06
Recognised in profit or loss		
Current service cost	10.89	9.66
Interest cost	5.66	5.53
Recognised in other comprehensive income		
Actuarial (gains)/losses on obligations -		
Due to change in demographic assumptions	-	(0.43)
Due to change in financial assumptions	2.55	3.75
Due to experience	(2.30)	13.81
Benefit paid	(17.54)	(6.80)
At the end of the year	**107.83**	**108.58**
2. Movement in fair value of plan assets:		
At the beginning of the year	1.22	1.31
Recognised in profit or loss		
Interest income	0.06	0.09
Expected return on plan assets	(0.41)	(0.13)
Employer contributions	-	1.52
Benefit paid	-	(1.57)
At the end of the year	**0.87**	**1.22**
3. Recognised in profit or loss		
Current service cost	10.89	9.66
Interest expense	5.66	5.53
Interest income	0.06	0.09
For the year	**16.49**	**15.10**
4. Recognised in other comprehensive income		
Actuarial (gains)/losses on obligations	0.66	17.34
For the year	**0.66**	**17.34**

5. **Plan assets for this Fund are insurance funds. (100%)**

6. **The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):**

Employees of Chalet Hotels Limited

Particulars	March 31, 2021	March 31, 2020
Rate of increase in salaries (%)	7.00%	7.00% -9.00%
Discount rate (%)	4.25%	5.21%
Employee turnover rate	22% - 57.50%	21.00%-57.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 39 Employee benefits (Contd.)

7. **Sensitivity of the defined benefit obligation**

(₹ in million)

Particulars	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.65)	2.84	(1.93)	3.48
Rate of increase in salaries (1% movement)	2.71	(2.58)	3.37	(1.89)
Rate of employee turnover (1% movement)	(0.66)	0.69	0.06	1.33

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting year has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

8. Expected contributions to gratuity fund for the year ended March 31, 2021 is ₹ 13.94 million (March 31, 2020: ₹ 16.48 million).

9 **The expected future cash flows as at March 31, were as follows:**

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
March 31, 2021	**30.50**	**20.76**	**39.75**	**23.13**	**114.15**
Defined benefit obligation (gratuity - non funded)	28.75	19.55	38.01	22.63	108.94
Defined benefit obligation (gratuity)	1.75	1.22	1.74	0.50	5.21
March 31, 2020	**30.46**	**21.55**	**35.53**	**17.58**	**105.12**
Defined benefit obligation (gratuity - non funded)	26.83	19.18	32.52	16.87	95.41
Defined benefit obligation (gratuity)	3.63	2.37	3.01	0.71	9.71

(c) Short-term compensated absences:
Compensated absences, classified as long term benefits is recognised as an expense and included in "Employee benefits expense" in the Standalone Statement of Profit and Loss during the year. The following table provides details in relation to compensated absences.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(Reversal) / Expenses for the year	(22.59)	6.74
Closing balance	**38.10**	**60.69**

Note 40 Operating leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

A. Leases as lessor
The Company leases out its investment property on operating lease basis (Refer note 4). Also, the Company leases office premises and shops in hotel premises.

i) Amount recognised in the Standalone Statement of Profit and Loss:

(₹ in million)

Description	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from lease of shops in hotels included in revenue from operations	7.79	19.25
Income from lease of office premises included in revenue from operations	772.66	672.45
Income from lease of investment properties included in revenue from operations	55.27	129.64
Total	**835.72**	**821.34**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 40 Operating leases (Contd.)

ii) Future minimum lease receivables under non cancellable operating lease of shops in hotels and office premises:

(₹ in million)

Future minimum lease receivables	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	10.41	14.28
Between one and five years	30.46	36.82
More than five years	1.97	9.72
	42.84	**60.82**

iii) Future minimum lease receivables under non cancellable operating lease of investment properties:

(₹ in million)

Future minimum lease receivables	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	834.52	824.04
Between one and five years	3,319.14	3,319.84
More than five years	3,357.60	4,208.91
Total	**7,511.26**	**8,352.79**

B. Leases as lessee
The Company has taken office premises and land on which the Four Points by Sheraton Vashi Hotel is situated on lease. The Company also leases IT and other equipments. All leases are either short term and/or leases of low-value items. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

i) Amount recognised in Statement of Profit or Loss:

(₹ in million)

	For the year ended March 31, 2021*	For the year ended March 31, 2020*
Low value lease expenses	3.92	1.60
Short-term lease expenses	63.93	24.34
Total lease expense	**67.85**	**25.94**

** Out of total lease expenses, March 31, 2021 is ₹ 6.40 million (March 31, 2020 ₹ 6.09 million) have been capitalised.*

ii) Amount recognised in statement of cash flows:

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Low value lease expenses	3.77	1.41
Short-term lease expenses	69.17	22.29
Total cah outflow on leases	**72.94**	**23.70**

iii) Maturity Analysis:

(₹ in million)

Future minimum lease payables	For the year ended March 31, 2021*	For the year ended March 31, 2020*
Less than one year	26.90	25.61
Between one and five years	-	-
More than five years	-	-
	26.90	**25.61**

Note 41 Acquisition of Belaire Hotels Private Limited and Seapearl Hotels Private Limited.

A. The Company acquired 100% of equity shares of Belaire Hotels Private limited (BHPL) and 100% of zero coupon fully compulsory convertible debentures for a cash consideration of ₹ 1,193.32 million on February 3, 2020.

Also, the Company acquired 100% of the equity shares of Seapearl Hotels Private Limited (SHPL) and 100% of zero coupon fully compulsory convertible debentures for a cash consideration of ₹ 574.68 million on February 10, 2020.

Consequent to the above BHPL and SHPL have become wholly owned subsidiaries of the Company.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 41 Acquisition of Belaire Hotels Private Limited and Seapearl Hotels Private Limited. (Contd.)

B. Fair value of consideration transferred

Belaire Hotels Private Limited

Against the total enterprise value of ₹ 2,900 million, the Company had taken over borrowings of ₹ 1,745.86 million, net non-current assets of ₹ 39.76 million, contingent liabilities of ₹ 12.90 million and working capital of ₹ 12.32 million. After taking these liabilities into account, effective purchase consideration of ₹ 1,193.32 million had been discharged as under:

(₹ in million)

Particulars	Amount
Equity shares	687.02
Zero coupon fully Compulsory Convertible Debentures	506.30
Total consideration transferred for Business combination	**1,193.32**

Seapearl Hotels Private Limited

Against the total assets value of ₹ 575.78 million, the Company had taken over negative working capital of ₹ 1.09 million. After taking these liabilities into account, effective purchase consideration of ₹ 574.69 million had been discharged as under:

(₹ in million)

Particulars	Amount
Equity shares	57.56
Zero coupon fully Compulsory Convertible Debentures	517.13
Total consideration transferred for Business combination	**574.69**

C. The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date

Belaire Hotels Private Limited

(₹ in million)

Particulars	Amount
Non-current assets	
Property, plant and equipment	2,955.43
Other Financial assets	29.75
Other non-current assets	1.59
Non-current tax assets (net)	22.89
Total non-current assets	**3,009.66**
Current assets	
Inventories	4.78
Financial assets	
(i) Trade receivables	27.48
(ii) Cash and cash equivalents	32.17
Other current assets	20.04
Total current assets	**84.47**
TOTAL ASSETS	**3,094.13**
EQUITY AND LIABILITIES	
Total equity	1,283.54
Non current liabilities	
Financial liabilities	
(i) Borrowings	1,149.13
Provisions	2.91
Total non current liabilities	**1,152.04**
Current liabilities	
Financial liabilities	
(i) Borrowing	575.50
(ii) Trade payables	52.46
(iii) Other financial liabilities	5.63
Other current liabilities	24.66
Provisions	0.30
Total current liabilities	**658.55**
TOTAL EQUITY AND LIABILITIES	**3,094.13**
Total Fair Value of Net Assets	**20.26**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 41 Acquisition of Belaire Hotels Private Limited and Seapearl Hotels Private Limited. (Contd.)

Seapearl Hotels Private Limited

(₹ in million)

Particulars	Amount
Current assets	
Financial assets	
(i) Cash and cash equivalents	0.25
(ii) Loans	575.50
TOTAL ASSETS	**575.75**
EQUITY AND LIABILITIES	
Total equity	574.69
Current liabilities	
Financial liabilities	
(i) Trade payables	1.05
Other current liabilities*	0.00
Provisions*	0.00
Total Liabilities	**575.75**

**Amount less than million*

D. Amounts recognised as Capital Reserve

Belaire Hotels Private Limited

(₹ in million)

Particulars	Amount
Fair Value of the consideration transferred	1,768.02
Fair Value of the net assets acquired	1,858.24
Capital Reserve	**(90.22)**

Seapearl Hotels Private Limited:

(₹ in million)

Particulars	Amount
Fair Value of the consideration transferred	574.69
Fair Value of the net assets acquired	574.69
Capital Reserve	**-**

E. Acquisition related costs

During the previous year, acquisition related costs of ₹ 15.00 million and stamp duty of ₹ 4.84 million have been added to cost of investment.

Note 42 Contingent liabilities and commitments (to the extent not provided for)

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Disputed income tax demands	331.95	237.65
Disputed service tax demands	62.15	69.37
Disputed VAT demands	12.70	12.70
Non-Agricultural Tax (refer note f)	8.29	-
Disputed provident funds demands	5.80	5.80
SFIS/SEIS Scheme	5.74	224.07

a. The Company is a party to various other proceedings in the normal course of business and does not expect the outcome of these proceedings to have an adverse effect on its financial conditions, results of operations or cash flows.

b. Further, claims by parties in respect of which the Management has been legally advised that the same are frivolous and not tenable, have not been considered as contingent liabilities as the possibility of an outflow of resources embodying economic benefits is highly remote.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 42 Contingent liabilities and commitments (to the extent not provided for) (Contd.)

c. In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited. The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the Standalone financial information. The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2021 is ₹ 50.93 million (March 31, 2020: ₹ 52.13 million) and carrying value of property, plant and equipment as at March 31, 2021 is ₹ 400.77 million (March 31, 2020: ₹ 427.21 million).

d. Show Cause Notice issued by CGST & Central Excise Division, Bhopal in July 2019 with reference to utilisation of SFIS benefits by the Company for purchase of glass and a demand to make payment of Excise Duty of ₹ 0.03 million. The Company has filed a reply in the matter, requesting to not precipitate the matter in view of the existing Court Order of Gujarat High Court. Personal Hearings were held on October 10, 2020 on behalf of the Company and former director, Mr. Ramesh Valecha however no orders have been passed.

e. The Company has considered as at March 31, 2021 ₹ 25.10 million (March 31, 2020: ₹ 25.10 million) towards service tax refund receivable against cancellations of flats. One of the company's claim was rejected by the Customs, Excise & Service Tax Appellate Tribunal, Regional Bench, Bangalore on grounds of time limitations. The Company had filed appeal with Honourable High Court of Karnataka in this regard. The matter is pending before the Honourable High court of Karnataka.

f. The Company has recieved notice from, The Tahilsdar, Kurla, vide five notices demanded aggregate payment of ₹ 8.29 million towards Non-Agricultural Tax which was kept in abeyance vide GR dated July 31, 2016. In the said Notice, the Authority demanded the levy in view of the aforesaid GR being recalled by the State Government vide subsequent GR dated February 14, 2018. The company has in response to the said demand notice, sought references of the said GR's and the calculation upon which the authority has arrived at the amounts payable by Company in the said notice. Company is awaiting response from the Authorities. However, an advance amount of ₹ 3.9 million has been paid to the authorities under protest.

Commitments

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,149.13	4,058.47

b. The Company has issued a letter of undertaking to provide need based financial support to Belaire Hotels Private Limited, its wholly owned subsidiary Chalet Hotels & Properties (Kerala) Private Limited,

Note 43 Total outstanding dues of micro enterprises and small enterprises

During the year, Micro small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
The amounts remaining unpaid to micro and small enterprises as at the end of the year.		
Principal	85.28	48.58
Interest	0.01	0.25
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	0.25
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 44 Payment to auditors

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Audit fees	6.55	8.50
Tax audit fees	0.45	0.80
Other services	2.46	2.18
Out of pocket expenses	0.34	0.99
Amount debited to Standalone Statement of Profit and Loss (excluding taxes)	**9.80**	**12.47**

Note 45 Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

(₹ in million)

	March 31, 2021		March 31, 2020	
	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
A. Gross amount required to be spent by the Company	4.49	-	1.69	-
B. Amount spent during the year on				
i. Construction/Acquisition of any assets	-	-	-	-
ii. On purposes other than (i) above	4.49	-	1.90	-
C. Related party transactions in relation to Corporate Social Responsibility	-	-	-	-
D. Provision movement during the year				
Opening provision	-	-	-	-
Addition during the year	-	-	-	-
Utilised during the year	-	-	-	-
Closing provision	-	-	-	-

Note 46 Financial instruments - Fair values and risk management

(A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in million)

March 31, 2021	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in subsidiaries	-	1,264.92	1,264.92	-	-	-	-
Investment in equity shares	44.81	-	44.81	-	-	44.81	44.81
Other investments	-	0.13	0.13	-	0.13	-	0.13
Loans	-	98.25	98.25	-	-	-	-
Other non-current financial assets	-	219.91	219.91	-	-	-	-
Current financial assets							
Trade receivables	-	212.41	212.41	-	-	-	-
Cash and cash equivalents	-	264.03	264.03	-	-	-	-
Other bank balances	-	80.78	80.78	-	-	-	-
Loans	-	1,091.02	1,091.02	-	-	-	-
Other current financial assets	-	26.97	26.97	-	-	-	-
	44.81	**3,258.42**	**3,303.23**	**-**	**0.13**	**44.81**	**44.94**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 46 Financial instruments - Fair values and risk management (Contd.)

(₹ in million)

March 31, 2021	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial liabilities							
Borrowings	-	17,027.77	17,027.77	-	17,027.77	-	17,027.77
Other non-current financial liabilities	-	190.97	190.97	-	190.97	-	190.97
Current financial liabilities							
Borrowings	-	808.20	808.20	-	-	-	-
Trade payables	-	788.01	788.01	-	-	-	-
Other financial liabilities	-	2,321.87	2,321.87	-	-	-	-
Derivative liability	62.19	-	62.19	-	62.19	-	62.19
	62.19	**21,199.01**	**21,199.01**	**-**	**17,280.93**	**-**	**17,280.93**

(₹ in million)

March 31, 2020	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in subsidiaries	-	1,264.92	1,264.92	-	-		-
Investment in equity shares	45.01	-	45.01	-	-	45.01	45.01
Other investments	-	0.13	0.13	-	0.13	-	0.13
Loans	-	100.80	100.80	-	-	-	-
Others	-	70.88	70.88	-	-	-	-
Current financial assets							
Trade receivables	-	393.54	393.54	-	-	-	-
Cash and cash equivalents	-	65.46	65.46	-	-	-	-
Other bank balances	-	1,085.94	1,085.94	-	-	-	-
Loans	-	691.38	691.38	-	-	-	-
Other current financial assets	-	123.20	123.20	-	-	-	-
Derivative asset	28.60	-	28.60	-	28.60	-	28.60
	73.61	**3,796.25**	**3,869.86**	**-**	**28.73**	**45.01**	**73.74**
Non-current financial liabilities							
Borrowings	-	15,772.64	15,772.64	-	15,772.64	-	15,772.64
Other non-current financial liabilities	-	198.27	198.27	-	198.27	-	198.27
Current financial liabilities							
Borrowings	-	377.20	377.20	-	-	-	-
Trade payables	-	1,018.01	1,018.01	-	-	-	-
Other financial liabilities	-	2,215.01	2,215.01	-	-	-	-
	-	**19,581.13**	**19,581.13**	**-**	**15,970.91**	**-**	**15,970.91**

(i) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

– the fair value of certain unlisted equity shares are determined based on the income approach or the comparable market approach, and for certain equity shares equals to the cost.

– the fair value for the currency swap is determined using forward exchange rate for balance maturity.

– the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

– the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

– the fair value preference shares and the remaining financial instruments is determined using discounted cash flow analysis. 'The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 46 Financial instruments - Fair values and risk management (Contd.)

The investments included in level 3 of the fair value hierarchy have been valued using the discounted cash flow technique to arrive at the fair value.

(ii) Fair value measurements using significant unobservable inputs (level 3)

Reconciliation of level 3 fair values

Particulars	FVTPL Equity shares
Balance at April 1, 2020	45.01
Additions / Deletions during the year	(0.20)
Balance at March 31, 2021	**44.81**

(iii) Sensitivity analysis

The Company has invested in equity shares of entities engaged in generation of hydro power for securing the supply of renewable energy. The Company does not have any exposure or rights to variable returns. Hence no sensitivity is required for such equity shares.

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents and other bank balances, derivatives and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

(a) Trade receivables from customers

The Company does not have any significant credit exposure in relation to revenue generated from hospitality business. For other segments the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Company.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 46 Financial instruments - Fair values and risk management (Contd.)

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(a) Trade Receivables considered good - Secured;		
(b) Trade Receivables considered good - Unsecured;		
Neither past due not impaired		
Past due not impaired		
1-90 days	126.13	317.04
90-180 days	39.14	40.06
180-365 days	32.99	17.36
More than 365 days	10.74	3.03
Total	**209.00**	**377.49**
(c) Trade Receivables which have significant increase in Credit Risk; and	22.81	44.23
(d) Trade Receivables - credit impaired	70.91	74.63

The movement in the allowance for impairment in respect of other receivables during the year was as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Balance as at April 1	102.82	89.65
Impairment loss (reversed) / recognised	(12.51)	13.17
Balance as at March 31	**90.31**	**102.82**

(b) Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Other financial assets

Other financial assets are neither past due nor impaired.

(C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in million)

March 31, 2021	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	18,891.79	23,117.04	3,235.37	4,659.47	10,829.10	4,393.10
Security deposits	190.97	190.97	-	58.08	21.63	111.26

Note 46 Financial instruments - Fair values and risk management (Contd.)

(₹ in million)

March 31, 2021	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Current, non derivative financial liabilities						
Borrowings	808.20	808.20	808.20	-	-	-
Trade payables	788.01	788.01	788.01	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	457.85	457.85	457.85	-	-	-
Derivative financial liabilities						
Forward exchange contract (gross settled)						
- Outflow	721.80	721.80	721.80	-	-	-
- Inflow	(673.88)	(673.88)	(673.88)	-	-	-
Total	**21,184.75**	**25,409.99**	**5,337.35**	**4,717.55**	**10,850.73**	**4,504.36**

(₹ in million)

March 31, 2020	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	17,463.23	22,282.85	3,116.60	3,164.42	10,105.99	5,895.84
Security deposits	198.27	198.27	-	12.33	60.99	124.95
Current, non derivative financial liabilities						
Borrowings	377.20	377.20	377.20	-	-	-
Trade payables	1,018.01	1,018.01	1,018.01	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	524.42	524.42	524.42	-	-	-
Derivative financial liabilities						
Forward exchange contract (gross settled)						
- Outflow	728.35	728.35	728.35	-	-	-
- Inflow	(753.86)	(753.86)	(753.86)	-	-	-
Total	**19,555.62**	**24,375.25**	**5,010.73**	**3,176.75**	**10,166.98**	**6,020.79**

The Company has sufficient current assets comprising of trade receivables, cash & cash equivalents, other bank balances (other than restricted balances), loans and other current financial assets to manage the liquidity risk, if any in relation to current financial liabilities. The Company has overdraft facilities, general corporate borrowings, which are used to ensure that the financial obligations are met as they fall due in case of any deficit.

(D) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivative to manage market risk.

(E) Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of recognised liabilities. The Company enters into foreign currency forward contracts which are not intended for trading or

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 46 Financial instruments - Fair values and risk management (Contd.)

speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables.

Particulars	Buy / Sell	Currency	Cross Currency	March 31, 2021	March 31, 2020
Forward contract	Buy	USD	INR	USD 9 Million	USD 10 Million

Exposure to currency risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

The amounts reflected in the table below represent the exposure to respective currency in Indian Rupees:

(₹ in million)

Particulars	March 31, 2021			March 31, 2020		
	USD	EUR	GBP	USD	EUR	GBP
Financial liabilities						
Foreign currency loans (including interest accrued)	681.06	-	-	827.86	-	-
Trade payables	268.00	0.19	0.03	366.56	0.16	-
	949.06	**0.19**	**0.03**	**1,194.42**	**0.16**	**-**
Derivatives						
Foreign currency forward exchange contract	(673.88)	-	-	(753.86)	-	-
	(673.88)	**-**	**-**	**(753.86)**	**-**	**-**
Net exposure	**275.19**	**0.19**	**0.03**	**440.56**	**0.16**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other foreign currencies at March 31, would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in million)

Particulars	Profit or loss before tax			
	March 31, 2021		March 31, 2020	
Effect in INR (before tax)	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	2.75	(2.75)	4.41	(4.41)
	2.75	**(2.75)**	**4.41**	**(4.41)**

(F) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows.

(₹ in million)

Particulars	Carrying amount	
	March 31, 2021	March 31, 2020
Fixed-rate instruments		
Loans given		
Loans to related parties	(1,020.90)	(661.30)
Non current borrowings		
Non-cumulative redeemable preference shares	1,194.61	1,107.99
Total	**173.71**	**446.69**

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 46 Financial instruments - Fair values and risk management (Contd.)

(₹ in million)

Particulars	Carrying amount	
	March 31, 2021	March 31, 2020
Variable-rate instruments		
Non current borrowings		
Rupee term loans from banks	11,304.19	9,380.11
Rupee term loans from financial institutions	3,997.07	4,593.18
Foreign currency term loans from banks	531.90	691.36
Current maturity of long term debt	1,864.02	1,690.59
Cash credit/overdraft accounts from banks	808.20	377.20
Total	**18,505.38**	**16,732.44**
Total	**18,679.09**	**17,179.13**

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107 Financial Instruments: Disclosures, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

(₹ in million)

Particulars	Profit or loss before tax	
	100 bps increase	100 bps decrease
March 31, 2021	(185.05)	185.05
March 31, 2020	(167.32)	167.32

Note 47 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings, less cash and cash equivalents and bank deposits. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at is as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Total borrowings	19,699.99	17,840.43
Less: Cash and cash equivalents	264.03	65.46
Less: Bank deposits	80.78	1,085.94
Adjusted net debt	19,355.18	16,689.03
Total equity	14,329.34	15,492.22
Adjusted net debt to adjusted equity ratio	1.35	1.08

Note 48 Segment reporting

As per the exemption under Ind AS 108 "Operating Segments", the disclosure for the segment reporting has been presented as part of the consolidated financial statements.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

List of related parties

Relationship	Name of party	
	March 31, 2021	March 31, 2020
Subsidiary	Chalet Hotels & Properties (Kerala) Private Limited	Chalet Hotels & Properties (Kerala) Private Limited
	Belaire Hotels Private Limited	Belaire Hotels Private Limited (w.e.f. February 3, 2020)
	Seapearl Hotels Private Limited	Seapearl Hotels Private Limited (w.e.f. February 10, 2020)
Key Managerial Personnel / Relative (KMP)	Sanjay Sethi -Managing Director & CEO	Sanjay Sethi -Managing Director & CEO
	Rajeev Newar, CFO & Executive Director (ceased to be an Executive Director w.e.f. August 2, 2020 and ceased to be CFO w.e.f. August 19, 2020)	Rajeev Newar, CFO & Executive Director
	Milind Wadekar, Interim CFO (w.ef. September 15, 2020)	
Non- Executive directors/Relative	Ravi C Raheja	Ravi C Raheja
	Neel C Raheja	Neel C Raheja
Independent directors	Arthur De Haast	Arthur De Haast
	Joseph Conrad D'Souza	Joseph Conrad D'Souza
	Hetal Gandhi	Hetal Gandhi
	Radhika Piramal	Radhika Piramal
Other KMP as per Companies Act, 2013	Christabelle Baptista, Company Secrectary	Christabelle Baptista, Company Secrectary
Enterprises Controlled / Jointly controlled by Non-executive directors	Brookfields Agro & Development Private Limited	Brookfields Agro & Development Private Limited
	Cavalcade Properties Private Limited	Cavalcade Properties Private Limited
	Convex Properties Private Limited	Convex Properties Private Limited
	Grange Hotels And Properties Private Limited	Grange Hotels And Properties Private Limited
	Immense Properties Private Limited	Immense Properties Private Limited
	Novel Properties Private Limited	Novel Properties Private Limited
	Pact Real Estate Private Limited	Pact Real Estate Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sustain Properties Private Limited	Sustain Properties Private Limited
	Aqualine Real Estate Private Limited	Aqualine Real Estate Private Limited
	Feat Properties Private Limited	Feat Properties Private Limited
	Carin Properties Private Limited	Carin Properties Private Limited
	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)
	Sundew Real Estate Private Limited	Sundew Real Estate Private Limited
	K Raheja Corp Advisory Services (Cyprus) Private Limited	K Raheja Corp Advisory Services (Cyprus) Private Limited
	Content Properties Private Limited	Content Properties Private Limited
	Grandwell Properties And Leasing Private Limited	Grandwell Properties And Leasing Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Investment Managers LLP

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

Relationship	Name of party	
	March 31, 2021	March 31, 2020
Shareholders of the Company	Anbee Constructions LLP	Anbee Constructions LLP
	Cape Trading LLP	Cape Trading LLP
	Capstan Trading LLP	Capstan Trading LLP
	Casa Maria Properties LLP	Casa Maria Properties LLP
	Ivory Properties And Hotels Private Limited	Ivory Properties And Hotels Private Limited
	K. Raheja Corp Private Limited	K. Raheja Corp Private Limited
	K. Raheja Private Limited	K. Raheja Private Limited
	Palm Shelter Estate Development LLP	Palm Shelter Estate Development LLP
	Raghukool Estate Development LLP	Raghukool Estate Development LLP
	Touchstone Properties And Hotels Private Limited	Touchstone Properties And Hotels Private Limited
	Ivory Property Trust	Ivory Property Trust
	Genext Hardware & Parks Private Limited	Genext Hardware & Parks Private Limited
Other Related parties #	Intime Properties Limited	Intime Properties Limited
	Eternus Real Estate Private Limited	Eternus Real Estate Private Limited
	Shoppers Stop Limited	Shoppers Stop Limited
	Inorbit Malls (India) Private Limited	Inorbit Malls (India) Private Limited
	K Raheja IT Park (Hyderabad) Limited	K Raheja IT Park (Hyderabad) Limited
	Mindspace Business Parks Private Limited	Mindspace Business Parks Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sundew Properties Limited	Sundew Properties Limited
	Trion Properties Private Limited	Trion Properties Private Limited
	Newfound Properties & Leasing Private Limited	Newfound Properties & Leasing Private Limited
# The above mentioned parties are not related to the Company, viz. Chalet Hotels Limited as per the definition under IND AS 24. These parties have been reported on the basis of their classification as Related Party under the Companies Act 2013.		
Member of K. Raheja Corp Group	K Raheja Corporate Services Private Limited	K Raheja Corporate Services Private Limited

Related party disclosures for year ended March 31, 2021

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of services - Lease rent	-	-	9.80
2	Sales of services - Rooms income, Food, beverages and smokes	-	-	0.96
3	Other Income	0.01	-	11.64
4	Other expenses	-	1.28	42.19
5	Director sitting fees	-	4.27	-
6	Salaries, wages and bonus	-	70.42	-
7	Loan Given	375.05	-	-
8	Loan Refund	15.45	-	-
9	Deposit paid	-	-	45.00
10	Reimbursement of expenses	2.67	-	-
	Balances outstanding as at the year-end			

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
11	Trade payables	-	-	3.92
12	Other Receivables	2.41	-	-
13	Loan Receivables	1,020.90	-	-
14	Deposit receivable	-	-	106.65
15	Deposit payable	-	-	20.28
16	Capital Creditors	-	-	31.31
17	Preference shares outstanding	-	581.25	668.75
18	Investment in equity shares outstanding	1,003.04	-	-
19	Investments in Debenture Outstanding	511.98	-	-
20	Guarantee Outstanding	50.00	-	-

The Company has issued a letter of undertaking to provide need based financial support to

1. Belaire Hotels Private Limited, its wholly owned subsidiary
2. Chalet Hotels & Properties (Kerala) Private Limited,

Significant transactions with material related parties for year ended March 31, 2021

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of services - Lease rent			
	Shoppers Stop Limited	-	-	9.80
2	Sales of services - Rooms income, Food, beverages and smokes			
	Inorbit Malls (India) Private Limited	-	-	0.01
	K Raheja Corp Private Limited	-	-	0.01
	Mindspace Business Parks Private Limited	-	-	0.54
	Paradigm Logistics & Distribution Private Limited	-	-	0.38
	Sundew Properties Limited	-	-	0.03
3	Other Income			
	Chalet Hotels & Properties (Kerala) Private Limited	0.01	-	
	K Raheja Corp Private Limited	-	-	4.20
	Shoppers Stop Limited	-	-	7.44
4	Other expenses			
	Arthur De Haast	-	1.28	-
	Inorbit Malls (India) Private Limited	-	-	8.83
	K.Raheja Corporate Services Private Limited	-	-	31.15
	Newfound Properties & Leasing Private Limited	-	-	0.78
	K Raheja IT Park (Hyderabad) Limited	-	-	1.45
5	Director sitting fees			
	Arthur De Haast	-	0.63	-
	Hetal Gandhi	-	0.78	-
	Joseph Conrad D' Souza	-	0.88	-
	Neel C.Raheja	-	0.70	-
	Radhika Dilip Piramal	-	0.52	-
	Ravi C.Raheja	-	0.78	-
6	Salaries, wages, bonus and stock option related expenses			
	Sanjay Sethi*	-	54.45	-
	Rajeev Newar*	-	9.99	-
	Milind Wadekar	-	3.54	-
	Christabelle Baptista	-	2.44	-
7	Loans given			
	Chalet Hotels & Properties (Kerala) Private Limited	0.45		
	Belaire Hotels Private Limited	374.60	-	-
8	Loans refund			
	Chalet Hotels & Properties (Kerala) Private Limited	0.45		
	Belaire Hotels Private Limited	15.00	-	-
9	Deposit paid			
	Mindspace Business Parks Private Limited	-	-	45.00
10	Reimbursement of expenses			
	Belaire Hotels Private Limited	2.67	-	-
11	Trade payables			
	Inorbit Malls (India) Private Limited	-	-	2.81
	K.Raheja Corporate Services Private Limited	-	-	0.12
	Newfound Properties & Leasing Private Limited	-	-	0.99
12	Other Receivables			
	Belaire Hotels Private Limited	2.41	-	-
13	Loan Receivables			
	Belaire Hotels Private Limited	1,020.90	-	-
14	Deposit receivable			
	Sundew Properties Limited	-	-	44.33
	K.Raheja Corporate Services Private Limited	-	-	12.32
	Mindspace Business Parks Private Limited	-	-	50.00
15	Deposit payable			
	Shoppers Stop Limited	-	-	20.28
16	Capital Creditors			
	Sundew Properties Limited	-	-	31.31
17	Preference shares outstanding			
	Ivory Properties and Hotels Private Limited	-	-	106.25
	K Raheja Corp Private Limited	-	-	562.50
	Neel C.Raheja	-	290.63	-
	Ravi C.Raheja	-	290.63	-
18	Investment in equity shares outstanding			
	Belaire Hotels Private Limited	694.73	-	-
	Seapearl Hotels Private Limited	58.21	-	-
	Chalet Hotels & Properties (Kerala) Private Limited	250.09	-	-
19	Investments in Debenture Outstanding			
	Belaire Hotels Private Limited	511.98	-	-
20	Guarantee outstanding			
	Chalet Hotels & Properties (Kerala) Private Limited	50.00	-	-

*The managerial remuneration paid/payable by the Group for FY 2020-21 is in excess of limits laid down under Section 197 of the Companies Act, 2013 ('the Act') read with Schedule V to the Act by ₹ 47.49 million. During the current year, the term of the Managing Director & CEO ended on February 8, 2021 and he has been re-appointed by the Board, subject to approval of the shareholders at the next Annual General Meeting. Consequently, proportionate remuneration from February 9, 2021 of ₹ 6.63 million is subject to approval of the shareholders.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

Related party disclosures for year ended March 31, 2020

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of Investment	-	-	5.88
2	Sale of Materials	-	-	1.56
3	Sale of Asset	-	-	0.02
4	Sale of services - Lease rent	-	-	39.25
5	Sales of services - Rooms income, Food, beverages and smokes	-	-	5.48
6	Dividend *	-	-	0.00
7	Other Income	-	-	24.48
8	Other expenses	-	2.03	62.26
9	Director sitting fees	-	3.12	-
10	Salaries, wages and bonus	-	101.71	-
11	Loan Given	661.30	-	-
12	Deposit paid	-	-	44.92
13	Reimbursement of capital work in progress	-	-	31.31
14	Preference shares	-	344.10	395.90
15	Investment in equity shares	752.95	-	-
16	Investments in Debenture	1,034.91	-	-
17	Redemption of debentures	473.04	-	-
	Balances outstanding as at the year-end	**-**	**-**	**-**
18	Trade Receivables	-	-	3.61
19	Trade payables	-	-	14.03
20	Loan Receivables	661.30	-	-
21	Deposit receivable	-	-	61.65
22	Deposit payable	-	-	20.28
23	Capital Creditors		-	31.31
24	Preference shares outstanding	-	581.25	668.75
25	Investment in equity shares outstanding	1,003.04	-	-
26	Investments in Debenture Outstanding	511.98	-	-
27	Guarantee Outstanding	50.00	-	-

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	**Sale of Investment**			
	Ivory Property Trust	-	-	5.88
2	**Sale of material**			
	Inorbit Malls (India) Private Limited	-	-	0.72
	Sundew Properties Limited	-	-	0.85
3	**Sale of Asset**			
	K Raheja Corp Private Limited	-	-	0.02
4	**Sale of services - Lease rent**			
	K.Raheja Corporate Services Private Limited	-	-	0.08
	Shoppers Stop Limited	-	-	39.17

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
5	**Sales of services - Rooms income, Food, beverages and smokes**			
	Eternus Real Estate Private Limited	-	-	0.23
	Inorbit Malls (India) Private Limited	-	-	0.06
	Intime Properties Limited	-	-	0.11
	K Raheja Corp Investment Managers LLP	-	-	0.02
	K Raheja Corp Private Limited	-	-	0.61
	K Raheja IT Park (Hyderabad) Limited	-	-	0.20
	K Raheja Private Limited	-	-	0.29
	K.Raheja Corporate Services Private Limited	-	-	2.09
	Mindspace Business Parks Private Limited	-	-	0.06
	Newfound Properties & Leasing Private Limited	-	-	0.04
	Paradigm Logistics & Distribution Private Limited	-	-	0.69
	Sundew Properties Limited	-	-	0.12
	Trion Properties Private Limited	-	-	0.06
	Shoppers Stop Limited	-	-	0.34
	Genext Hardware & Parks Private Limited	-	-	0.54
6	**Dividend**			
	Intime Properties Limited*	-	-	0.00
7	**Other Income**			
	K Raheja Corp Private Limited	-	-	1.40
	K.Raheja Corporate Services Private Limited	-	-	1.18
	Shoppers Stop Limited	-	-	21.90
8	**Other expenses**			
	Arthur De Haast	-	2.03	-
	Inorbit Malls (India) Private Limited	-	-	22.89
	K.Raheja Corporate Services Private Limited	-	-	37.97
	Newfound Properties & Leasing Private Limited	-	-	1.40
9	**Director sitting fees**			
	Arthur De Haast	-	0.45	-
	Hetal Gandhi	-	0.64	-
	Joseph Conrad D' Souza	-	0.67	-
	Neel C.Raheja	-	0.44	-
	Radhika Dilip Piramal	-	0.30	-
	Ravi C.Raheja	-	0.63	-
10	**Salaries, wages, bonus and stock option related expenses**			
	Rajeev Newar	-	23.06	-
	Sanjay Sethi	-	75.17	-
	Christabelle Baptista	-	3.49	-
11	**Loans given**			
	Belaire Hotels Private Limited	661.30	-	-
12	**Deposit paid**			
	Sundew Properties Limited	-	-	44.33
	K.Raheja Corporate Services Private Limited	-	-	0.59
13	**Reimbursement of capital work in progress**			
	Sundew Properties Limited	-	-	31.31

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
14	**Preference shares**			
	Ivory Properties and Hotels Private Limited	-	-	62.90
	K Raheja Corp Private Limited	-	-	333.00
	Neel C.Raheja	-	172.05	-
	Ravi C.Raheja	-	172.05	-
15	**Investment in Equity Shares**			
	Belaire Hotels Private Limited	694.73	-	-
	Seapearl Hotels Private Limited	58.21	-	-
16	**Investments in Debenture**			
	Belaire Hotels Private Limited	511.98	-	-
	Seapearl Hotels Private Limited	522.93	-	-
17	**Redemption of debentures**			
	Seapearl Hotels Private Limited	473.04	-	-
18	**Trade Receivables**			
	K Raheja Corp Private Limited	-	-	0.83
	K.Raheja Corporate Services Private Limited	-	-	0.30
	Mindspace Business Parks Private Limited	-	-	0.03
	Sundew Properties Limited	-	-	1.00
	Trion Properties Private Limited	-	-	0.02
	Shoppers Stop Limited	-	-	0.90
	Genext Hardware & Parks Private Limited	-	-	0.53
19	**Trade payables**			
	Inorbit Malls (India) Private Limited	-	-	9.87
	K.Raheja Corporate Services Private Limited	-	-	3.93
	Newfound Properties & Leasing Private Limited	-	-	0.23
20	**Loan Receivables**			
	Belaire Hotels Private Limited	661.30	-	-
21	**Deposit receivable**			
	Sundew Properties Limited	-	-	44.33
	K.Raheja Corporate Services Private Limited	-	-	12.32
	Mindspace Business Parks Private Limited	-	-	5.00
22	**Deposit payable**			
	Shoppers Stop Limited	-	-	20.28
23	**Capital Creditors**			
	Sundew Properties Limited	-	-	31.31
24	**Preference shares outstanding**			
	Ivory Properties and Hotels Private Limited	-	-	106.25
	K Raheja Corp Private Limited	-	-	562.50
	Neel C.Raheja	-	290.63	-
	Ravi C.Raheja	-	290.63	-
25	**Investment in equity shares outstanding**			
	Belaire Hotels Private Limited	694.73	-	-
	Seapearl Hotels Private Limited	58.21	-	-
	Chalet Hotels & Properties (Kerala) Private Limited	250.09	-	-
26	**Investments in Debenture Outstanding**			
	Belaire Hotels Private Limited	511.98	-	-
27	**Guarantee outstanding**			
	Chalet Hotels & Properties (Kerala) Private Limited	50.00	-	-

** Amount less than million*

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 50 Employee Stock Option Schemes

Description of share-based payment arrangements:

At March 31, 2021, Company had following share-based payment arrangements:

Employee Stock Option Plan 2018:

The primary objective of the plan is to reward the key employee for his association, dedication and contributions to the goals of the Company. The plan is established is with efffect from June 12, 2018 on which the shareholders of the Company have approved the plan by the way of special resolution and it shall continue to be in force until its termination by the Company as per provisions of Applicable laws, or the date on which all of the Options available for issuance under the plan have been issued and exercised, whichever is earlier.

Scheme	Number of options granted	Vesting conditons	Contractual life of options	Vesting year	Grant Date	Exercise year	Exercise Price (₹ per share)
Chalet Hotels Limited'- 'Employee Stock Option Plan'-2018	2,00,000	For the Options to vest, the Grantee has to be in employment of the Company on the date of the vesting.	The exercise year for Options vested will be two years from date of vesting subject to shares of the Company are listed at the time of exercise.	3 years	26-Jun-18	One year from vesting year	320.00

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share option plans are as follows:

(₹ in million)

Particulars	March 31, 2021		March 31, 2020	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	320.00	2,00,000	320.00	2,00,000
Granted during the year				
Exercised during the year	-	-	-	-
Lapsed/ forfeited /surrendered	-	-	-	-
Outstanding at the end of the year	320.00	2,00,000	320.00	2,00,000
Exercisable at the end of the year	320.00	1,32,000	320.00	66,000

Measurement of Fair value

The fair value of employee share options has been measured using Black Scholes Option Pricing Model and is charged to the Statement of Profit and Loss over the vesting year.

The fair value of the options and the key inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

Particulars	Unit	Chalet Hotels Limited'-'Employee Stock Option Plan'-2018	Description of inputs used
Fair value of the option at grant date	₹ share	143 - 189	As per Black Scholes Model
Exercise price	₹ share	320	As per the Scheme
Expected volatility (Weighted average volatility)	% p.a.	31.91% - 32.77%	Based on comparable listing companies
Expected life (expected weighted average life)	in years	1.99 - 3.99	Calculated time to maturity as a sum of the following years: - Time remaining from the valuation date till the date on which options are expected to vest on the holder and; - Average Time from the vesting date till the expected exercise date.
Dividend yield	% p.a.	0%	Dividend yield is taken as 0% since the Company has not declared any dividend in last 5 financial years.
Risk-free interest rates (Based on government bonds)	% p.a.	7.4% - 7.85%	Risk free interest rate refers to the yield to maturity on the zero-coupon securities maturing in the year which commensurate with the maturity of the option.

The options outstanding at March 31, 2021 have an exercise price of ₹ 320 and a weighted average remaining contractual life of 0.79* year.

** calculated considering simple average method*

The expense recognised for the year ended March 31, 2021 is ₹ 5.59 million (March 31, 2020 is ₹ 12.06 million).

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 51 Discontinued Operations

In the current financial year, the Company has discontinued its retail operations at Sahar, Mumbai based on internally evaluated financial feasibility and commercial negotiation with existing retailers. The Company will customise the property for commercial operations.

The Income and EBITDA of retail operations at Sahar, Mumbai has been disclosed separately as income and EBITDA from discontinued business operations. The discontinued business costs includes all direct and indirect costs of retail operations at Sahar, Mumbai.

(₹ in million)

	For the Year ended March 31, 2021	For the year ended March 31, 2020
Revenue	0.71	2.79
Expenses	41.33	65.61
Results from operations	**(40.62)**	**(62.82)**
Income Tax	-	-
Loss/ (Profit) from discontinued operations, net of tax	**(40.62)**	**(62.82)**

The Loss from discontinued operation of ₹(40.62 million) is attributable entirely to the owners of the Company, of the loss from continuing operations ₹ (1,127.42 million).

The cash flows of the discontinued operations for the year are presented below:

(₹ in million)

	For the Year ended March 31, 2021	For the year ended March 31, 2020
Net Cash Generated From Operating Activities	(20.83)	(41.00)
Net Cash (Used In) /Generated From Investing Activities	-	-
Net Cash Generated From /(Used In) Financing Activities	-	-

Note 52 Bengaluru residential project

(₹ in million)

	March 31, 2021	March 31, 2020
Inventories	4,180.78	4,172.15
Less: Provisions for impairment	(442.65)	(442.65)
Inventories, net	**3,738.13**	**3,729.50**
Advances from customers towards sale of residential flats	1,868.68	1,868.68

Note 53 Amalgamation

The Company at its meeting held on August 11, 2020 has approved scheme of amalgamation of Belaire Hotels Private Limited (BHPL) and Seapearl Hotels Private Limited (SHPL), its wholly owned subsidiaries, with the Company under Section 230 to 232 of the Companies Act, 2013, with effect from April 1, 2020, ("the Appointed Date") subject to the approval of the statutory and regulatory authorities. Post the approval received from the shareholders, petition for sanction of the scheme of amalgamation has been filed with National Company Law Tribunal (NCLT) on April 26, 2021.The scheme of amalgamation is pending for approval by NCLT. Accordingly, the Scheme has not been given effect to in the financial statements for the year ended March 31, 2021.

Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2021

Note 54 Disclosure under Ind AS 115, Revenue from Contracts with Customers

Details of contract balances

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Details of Contract Balances:		
Balance as at beginning of the year	(1,868.68)	(2,169.20)
Trade receivables as on April 1	-	-
Less: Repayment to the customer on cancellation	-	300.52
Balance as on March 31, 2020	(1,868.68)	(1,868.68)
Total	**(1,868.68)**	**(1,868.68)**

As on March 31, 2021, revenue recognised in the current year from performance obligations satisfied/ partially satisfied.

Information on performance obligations in contracts with Customers:

Real Estate Development Project:

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2021.

(₹ in million)

Particulars	2021	2022-2026	Beyond 2026	Total
Contract Revenue	-	1,525.28	-	1,525.28
Contract Expense	-	1,496.71	-	1,496.71
Total	**-**	**28.57**	**-**	**28.57**

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2020.

(₹ in million)

Particulars	2020	2021-2025	Beyond 2025	Total
Contract Revenue	-	1,525.28	-	1,525.28
Contract Expense	-	1,503.45	-	1,503.45
Total	**-**	**21.83**	**-**	**21.83**

Hospitality and Commercial & Retail

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 55 Disclosure under Section 186 of the Companies Act 2013

The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given, guarantee given or security provided and the related disclosures on purposes/ utilisation by recipient companies, are not applicable to the Company.

Details of investments made during the year ended March 31, 2021 as per section 186(4) of the Companies Act, 2013:

(₹ in million)

Name of entity	March 31, 2020	Investments made	Investments redeemed / sold	March 31, 2021
Chalet Hotels and Properties (Kerala) Private Limited	250.09	-	-	250.09
Belaire Hotels Private Limited	1,206.71	-	-	1,206.71
Seapearl Hotels Private Limited	58.21	-	-	58.21
Stargaze Properties Private Limited	0.01	-	-	0.01
Krishna Valley Power Private Limited	12.54	-	-	12.54
Sahyadri Renewable Energy Private Limited	31.46	-	-	31.46
Renew Wind Power Energy (AP) Limited	1.00	-	0.20	0.80
National saving certificates	0.13	-	-	0.13

Details of investments made during the year ended March 31, 2020 as per section 186(4) of the Companies Act, 2013:

Name of entity	March 31, 2019	Investments made	Investments redeemed / sold	March 31, 2020
Chalet Hotels and Properties (Kerala) Private Limited	250.09		-	250.09
Belaire Hotels Private Limited	-	1,206.71		1,206.71
Seapearl Hotels Private Limited	-	581.14	522.93	58.21
Stargaze Properties Private Limited	0.01	-	-	0.01
Intime Properties Limited	0.72	-	0.72	-
Krishna Valley Power Private Limited	12.54	-	-	12.54
Sahyadri Renewable Energy Private Limited	31.46	-	-	31.46
Renew Wind Power Energy (AP) Limited	1.00	-	-	1.00
National saving certificates	0.13	-	-	0.13

Note 56: Disclosure of Loans and Advances given to subsidiaries as per Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015

Name of the subsidiary Companies	Amount Outstanding		Maximum Balance Outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Belaire Hotels Private Limited	1,02,09,00,000	661,300,000	1,03,14,00,000	661,300,000	-	-
Chalet Hotels & Properties (Kerala) Pvt. Ltd.	-	-	4,50,000	-	-	-

Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2021

Note 57:

The novel coronavirus (COVID-19) pandemic has spread around the globe rapidly. The virus has taken its toll on not just human life, but businesses and financial markets too, the extent of which is currently indeterminate.

While the outbreak has had an impact on almost all entities either directly or indirectly, the tourism and hospitality industry has been adversely impacted with the spread of COVID-19, with widespread lockdowns being enforced across the world. The Indian Government and various state government have announce lockdown to control the spread of the COVID-19 pandemic in phased manner. The short-term impact of COVID-19 is contingent on various external factors such as lifting of the travel restrictions and revival of the economy.

The Company has adjusted the measurement of certain financial assets as of and for the year ended March 31, 2021 to reflect the impact due to COVID-19. The duration and impact of the COVID-19 pandemic, remains unclear at this time. Management has made the best estimate in relation to the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for the current year including assessment for future periods in respect of certain significant estimates and judgements in respect of certain financial and non-financial assets including on going concern assumption.

The Company has assessed the possible effects that may result from COVID-19 on the carrying amounts of Property, plant and equipment, Investment properties, Trade Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. Management has considered the possible effects on the various financial statement captions as below:

Financial statement caption	Impact
Inventories	Additional provision in respect of expired or near expiry inventory of ₹ Nil (March 31, 2020: ₹ 4 million) has been recorded in the standalone financial statements.
Trade receivables	Considering the expected delays in collection of receivables from customers, expected credit loss provision reversal of ₹ 1.62 million (March 31, 2020: ₹ 2.82 million) is recorded in the standalone financial statements.
Financial instrument risk and disclosures	Due to the rapidly changing economic environment, the Company is subject to new or increasing risk (e.g. credit, liquidity, or market risk) or concentrations of risk. Consequently, additional risk disclosures have been included in Note 46 of the standalone financial statements including a sensitivity analysis pertaining to changes in the relevant risk variable that are "reasonably possible" at March 31, 2021.
Fair value measurement	Due to the rapidly changing economic environment, the Company is subject to new or increasing risk (e.g. credit, liquidity, or market risk) or concentrations of risk. Consequently, additional risk disclosures have been included in Note 46 of the standalone financial statements including a sensitivity analysis pertaining to changes in the relevant risk variable that are "reasonably possible" at March 31, 2021.
Deferred tax assets, net	Deferred tax asset (DTA) includes DTA recorded on carry forward losses as per Income-tax Act, 1961, which is based on reasonable certainty with convincing evidence of availability of taxable profits in subsequent years for utilisation thereof. Management has re-assessed the availability of taxable profits in the subsequent years and based on evidence of the same and the expected timing of utilisation of such losses, recorded DTA on the same.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

Mumbai
May 18, 2021

For and on behalf of the Board of Directors of
Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Joseph Conrad D'souza
Director
(DIN: 00010576)

Milind Wadekar
Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Independent Auditors' Report

To the Members of **Chalet Hotels Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Chalet Hotels Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

a) We draw attention to Note 41 (c) of the consolidated financial statements, in respect of the entire building comprising of the hotel and apartments therein, purchased together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai), from K. Raheja Corp Private Limited, on which the Holding Company's Four Points by Sheraton Hotel has been built. The allotment of land by City & Industrial Development Corporation of Maharashtra Limited ('CIDCO') to K. Raheja Corp Private Limited has been challenged by two public interest litigations and the matter is currently pending with the Honorable Supreme Court of India.

   Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the consolidated financial statements as at and for the year ended March 31, 2021 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to ₹ 50.93 million (March 31, 2020: ₹ 52.13 million) and the hotel assets thereon (reflected as property, plant and equipment) as at March 31, 2021 is ₹ 400.77 million (March 31, 2020: ₹ 427.21 million) respectively.

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

b) We draw attention to Note 49 to the consolidated financial statements relating to remuneration paid/payable to the Managing Director & CEO of the Holding Company for the financial year ended March 31, 2021, being in excess of the limits prescribed under Section 197 of the Act, by ₹ 47.49 million, of which the proportionate remuneration from February 09, 2021 of ₹ 6.63 million is subject to approval of the shareholders.

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

Key Audit Matters

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

Deferred Tax Assets (refer note 22 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the Deferred Tax Assets represents 4.16 % of the Group total assets. **Recognition and measurement of deferred tax assets** Under Ind AS, the Group is required to reassess recognition of deferred tax asset at each reporting date. The Group has recognised deferred tax assets on brought forward losses/deductions and other temporary differences, as set out in note 22 to the consolidated financial statements The Group's deferred tax assets in respect of brought forward losses/ deductions are based on the projected profitability. Such projected profitability is based on approved business plans, which demonstrate availability of sufficient taxable income to utilise such losses / deductions. We focused on this area as recognition of deferred tax requires significant judgment in estimating future taxable income and accordingly recognition of deferred tax.	Our audit procedures included: • Obtained the approved business plans, projected profitability statements. • Evaluated the design and testing the operating effectiveness of controls over quarterly assessment of deferred tax balances and underlying data. • Evaluated the projections of future taxable profits. Testing the underlying data and assumptions used in the profitability projections and performing sensitivity analysis. • Assessed the recoverability of deferred tax assets by evaluating profitability, Group's forecasts and fiscal developments. • Considered the adequacy of the Group's disclosures on deferred tax and assumptions used. The Group's disclosures concerning income taxes are included in note 22 to the consolidated financial statements.

Impact of COVID-19 on Going concern (refer note 57 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The impact of the COVID-19 pandemic and measures to control the virus, have created uncertainties related to going concern for the Group. The Group has assessed the impact of COVID-19 on the future cash flow projections. The Group has prepared a range of scenarios to estimate cash flows from operating activities and the financing requirements. Based on the above, the consolidated financial statements of the Group for the year ended March 31, 2021 have been prepared on a going concern basis. In view of uncertainties identified outlined above, we identified a key audit matter related to going concern due to the significant judgement required to conclude on the going concern assumption.	Our audit procedures included: • Obtained understanding of the key controls relating to the Group's forecasting process. • Obtained an understanding of key assumptions adopted by the Group in preparing the cash flow forecast, for revenue, fixed costs, operating costs, capital expenditure and commitments. Assessed the key assumptions based on our understanding of the Group's business. • Compared the future expected cash flows in the cash flow forecast with the Group's business plan approved by the Board of Directors • Performed sensitivity analysis to the cash flow forecast by considering plausible changes to the key assumptions adopted by the Group and its impact on the going concern assumption • Obtained details of borrowing disbursed subsequent to the year end and tested with underlying documentation • Assessed compliance with the loan covenants during the year, and subsequent to the year end • Considered the adequacy of the Group's disclosure in respect of management's assessment of going concern assumption.

Litigations and Claims (refer note 10, 28, 35 and 41 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
As at March 31, 2021, the Group has two key litigations pertaining to Bengaluru Residential project carried under inventories and leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited. We focused on this area as a key audit matter due to inherent uncertainty in measurement as per accounting standards to determine amount to be provided for and the disclosures to be made.	Our procedures included, amongst others: • Evaluated the design and implementation of the Group's controls over the assessment of litigations and completeness of disclosures and tested operating effectiveness of these controls. • Read correspondence from the Group's external lawyers in response to our requests of significant litigations and assessed the competence and objectivity of the external lawyers; and • Additionally, considered effect of new information post April 01, 2021 till the date of signing of the report to evaluate any change required in the Group's position as at March 31, 2021. • Assessed the Group's disclosures adequately reflect the quantitative and qualitative considerations in relation to the matters in accordance with auditing standards.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

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 aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

(c) the consolidated balance sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;

(e) on the basis of the written representations received from the directors of the Group companies as on March 31, 2021 taken on record by the Board of Directors of the Group companies, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of Act; and

(f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:

i. the consolidated financial statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group. Refer note 10 and 41 to the consolidated financial statements;

ii. provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer note 28 to the consolidated financial statements in respect of such items as it relates to the Group;

iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended March 31, 2021; and

iv. the disclosures in the consolidated financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 have not been made in these consolidated financial statements since they do not pertain to the financial year ended March 31, 2021.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, we report that :

i. We draw attention to Note 49 to the consolidated financial statements relating to remuneration paid/ payable to the Managing Director & CEO of the Holding Company for the financial year ended March 31, 2021, being in excess of the limits prescribed under Section 197 of the Act by ₹ 47.49 million, of which the proportionate remuneration from February 09, 2021 of ₹ 6.63 million is subject to approval of the shareholders; and

ii. the Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwala
Partner
Membership No: 108511
UDIN: 21108511AAAACW8147

Mumbai
May 18, 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements for the year ended March 31, 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1 A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021 we have audited the internal financial controls with reference to consolidated financial statements of Chalet Hotels Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwala
Partner
Membership No: 108511
UDIN: 21108511AAAACW8147

Mumbai
May 18, 2021

Consolidated Balance Sheet

as at March 31, 2021

(₹ in million)

	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	2	20,594.08	22,791.79
Capital work-in-progress	3	358.48	875.13
Investment property	4	9,950.72	7,138.18
Goodwill	5	226.11	226.11
Other intangible assets	6	25.88	33.69
Financial assets			
(i) Other Investments	7	44.94	45.14
(ii) Loans	8	109.22	113.38
(iii) Others	9	231.45	70.88
Other non-current assets	10	597.28	605.63
Deferred tax assets (net)	22	1,796.65	852.81
Non-current tax assets (net)		402.58	797.01
Total non-current assets		**34,337.40**	**33,549.75**
Current assets			
Inventories	11	3,912.12	3,924.09
Financial assets			
(i) Trade receivables	12	216.40	416.78
(ii) Cash and cash equivalents	13a	269.02	76.42
(iii) Bank balances other than (ii) above	13b	188.66	1,202.40
(iv) Loans	14	71.76	30.80
(v) Others	15	26.97	151.80
Other current assets	16	865.61	775.54
Total current assets		**5,550.54**	**6,577.83**
Total Assets		**39,887.94**	**40,127.58**
Equity and Liabilities			
Equity			
Equity share capital	17	2,050.24	2,050.24
Other equity	18	12,110.38	13,495.27
Non controlling interests		(3.22)	(2.70)
Total equity		**14,157.40**	**15,542.81**
Liabilities			
Non current liabilities			
Financial liabilities			
(i) Borrowings	19	17,603.82	16,643.84
(ii) Others	20	190.97	198.27
Provisions	21	76.42	76.33
Deferred tax liabilities (net)	22	137.51	222.11
Other non-current liabilities	23	109.58	132.51
Total non current liabilities		**18,118.30**	**17,273.06**
Current liabilities			
Financial liabilities			
(i) Borrowings	24	843.99	404.77
(ii) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises and		32.54	30.09
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises		796.05	1,031.94
(iii) Other financial liabilities	26	2,595.75	2,501.28
Other current liabilities	27	2,239.97	2,259.32
Provisions	28	908.94	889.29
Current tax liabilities		195.00	195.02
Total current liabilities		**7,612.24**	**7,311.71**
Total Equity and Liabilities		**39,887.94**	**40,127.58**
Significant Accounting Policies	1		
Notes to the Consolidated Financial Statements	2 - 57		

The notes referred to above form an integral part of the consolidated financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

Mansi Pardiwalla
Partner
Membership No: 108511

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Joseph Conrad D'souza
Director
(DIN: 00010576)

Milind Wadekar
Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in million)

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from Continuing operations			
Revenue from Continuing operations	29	2,943.87	9,808.49
Other income	30	223.38	278.97
Total income (A)		**3,167.25**	**10,087.46**
Expenses from Continuing operations			
Real estate development cost	31(a)	95.06	205.56
Changes in inventories of finished good and construction work in progress	31(a)	-	23.34
Food and beverages consumed	31(b)	242.87	828.39
Operating supplies consumed	31(c)	123.35	306.71
Employee benefits expense	32	906.57	1,516.67
Other expenses	34	1,505.50	3,498.85
Total expenses (B)		**2,873.35**	**6,379.52**
Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items from Continuing operations (C) (A-B)		**293.90**	**3,707.94**
Depreciation and amortisation expenses	2,4,6	1,174.62	1,133.17
Finance costs	33	1,519.78	1,461.76
(Loss) / Profit before exceptional items and tax from Continuing operations (D)		**(2,400.50)**	**1,113.01**
Exceptional items (E)	35	(41.71)	(41.71)
(Loss) / Profit before income tax from Continuing operations (F) (D+E)		**(2,442.21)**	**1,071.30**
Tax expense (G)		(1,091.55)	12.22
Current tax	22	1.66	195.33
Deferred tax (credit)	22	(1,028.21)	(183.11)
Excess provision for the earlier years	22	(65.00)	-
(Loss) / Profit for the year from Continuing operations (H) (F-G)		**(1,350.66)**	**1,059.08**
Discontinued Operations	51		
(Loss) from discontinued operations before tax		(40.62)	(62.82)
Tax expense of discontinued operations		-	-
(Loss) from discontinued operations (I)		**(40.62)**	**(62.82)**
(Loss) / Profit for the year (H + I)		**(1,391.28)**	**996.26**
Other comprehensive (Expense) from Continuing operations			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		0.05	(17.33)
Income tax Credit on above		0.23	6.06
Other comprehensive Income / (expense) for the year, net of tax (I)		**0.28**	**(11.27)**
Total comprehensive (expense) / Income for the year (J) (H+I)		**(1,391.00)**	**984.99**
(Loss) / Profit attributable to:			
Owners of the company		(1,390.76)	1,026.75
Non-controlling interests		(0.52)	(30.49)
Other comprehensive (expense) attributable to:			
Owners of the company		0.28	(11.27)
Non-controlling interests		-	-
Total comprehensive (expense) / Income attributable to:			
Owners of the company		(1,390.48)	1,015.48
Non-controlling interests		(0.52)	(30.49)
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)			
Basic	36	(6.59)	5.31
Diluted	36	(6.59)	5.31
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)			
Basic	36	(0.19)	(0.30)
Diluted	36	(0.19)	(0.30)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)			
Basic	36	(6.78)	5.01
Diluted	36	(6.78)	5.01
Significant Accounting Policies	1		
Notes to the Consolidated Financial Statements	2 - 57		

The notes referred to above form an integral part of the consolidated financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

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Milind Wadekar
Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from Operating Activities:		
(Loss) / Profit before tax from Continuing operations	(2,442.21)	1,071.30
(Loss) before tax from discontinued operations	(40.62)	(62.82)
Adjustments for:		
Interest income from instruments measured at amortised cost	(65.95)	(49.47)
Depreciation and amortisation expenses	1,174.62	1,133.17
Finance costs	1,519.78	1,461.62
Impairment of Capital Work in Progress and capital advances	-	59.51
Unrealised exchange (gain) / loss	(20.33)	46.64
Dividend received*	-	0.00
Provision for estimated cost	41.71	41.71
Profit on sale of property, plant and equipment (net)	(4.53)	(11.20)
Property, plants and equipment written off	1.86	6.31
Profit on sale of investment	(0.10)	(3.94)
Provision for doubtful debts, Advances and Bad debt written off	11.91	14.43
Employee stock option expense	5.59	12.06
Export benefits and entitlements	(21.66)	(132.72)
Provision for mark to market on derivative contract	62.19	(28.60)
Provision for stock obsolescence	2.68	6.78
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Sundry balance written back	(2.25)	-
Total	**2,705.52**	**2,556.31**
Operating Profit before working capital changes	222.69	3,564.79
Adjustments		
Decrease in trade receivables and current assets	212.71	23.61
Decrease in inventories	11.97	35.33
(Increase) in trade payables & current liabilities	(312.64)	(842.58)
Total	**(87.96)**	**(783.64)**
Income Taxes (net of refund)	466.98	(256.73)
Net Cash Generated from Operating Activities (A)	**601.71**	**2,524.41**
B. Cash Flow from Investing Activities:		
Purchase of Property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(482.86)	(960.91)
Proceeds from sale of property, plants and equipments and investment property	14.40	65.08
Purchase of investments (including investment property and investment property under construction)	(950.19)	(2,316.43)
Sale of Investments	0.30	5.88
Interest income received	64.40	48.90
Fixed deposits matured / (placed) (net)	810.42	(731.24)
Margin money matured / (placed) (net)	44.31	(48.52)
Net Cash Generated (used in) Investing Activities (B)	**(499.22)**	**(3,937.24)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
C. Cash Flow from Financing Activities:		
Issue of preference shares	-	740.00
Proceeds from long-term borrowings	3,970.00	6,035.00
Repayment of long-term borrowings	(2,892.83)	(4,042.14)
Proceeds from short-term borrowings	104.00	2.00
Repayment of short-term borrowings	(100.45)	(55.24)
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Interest and finance charges paid	(1,421.61)	(1,351.76)
Net Cash (used in) / Generated From Financing Activities (C)	**(340.89)**	**1,327.86**
Net (Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	**(238.40)**	**(84.97)**
Cash and Cash Equivalents - Opening Balance	**(300.78)**	**(238.70)**
Acquired in Business Combination (refer note 40)	**-**	**22.89**
Cash and Cash Equivalents - Closing Balance	**(539.18)**	**(300.78)**
**Amount less than million*		

Notes:

1. Cash And Cash Equivalents And Bank Balances Includes Balances In Escrow Account Which Shall Be Used Only For Specified Purposes As Defined Under Real Estate (Regulation And Development) Act, 2016.
2. Reconciliation of cash and cash equivalents with the balance sheet

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents (refer note 13a)	269.02	76.42
Less: Over draft accounts from banks (refer note 24)*	(808.20)	(377.20)
Cash and cash equivalents as per consolidated statement of cash flow	(539.18)	(300.78)

3. The movement of borrowings as per Ind AS 7 is as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening borrowings	18,638.28	14,821.58
Acquired in Business Combination (refer note 40)	-	1,149.13
Proceeds from long-term borrowings**	**4,074.00**	**6,777.00**
Repayment of long-term borrowings	(2,993.28)	(4,097.38)
Non-cash adjustments	56.04	(12.05)
	19,775.04	**18,638.28**

** Cash and cash equivalents includes bank overdrafts that are payable on demand and form an integral part of the company cash management.*
*** Includes issue of preference shares*

The notes referred to above form an integral part of the Consolidated financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

Mumbai
May 18, 2021

For and on behalf of the Board of Directors of Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Joseph Conrad D'souza
Director
(DIN: 00010576)

Milind Wadekar
Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Consolidated Statement of Changes in Equity
as at March 31, 2021

(a) Equity share capital

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the reporting year	2,050.24	2,050.24
Balance at the end of the reporting year	**2,050.24**	**2,050.24**

(b) Other equity

(₹ in million)

	Attributable to the owners of the Company						
	Equity Component of Compound Instrument	Employee stock option reserve	Capital Reserve	Securities Premium	General reserve	Retained earnings*	Total
Balance at March 31, 2020	**373.48**	**26.70**	**84.99**	**10,269.19**	**1,071.96**	**1,668.95**	**13,495.27**
Adjustments:							
Employee stock option reserve	-	5.59	-	-	-	-	5.59
Loss for the year	-	-	-	-	-	(1,390.76)	(1,390.76)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	0.28	0.28
Total comprehensive expense for the year	**-**	**5.59**	**-**	**-**	**-**	**(1,390.48)**	**(1,384.89)**
Balance at March 31, 2021	**373.48**	**32.29**	**84.99**	**10,269.19**	**1,071.96**	**278.47**	**12,110.38**
Balance at April 1, 2019	**167.06**	**14.64**	**0.16**	**10,269.19**	**1,071.96**	**653.47**	**12,176.48**
Adjustments:							
Equity Component of Compound Instrument	206.42	-	-	-	-	-	206.42
Employee stock option reserve	-	12.06	-	-	-	-	12.06
Capital Reserve	-	-	84.83	-	-	-	84.83
Profit for the year	-	-	-	-	-	1,026.75	1,026.75
Proposed dividend**	-	-	-	-	-	(0.00)	(0.00)
Tax on dividend**	-	-	-	-	-	(0.00)	(0.00)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	(11.27)	(11.27)
Total comprehensive income for the year	**206.42**	**12.06**	**84.83**	**-**	**-**	**1,015.48**	**1,318.79**
Balance at March 31, 2020	**373.48**	**26.70**	**84.99**	**10,269.19**	**1,071.96**	**1,668.95**	**13,495.27**

**Includes impact of fair valuation of land on transition to Ind AS (net of related tax impact) ₹ 3,710.05 million (March 31, 2020 ₹ 3,710.05 million).*
***Amount less than million*

The notes referred to above form an integral part of the consolidated financial statements.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Chalet Hotels Limited
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Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Notes to the Consolidated Financial Statements

1.1 Company background

The Consolidated Financial Statement comprises of consolidated financial statements of Chalet Hotels Limited ('the Company' or 'the Holding Company'), its subsidiary companies (collectively, 'the Group'). The Company is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra East, Mumbai 400 051. The Company was incorporated under the Companies Act, 1956 on January 6, 1986 and has been converted into a public company with effect from June 6, 2018.

The Group is primarily engaged in the business of hospitality (hotels), commercial and retail operations and real estate development. At March 31, 2021, the Group has, (a) six hotels (and one service apartment building) operating at Powai and Sahar (Mumbai), Vashi (Navi Mumbai), Pune, Bengaluru and Hyderabad, (b) developed residential property at Hyderabad (c) Retail Block at Sahar, Mumbai and at Bengaluru, (d) commercial property at Bengaluru and Sahar, Mumbai and (e) is engaged in construction and development of a residential property at Bengaluru.

In the current financial year, the Holding Company has discontinued its retail operations at Sahar, Mumbai based on internally evaluated financial feasibility and commercial negotiation with existing retailers. The Holding Company will customise the property for commercial operations. (Refer note 51).

1.2 Going concern

As at March 31, 2021, the Group faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Group adversely starting from the month of March 2020 onwards particularly by way of reduction in occupancy of hotels and average realisation rate per room and fall in revenue of other assets. During the year, the hotels have been operational though at a significantly reduced occupancy rate. Management has undertaken various cost saving initiatives to maximise operating cash flows in the given situation. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information. As per the management, the Group has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, in addition to the funds expected to be generated from the operating activities. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Group will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2021.

1.3 Significant accounting policies

Basis of preparation and presentation

Compliance with Indian Accounting Standard (Ind AS)

These Consolidated financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended and other accounting principles generally accepted in India, as a going concern on accrual basis. These Consolidated Financial Statements of the Company for the year ended March 31, 2021 are approved by the Company's Audit Committee and by the Board of Directors on May 18, 2021.

(i) Basis of measurement

The Consolidated Financial Statements has been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer- Accounting policy regarding financials instruments);
- Net defined benefit (asset) / liability – plan (assets)/ liability measured at fair value less present value of defined benefit obligation; and
- land at fair value on transition date.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(ii) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All the financial information have been presented in Indian Rupees (INR) and all amounts have been rounded-off to the nearest millions, except for share data and as otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentage may not precisely reflect the absolute figures.

(iii) Use of estimates and judgements

While preparing the Consolidated Financial Statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgements. These judgements affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the consolidated Balance Sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement, estimates and assumptions are required in particular for:

- *Determination of the estimated useful lives*
  Useful lives of property, plant and equipment and investment property are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- *Recognition and measurement of defined benefit obligations*
  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- *Recognition of deferred tax assets*
  Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

- *Recognition and measurement of other provisions*
  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- *Discounting of long-term financial assets / liabilities*
  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- *Determining whether an arrangement contains a lease*
  At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

  Critical Judgements in determining the lease term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

  Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- *Fair value of financial instruments*
  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

  Further information about the assumptions made in measuring fair values is included in the following notes:

  Note G, J & K – impairment test of non-financial assets: key assumptions underlying recoverable amounts; and

  Note N 1(c) – Impairment of financial assets

(iv) Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 2 – Property, plant and equipment (Freehold land)
- Note 4 – Investment property
- Note 45 – Financial instruments

(v) Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) the Group does not have an unconditional right to defer settlement of the liability for atleast twelve months after the balance sheet date.

All other liabilities are classified as non-current.

Operating cycle

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

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

the purpose of current – non-current classification of assets and liabilities.

Basis of consolidation

Subsidiary:

The Consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Company. Subsidiary is an entity over which the holding company has control.

The Company controls an investee when the Company has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the relevant activities of the investee. Subsidiary is fully consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Holding company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Statement of Balance Sheet respectively.

In the Consolidated Financial Statements, 'Goodwill' represents the excess of the cost to the Holding company of its investment in the subsidiary over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the Consolidated financial statements.

A. Business combination

Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are recognised in the consolidated Statement of Profit and Loss.

Common control

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as Common control entities. Common control transactions are accounted using pooling of interest method. The financial statements in respect of prior periods have been restated from the period that the Transferor Company became a subsidiary of the Transferee Company where the assets and liabilities of the transferee are recorded at their existing carrying values, the identity of reserves of the transferee company is preserved.

No common control

The Group uses the "acquisition method" of accounting to account for its business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognising a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

B. Revenue

i. Real estate development and sale

Revenue from real estate activity is recognised to the extent that it is probable that the economic benefits will flow to the Group, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

Revenue from real estate development activity is recognised at a point in time when significant risks and rewards are transferred to the Customer i.e. when the control of the residential flat is transferred to the Customer.

Cost of construction/development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue from Real Estate represents revenue recognised over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

ii. Hospitality business

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, food, beverages, smokes and allied services relating to hotel operations. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Performance obligation in contract with customers are met throughout the stay of guest in the hotel or on rendering of services and sale of goods.

Revenue recognised is net of indirect taxes, returns and discounts.

iii. Rental income

Revenues from property leased out under an operating lease are recognised over the tenure of the lease / service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

Initial direct costs incurred by lessors in negotiating and arranging an operating lease is accounted as separate asset and will be recognised as an expense over the lease term on the same basis as the lease income.

iv. Income from other services

Maintenance income is recognised as and when related expenses are incurred.

Income from ancillary services are recognised as and when the services are rendered.

v. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

vi. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets on initial recognition. Interest income is included in other income in the Consolidated statement of profit or loss.

C. Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

D. Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognised in the period in which the employee renders the related service.

Also, the liability for compensated absences is determined by actuarial valuation carried out by the independent actuary as at each Balance sheet date and provided for as incurred in the year in which services are rendered by employees.

ii. Post-employment benefits

Defined contribution plans

The defined contribution plans i.e. provident fund (administered through Regional Provident Fund Office) and employee state insurance corporation are post-employment

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

benefit plans under which a Group pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The following post – employment benefit plans are covered under the defined benefit plans:

- **Gratuity Fund**

  The Group follows unfunded gratuity except for one of its Hotel division (Westin, Hyderabad) and for Corporate office in Belaire Hotels Private Limited, its subsidiary where fund is maintained with Life Insurance Corporation of India. The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus the Group's defined benefit plans.

  When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

  The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

  When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs"

  Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

iii. Terminal Benefits:

All terminal benefits are recognised as an expense in the period in which they are incurred.

iv. Employee stock option expense

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

E. Income-tax

Income-tax expense comprises current and deferred tax. It is recognised in net profit in the consolidated statement of profit or loss except to the extent that it relates to items recognised directly in equity or in the Other Comprehensive Income (OCI).

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

The group 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.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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 at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Consolidated Statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/ conditions defined in the said section.

F. Inventories

Hospitality

Stocks of stores, food and beverages and operating supplies (viz. crockery, cutlery, glassware and linen) are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is arrived at by the weighted average cost method.

Stocks of stores and spares and operating supplies (viz. crockery, cutlery, glassware and linen) once issued to the operating departments are considered as consumed and expensed to the Consolidated Statement of Profit and Loss. Unserviceable/damaged/discarded stocks and shortages are charged to the Consolidated Statement of Profit and Loss.

Real Estate Development (Residential Flats)

Property is valued at lower of cost and net realisable value. Cost comprises of land, development rights, materials, services, and other expenses attributable to the projects. Costs of construction / development (including cost of land) incurred is charged to the Consolidated Statement of Profit and Loss proportionate to area sold and the balance cost is carried over under inventories as part of property under development.

Cost of construction material (including unutilised project materials) at site is computed by the weighted moving average method and carried at lower of cost and Net Realisable value.

G. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation / amortisaton and impairment losses, if any except for freehold land which is not

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

depreciated. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

Properties in the course of construction for production, supply or administration purposes are carried at cost, less any impairment loss recognised. Cost includes professional fees and, for qualifying assets borrowing costs capitalised in accordance with the group's accounting policy. Such properties are classified to the appropriate categories of Property, Plant & Equipment when completed and are ready for intended use. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is charged to the Consolidated Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Asset Type	Useful Life		
	March 2021	March 2020	Schedule II
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery			
- Food and beverages and Kitchen equipment	8 Years	8 Years	15 Years
- Audio video equipment	5 Years	5 Years	
- Laundry equipment, DG set, HVAC system, Elevators, Fire fighting system,	15 Years	15 Years	
- Others	14 Years	14 Years	
Electrical installations	14 Years	14 Years	10 Years
Office Equipments			
- Mobile phones	2 Years	2 Years	5 Years
- Others	4 Years	4 Years	
Vehicles	5 Years	5 Years	6 Years
Carpet	7 Years	7 Years	NA
Computer software	4 Years	4 Years	NA
Furniture and Fixtures	10 Years	10 Years	8 Years

Building interiors and accessories comprise of the interiors of the Hotel building which will undergo renovation, are depreciated on a SLM basis over a period of 10 years, which in management's view, represents the useful life of such assets.

Building constructed on leasehold land are amortised from the date of commencement of commercial operations over the balance lease period.

Leasehold Improvements are depreciated over the primary period of lease.

Temporary structures and assets costing ₹ 5,000/- or less are depreciated at 100% in the year of capitalisation.

Freehold land is measured at fair value as per Ind AS 113 with the resultant impact being accounted for in the reserves. The fair value of the Group's freehold land parcels as at April 1, 2016 have been arrived at on the basis of a valuation carried out by an independent registered appraiser not related to the Group with appropriate qualifications and relevant experience in the valuation of properties at relevant locations. The fair value was determined based on a combination of Discounted Cash Flow method and Residual method.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

Impairment losses recognised in prior years are reversed when there is an indicator that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

H. Intangible assets

Recognition and measurement

Intangible assets comprises of trademarks and computer software and are measured at cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Consolidated Statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Intangible assets are amortised on straight-line method over estimated useful life of 4 years, which in management's view represents the economic useful life of these assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate prospectively.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

I. Goodwill

In case of merger, Goodwill' represents the excess of the cost to the Holding company of its investment in the subsidiary over its share of equity, at the respective dates on which the investments are made.

In case of acquisition, Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

Goodwill on business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

J. Investment property and investment property under construction

(a) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Investment property and investment property under construction represents the cost incurred in respect of areas retail block and commercial office space. Property under construction is accounted for as investment property under construction until construction or development is complete.

Direct expenses like cost of land, including related transaction costs, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties under construction are carried individually at cost less impairment, if any. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.

(b) Depreciation
Depreciation on investment property has been provided pro rata for the period of use by the Straight Line Method. The useful lives of Investment Property is estimated by management and the same is as prescribed in Schedule II to the Act, except in respect of the following categories of assets, where the life of these assets differs from Schedule II.

Any gain or loss on disposal of an investment property is recognised in Consolidated Statement of Profit and Loss.

The fair values of investment property are disclosed in the notes. Fair values are determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Asset Type	Useful Life		Schedule II
	March 2021	March 2020	
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery			
- DG set, HVAC system, Elevators and Firefighting system	15 years	15 years	15 Years
- Others	14 Years	14 Years	
Electrical installations	14 Years	14 Years	10 Years
Office Equipments	4 Years	4 Years	5 Years
Carpet	7 Years	7 Years	NA
Computer software	4 Years	4 Years	NA
Furniture and Fixtures	10 Years	10 Years	8 Years

Investment properties are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell.

K. Investments
The Group reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

L. Borrowing costs
General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Consolidated Statement of Profit and Loss using the effective interest method.

M. Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The board of directors of the Group, which has been identified as being the CODM, generally assesses the financial performance and position of the Group, and makes strategic decisions.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The management committee assesses the financial performance and position of the group, and makes strategic decisions. It is identified as being the chief operating decision maker for the Group. Refer note 47 for segment information presented.

N. Financial Instruments

1. Financial assets

(a) Recognition and initial measurement
Trade receivable are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value plus, for an item not at Fair Value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement
The Group classifies its financial assets into a) financial assets measured at amortised cost, and b) financial assets measured at fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

(i) Financial assets measured at amortised costs
A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in the consolidated Statement of Profit and Loss. Any impairment loss arising from these assets are recognised in the consolidated Statement of Profit and Loss.

(ii) Financial assets measured at fair value through profit and loss (FVTPL)
This is a residual category for classification. Any asset which do not meet the criteria for classification as at amortised cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the consolidated statement of profit or loss.

(iii) Financial assets measured at fair value through other comprehensive income (FVOCI)

- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in consolidated Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated Statement of Profit and Loss.
- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated Statement of Profit and Loss.

(b) Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset and associated liability for any amounts it may have to pay.

(c) Impairment of financial assets
In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables- The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group 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.

2. Financial liabilities

(a) Recognition, measurement and classification
Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments. 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 Group's financial liabilities at amortised cost includes loan and borrowings, interest free security deposit, interest accrued but not due on borrowings, Retention money payable, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The Group's financial liabilities at fair value through profit or loss includes derivative financial instruments.

(b) Financial guarantee contracts
The Group on a case to case basis elects to account for financial guarantee contracts as a financial instruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

(c) **Derecognition**

The Group derecognises financial liabilities when its contractual obligations are discharged or cancelled or have expired.

3. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the Consolidated statement of financial position when, and only when, the Group has legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to their fair value. The resulting gain/loss is recognised in consolidated Statement of Profit and Loss immediately at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Group does not designate the derivative instrument as a hedging instrument.

O. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets where it is probable that future economic benefits will flow to the Group are not recognised but disclosed in the Consolidated Financial Statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

P. Leases

At the inception of a contract, the Group assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

a. Company as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. Payments received under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term. The Group is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Group accounted for its leases in accordance with Ind AS 116 from the date of initial application.

b. Company as a lessee

Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or less and leases of low-value assets.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Group's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

Q. Litigation

From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

R. Cash and cash equivalents

Cash and cash equivalent in the consolidated 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.

S. Cash flow statement

Cash flows are reported using indirect method, whereby net loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

For the purpose of presentation in the statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

T. Discontinued Operations

Discontinued operations are reported when a component of the Group comprising operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group operations is classified as held for sale or has been disposed of, if the component either (1) represents a separate major line of business or geographical area of operations and (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or (3) is a subsidiary acquired exclusively with a view to resale.

In the consolidated Statement of Profit and Loss, income/ (loss) from discontinued operations is reported separately from income and expenses from continuing operations. The comparative consolidated Statement of Profit and Loss is re-presented; as if the operation had been discontinued from the start of the comparative period. The cash flows from discontinued operations are presented separately in Notes.

U. Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in consolidated Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated Balance Sheet and transferred to consolidated Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

V. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

W. Exceptional items

The Group discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Group and provides consistency with the Groups internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Group.

X. Earnings before interest and depreciation and amortisation ("adjusted EBITDA")

The Group presents adjusted EBITDA in the consolidated Statement of Profit and Loss; this is not specifically required by Ind AS 1. The terms adjusted EBITDA are not defined in Ind AS. Ind AS complaint Schedule III allows companies to present Line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the Group's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of adjusted EBITDA

Accordingly, the Group has elected to present earnings before interest, tax, depreciation and amortisation (adjusted EBITDA) before exceptional items, as a separate line item on the face of the Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

The Group measures adjusted EBITDA before exceptional items, on the basis of profit/ (loss) from continuing operations including other income. In its measurement, the Group does not include exceptional items, depreciation and amortisation expense, finance costs, share of profit from associate and tax expense.

Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Recent Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 2 Property, plant and equipment

Reconciliation of carrying amount

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation/ amortisation				Net block
	Opening balance as at April 1, 2020	Additions/ Adjustments	Deductions/ Transfers	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	For the year	Deductions/ Transfers	Closing balance as at March 31, 2021	As at March 31, 2021
Freehold land	8,862.40	-	727.63	8,134.77	-	-	-	-	8,134.77
Buildings	14,419.80	64.96	751.19	13,733.57	3,626.74	420.32	131.30	3,915.77	9,817.81
Leasehold improvements	0.31	-	0.31	0.00	0.22	0.02	0.23	0.00	0.00
Plant and machinery	4,700.11	29.90	45.03	4,684.98	2,766.24	283.96	33.07	3,017.13	1,667.85
Data processing equipments	271.37	0.69	19.63	252.43	213.24	30.44	18.97	224.71	27.72
Electrical installations	1,658.10	9.97	5.71	1,662.36	1,078.94	82.25	4.74	1,156.45	505.91
Furniture and fixtures	2,082.88	11.14	2.01	2,092.01	1,527.30	133.13	1.70	1,658.74	433.27
Vehicles	157.89	-	23.57	134.32	151.85	1.53	23.57	129.81	4.51
Office equipments	97.44	0.02	0.66	96.81	93.98	1.18	0.60	94.57	2.24
Total	**32,250.30**	**116.69**	**1,575.74**	**30,791.25**	**9,458.51**	**952.84**	**214.18**	**10,197.17**	**20,594.08**

***Note**: Assets pertaining to Commercial complex, Powai, Mumbai have been transferred from Property, plant and equipment to Investment property under construction with net block of ₹ 1,349.99 million based on change of intended use of such assets (refer note 4).*

As at March 31, 2020

(₹ in million)

Particulars	Gross block					Accumulated depreciation/ amortisation					Net block
	Opening balance as at April 1, 2019	Acquired in Business Combination (refer note 40)	Additions	Deductions/ Transfers	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	Acquired in Business Combination (refer note 40)	For the year	Deductions/ Transfers	Closing balance as at March 31, 2020	As at March 31, 2020
Tangible assets											
Freehold land	7,960.94	880.97	20.49	-	8,862.40	-	-	-	-	-	8,862.40
Buildings	12,582.31	1,675.65	196.06	34.22	14,419.80	3,152.31	107.19	398.36	31.12	3,626.74	10,793.06
Leasehold improvements	6.92	0.31	-	6.92	0.31	6.92	0.21	0.01	6.92	0.22	0.09
Plant and machinery	4,177.79	478.01	75.24	30.93	4,700.11	2,403.68	136.11	247.35	20.90	2,766.24	1,933.87
Data processing equipments	215.55	7.45	51.90	3.53	271.37	186.07	6.07	24.32	3.22	213.24	58.13
Electrical installations	1,598.17	60.20	1.31	1.58	1,658.10	977.88	28.76	73.68	1.38	1,078.94	579.16
Furniture and fixtures	1,982.18	97.65	18.93	15.88	2,082.88	1,333.49	60.98	147.61	14.78	1,527.30	555.58
Vehicles	233.95	-	0.68	76.74	157.89	208.69	-	18.37	75.21	151.85	6.04
Office equipments	95.91	0.77	1.08	0.32	97.44	92.53	0.35	1.41	0.31	93.98	3.46
Total	**28,853.72**	**3,201.01**	**365.69**	**170.12**	**32,250.30**	**8,361.57**	**339.67**	**911.11**	**153.84**	**9,458.51**	**22,791.79**

Notes:

1) *Refer note 19 and 24 for information on property, plant and equipment pledged as security by the Group.*
2) *Refer note 41 for contractual commitments with respect to property, plant and equipments.*
3) *In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected in the schedule above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the consolidated financial statements. The carrying value of property, plant and equipment in respect of the aforementioned hotel as at March 31, 2021 is ₹ 400.77 million (March 31, 2020: ₹ 427.21 million).*

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 3 Capital work-in-progress

1) Details of capital work-in-progress

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening balance	932.84	342.47
Add: Additions during the year	1,022.76	988.69
Less: Capitalised during the year	(140.25)	(398.32)
Less: Cost incurred for Commercial complex, Powai, Mumbai transfered to Investment property under construction (refer note 4)	(1,399.16)	-
Closing balance	**416.19**	**932.84**
Less: Provision for impairment	(57.71)	(57.71)
Net balance	**358.48**	**875.13**

Notes:

1) *Capital Work in Progress includes expenditure incurred by a subsidiary, "Chalet Hotels & Properties (Kerala) Private Limited." aggregating to ₹ 57.71 million (March 31, 2020: ₹ 57.71 million) in accordance with the agreement entered into with the Department of Tourism, Government of Kerala with regard to the International Convention Centre Complex (ICCC) Project. The Department of Tourism (DOT) is required to contribute the land for the project as its equity in kind and the Group and K Raheja Corp Private Limited, the joint bidders for the project are required to bring equity for the project in cash. Pending execution of the lease deed on the requisite project land and due to abnormal delays in the execution of the project the subsidiary has stopped capitalisation of borrowing costs. The management believes the project to be viable. During the year ended March 31, 2020, as there were conditions of uncertainty, the management had taken a prudent and conservative call to write off capital work in progress without prejudicing the going concern.*

2) Expenses (net) capitalised to capital work-in-progress during the year

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Legal and professional charges	2.16	80.71
Employee costs	2.09	74.98
Rates, taxes and license fees	0.08	162.27
Repairs and maintenance	0.05	-
Miscellaneous expenses	0.66	20.34
Interest and other finance costs	20.93	35.00
Other income/sale of scrap	-	(3.30)
Total	**25.97**	**370.00**

Note 4 Investment property

A. Reconciliation of carrying amount

As at March 31, 2021

(₹ in million)

Particulars	Gross block: Opening balance as at April 1, 2020	Gross block: Additions	Gross block: Deductions/ Transfer out	Gross block: Closing balance as at March 31, 2021	Accumulated depreciation / amortisation: Opening balance as at April 1, 2020	Accumulated depreciation / amortisation: For the year	Accumulated depreciation / amortisation: Deductions	Accumulated depreciation / amortisation: Closing balance as at March 31, 2021	Net block: As at March 31, 2021
Commercial complex, Bengaluru I	893.37	-	-	893.37	105.00	26.95	-	131.95	761.42
Retail block, Sahar, Mumbai	1,193.05	3.10	-	1,196.15	127.54	38.99	-	166.53	1,029.62
Commercial block, Sahar, Mumbai	3,202.86	0.68	-	3,203.54	171.31	87.71	-	259.02	2,944.52
Retail block, Bengaluru	1,806.27	3.75	0.56	1,809.46	573.21	58.01	0.39	630.83	1,178.63
Total (A)	**7,095.55**	**7.53**	**0.56**	**7,102.52**	**977.06**	**211.66**	**0.39**	**1,188.33**	**5,914.19**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 4 Investment property (Contd.)

(₹ in million)

Particulars	Gross block: Opening balance as at April 1, 2020	Gross block: Additions	Gross block: Deductions/ Transfer out	Gross block: Closing balance as at March 31, 2021	Accumulated depreciation / amortisation: Opening balance as at April 1, 2020	Accumulated depreciation / amortisation: For the year	Accumulated depreciation / amortisation: Deductions	Accumulated depreciation / amortisation: Closing balance as at March 31, 2021	Net block: As at March 31, 2021
Investment property under construction									
Business centers and offices, Sahar, Mumbai									3.21
Commercial complex, Powai, Mumbai*									2,749.15
Commercial complex, Bengaluru II									1,283.73
Mall Building under Construction, Bengaluru II									0.44
Total (B)									**4,036.53**
Total (A+B)									**9,950.72**

Note: *Assets pertaining to Commercial complex, Powai, Mumbai have been transferred from Property, plant and equipment to Investment property under construction with net block of ₹ 1,349.99 million (refer note 2) and from Capital work in progress to Investment property under construction of ₹ 1,399.16 million (refer note 3), based on change of intended use of such assets.*

As at March 31, 2020

(₹ in million)

Particulars	Gross block: Opening balance as at April 1, 2019	Gross block: Additions/ Transfers	Gross block: Deductions/ Transfers	Gross block: Closing balance as at March 31, 2020	Accumulated depreciation/amortisation: Opening balance as at April 1, 2019	Accumulated depreciation/amortisation: For the year	Accumulated depreciation/amortisation: Deductions/ Transfers	Accumulated depreciation/amortisation: Closing balance as at March 31, 2020	Net block: As at March 31, 2020
Commercial complex, Bengaluru I	893.37	-	-	893.37	77.05	27.95	-	105.00	788.37
Retail block, Sahar, Mumbai	1,191.90	30.46	29.31	1,193.05	88.75	38.79	-	127.54	1,065.51
Commercial block, Sahar, Mumbai	3,141.63	61.23	-	3,202.86	85.14	86.17	-	171.31	3,031.55
Retail block, Bengaluru	1,782.99	24.52	1.24	1,806.27	512.28	62.01	1.08	573.21	1,233.06
Hyderabad flats	15.27	-	15.27	-	0.78	0.05	0.83	-	-
Total (A)	**7,025.16**	**116.21**	**45.82**	**7,095.55**	**764.00**	**214.97**	**1.91**	**977.06**	**6,118.49**
Investment property under construction									
Business centers and offices, Sahar, Mumbai									9.04
Commercial complex, Bengaluru II									1,009.91
Mall Building under Construction, Bengaluru II									0.74
Total (B)									**1,019.69**
Total (A+B)									**7,138.18**

Notes:

1. *Refer note 19 and 24 for information on investment property pledged as security by the Group.*
2. *Borrowing cost aggregating to ₹ 98.88 million (March 31, 2020 ₹ 66.86 million) are capitalised under investment property under construction.*

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 4 Investment property (Contd.)

3. *Details of investment property under construction*

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening Balance	1,019.69	548.41
Add: Additions during the year	275.22	558.19
Add: Cost incurred for Commercial complex, Powai, Mumbai transfered from Capital work-in-progress (refer note 2 and 3)	2,749.16	-
Less: Capitalised during the year	(7.54)	(86.91)
Closing Balance	**4,036.53**	**1,019.69**

4. *Expenses (net) capitalised to investment property under construction during the year.*

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Legal and professional charges	29.72	11.68
Employee costs	81.07	28.10
Rates, taxes and license fees	35.58	0.04
Repairs and maintenance	0.10	0.24
Interest and other finance costs	170.40	66.86
Miscellaneous expenses	10.65	7.40
Other income/sale of scrap	-	(1.32)
Total	**327.52**	**113.00**

B. Fair value measurement

i. Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualification and experience.

The fair value measurement for all of the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

(₹ in million)

Investment properties	Fair Value as on March 31, 2021	Fair Value as on March 31, 2020
Commercial complex, Bengaluru I	771.00	826.00
Retail block, Sahar, Mumbai	1,291.00	1,339.00
Commercial block, Sahar, Mumbai	6,927.00	6,948.00
Retail block, Bengaluru	1,338.00	1,344.00

ii. Valuation technique and significant unobservable inputs

Valuation technique

The fair value of investment property has been determined by external, independent property valuers / management, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Group follows discounted cash flows technique. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant years, occupancy rate, lease incentive costs such as rent-free years and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The land of Commercial Complex, Bengaluru is valued by residual method. The valuation of Retail block, Sahar, Mumbai considers change in end use to commercial purpose and is disclosed in note no 51.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 4 Investment property (Contd.)

C. Information regarding income and expenditure of investment property

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Rental income derived from investment properties	827.54	810.51
Direct operating expenditure (including repairs and maintenance) generating rental income	71.19	140.35
Profit arising from investment properties before depreciation and indirect expenses	756.35	670.16
Depreciation	211.66	214.97
Profit arising from investment properties before indirect expenses	**544.69**	**455.19**

D. The Group has no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

E. Asset wise breakup of investment property is as follows:

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block
	Opening balance as at April 1, 2020	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	For the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Tangible assets									
Freehold land	813.67	-	-	813.67	-	-	-	-	813.67
Buildings	4,725.95	4.42	0.53	4,729.84	502.52	111.71	0.38	613.85	4,115.99
Plant and machinery	1,080.17	1.92	0.03	1,082.06	287.91	70.44	0.01	358.34	723.72
Computers	2.03	0.30	-	2.33	1.53	0.53	-	2.06	0.27
Electrical installations	399.05	0.29	-	399.34	129.85	24.62	-	154.47	244.87
Furniture and fixtures	72.82	0.20	-	73.02	53.93	4.12	-	58.05	14.97
Office equipments	1.27	0.40	-	1.67	0.80	0.23	-	1.03	0.64
	7,094.96	**7.53**	**0.56**	**7,101.93**	**976.54**	**211.65**	**0.39**	**1,187.80**	**5,914.13**
Intangible assets									
Software	0.59		-	0.59	0.52	0.01	-	0.53	0.06
	0.59	**-**	**-**	**0.59**	**0.52**	**0.01**	**-**	**0.53**	**0.06**
Total	**7,095.55**	**7.53**	**0.56**	**7,102.52**	**977.06**	**211.66**	**0.39**	**1,188.33**	**5,914.19**

As at March 31, 2020

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block
	Opening balance as at April 1, 2019	Additions	Deductions	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	For the year	Deductions	Closing balance as at March 31, 2020	As at March 31, 2020
Tangible assets									
Freehold land	841.78	1.20	29.31	813.67	-	-	-	-	813.67
Buildings	4,666.86	74.36	15.27	4,725.95	392.11	111.24	0.83	502.52	4,223.43
Plant and machinery	1,052.94	27.25	0.02	1,080.17	217.46	70.45	-	287.91	792.26
Computers	1.85	0.18	-	2.03	1.20	0.33	-	1.53	0.50
Electrical installations	386.13	12.92	-	399.05	105.55	24.30	-	129.85	269.20
Furniture and fixtures	73.84	0.20	1.22	72.82	46.55	8.46	1.08	53.93	18.89
Office equipments	1.22	0.05	-	1.27	0.61	0.19	-	0.80	0.47
	7,024.62	**116.16**	**45.82**	**7,094.96**	**763.48**	**214.97**	**1.91**	**976.54**	**6,118.42**
Intangible assets									
Software	0.54	0.05	-	0.59	0.52	-	-	0.52	0.07
	0.54	**0.05**	**-**	**0.59**	**0.52**	**-**	**-**	**0.52**	**0.07**
Total	**7,025.16**	**116.21**	**45.82**	**7,095.55**	**764.00**	**214.97**	**1.91**	**977.06**	**6,118.49**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 5 Impairment testing for cash generating unit (CGU) containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating segments which represent the lowest level within the Group at which goodwill is monitored for internal management purposes. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Hotel at Bengaluru	164.04	164.04
Retail at Bengaluru	25.49	25.49
Commercial complex at Bengaluru	36.58	36.58
Total	**226.11**	**226.11**

The recoverable amount is based on a value-in-use calculation using the discounted cash flow method.
Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit.
The calculation of the value in use in based on the following key assumptions:

The table below shows the key assumptions used in the value in use calculations of:

A. Hotel

Particulars	March 31, 2021	March 31, 2020
Discount rate	12.00%	12.00%
Terminal value multiple	13.5 times	15.0 times

B. Retail

Particulars	March 31, 2021	March 31, 2020
Discount rate	11.83%	12.00%
Terminal value multiple	12 times	10.8 times

C. Commercial complex at Bengaluru

Particulars	March 31, 2021	March 31, 2020
Discount rate	11.83%	12.00%
Terminal value multiple	12 times	10.8 times

Discount rate

The discount rate is a pre tax measure based on the rate of 10 year government bonds issued by the Government of India, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Terminal value growth rate

Terminal value growth rate used for the purpose of calculation of terminal value has been determined based on the long-term compound annual growth rate in EBITDA.

The above assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at March 31, 2021 and March 31, 2020 as the recoverable value of the CGU exceeded the carrying value.

With regard to the assessment of value in use, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to exceed their recoverable amount.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 6 Other intangible assets

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated amortisation				Net block
	Opening balance as at April 1, 2020	Additions	Deductions	Closing balance as at March 31, 2021	Opening balance as at April 1, 2020	Charged for the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Trade marks	0.04	-	-	0.04	0.04	-	-	0.04	-
Computer software	102.34	2.31	1.26	103.39	68.65	10.12	1.26	77.51	25.88
Total	**102.38**	**2.31**	**1.26**	**103.43**	**68.69**	**10.12**	**1.26**	**77.55**	**25.88**

As at March 31, 2020

(₹ in million)

Particulars	Gross block					Accumulated amortisation					Net block
	Opening balance as at April 1, 2019	Acquired in Business Combination (refer note 40)	Additions	Deductions	Closing balance as at March 31, 2020	Opening balance as at April 1, 2019	Acquired in Business Combination (refer note 40)	Charged for the year	Deductions	Closing balance as at March 31, 2020	As At March 31, 2020
Trade marks	0.04	-	-	-	0.04	0.04	-	-	-	0.04	-
Computer software	68.46	5.46	32.63	4.21	102.34	62.13	3.96	7.09	4.53	68.65	33.69
Total	**68.50**	**5.46**	**32.63**	**4.21**	**102.38**	**62.17**	**3.96**	**7.09**	**4.53**	**68.69**	**33.69**

Note 7 Other Investments

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Measured at fair value through Profit and Loss		
Unquoted, fully paid up:		
Investments in equity shares (non-trade, unquoted)		
In other companies (equity shares of ₹ 10/- each fully paid)		
1,000 (March 31, 2020: 1,000) shares of Stargaze Properties Private Limited	0.01	0.01
8,000 (March 31, 2020: 10,000) shares of Renew Wind Power Energy (AP) Limited	0.80	1.00
622,960 (March 31, 2020: 622,960) shares of Krishna Valley Power Private Limited	12.54	12.54
1,044,500 (March 31, 2020: 1,044,500) shares of Sahyadri Renewable Energy Private Limited	31.46	31.46
Measured at amortised cost		
National Saving Certificates	0.13	0.13
	44.94	**45.14**
Aggregate amount of unquoted securities	44.94	45.14
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	-	-

Note 8 Loans

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Deposits		
Security deposits - related parties	18.40	17.60
Security deposits - others	90.82	90.78
Option deposits - related parties (refer note 49)	-	5.00
	109.22	**113.38**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 9 Other non-current financial assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
To other than related parties		
Deposits with banks with more than 12 months maturity	231.45	70.88
	231.45	**70.88**

Note 10 Other non-current assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured, Unsecured, considered good		
To other than related parties		
(Unsecured, considered good)		
Capital advances	358.25	355.53
Less: Provision for doubtful advances	(2.47)	(2.47)
Prepayments (refer footnote)	213.62	225.42
Deferred Finance Expenses	27.88	27.15
	597.28	**605.63**

In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected under prepayment and others above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the consolidated financial statements. The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2021 is ₹ 50.93 million (March 31, 2020: ₹ 52.13 million).

Note 11 Inventories

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
valued at lower of cost and net realisable value		
Hospitality:		
Food, beverages and smokes	77.03	95.21
Stores and spares	3.17	4.65
Property development:		
Property under development (refer note 52)	4,180.78	4,172.15
Less: Provision for impairment	(442.65)	(442.65)
Property under development	**3,738.13**	**3,729.50**
Materials at site	91.10	91.66
Retail:		
Materials at site.	2.69	3.07
	3,912.12	**3,924.09**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 12 Trade receivables

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good, unless otherwise stated		
Trade receivables	213.28	393.27
Less: Allowance for doubtful trade receivables	(9.11)	(15.41)
Considered good	**204.17**	**377.86**
Trade receivables	22.81	54.24
Less: Allowance for doubtful trade receivables	(10.58)	(15.32)
Trade Receivables which have significant increase in Credit Risk	**12.23**	**38.92**
Trade receivables	70.91	74.63
Less: Allowance for doubtful trade receivables	(70.91)	(74.63)
Credit Impaired	-	-
	216.40	**416.78**

Above balances of trade receivables include balances with related parties (refer note 49)

Note 13a Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with banks		
- Current accounts	263.58	69.71
Cheques on hand	-	1.11
Cash on hand	5.44	5.60
	269.02	**76.42**

Cash and cash equivalents includes balances in escrow account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

Note 13b Other bank balances

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
In term deposit accounts (balances held as margin money)	138.23	88.74
In term deposit accounts (others)	50.43	1,113.66
	188.66	**1,202.40**

- Includes accrued interest of ₹ 3.12 million (March 31, 2020: ₹ 9.49 million)

Note 14 Loans

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Deposits		
Security deposits - related parties (refer note 49)	12.32	12.32
Security deposits - others	9.44	18.48
Option deposits - related parties (refer note 49)	50.00	-
	71.76	**30.80**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 15 Other current financial assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
To other than related parties		
Export benefits and entitlements	-	123.20
Mark to market derivative contracts	-	28.60
Others	26.97	-
	26.97	**151.80**

Note 16 Other current assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
To other than related parties		
Advance to suppliers	42.34	46.32
Less: Provision for doubtful advances	(10.73)	(9.07)
	31.61	**37.25**
Unbilled revenue	672.14	552.50
Less: Provision for doubtful revenue	(11.16)	-
	660.98	**552.50**
Indirect tax balances/receivable credits	33.30	50.85
Prepayment	128.56	103.46
Others	11.16	31.48
	865.61	**775.54**

Note 17 Share capital

(a) Details of the authorised, issued, subscribed and fully paid-up share capital as below:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(i) Authorised		
229,100,000 (March 31, 2020: 229,100,000) equity shares of the par value of ₹ 10 each	2,291.00	2,291.00
(ii) Issued, subscribed and paid-up		
205,023,864 (March 31, 2020: 205,023,864) equity shares of the par value of ₹ 10 each	2,050.24	2,050.24
Total	**2,050.24**	**2,050.24**

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

(₹ in million)

Particulars	As at March 31, 2021		March 31, 2020	
	Number	Amount	Number	Amount
Equity shares				
Number of equity shares outstanding at the beginning of the year	20,50,23,864	2,050.24	20,50,23,864	2,050.24
Number of equity shares outstanding at the end of the year	**20,50,23,864**	**2,050.24**	**20,50,23,864**	**2,050.24**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 17 Share capital (Contd.)

(c) Registered shareholder holding more than 5% equity shares in the Group is set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Casa Maria Properties LLP	1,64,96,280	8.05%	1,64,96,280	8.05%
Capstan Trading LLP	1,64,95,680	8.05%	1,64,95,680	8.05%
Raghukool Estate Development LLP	1,64,95,680	8.05%	1,64,95,680	8.05%
Touchstone Properties and Hotels Private Limited	1,45,00,000	7.07%	1,45,00,000	7.07%
Anbee Construction LLP	1,31,16,180	6.40%	1,31,16,180	6.40%
Cape Trading LLP	1,31,16,180	6.40%	1,31,16,180	6.40%
K Raheja Private Limited	1,24,00,000	6.05%	1,24,00,000	6.05%
Ivory Properties And Hotels Private Limited *	1,13,51,833	5.54%	1,13,51,833	5.54%
Ravi Raheja	1,03,26,318	5.04%	1,03,26,318	5.04%
Neel Raheja	1,03,26,318	5.04%	1,03,26,318	5.04%
	13,46,24,469	**65.69%**	**13,46,24,469**	**65.69%**

** Ivory Properties and Hotels Private Limited (Registered owner) holds 7,780,404 Equity Shares for and on behalf of the beneficiaries of Ivory Property Trust, out of its total shareholding of 11,351,833 Equity Shares.*

(d) Rights, preferences and restrictions attached to equity shares.

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The equity shareholders are eligible for dividend when recommended by the Board of Directors and approved by the Shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 18 Other equity

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Component of Compound Instruments		
Balance at the beginning of the year	373.48	167.06
Add: Additions during the year	-	206.42
At the end of the year	**373.48**	**373.48**
ESOP reserve		
Balance at the beginning of the year	26.70	14.64
Add: Additions during the year	5.59	12.06
At the end of the year	**32.29**	**26.70**
Securities premium		
Balance at the beginning of the year	10,269.19	10,269.19
At the end of the year	**10,269.19**	**10,269.19**
General reserve		
Balance at the beginning of the year	1,071.96	1,071.96
At the end of the year	**1,071.96**	**1,071.96**
Capital reserve		
Balance at the beginning of the year	84.99	0.16
Add: Additions during the year	-	84.83
At the end of the year	**84.99**	**84.99**
Retained earnings		
Retained earnings balance at the beginning of the year	1,668.95	653.47
Add: (Loss) / Profit for the year	(1,390.48)	1,015.48
Proposed Dividend*	-	(0.00)
Tax on dividend*	-	(0.00)
At the end of the year	**278.47**	**1,668.95**
	12,110.38	**13,495.27**

**Amount less than million*

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 18 Other equity (Contd.)

Nature and purpose of reserves

Equity Component of Compound Instruments
Equity component of Component Instruments comprises of the impact of fair valuation of preference shares issued by the Company.

Securities premium account
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve
General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Capital reserve
The reserve comprises of profits/gains of capital nature earned by the Group and credited directly to such reserve.

Employee stock option plan reserve
Represents expense recognised towards employee stock option plans issued by the company.(Refer note no. 50).

Retained earnings
Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders. It includes impact of fair valuation of land on transition to Ind AS and are presently not available for distribution to shareholders (net of related tax impact): ₹ 3,710.05 million (March 31, 2020 ₹ 3,710.05 million).

Note 19 Long-term borrowings

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings		
Secured		
Rupee term loans		
i) From bank (refer note A)	11,310.59	9,389.25
ii) From financial institutions (refer note A)	3,997.07	4,593.18
Foreign currency term loans		
i) From bank (refer note A)	1,101.55	1,553.42
Preference share liability		
Non-cumulative redeemable preference shares (refer note B)	1,194.61	1,107.99
	17,603.82	**16,643.84**

A) Terms of repayment

Particulars	Sanction Amount (₹ in million)	Loan Oustanding as at March 31, 2021/ (March 31, 2020) (₹ in million)	Carrying rate of Interest: As at March 31, 2021	Carrying rate of Interest: As at March 31, 2020	Repayment/ Modification of terms	Security Details
TERM LOANS- Rupee Loans						
From Banks						
Standard Chartered Bank *	2,000	1,295.42 (1,592.23)	9.30% to 8.80%	9.95% to 9.30%	Repayable monthly instalment over 84 month from April 2016 to February 2023 and balance amount is bullet payment on March 2023.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Powai Phase I and II.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 19 Long-term borrowings (Contd.)

Particulars	Sanction Amount (₹ in million)	Loan Oustanding as at March 31, 2021/ (March 31, 2020) (₹ in million)	Carrying rate of Interest: As at March 31, 2021	Carrying rate of Interest: As at March 31, 2020	Repayment/ Modification of terms	Security Details
HDFC Bank Ltd*	2,500 (Term loan - ₹ 2,300 million with ₹ 200 million OD as a sub-limit of term loan)	1979.06 (1354.88)	8.95% to 7.75%	8.95%	Repayable in quarterly 30 instalments from December 2021 to March 2029.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Powai Phase I and II.
HSBC Ltd	1,150 (Term loan - ₹ 1,130 million with ₹ 20 million OD as a sub-limit of term loan)	1072.93 (1144.54)	8.90% to 7.90%	8.90%	Repayable in monthly installments starting from January 2020 to December 2029	It is secured by (i) Exclusive charge on immovable and movable property and receivables at Commercial Complex at Bangalore (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Commercial Complex at Bangalore
ICICI Bank Ltd	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan)	1,336.57 (1,627.98)	9.25% to 8.40%	9.60% to 9.25%	Repayable quarterly instalment starting from December 2017 to September 2026.	It is secured by (i) Pari-passu charge on immovable and moveable property and receivables (both present and future) from Hotel and Retail Block, Sahar (ii) Pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Hotel and Retail Block, Sahar.
Bank of Baroda	900	-		9.20% to 9.85%	Repayable monthly instalment from December 2018 to October 2026 of ₹ 8.30 million and remaining amount bullet payment on November 2026.The loan has been fully repaid in the month of January 2020.	
Other Loans from Banks - Vehicle	45	-		11%	Repayable in monthly instalments till year ending June 2019.	It is secured against hypothecation of vehicles financed by those banks.
Other Loans from Banks - Vehicle				11%	Repayable in monthly instalments.	It is secured against hypothecation of vehicles financed by those banks.
Standard Chartered Bank *	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	668.75 (702.15)	9.30% to 8.80%	9.55% to 9.30%	Repayable monthly instalment over 144 months starting from July 2017 to July 2029	It is secured by (i) Exclusive charge on immovable property and receivables at Retail Block at Bengaluru (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Retail Block at Bengaluru (iii) Charge over DSRA amounting to ₹ 50 million.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 19 Long-term borrowings (Contd.)

Particulars	Sanction Amount (₹ in million)	Loan Outstanding as at March 31, 2021/ (March 31, 2020) (₹ in million)	Carrying rate of Interest		Repayment/ Modification of terms	Security Details
			As at March 31, 2021	As at March 31, 2020		
ICICI Bank Ltd	2500	2,476.21	8.45% to 8.40%	-	Repayable in 36 Quarterly installments starting from January 2022	First pari passu charge on the immovable & movable fixed assets of the Marriott Hotel, Bengaluru ("Hotel") First pari passu charge on current assets of the Hotel. First pari passu charge on receivables of the Hotel.
ICICI Bank Ltd	1,900	864.49 (1075.30)	9.25% to 8.40%	9.60% to 9.25%	Repayable quarterly instalment from September 2016 to June 2025.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables (both present and future) from Marriott Hotel Bangalore, Whitefield (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Marriott Hotel Bangalore, Whitefield.
Axis Bank Ltd	120	9.14 (11.89)	12.65% to 11.90%	12.65%	Repayable in 38 unequal quarterly instalments, from November 2014 to February 2024.	i. Secured by way of exclusive charge on the land and hotel building of the Company by way of mortgage and hypothecation of the entire moveable fixed assets and current assets of the hotel (Both present and future); and ii. Pledge of Promoters' shares to the extent of 29.99% of the total paid up capital of the company in proportion to their total shareholding in the company. iii. Secured by way of exclusive charge on the land and hotel building of the Company by way of mortgage and hypothecation of the entire moveable fixed assets and current assets of the hotel (Both present and future); and iv. Pledge of Promoters' shares to the extent of 29.99% of the total paid up capital of the company in proportion to their total shareholding in the company.
DBS Bank Ltd	3,250(Term Loan - ₹ 2,900 million, DSRA OD ₹ 150 million and OD ₹ 200 million)	2,786.88 (2,885.83)	9.35% to 7.85%	9.45% to 9.00%	Repayable in Monthly instalments from April 2020 to Sept 2025.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present and future) at Business Centre at Sahar, Mumbai. (ii) Exclusive charge on Current Accounts, DSRA Account and assignment or creation of charge in favor of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at Sahar Mumbai.
Bajaj Finance Ltd	5,000	480.00 (498.66)	9.00% to 7.85%	9.45% to 9.00%	Repayable in Monthly instalments from April 2020 to Sept 2025.	

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 19 Long-term borrowings (Contd.)

Particulars	Sanction Amount (₹ in million)	Loan Outstanding as at March 31, 2021/ (March 31, 2020) (₹ in million)	Carrying rate of Interest		Repayment/ Modification of terms	Security Details
			As at March 31, 2021	As at March 31, 2020		
From Financial Institutions						
Housing Development Finance Corporation Limited	1,350	535.12 (709.34)	8.65% to 7.50%	9.35%	Repayable in 120 monthly instalment from loan drawn out date i.e, October 2014.	It is secured by (i) Exclusive charge on immovable property and receivables at Four Points By Sheraton, Vashi (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Four Points By Sheraton, Vashi (iii) Guarantee by related party.
Housing Development Finance Corporation Limited	2,500 (Line of Credit)	1,700.00 (1525.32)	9.25% to 7.50%	9.35% to 9.25%	Line of credit to be reduced every year starting from March 2019 to March 2026.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Sahar Hotel and retails operations (ii) pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Sahar Hotel and retails operations.
Housing Development Finance Corporation Limited	3,600	1,826.11 (2,418.89)	8.65% to 7.50%	9.35%	Repayable in 120 monthly instalment from loan drawn out date i.e, December 2015.	It is secured by (i) Exclusive charge on immovable and movable property and receivables at Westin Hotel (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Westin Hotel.
Foreign Currency Loans						
From Banks						
Standard Chartered Bank, UK	USD 15 million	-	-	3.75% fixed plus 3 month libor	Repayable quarterly from April 2018 to January 2027.The loan has been fully repaid in the month of January 2020.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Sahar Hotel and retails operations (ii) pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Sahar Hotel and retails operations.
ICICI Bank Ltd - Bahrain	USD 48 million (drawn only USD 12.2 million)	675.64 (819.70)	4.00% fixed plus 3 month libor	4.00% fixed plus 3 month libor	Repayable quarterly from June 2018 to March 2027.	

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 19 Long-term borrowings (Contd.)

Particulars	Sanction Amount (₹ in million)	Loan Oustanding as at March 31, 2021/ (March 31, 2020) (₹ in million)	Carrying rate of Interest		Repayment/ Modification of terms	Security Details
			As at March 31, 2021	As at March 31, 2020		
Axis Bank Ltd	USD 35 million	838.32 (1135.99)	4.5% spread+6 months Libor	4.5% spread+6 months Libor	Repayable in 38 unequal quarterly instalments, from November 2014 to February 2024.	i. Secured by way of exclusive charge on the land and hotel building of the Company by way of mortgage and hypothecation of the entire moveable fixed assets and current assets of the hotel (Both present and future); and ii. Pledge of Promoters' shares to the extent of 29.99% of the total paid up capital of the company in proportion to their total shareholding in the company. iii. Secured by way of exclusive charge on the land and hotel building of the Company by way of mortgage and hypothecation of the entire moveable fixed assets and current assets of the hotel (Both present and future); and iv. Pledge of Promoters' shares to the extent of 29.99% of the total paid up capital of the company in proportion to their total shareholding in the company.

**The bank has confirmed that no event of default has been called due to the breach of covenants during the year 2020-21.*
There are no material breaches of the covenants associated with the borrowings (referred to above) and none of the borrowings were called back during the year.

B) *Preference Share Capital*

(a) Details of the Authorised, Issued, Subscribed and Paid-up Preference Share Capital:

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Authorised		
1,600 (March 31, 2020: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
10,000 (March 31, 2020: 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each- Series A	1,000.00	1,000.00
10,000 (March 31, 2020: 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each- Series B	1,000.00	1,000.00
(ii) Issued, Subscribed and paid-up		
1,600 (March 31, 2020: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
20,000 (March 31, 2020: 20,000) (Series A 10,000 and Series B 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares. Fully paid up ₹ 100,000 each of Series A (Fully paid up ₹ 100,000 each in year ended March 31, 2020) and partly paid up ₹ 25,000 each of Series B (partly paid up ₹ 25,000 each in year ended March 31, 2020).	947.99	947.99
Total	**1,107.99**	**1,107.99**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 19 Long-term borrowings (Contd.)

(b) Reconciliation of the number of shares outstanding at the beginning and end of the year:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount (₹ in million)	Number	Amount (₹ in million)
1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each				
Number of Preference shares outstanding at the beginning of the year	1,600	160.00	1,600	160.00
Issued during the year	-	-	-	-
Number of Preference shares outstanding at the end of the year	**1,600**	**160.00**	**1,600**	**160.00**
10,000 (March 31, 2020: 10,000) (Series A) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and fully paid up of Series A ₹ 100,000 each				
Number of Preference shares outstanding at the beginning of the year	10,000	758.74	10,000	351.10
Adjustments* / Issued during the year	-	69.26	-	407.65
Number of Preference shares outstanding at the end of the year	**10,000**	**828.00**	**10,000**	**758.75**
10,000 (March 31, 2020: 10,000) (Series B) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and partly paid up of Series B ₹ 25,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000	189.24	10,000	7.08
Adjustments* / Issued during the year	-	17.37	-	182.16
Number of Preference shares outstanding at the end of the year	**10,000**	**206.61**	**10,000**	**189.24**
Total	**21,600**	**1,194.61**	**21,600**	**1,107.99**

**Adjustments represents notional interest on debt components of Preferences share*

(c) Shareholder holding more than 5% Preference shares in the Company is set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each				
Chandru Lachmandas Raheja jointly with Jyoti Chandru Raheja*	1,600	100.00%	1600	100.00%
*Held by the said registered owners for and on behalf of the beneficiaries of Ivory Property Trust.				
10,000 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each subscribed and fully paid up (March 31, 2020:10,000 fully paid up ₹ 100,000 each)				
Series A				
Mr Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100.00%**	**10,000**	**100.00%**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 19 Long-term borrowings (Contd.)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
10,000 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each subscribed and partly paid up of ₹ 25,000 each. (March 31, 2020:10,000 partly paid up ₹ 25,000 each)				
Series B				
Mr Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	**10,000**	**100%**

(d) **Rights, Preferences and restrictions attached to preference shares.**

The Company has two classes of preference shares having a par value of ₹ 100,000 each per share.

1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each:

Rights, Preferences and restrictions attached to 0.001% Non-cumulative redeemable preference shares

The preference shares do not carry any voting rights, even if dividend has remained unpaid for any year or dividend has not been declared by the Company for any year. Preference shares shall, subject to availability of profits during any financial year, be entitled to nominal dividend of ₹ 1 per preference share per year.

Preference shares issued by the Company are due for redemption at par. Accordingly, the preference shares are liable to be redeemed at any time at the option of the Company but not later than December 21, 2023.

In the event of liquidation of the Company before redemption of the equity shares, holders of the preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

20,000 0.00% (Series A & Series B) Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each:

Rights, Preferences and restrictions attached to 0(Zero) % (Series A & Series B) Non-cumulative Non convertible redeemable preference shares

The preference shares do not carry any voting rights.

With respect to the Residential project at Bengaluru ("Project"), w.e.f. June 4, 2018, the Promoter - Directors, have agreed to provide the Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0% Non- Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of ₹ 2,000 million. A designated bank account is maintained for the Project and redemption of NCRPS's shall be after completion, out of surplus in the account, not later than 20 years from the date of issue and subject to applicable law/s. In this regard, the Company has a paid up preference share capital of ₹ 1,250 million as at March 31, 2021 (March 31, 2020: ₹ 1,250 million).

The Preference Shares do not carry any voting rights whatsoever in any meetings of the shareholders of the Company or of members of any class of shares of the Company.

Subject to applicable laws, other than the amounts payable for redemption, no amounts shall be payable to the Preference Shareholders, whether by way of dividend or in any other manner whatsoever.

In the event of liquidation of the Company before redemption of the equity shares, holders of the preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

Note 20 Other non-current financial liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	187.01	198.27
Retention payable	3.96	-
	190.97	**198.27**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 21 Provisions

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	76.42	76.33
	76.42	**76.33**

Note 22 Tax expense

(a) Amounts recognised in Statement of Profit and Loss

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
Current year	1.66	195.33
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(1,028.21)	(170.32)
Recogition of deferred tax on previously unrecognised tax losses	-	(12.79)
Deferred tax credit	**(1,028.21)**	**(183.11)**
Excess provision for the earlier years	**(65.00)**	**-**
Tax (credit) / charge for the year	**(1,091.55)**	**12.22**

(b) Amounts recognised in other comprehensive income

(₹ in million)

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	0.05	0.23	0.28	(17.33)	6.06	(11.27)
	0.05	**0.23**	**0.28**	**(17.33)**	**6.06**	**(11.27)**

(c) Reconciliation of effective tax rate

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(Loss) / Profit before tax	(2,482.83)	1,008.48
Group's domestic tax rate	34.61%	34.61%
Tax using the Group's domestic tax rate	**(859.31)**	**349.03**
Tax effect of:		
Recognition of deferred tax on previously unrecognised tax losses	-	(12.79)
Deferred tax asset recognised on previous year's house property losses	-	(252.98)
Addition on deduction under Section 35 AD of Income-tax Act 1961, adjusted against current year loss	-	(16.64)
Loss on sale of investments	-	16.06
Expenses not allowed under tax	30.27	(6.40)
Standard deduction	(70.32)	(43.97)
Indexation of land and investment property	(84.60)	(68.42)
Provision for Impairment of Investment	-	87.39
Transfer from Property, plant and equipment to Investment property	(124.16)	-
Consolidation Adjustments	69.09	(59.38)
Others	10.82	20.32
	(1,028.21)	**12.22**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 22 Tax expense (Contd.)

The Group's weighted average tax rates for years ended March 31, 2021 and March 31, 2020 was 41.41% and 1.21%, respectively. The effective tax rate is primarily lower on account of indexation benefit recognised on land and unquoted equity shares. Further unabsorbed tax losses have been utilised during some years to reduce the current tax expense.

The Company has recognised deferred tax asset on the brought forward house property losses pertaining to previous years after considering the relevant facts and circumstances to the extent that the Company had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Company has recognised deferred tax asset of ₹ Nil as at March 31, 2021 (March 31, 2020: ₹ 253 million).

During the year, the Company has transfer Property, plant and equipment to Investment property on which the Company recognised deferred tax asset of ₹ 124.16 million as at March 31, 2021 (March 31, 2020: ₹ Nil).

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended March 31, 2021.

(e) Movement in deferred tax balances

Movement in deferred tax balances for the year ended March 31, 2021

(₹ in million)

Particulars	Net balance as at April 1, 2020	Recognised in profit or loss credit/(charge)	Recognised in OCI	Recognised in equity	Net balance as at March 31, 2021
Deferred tax asset/(liabilities)					
Property, plant and equipment	(3,185.42)	269.92	-	-	(2,915.50)
Investment property	157.40	(18.82)	-	-	138.58
Assets classified as held for sale	0.05	-	-	-	0.05
Real estate inventory	(20.24)	-	-	-	(20.24)
Expenditure on specified business u/s 35 AD	2,165.89	-	-	-	2,165.89
Provisions	414.05	(2.28)	0.23		412.00
Borrowings	(21.71)	6.18	-	-	(15.53)
Other current liabilities	145.26	-	-	-	145.26
Other current assets	(165.52)	(32.92)	-	-	(198.44)
Other items	154.54	19.29	-	-	173.83
Unabsorbed depreciation/ carry forward tax losses	411.50	740.23	-	-	1,151.73
Unabsorbed losses on House property	372.14	44.68	-	-	416.82
Inventory	5.72	1.06	-	-	6.78
MAT Credit Entitlement	195.00	-	-	-	195.00
Employee Stock Option	2.04	0.87	-	-	2.91
Deferred tax assets/(liabilities)	**630.70**	**1,028.21**	**0.23**	**-**	**1,659.14**

(₹ in million)

Particulars	Net balance as at March 31, 2021
Deferred tax assets	1,796.65
Deferred tax liabilities	137.51
Net deferred tax assets/(liabilities)	**1,659.14**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 22 Tax expense (Contd.)

Movement in deferred tax balances for the year ended March 31, 2020

(₹ in million)

Particulars	Net balance as at April 1, 2019	Recognised in profit or loss credit/(charge)	Recognised in OCI	Recognised in equity	Net balance as at March 31, 2020
Deferred tax assets/(liabilities)					
Property, plant and equipment	(3,285.62)	100.20	-	-	(3,185.42)
Investment property	180.79	(23.39)	-	-	157.40
Assets classified as held for sale	0.05	-	-	-	0.05
Real estate inventory	(17.04)	(3.20)	-	-	(20.24)
Expenditure on specified business u/s 35 AD	2,172.64	(6.75)	-	-	2,165.89
Investments	(0.28)	0.28	-	-	-
Provisions	385.08	22.91	6.06	-	414.05
Borrowings	(29.82)	8.11	-	-	(21.71)
Other current liabilities	145.26	-	-	-	145.26
Other current assets	(38.34)	(127.18)	-	-	(165.52)
Other items	125.48	29.06	-	-	154.54
Unabsorbed depreciation/ carry forward tax losses	800.68	(389.18)	-	-	411.50
Unabsorbed losses on House property	-	372.14	-	-	372.14
Inventory	-	5.72	-	-	5.72
MAT Credit Entitlement	-	195.00	-	-	195.00
Employee Stock Option	2.65	(0.61)	-	-	2.04
Deferred tax assets/(liabilities)	**441.53**	**183.11**	**6.06**	**-**	**630.70**

(₹ in million)

Particulars	Net balance as at March 31, 2020
Deferred tax assets	852.81
Deferred tax liabilities	222.11
Net deferred tax assets/(liabilities)	**630.70**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the year over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Unrecognised deferred tax assets

Deferred tax assets (DTA) have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

(₹ in million)

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Gross amount	DTA not recognised	Expiry date	Gross amount	DTA not recognised	Expiry date
Business Loss	-	-	-	0.31	0.11	March 31, 2020
Business Loss	-	-	-	0.59	0.21	March 31, 2021
Business Loss	-	-	-	0.64	0.22	March 31, 2022
Business Loss	-	-	-	0.08	0.03	March 31, 2023
Business Loss	0.31	0.11	March 31, 2028	0.06	0.02	March 31, 2025
Unabsorbed depreciation	1,184.80	414.02	NA	1,055.85	368.96	NA
Unabsorbed depreciation	-	-	-	0.93	0.32	NA
Total	**1,185.11**	**414.13**		**1,058.46**	**369.87**	

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 22 Tax expense (Contd.)

Deferred tax assets for the carry forward of unused tax losses on business and house property are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

The Group has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Group. The business losses can be carried forward for a period of 8 years as per the tax regulations and the Group expects to recover the losses.

Further, the Group had incurred losses in relation to the residential project at Bengaluru pursuant to litigation which arose during the financial year ended March 31, 2014. During the financial year ended March 31, 2018, without prejudice to its rights and remedies under law and keeping the commercial considerations in perspective, the Board of Directors of the Group, decided that the Group should proactively consider re-commencement of construction up to the permissible limits and engage with the buyers above the 10th floor for evaluating possible options.Consequently, the Group has made a provision for estimated losses on such cancellations pertaining to all flats above 10 floors and recognised the same during the financial year ended March 31, 2018 (refer note 35). Further, the Group does not expect any further material losses to be incurred in relation to the said project.

Accordingly, the Group, has recognised deferred tax asset on the carried forward business losses after considering the relevant facts and circumstances during each financial year to the extent that the Group had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Group has recognised deferred tax asset of ₹ 1,568.55 million as at March 31, 2021 (March 31, 2020: ₹ 784.00 million) on the carried forward losses of the Group.

Note 23 Other non-current liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred finance income	109.58	132.51
	109.58	**132.51**

Note 24 Borrowings

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Over draft accounts from banks	808.20	377.20
Unsecured		
From related parties	35.79	27.57
	843.99	**404.77**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 24 Borrowings (Contd.)

A) Terms of repayment

Rate of interest

Particulars	Sanction Amount (₹ in million)	Carrying rate of Interest As at March 31, 2021	Carrying rate of Interest As at March 31, 2020	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	500 million (Including two sub limit of 20 million each)	10.05% to 7.60%	10.70% to 10.05%	Renewal every year.	Secured against land parcel admeasuring 6,826 sq. mtrs. at Powai (including future receivables)
ICICI Bank Ltd	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan) OD 300 (Including four sublimit -20 million, 20 million 10 million and 5 million)	9.25% to 8.35%	9.35% to 9.25%	Renewal every year and maturity is in September 2026 in line with the Term loan	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Hotel and Retail Block, Sahar (ii) Pari Passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Hotel and Retail Block, Sahar.
DBS Bank Ltd	3,250 (Term Loan - ₹ 2,900 million, DSRA OD ₹150 million and OD ₹ 200 million)	8.70% to 7.20%	9.60% to 8.70%	Renewal every year and maturity in in September 2025 in line with the Term loan.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present future) at Business Centre at Sahar, Mumbai. (ii) Exclusive charge on Current Accounts, DSRA Account and assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at, Sahar Mumbai.
Indian Overseas Bank	50	12.55%	12.80%	Renewal every year.	Cash Credit is secured by hypothecation of inventories, crockery, cutlery, and linen held by the Company at its property in Powai, both present and future.
ICICI Bank Ltd	1,900 (Term Loan - 1,530 million and OD 150 million)	9.25% to 8.35%	9.85% to 9.25%	Repayable quarterly instalment from September 2016 to June 2025 in line with the Term loan.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Marriott Hotel Bangalore, Whitefield (ii) Pari Passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Marriott Hotel Bangalore, Whitefield

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 24 Borrowings (Contd.)

Particulars	Sanction Amount (₹ in million)	Carrying rate of Interest As at March 31, 2021	Carrying rate of Interest As at March 31, 2020	Repayment/ Modification of terms	Security Details
HDFC Bank Ltd	2,500 (Term loan - ₹ 2,300 million with ₹ 200 million OD as a sub-limit of term loan)	8.30%	-	Repayable in quarterly 30 instalments from December 2021 to March 2029.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Powai Phase I and II.
HSBC Ltd	1,150 (Term loan - ₹ 1,130 million with ₹ 20 million OD as a sub-limit of term loan)	8.25%	-	Repayable in monthly installments starting from January 2020 to December 2029.	It is secured by (i) Exclusive charge on immovable and movable property and receivables at Commercial Complex at Bangalore (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Commercial Complex at Bangalore
Standard Chartered Bank*	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	9.50% to 6.95%	10.25% to 9.50%	'Overdraft to be reduced on a proportionate basis in line with term loan repayment.	It is secured by (i) Exclusive charge on immovable property and receivables at Retail Block at Bengaluru (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Retail Block at Bengaluru (iii) Charge over DSRA amounting to ₹ 50 million.
From Related Parties					
K Raheja Corp Private Limited	NA	9.5%	10%	Repayable on demand	Unsecured
Buyers credit					
Buyers credit	NA	-	4% to 6%	Repayable within 1 year	Unsecured

** the bank has confirmed that no event of default has been called due to the breach of covenants during the year 2020-21.*

Note 25 Trade payables

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises and (refer note 42)	32.54	30.09
Total outstanding dues to creditors other than micro enterprises and small enterprises	796.05	1,031.94
	828.59	**1,062.03**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 26 Current – Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturity of long term debt (refer note 19)	2,135.43	1,966.87
Creditors for capital expenditure		
- Total outstanding dues of micro enterprises and small enterprises and (refer note 42)	56.39	19.05
- Total outstanding dues to creditors other than micro enterprises and small enterprises	109.91	274.27
Retention payable	19.17	24.77
Proposed Dividend*	-	0.00
Tax on dividend*	-	0.00
Security deposits	92.03	67.11
Mark to market derivative contracts	62.19	-
Other liabilities	120.63	149.21
	2,595.75	**2,501.28**

**Amount less than million*

Note 27 Other current liabilities

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from customers towards sale of residential flats*	1,868.37	1,872.35
Advances from customers towards hospitality services	125.21	119.31
Statutory dues payable**	246.39	267.66
	2,239.97	**2,259.32**

**Advances from customers towards sale of residential flats includes amount refundable to customers on estimated cancellation of flats for the year ended March 31, 2021 above 10 floors of ₹ 692.13 million (March 31, 2020 ₹ 692.13 million).(Refer note 35).*

***Statutory dues payable includes ESIC, TDS payable, provident fund payable, indirect taxes payable etc.*

Note 28 Short-term provisions

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	34.75	34.38
Provision for compensated absences	38.84	61.44
Provision for estimated / actual cancellation and alteration cost (Refer foot note and note 35)	835.35	793.47
	908.94	**889.29**

Bengaluru residential project

During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of buildings of the Group's Bengaluru residential project. Pursuant to an interim order passed by the Karnataka High Court, in the petition filed by the Group, the Group had suspended construction activity at the Project and sale of flats.

Pending the outcome of the proceedings and a final closure of the matter, the Group suspended revenue recognition based on the percentage completion method after financial year ended March 31, 2014. Further, in case of cancellations subsequent to March 31, 2014, the Group reversed the revenue and derecognised margins in the respective year of cancellation. The Group also recompensed flat owners, in accordance with mitigation plans framed by the Group on account of the delay in completion of the project.

During the year ended March 31, 2018, without prejudice to its rights and remedies under law and keeping the commercial considerations in perspective, the Board of Directors of the Group, decided that the Group should proactively consider re-commencement of construction up to the miminum permissible limits and engage with the buyers above the 10th floor for evaluating

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 28 Short-term provisions (Contd.)

possible options. Accordingly, the Group has reassessed the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and has recognised a provision towards the following:

- cost of alteration of superstructure
- estimated costs in relation to potential cancellations

Further, cost of actual cancellation (where applicable) has also been provided for and included in the provision referred to above.

By Judgement dated May 29, 2020 the Karnataka High Court has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter proceed in accordance with law. The Group is having without prejudice discussions with the existing customers for seeking their consent to a revised development proposal, inter alia, by addition of a residential wing / wings, one commercial building and limiting the height of all buildings up to 40 meters; which will be subject to orders from the court and obtainment of HAL's approval. The Company has also filed certain, without prejudice, applications with the authorities i.e. HAL, Bangalore Development Authority, MOEF and Fire NOC for processing of certain approvals relating to the proposed revised development. Management is of the view that no changes are required on this account in the standalone financial statements as at and for the year ended March 31, 2021.

Movement for provision for estimated / actual cancellation and alteration cost

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for cost of alteration of super structure	250.00	250.00
Provision for estimated/actual cancellation		
Opening balance	543.47	620.95
Provisions made during the year	41.88	41.90
Provisions utilised during the year	-	(119.38)
Closing balance	**585.35**	**543.47**
Total	**835.35**	**793.47**

Note 29 Revenue from operations

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) **Sale of services**		
Hospitality:		
Room income	1,131.66	5,218.77
Food, beverages and smokes	683.77	2,798.21
Others services	202.52	738.03
Retail and commercial:		
Lease rent	827.54	810.51
(b) **Sale of products**		
Real estate:		
Sale of residential flats	-	52.94
Retail and commercial:		
Maintenance and other recoveries	80.73	122.53
Revenue from other services	17.65	67.50
	2,943.87	**9,808.49**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 30 Other income

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gain on foreign exchange fluctuation (net)	18.20	-
Interest income from instruments measured at amortised cost	65.13	49.48
Net mark to market gain on derivative contracts	-	41.24
Export benefits and entitlements	21.66	132.72
Profit on sale of investments	0.01	3.94
Profit on sale of property, plant and equipment (net)	4.53	11.20
Interest on income tax refund	85.47	-
Dividend received*	-	0.00
Miscellaneous income	28.38	40.39
	223.38	**278.97**

**Amount less than million*

Note 31 (a) Real estate development cost

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) **Real estate development cost**	95.06	205.56
(ii) **Changes in inventories of finished good and work in progress**		
Opening project work in progress	4,106.15	4,096.82
Inventory of unsold flats	-	16.14
Inventory of unsold flats - Transfer from Investment Property	-	14.42
	4,106.15	**4,127.38**
Add:		
Incurred during the year	8.63	2.11
Less: Closing stock		
Transferred to property under development project	4,114.78	4,106.15
	-	**23.34**

Note 31 (b) Food and beverages consumed*

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Food and beverages materials at the beginning of the year	95.21	111.10
Purchases	224.69	812.50
Food and beverages materials at the end of the year	77.03	95.21
	242.87	**828.39**

**Includes complimentaries ₹ 21.19 million (March 31, 2020: ₹ 92.14 million)*

Note 31 (c) Operating supplies consumed

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchases	123.35	306.71
	123.35	**306.71**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 32 Employee benefits expense

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	797.82	1,284.43
Contributions to provident fund and other funds	40.89	69.54
Staff welfare expenses	62.27	150.64
Employee stock option expense (refer note 50)	5.59	12.06
	906.57	**1,516.67**

Note 33 Finance costs

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses	1,467.74	1,370.74
Exchange differences regarded as an adjustment to borrowing cost *	-	91.02
Other borrowing cost	52.04	-
	1,519.78	**1,461.76**

' Excludes exchange loss on ECB of ₹ Nil (March 31, 2020: ₹ 18.39 million) accounted as operating expenses.*

Note 34 Other expenses

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Travelling and conveyance expenses	6.41	33.54
Power and fuel *	341.49	648.42
Rent	21.39	21.05
Repairs and maintenance		
- Buildings	63.77	143.50
- Plant and machinery	130.98	187.70
- Others	35.44	95.52
Insurance	42.50	37.92
Rates and taxes	207.32	258.73
Business promotion expenses	73.60	390.45
Commission	38.22	245.51
Royalty and management fees	63.04	420.46
Legal and professional charges	92.07	138.54
Other hotel operating cost	92.77	301.32
Bad debt written off	2.45	1.27
Provision for doubtful debts	9.46	9.74
Loss on foreign exchange fluctuation (Net)**	-	46.63
Donations	-	0.06
Director sitting fees	4.28	3.12
Payment to auditors (refer note 43)	12.97	14.22
Buyout labour & manpower contract	45.36	157.83
Corporate social responsibility expenses	4.49	1.90
Business Combination expenses	-	15.00
Impairment of Capital Work in Progress	-	59.51
Reversal of Export benefits and entitlements	123.20	-
Reversal of unbilled revenue	0.99	-
Miscellaneous expenses ***	93.30	266.91
	1,505.50	**3,498.85**

**Net of ₹ 26.46 million (March 31, 2020: ₹ 46.17 million) on account of recoveries.*

*** It includes exchange loss on ECB of ₹ Nil and ₹ Nil is considered under finance cost (March 31, 2020: Exchange loss on ECB of ₹ 18.39 million and ₹ 160.97 million is considered under finance cost)*

****Net of ₹ 2.47 million (March 31, 2020: ₹ 10.19 million) on account of recoveries.*

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 35 Exceptional items

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Exceptional items		
- Provision for estimated cost in relation to potential cancellation	(41.71)	(40.96)
Total	**(41.71)**	**(40.96)**

Notes:

During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of buildings of the Company's Bengaluru residential project. Pursuant to an earlier interim order passed by the Karnataka High Court, in the petition filed by the Company, the Company had suspended construction activity at the Project and sale of flats.

The Company had suspended revenue recognition based on the percentage completion method after financial year ended March 31, 2014. Further, in case of cancellations subsequent to March 31, 2014, the Company had reversed the revenue and derecognised margins in the respective year of cancellation. The Company also compensated flat owners, in accordance with mitigation plans framed by the Company on account of the delay in completion of the project.

By Judgement dated May 29, 2020 the Karnataka High Court has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter proceed in accordance with law. HAL filed an appeal challenging the said order. In November, 2021, your Company also filed an appeal challenging certain parts of the order.

The Company is proposing completion of the project and is in discussions with the customers for consenting to a revised development inter alia by limiting the height to 40 meters and adding a residential wing and a commercial building. The Company has also initiated the process for renewing/applying for permissions. Subject to the conclusion of discussions with the customers and obtaining order from the Court and NOC from HAL for the revised development,

Accordingly, the Company has reassessed the estimated cost of completion of the project upto 10^{th} floor as per the aforementioned plan and has recognised a provision towards the following:

- cost of alteration of superstructure
- estimated costs in relation to potential cancellations including interest payable on cancellation.

Consequently, interest payable on cancellation for flats above 10^{th} floor is shown as exceptional expenses.

Further, cost of actual cancellation (where applicable) has also been provided for and included in the provision referred to above.

With respect to the said residential project, w.e.f. 4 June 2018, the Promoter - Directors, have agreed to provide the Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0% Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of ₹ 2,000 million. A designated bank account is maintained for the Project and redemption of NCRPS's shall be after completion, out of surplus in the account, not later than 20 years from the date of issue and subject to applicable law/s. In this regard, the Company has a paid up preference share capital of ₹ 1,250 million as at 31 March 2021 (31 March 2020: ₹1,250 million).

Note 36 Earnings Per Share

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(Loss) / Profit attributable to equity shareholders from Continuing operations	(1,350.14)	1,089.57
(Loss) attributable to equity shareholders from Discontinued operations	(40.62)	(62.82)
(Loss) / Profit attributable to equity holders of the Company	**(1,390.76)**	**1,026.75**
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	20,50,23,864	20,50,23,864
Equity shares outstanding during the year	**20,50,23,864**	**20,50,23,864**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)		
Basic	(6.59)	5.31
Diluted	(6.59)	5.31
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)		
Basic	(0.19)	(0.30)
Diluted	(0.19)	(0.30)

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 36 Earnings Per Share (Contd.)

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)		
Basic	(6.78)	5.01
Diluted	(6.78)	5.01

Note 37 Government grant

Export Promotion Capital Goods (EPCG) scheme

The Group under the EPCG scheme receives a grant from the Government towards import of capital goods without any levy of import duty. The Group has an obligation towards future exports of the Group.

The Group has recognised a deferred grant at the point of waiver of import duty in relation to import of capital goods. Given that the grant is conditional on fulfillment of future export obligation, the same is treated as a revenue grant and is accordingly recognised in the Statement of Profit and Loss on fulfilment of such obligation.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Grants received during the year	21.66	13.90
Less: Released to Statement of Profit and Loss	(21.66)	(13.90)
Closing balance	**-**	**-**

Served from India scheme (SFIS)/Service exports from India scheme (SEIS)

The Group under SFIS / SEIS receives an entitlement / credit to be sold separately (only in case of SEIS) or utilised against future imports.

The Group recognises income in respect of duty credit entitlement arising from export sales under the SFIS/SEIS of the Government of India in the year of exports, provided there is no significant uncertainty regarding the entitlement and availment of the credit and the amount thereof. Export credit entitlement can be utilised within specified benefit year, by way of adjustment against duties payable on purchase of capital equipments, spare parts and consumables or sale of such licenses.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Opening balance	123.20	239.07
Grants received during the year	-	118.82
Less: Utilisation	-	(234.69)
Less: Written off	(123.20)	-
Closing balance	**-**	**123.20**
Income recognised in Statement of Profit and Loss on account of EPCG (A)	21.66	13.90
Income recognised in Statement of Profit and Loss on account of SFIS/SEIS (B)	-	118.82
Total income recognised in the Statement of Profit and Loss (A+B)	**21.66**	**132.72**

Note 38 Employee benefits

a) Defined contribution plan

The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Consolidated Statement of Profit and Loss during the year in which the employee renders the related service. There are no further obligation other than the contributions payable to the approved trusts/appropriate authorities.

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Employer's contribution to Provident Fund and ESIC	40.89	69.83
	40.89	**69.83**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 38 Employee benefits (Contd.)

b) Defined benefit plan

Gratuity

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972.

The Group follows unfunded gratuity except for:

(i) Hotel division of holding company (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India

(ii) One of the subsidiary company (Corporate office) where fund is maintained with Life Insurance Corporation of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2021. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation	109.50	110.71
Less: Fair value of plan assets	(3.38)	(3.56)
Net defined benefit obligation	**106.12**	**107.15**

Fair value of the plan assets and present value of the defined benefit obilgation

The amount included in the Balance sheet arising from the Company's obligation and plan assets in respect of its defined benefit schemes is as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
1. Movement in defined benefit obligation:		
At the beginning of the year	110.71	80.73
Add: Acquired in Business Combination (refer note 40)	-	4.22
Recognised in profit or loss:		
Current service cost	11.80	9.97
Interest cost	5.92	6.20
Recognised in other comprehensive income		
Actuarial (gains)/losses on obligation -		
Due to change in demographic assumptions	-	(0.43)
Due to change in financial assumptions	2.58	3.85
Due to experience	(2.99)	13.69
Benefit paid	(18.52)	(7.52)
At the end of the year	**109.50**	**110.71**
2. Movement in fair value of plan assets:		
At the beginning of the year	3.56	1.31
Add: Acquired in Business Combination (refer note 40)	-	2.30
Recognised in profit or loss:		
Interest income	0.23	0.11
Expected return on plan assets	(0.41)	(0.13)
Employer contributions	-	1.54
Benefit paid	-	(1.57)
At the end of the year	**3.38**	**3.56**
3. Recognised in profit or loss		
Current service cost	11.80	9.97
Interest expense	5.92	5.57
Interest income	0.22	0.09
For the year	**17.50**	**15.45**
4. Recognised in other comprehensive income		
Actuarial (gains)/losses on obligation	-	17.33
For the year	**-**	**17.33**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 38 Employee benefits (Contd.)

5. **Plan assets for this Fund are insurance funds. (100%)**

6. **The principal actuarial assumptions used for estimating the Group's benefit obligation are set out below (on a weighted average basis):**

Employees of Chalet Hotels Limited

Particulars	March 31, 2021	March 31, 2020
Rate of increase in salaries (%)	5.00% - 7.00%	5.00% -9.00%
Discount rate (%)	4.25% - 6.79%	5.21% - 6.80%
Employee turnover rate	22.00% - 57.50%	21.00%-57.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

7. **Sensitivity of the defined benefit obligation**

(₹ in million)

Particulars	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.86)	3.07	(2.18)	3.75
Rate of increase in salaries (1% movement)	2.94	(2.80)	3.65	(2.15)
Rate of employee turnover (1% movement)	(0.66)	0.69	0.06	1.33

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting year has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

8. Expected contributions to gratuity fund for the year ended March 31, 2021 is ₹ 15.13 million (March 31, 2020: ₹ 18.12 million).

9. **The expected future cash flows as at March 31, 2021 were as follows:**

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
31 March 2021	**30.55**	**20.81**	**39.94**	**26.27**	**117.56**
Defined benefit obligation (gratuity - non funded)	28.78	19.57	38.14	24.83	111.32
Defined benefit obligation (gratuity)	1.77	1.24	1.80	1.43	6.24
31 March 2020	**30.51**	**21.60**	**35.73**	**21.16**	**109.00**
Defined benefit obligation (gratuity - non funded)	26.85	19.21	32.61	18.47	97.14
Defined benefit obligation (gratuity)	3.66	2.39	3.12	2.69	11.86

(c) Short-term compensated absences:

Compensated absences, classified as long term benefits is recognised as an expense and included in "Employee benefits expense" in the Consolidated Statement of Profit and Loss during the year. The following table provides details in relation to compensated absences.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(Reversal) / Expenses for the year	(22.60)	6.68
Closing balance	**38.84**	**61.44**

In case of subsidiary - Belaire Holdings Private Limited (BHPL), the liability for compensated absences is determined by actuarial valuation carried out by the independent actuary as at each Balance sheet date and provided for as incurred in the year in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Compensated absences which are not expected to occur within 12 months of the end of the period in which the employee render the service are recognised at an actuary determined liability as per the present value of the defined benefit obligation.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 39 Operating leases

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

A. Leases as lessor

The Group leases out its investment property on operating lease basis (Refer note 4). Also, the Group leases office premises and shops in hotel premises.

i) Amount recognised in the consolidated Statement of Profit and Loss:

(₹ in million)

Description	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from lease of shops in hotels included in revenue from operations	9.89	19.60
Income from lease of office premises included in revenue from operations	772.66	672.45
Income from lease of investment properties included in revenue from operations	55.27	129.64
Total	**837.82**	**821.69**

ii) Future minimum lease receivables under non cancellable operating lease of shops in hotels and office premises:

(₹ in million)

Future minimum lease receivables	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	12.51	16.38
Between one and five years	41.81	45.44
More than five years	287.32	299.90
	341.64	**361.72**

iii) Future minimum lease receivables under non cancellable operating lease of investment properties:

(₹ in million)

Future minimum lease receivables	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	834.52	824.04
Between one and five years	3,319.14	3,319.84
More than five years	3,357.60	4,208.91
Total	**7,511.26**	**8,352.79**

B. Leases as lessee

The Group has taken office premises and the land on which Four Points by Sheraton Vashi is situated on lease. The Group also leases IT and other equipments. All leases are either short term and/or leases of low-value items. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

i) Amount recognised in profit or loss:

(₹ in million)

	For the year ended March 31, 2021*	For the year ended March 31, 2020*
Low value lease expenses	3.92	1.60
Short-term lease expenses	64.69	24.59
Total lease expense	**68.61**	**26.19**

** Out of total lease expenses, March 31, 2021 ₹ 6.40 million (March 31, 2020 ₹ 6.09 million) have been capitalised*

ii) Amount recognised in statement of cash flows:

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Low value lease expenses	3.77	1.41
Short-term lease expenses	69.93	22.54
Total cah outflow on leases	**73.70**	**23.95**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 39 Operating leases (Contd.)

iii) Maturity Analysis:

(₹ in million)

Future minimum lease payables	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	26.90	26.24
Between one and five years	-	-
More than five years	-	-
	26.90	**26.24**

Note 40 Acquisition of Belaire Hotels Private Limited and Seapearl Hotels Private Limited.

A. The Company acquired 100% of equity shares of Belaire Hotels Private limited (BHPL) and 100% of zero coupon fully compulsory convertible debentures for a cash consideration of ₹ 1,193.32 million on February 3, 2020.

Also, the Company acquired 100% of the equity shares of Seapearl Hotels Private Limited (SHPL) and 100% and zero coupon fully compulsory convertible debentures for a cash consideration of ₹ 574.68 million on February 10, 2020.

Consequent to the above BHPL and SHPL have become wholly owned subsidiaries of the Company.

B. Fair value of consideration transferred

Belaire Hotels Private Limited

Against the total enterprise value of ₹ 2,900 million, the Company had taken over borrowings of ₹ 1,745.86 million, net non-current assets of ₹ 39.76 million, contingent liabilities of ₹ 12.90 million and working capital of ₹ 12.32 million, after taking these liabilities into account, effective purchase consideration of ₹ 1,193.32 million had been discharged as under:

(₹ in million)

Particulars	Amount
Equity shares	687.02
Zero coupon fully Compulsory Convertible Debentures	506.30
Total consideration transferred for Business combination	**1193.32**

Seapearl Hotels Private Limited

Against the total asset value of ₹ 575.78 million, the Company had taken over negative working capital of ₹ 1.09 million, after taking these liabilities into account, effective purchase consideration of ₹ 574.69 million had been discharged as under:

(₹ in million)

Particulars	Amount
Equity shares	57.56
Zero coupon fully Compulsory Convertible Debenture	517.13
Total consideration transferred for Business combination	**574.69**

C. The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date

Belaire Hotels Private Limited

(₹ in million)

Particulars	Amount
Non-current assets	
Property, plant and equipment	2,955.43
Other Financial assets	29.75
Other non-current assets	1.59
Non-current tax assets (net)	22.89
Total non-current assets	**3,009.66**
Current assets	
Inventories	4.78
Financial assets	
(i) Trade receivables	27.48
(ii) Cash and cash equivalents	32.17
Other current assets	20.04
Total current assets	**84.47**
TOTAL ASSETS	**3,094.13**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 40 Acquisition of Belaire Hotels Private Limited and Seapearl Hotels Private Limited. (Contd.)

(₹ in million)

Particulars	Amount
EQUITY AND LIABILITIES	
Total equity	1,283.54
Non current liabilities	
Financial liabilities	
(i) Borrowings	1,149.13
Provisions	2.91
Total non current liabilities	**1,152.04**
Current liabilities	
Financial liabilities	
(i) Borrowing	575.50
(ii) Trade payables	52.46
(iii) Other financial liabilities	5.63
Other current liabilities	24.66
Provisions	0.30
Total current liabilities	**658.55**
TOTAL EQUITY AND LIABILITIES	**3,094.13**
Total Fair Value of Net Assets	**20.26**

Seapearl Hotels Private Limited

(₹ in million)

Particulars	Amount
Current assets	
Financial assets	
(i) Cash and cash equivalents	0.25
(ii) Loans	575.50
TOTAL ASSETS	**575.75**
EQUITY AND LIABILITIES	
Total equity	574.69
Current liabilities	
Financial liabilities	
(i) Trade payables	1.05
Other current liabilities*	0.00
Provisions*	0.00
Total Liabilities	**575.75**

**Amount less than million*

D. Amounts recognised as Capital Reserve for:

Belaire Hotels Private Limited

(₹ in million)

Particulars	Amount
Fair Value of the consideration transferred	1,768.02
Fair Value of the net assets acquired	1,858.24
Capital Reserve	**(90.22)**

Seapearl Hotels Private Limited

(₹ in million)

Particulars	Amount
Fair Value of the consideration transferred	574.69
Fair Value of the net assets acquired	574.69
Capital Reserve	**-**

E. Acquisition related costs

During the previous year, acquisition related costs of ₹ 15.00 million had been recognised as Business Combination expenses in the Statement of Profit & Loss. The stamp duty of ₹ 4.84 million have been added to cost of investment.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 41 Contingent liabilities and commitments (to the extent not provided for)

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Contingent liabilities		
Claims against the Group not acknowledged as debts		
Disputed income tax demands	331.95	237.65
Guarantees Given by the Banks and Counter Guarantee By the Company	64.93	66.75
Disputed service tax demands	62.15	69.37
Disputed VAT demands	12.70	12.70
Non-Agricultural Tax (refer note g)	8.29	-
Disputed provident funds demands	5.80	5.80
SFIS/SEIS Scheme	5.74	224.07

a. The Group is a party to various other proceedings in the normal course of business and does not expect the outcome of these proceedings to have an adverse effect on its financial conditions, results of operations or cash flows.

b. Further, claims by parties in respect of which the Management has been legally advised that the same are frivolous and not tenable, have not been considered as contingent liabilities as the possibility of an outflow of resources embodying economic benefits is highly remote.

c. In December 2005, the Group had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited. The Group has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the consolidated financial information. The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2020 is ₹ 50.93 million (March 31, 2020: ₹ 52.13 million) and carrying value of property, plant and equipment as at March 31, 2021 is ₹ 400.77 million (March 31, 2020: ₹ 427.21 million).

d. Show Cause Notice issued by CGST & Central Excise Division, Bhopal in July 2019 with reference to utilisation of SFIS benefits by the Company for purchase of glass and a demand to make payment of Excise Duty of ₹ 0.03 million. The Company has filed a reply in the matter, requesting to not precipitate the matter in view of the existing Court Order of Gujarat High Court. Personal Hearings were held on October 10, 2020 on behalf of the Company and former director, Mr. Ramesh Valecha however no orders have been passed.

e. There are numerous interpretative issues relating to the Supreme Court (SC) judgment on provident fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

f. The Group has considered as at March 31, 2021 ₹ 25.10 million (March 31, 2020: ₹ 25.10) towards service tax refund receivable against cancellations of flats. One of the company's claim was rejected by the Customs, Excise & Service Tax Appellate Tribunal, Regional Bench, Bangalore on grounds of time limitations. The Group had filed appeal with Honourable High Court of Karnataka in this regard. The matter is pending before the Honourable High court of Karnataka.

g. The Group has recieved notice from, The Tahilsdar, Kurla, vide five notices demanded aggregate payment of ₹ 8.29 million towards Non-Agricultural Tax which was kept in abeyance vide GR dated July 31, 2016. In the said notice, the authority demanded the levy in view of the aforesaid GR being recalled by the State Government vide subsequent GR dated February 14, 2018. Group has in response to the said Demand Notice, sought references of the said GR's and the calculation upon which the Authority has arrived at the amounts payable by Group in the said notice. Group is awaiting response from the Authorities. However, an advance of ₹ 3.9 million has been paid to the authorities under protest.

Commitments

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,149.13	4,058.47

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 42 Total outstanding dues of micro enterprises and small enterprises

During the year, Micro small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
The amounts remaining unpaid to micro and small enterprises as at the end of the year.		
Principal	88.93	49.14
Interest	0.01	0.25
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	0.25
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Note 43 Payment to auditors

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Audit fees	9.52	10.09
Tax audit fees	0.55	0.80
Other services	2.49	2.18
Out of pocket expenses	0.41	1.15
Amount debited to Consolidated Statement of Profit and Loss (excluding taxes)	**12.97**	**14.22**

Note 44 Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

(₹ in million)

	March 31, 2021		March 31, 2020	
	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
A. Gross amount required to be spent by the Company	4.49	-	1.69	-
B. Amount spent during the year on				
i. Construction/Acquisition of any assets	-	-	-	-
ii. On purposes other than (i) above	4.49	-	1.90	-
C. Related party transactions in relation to Corporate Social Responsibility	-	-	-	-
D. Provision movement during the year				
Opening provision	-	-	-	-
Addition during the year	-	-	-	-
Utilised during the year	-	-	-	-
Closing provision	**-**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 45 Financial instruments - Fair values and risk management

(A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in million)

March 31, 2021	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in equity shares	-	44.81	44.81	-	-	44.81	44.81
Other investments	-	0.13	0.13	-	0.13	-	0.13
Loans	-	109.22	109.22	-	-	-	-
Other non-current financial assets	-	231.45	231.45	-	-	-	-
Current financial assets							
Trade receivables	-	216.40	216.40	-	-	-	-
Cash and cash equivalents	-	269.02	269.02	-	-	-	-
Other bank balances	-	188.66	188.66	-	-	-	-
Loans	-	71.76	71.76	-	-	-	-
Other current financial assets	-	26.97	26.97	-	-	-	-
Derivative asset	-	-	-	-	-	-	-
	-	**1,158.42**	**1,158.42**	**-**	**0.13**	**44.81**	**44.94**
Non-current financial liabilities							
Borrowings	-	17,603.82	17,603.82	-	17,603.82	-	17,603.82
Other non-current financial liabilities	-	190.97	190.97	-	190.97	-	190.97
Current financial liabilities							
Borrowings	-	843.99	843.99	-	-	-	-
Trade payables	-	828.59	828.59	-	-	-	-
Other financial liabilities	-	2,533.56	2,533.56	-	-	-	-
Derivative liability	62.19	-	62.19	-	62.19	-	62.19
	62.19	**22,063.12**	**22,063.12**	**-**	**17,856.98**	**-**	**17,856.98**

(₹ in million)

March 31, 2020	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in equity shares	-	45.01	45.01	-	-	45.01	45.01
Other investments	-	0.13	0.13	-	0.13	-	0.13
Loans	-	113.38	113.38	-	-	-	-
Others	-	70.88	70.88	-	-	-	-
Current financial assets							
Trade receivables	-	416.78	416.78	-	-	-	-
Cash and cash equivalents	-	76.42	76.42	-	-	-	-
Other bank balances	-	1,202.40	1,202.40	-	-	-	-
Loans	-	30.80	30.80	-	-	-	-
Other current financial assets	-	123.20	123.20	-	-	-	-
Derivative asset	28.60	-	28.60	-	28.60	-	28.60
	28.60	**2,079.00**	**2,107.60**	**-**	**28.73**	**45.01**	**73.74**
Non-current financial liabilities							
Borrowings	-	16,643.84	16,643.84	-	16,643.84	-	16,643.84
Other non-current financial liabilities	-	198.27	198.27	-	198.27	-	198.27
Current financial liabilities							
Borrowings	-	404.77	404.77	-	-	-	-
Trade payables	-	1,062.03	1,062.03	-	-	-	-
Other financial liabilities	-	2,501.28	2,501.28	-	-	-	-
Derivative liability	-	-	-	-	-	-	-
	-	**20,810.19**	**20,810.19**	**-**	**16,842.11**	**-**	**16,842.11**

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 45 Financial instruments - Fair values and risk management (Contd.)

(i) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of certain unlisted equity shares are determined based on the income approach or the comparable market approach, and for certain equity shares equals to the cost.
- the fair value for the currency swap is determined using forward exchange rate for balance maturity.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value preference shares and the remaining financial instruments is determined using discounted cash flow analysis. 'The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

The investments included in level 3 of the fair value hierarchy have been valued using the discounted cash flow technique to arrive at the fair value.

(ii) Fair value measurements using significant unobservable inputs (level 3)

Reconciliation of level 3 fair values

Particulars	FVTPL Equity shares
Balance at April 1, 2020	45.01
Additions during the year	(0.20)
Balance at March 31, 2021	**44.81**

(iii) Sensitivity analysis

The Group has invested in equity shares of entities engaged in generation of hydro power for securing the supply of renewable energy. The Group does not have any exposure or rights to variable returns. Hence no sensitivity is required for such equity shares.

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk;

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(B) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, cash and cash equivalents and other bank balances, derivatives and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 45 Financial instruments - Fair values and risk management (Contd.)

(a) Trade receivables from customers

The Group does not have any significant credit exposure in relation to revenue generated from hospitality business. For other segments the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Group.

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;		
Neither past due not impaired	-	-
Past due not impaired	-	-
1-90 days	130.11	326.21
90-180 days	39.14	46.50
180-365 days	32.99	17.53
More than 365 days	11.04	3.03
Total	**213.28**	**393.27**
(c) Trade Receivables which have significant increase in Credit Risk; and	22.81	54.24
(d) Trade Receivables - credit impaired	70.91	74.63

The movement in the allowance for impairment in respect of other receivables during the year was as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Balance as at April 1	105.36	89.65
Impairment loss (reversed) / recognised	(14.76)	15.71
Balance as at March 31	**90.60**	**105.36**

(b) Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Other financial assets

Other financial assets are neither past due nor impaired.

(C) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 45 Financial instruments - Fair values and risk management (Contd.)

(₹ in million)

March 31, 2021	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	19,739.25	23,961.83	3,506.77	4,956.05	11,105.91	4,393.10
Security deposits	190.97	190.97	-	58.08	21.63	111.26
Current, non derivative financial liabilities						
Borrowings	843.99	843.99	843.99	-	-	-
Trade payables	828.59	828.59	828.59	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	460.32	460.32	460.32	-	-	-
Derivative financial liabilities						
Forward exchange contract (gross settled)						
- Outflow	721.80	721.80	721.80	-	-	-
- Inflow	(673.88)	(673.88)	(673.88)	-	-	-
Total	**22,111.04**	**26,333.62**	**5,687.59**	**5,014.13**	**11,127.54**	**4,504.36**

(₹ in million)

March 31, 2020	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	18,610.71	23,598.09	3,467.25	3,496.87	10,738.13	5,895.84
Security deposits	198.27	198.27	-	12.33	60.99	124.95
Current, non derivative financial liabilities						
Borrowings	404.77	404.77	404.77	-	-	-
Trade payables	1,062.03	1,062.03	1,062.03	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	534.41	534.41	534.41	-	-	-
Derivative financial liabilities						
Forward exchange contract (gross settled)						
- Outflow	728.35	728.35	728.35	-	-	-
- Inflow	(753.86)	(753.86)	(753.86)	-	-	-
Total	**20,784.68**	**25,772.06**	**5,442.96**	**3,509.20**	**10,799.12**	**6,020.79**

The Group has sufficient current assets comprising of Trade Receivables, Cash & Cash Equivalents, Other Bank Balances (other than restricted balances), Loans and Other Current Financial Assets to manage the liquidity risk, if any in relation to current financial liabilities.The Group has overdraft facilities, general corporate borrowings, which are used to ensure that the financial obligations are met as they fall due in case of any deficit.

(D) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivative to manage market risk.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 45 Financial instruments - Fair values and risk management (Contd.)

(E) Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Group uses derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of recognised liabilities. The Group enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables.

Particulars	Buy / Sell	Currency	Cross Currency	March 31, 2021	March 31, 2020
Forward contract	Buy	USD	INR	USD 9 Million	USD 10 Million

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

The amounts reflected in the table below represent the exposure to respective currency in Indian Rupees:

(₹ in million)

Particulars	March 31, 2021			March 31, 2020		
	USD	EUR	GBP	USD	EUR	GBP
Financial liabilities						
Foreign currency loans (including interest accrued)	1,530.22	-	-	1,982.71	-	-
Trade payables	268.00	0.19	0.03	366.56	0.16	-
	1,798.22	**0.19**	**0.03**	**2,349.27**	**0.16**	**-**
Derivatives						
Foreign currency forward exchange contract	(673.88)	-	-	(753.86)	-	-
	(673.88)	**-**	**-**	**(753.86)**	**-**	**-**
Net exposure	**1,124.35**	**0.19**	**0.03**	**1,595.41**	**0.16**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other foreign currencies at March 31, would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in million)

Particulars	Profit or loss before tax			
	March 31, 2021		March 31, 2020	
Effect in INR (before tax)	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	11.24	(11.24)	15.95	(15.95)
	11.24	**(11.24)**	**15.95**	**(15.95)**

(F) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 45 Financial instruments - Fair values and risk management (Contd.)

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows.

(₹ in million)

Particulars	Carrying amount	
	March 31, 2021	March 31, 2020
Fixed-rate instruments		
Non current borrowings		
Non-cumulative redeemable preference shares	1,194.61	1,107.99
Current borrowings		
Loan from related parties other than directors	35.79	27.57
Total	**1,230.40**	**1,135.56**
Variable-rate instruments		
Non current borrowings		
Rupee term loans from banks	11,310.59	9,389.25
Rupee term loans from financial institutions	3,997.07	4,593.18
Foreign currency term loans from banks	1,101.55	1,553.42
Current maturity of long term debt	2,135.43	1,966.87
Current borrowings		
Cash credit/overdraft accounts from banks	808.20	377.20
Total	**19,352.84**	**17,879.92**
Total	**20,583.24**	**19,015.48**

Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107 Financial Instruments: Disclosures, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

(₹ in million)

Particulars	Profit or loss before tax	
	100 bps increase	100 bps decrease
March 31, 2021	(193.53)	193.53
March 31, 2020	(178.80)	178.80

Note 46 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings, less cash and cash equivalents and bank deposits. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio at is as follows:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
Total borrowings	20,583.24	19,015.48
Less: Cash and cash equivalents	269.02	76.42
Less: Bank deposits	188.66	1,202.40
Adjusted net debt	20,125.56	17,736.66
Total equity	14,157.40	15,542.81
Adjusted net debt to adjusted equity ratio	1.42	1.14

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 47 Segment reporting

A. General Information

(a) Factors used to identify the entity's reportable segments, including the basis for segmentation

For management purposes, the company is organised into business units based on its products and services and has three reportable segments, as follows:

- Hospitality (Hotels) comprises of the income earned through Hotel operations
- Real estate comprises of income from sale of residential flats
- Retail comprises of the income earned through leasing of commercial properties

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments, and does not review the total assets and liabilities of an operating segment.

(b) Following are reportable segments

Reportable segment
Hospitality (Hotels)
Real Estate
Commercial and Retail

B. Information about reportable segments

For the year ended March 31, 2021

(₹ in million)

Particulars	Reportable segments					
	Hospitality (Hotels)	Real Estate	Commercial and Retail	Retail (Discontinued operation) *	Unallocated	Total
Revenue						
External Customers	2,021.28	-	925.92	0.71	-	2,947.91
Inter-segment						
Total Revenue	**2,021.28**	**-**	**925.92**	**0.71**	**-**	**2,947.91**
Segment profit / (loss) before tax	**(1,170.37)**	**(160.99)**	**553.57**	**(40.62)**	**-**	**(818.41)**
Unallocated expenses						
Interest Expenses	-	-	-	-	(1,519.78)	(1,519.78)
Depreciation	-	-	-	-	(5.68)	(5.68)
Other Expenses	-	-	-	-	(358.73)	(358.73)
Total Unallocated Expenses	**-**	**-**	**-**	**-**	**(1,884.19)**	**(1,884.19)**
Unallocated income						
Interest Income	-	-	-	-	65.13	65.13
Other Income	-	-	-	-	154.64	154.64
Total Unallocated Income	**-**	**-**	**-**	**-**	**219.77**	**219.77**
Profit before Taxation	-	-	-	-	-	(2,482.83)
Tax expenses						(1,091.55)
Profit after taxation	-	-	-	-	-	(1,391.28)
Segment assets	21,997.29	3,889.43	10,971.62	-	3,029.60	39,887.94
Segment liabilities	1,108.13	2,780.41	488.84	-	21,353.16	25,730.54
Other disclosures						
Capital expenditure	957.12		239.84	-	2.22	1,199.18
Depreciation and amortisation	957.10	0.30	211.54	-	5.68	1,174.62
Non cash expenses other than depreciation and amortisation	22.74		2.19		132.38	157.31

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 47 Segment reporting (Contd.)

For the year ended March 31, 2020

(₹ in million)

Particulars	Reportable segments					
	Hospitality (Hotels)	Real Estate	Commercial and Retail	Retail (Discontinued operation) *	Unallocated	Total
Revenue						
External Customers	8,755.02	52.94	1,000.53	2.79		9,811.28
Inter-segment						
Total Revenue	**8,755.02**	**52.94**	**1,000.53**	**2.79**	**-**	**9,811.28**
Segment profit / (loss) before tax	**2,463.24**	**(251.18)**	**464.54**	**(62.82)**	**-**	**2,613.78**
Unallocated expenses						
Interest Expenses	-	-	-		(1,461.76)	(1,461.76)
Depreciation	-	-	-		(6.44)	(6.44)
Other Expenses	-	-	-		(416.07)	(416.07)
Total Unallocated Expenses	**-**	**-**	**-**		**(1,884.27)**	**(1,884.27)**
Unallocated income						
Interest Income	-	-	-		49.48	49.48
Other Income	-	-	-		229.49	229.49
Total Unallocated Income	**-**	**-**	**-**		**278.97**	**278.97**
Profit before Taxation	-	-	-	-	-	1,008.48
Tax expenses						12.22
Profit after taxation	-	-	-	-	-	996.26
Segment assets	24,851.60	3,882.43	8,071.54	-	3,322.01	40,127.58
Segment liabilities	1,606.96	2,730.20	527.78	-	19,719.83	24,584.77
Other disclosures						
Capital expenditure	764.95	-	581.22	-	25.87	1,372.04
Depreciation and amortisation	911.37	0.40	215.00		6.40	1,133.17
Non cash expenses other than depreciation and amortisation	210.89	-	4.56		85.64	301.09

Note 48 Details of interests in subsidiaries and associates

Subsidiaries

The details of the Company's subsidiary at March 31, 2021 is set below. The country of incorporation is also the principal place of business.

Name of entity	Country of Incorporation	Shareholding % As on March 31, 2021	Shareholding % As on March 31, 2020
Chalet Hotels & Properties (Kerala) Private Limited	India	90%	90%
Belaire Hotels Private Limited	India	100%	100%
Sea Pearl Hotels Private Limited	India	100%	100%

Non-controlling interests

Below is the partly owned subsidiary of the Group and the share of the non-controlling interests.

Name	Country of Incorporation and Principal Place of Business	Non-controlling interest	
		March 31, 2021	March 31, 2020
Chalet Hotels & Properties (Kerala) Private Limited	India	10%	10%
Belaire Hotels Private Limited	India	0%	0%
Sea Pearl Hotels Private Limited	India	0%	0%

The balance attributable towards the non-controlling interest of Chalet Hotels & Properties (Kerala) Private Limited was ₹33.71 million (March 31, 2020 ₹ (30.49) million Accordingly, disclosures applicable to non-controlling interest have not been provided.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

List of related parties

Relationship	Name of party	
	March 31, 2021	March 31, 2020
Key Managerial Personnel / Relative (KMP)	Sanjay Sethi -Managing Director & CEO	Sanjay Sethi -Managing Director & CEO
	Rajeev Newar, CFO & Executive Director (ceased to be an Executive Director w.e.f. August 2, 2020 and ceased to be CFO w.e.f. August 19, 2020)	Rajeev Newar, CFO & Executive Director
	Milind Wadekar, Interim CFO (w.e.f. September 15, 2020)	
	Rajib Dattaray, Director in subsidiary	Rajib Dattaray, Director in subsidiary
Non- Executive directors	Ravi C Raheja	Ravi C Raheja
	Neel C Raheja	Neel C Raheja
Independent directors	Arthur De Haast	Arthur De Haast
	Joseph Conrad D'Souza	Joseph Conrad D'Souza
	Hetal Gandhi	Hetal Gandhi
	Radhika Piramal	Radhika Piramal
Other KMP as per Companies Act, 2013	Christabelle Baptista, Company Secretary	Christabelle Baptista, Company Secretary
Directors and company secretary of subsidiaries	Karuna Nasta, Non-Executive Director	Karuna Nasta, Non-Executive Director (w.e.f. February 3, 2020)
	Anand Chandan, Director	Anand Chandan, Director
	Vishal Masand, Director	Vishal Masand, Director (Appointed w.e.f. May 24, 2019)
	Anshu Shroff, Company Secretary	Anshu Shroff, Company Secretary
	Saurabh Bandekar, (Appointed w.e.f. May 18, 2020)	Nisheth Sheth, Company Secretary (Resigned w.e.f. September 30, 2019)
Enterprises Controlled / Jointly controlled by KMPs	Brookfields Agro & Development Private Limited	Brookfields Agro & Development Private Limited
	Cavalcade Properties Private Limited	Cavalcade Properties Private Limited
	Convex Properties Private Limited	Convex Properties Private Limited
	Grange Hotels And Properties Private Limited	Grange Hotels And Properties Private Limited
	Immense Properties Private Limited	Immense Properties Private Limited
	Novel Properties Private Limited	Novel Properties Private Limited
	Pact Real Estate Private Limited	Pact Real Estate Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sustain Properties Private Limited	Sustain Properties Private Limited
	Aqualine Real Estate Private Limited	Aqualine Real Estate Private Limited
	Feat Properties Private Limited	Feat Properties Private Limited
	Carin Properties Private Limited	Carin Properties Private Limited
	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)
	Sundew Real Estate Private Limited	Sundew Real Estate Private Limited
	K Raheja Corp Advisory Services (Cyprus) Private Limited	K Raheja Corp Advisory Services (Cyprus) Private Limited
	Content Properties Private Limited	Content Properties Private Limited
	Grandwell Properties And Leasing Private Limited	Grandwell Properties And Leasing Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Investment Managers LLP

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

Relationship	Name of party	
	March 31, 2021	March 31, 2020
Shareholders of the Company	Anbee Constructions LLP	Anbee Constructions LLP
	Cape Trading LLP	Cape Trading LLP
	Capstan Trading LLP	Capstan Trading LLP
	Casa Maria Properties LLP	Casa Maria Properties LLP
	Ivory Properties And Hotels Private Limited	Ivory Properties And Hotels Private Limited
	K. Raheja Corp Private Limited	K. Raheja Corp Private Limited
	K. Raheja Private Limited	K. Raheja Private Limited
	Palm Shelter Estate Development LLP	Palm Shelter Estate Development LLP
	Raghukool Estate Development LLP	Raghukool Estate Development LLP
	Touchstone Properties And Hotels Private Limited	Touchstone Properties And Hotels Private Limited
	Ivory Property Trust	Ivory Property Trust
	Genext Hardware & Parks Private Limited	Genext Hardware & Parks Private Limited
Other Related parties #	Intime Properties Limited	Intime Properties Limited
	Eternus Real Estate Private Limited	Eternus Real Estate Private Limited
	Shoppers Stop Limited	Shoppers Stop Limited
	Inorbit Malls (India) Private Limited	Inorbit Malls (India) Private Limited
	K Raheja IT Park (Hyderabad) Limited	K Raheja IT Park (Hyderabad) Limited
	Mindspace Business Parks Private Limited	Mindspace Business Parks Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sundew Properties Limited	Sundew Properties Limited
	Trion Properties Private Limited	Trion Properties Private Limited
	Newfound Properties & Leasing Private Limited	Newfound Properties & Leasing Private Limited
# The above mentioned parties are not related to the Company, viz. Chalet Hotels Limited as per the definition under IND AS 24. These parties have been reported on the basis of their classification as Related Party under the Companies Act 2013.		
Member of K. Raheja Corp Group	K Raheja Corporate Services Private Limited	K Raheja Corporate Services Private Limited

Related party disclosures for year ended March 31, 2021

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of services - Lease rent	-	9.80
2	Sales of services - Rooms income, Food, beverages and smokes	-	0.96
3	Other Income	-	11.64
4	Other expenses	1.28	42.19
5	Director sitting fees	4.27	-
6	Salaries, wages and bonus	74.09	-
7	Interest expenses	-	2.09
8	Loan Borrowed	-	3.55
9	Deposit paid	-	45.00
	Balances outstanding as at the year-end		

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
10	Trade payables	-	3.92
11	Loans payable	-	24.69
12	Interest payable	-	8.36
13	Deposit receivable	-	106.65
14	Deposit payable	-	20.28
15	Capital Creditors	-	31.31
16	Preference shares outstanding	581.25	668.75
17	Investment in equity shares outstanding	-	27.78

**Amount less than million*

Significant transactions with material related parties for year ended March 31, 2021

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	**Sale of services - Lease rent**		
	Shoppers Stop Limited	-	9.80
2	**Sales of services - Rooms income, Food, beverages and smokes**		
	Inorbit Malls (India) Private Limited	-	0.01
	K Raheja Corp Private Limited	-	0.01
	Mindspace Business Parks Private Limited	-	0.54
	Paradigm Logistics & Distribution Private Limited	-	0.38
	Sundew Properties Limited	-	0.03
3	**Other Income**		
	K Raheja Corp Private Limited	-	4.20
	Shoppers Stop Limited	-	7.44
4	**Other expenses**		
	Arthur De Haast	1.28	-
	Inorbit Malls (India) Private Limited	-	8.83
	K.Raheja Corporate Services Private Limited	-	31.15
	Newfound Properties & Leasing Private Limited		0.78
	K Raheja IT Park (Hyderabad) Limited	-	1.45
5	**Director sitting fees**		
	Arthur De Haast	0.63	-
	Hetal Gandhi	0.78	-
	Joseph Conrad D' Souza	0.88	-
	Neel C.Raheja	0.70	-
	Radhika Dilip Piramal	0.52	-
	Ravi C.Raheja	0.78	-
6	**Salaries, wages, bonus and stock option related expenses**		
	Sanjay Sethi *	54.45	
	Rajeev Newar *	9.99	-
	Milind Wadekar	3.54	
	Christabelle Baptista	2.44	
	Rajib Dattaray	3.67	-

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
7	**Interest expenses**		
	K Raheja Corp Private Limited	-	2.09
8	**Loan Borrowed**		
	K Raheja Corp Private Limited	-	3.55
9	**Deposit paid**		
	Mindspace Business Parks Private Limited	-	45.00
10	**Trade Payables**		
	Inorbit Malls (India) Private Limited	-	2.81
	K.Raheja Corporate Services Private Limited	-	0.12
	Newfound Properties & Leasing Private Limited	-	0.99
11	**Loan payable**		
	K Raheja Corp Private Limited	-	24.69
12	**Interest payable**		
	K Raheja Corp Private Limited	-	8.36
13	**Deposit receivable**		
	Sundew Properties Limited	-	44.33
	K.Raheja Corporate Services Private Limited	-	12.32
	Mindspace Business Parks Private Limited	-	50.00
14	**Deposit payable**		
	Shoppers Stop Limited	-	20.28
15	**Capital Creditors**		
	Sundew Properties Limited	-	31.31
16	**Preference shares outstanding**		
	Ivory Properties and Hotels Private Limited	-	106.25
	K Raheja Corp Private Limited	-	562.50
	Neel C.Raheja	290.63	-
	Ravi C.Raheja	290.63	-
17	**Equity shares outstanding**		
	K Raheja Corp Private Limited	-	27.78

**The managerial remuneration paid/payable by the Group for FY 2020-21 is in excess of limits laid down under Section 197 of the Companies Act, 2013 ('the Act') read with Schedule V to the Act by ₹ 47.49 million. During the current year, the term of the Managing Director & CEO ended on February 8, 2021 and he has been re-appointed by the Board, subject to approval of the shareholders at the next Annual General Meeting. Consequently, proportionate remuneration from February 9, 2021 of ₹ 6.63 million is subject to approval of the shareholders.*

Related party disclosures for year ended March 31, 2020

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of Investment	-	5.88
2	Sale of Materials	-	1.56
3	Sale of Asset	-	0.02
4	Sale of services - Lease rent	-	39.25
5	Sales of services - Rooms income, Food, beverages and smokes	-	5.48
6	Dividend*	-	0.00
7	Other Income	-	24.48
8	Other expenses	2.03	62.26

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
9	Director sitting fees	3.12	-
10	Salaries, wages and bonus	102.31	-
11	Interest expenses	-	1.99
12	Loan Borrowed	-	2.00
13	Deposit paid	-	44.92
14	Reimbursement of capital work in progress	-	31.31
15	Preference shares	344.10	395.90
	Balances outstanding as at the year-end		
16	Trade Receivables	-	3.61
17	Trade payables	-	14.03
18	Loans payable	-	21.14
19	Interest payable	-	6.43
20	Deposit receivable	-	61.65
21	Deposit payable	-	20.28
22	Capital Creditors	-	31.31
23	Preference shares outstanding	581.25	668.75
24	Investment in equity shares outstanding	-	27.78

**Amount less than million*

Significant transactions with material related parties for year ended March 31, 2020

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of Investment		
	Ivory Property Trust	-	5.88
2	Sale of material		
	Inorbit Malls (India) Private Limited		0.72
	Sundew Properties Limited	-	0.85
3	Sale of Asset		
	K Raheja Corp Private Limited	-	0.02
4	Sale of services - Lease rent		
	K.Raheja Corporate Services Private Limited	-	0.08
	Shoppers Stop Limited	-	39.17
5	Sales of services - Rooms income, Food, beverages and smokes		
	Eternus Real Estate Private Limited	-	0.23
	Inorbit Malls (India) Private Limited	-	0.06
	Intime Properties Limited	-	0.11
	K Raheja Corp Investment Managers LLP	-	0.02
	K Raheja Corp Private Limited	-	0.61
	K Raheja IT Park (Hyderabad) Limited	-	0.20
	K Raheja Private Limited	-	0.29
	K.Raheja Corporate Services Private Limited	-	2.09
	Mindspace Business Parks Private Limited	-	0.06
	Newfound Properties & Leasing Private Limited	-	0.04

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
	Paradigm Logistics & Distribution Private Limited	-	0.69
	Sundew Properties Limited	-	0.12
	Trion Properties Private Limited	-	0.06
	Shoppers Stop Limited	-	0.34
	Genext Hardware & Parks Private Limited	-	0.54
6	Dividend*		
	Intime Properties Limited	-	0.00
7	Other Income		
	K Raheja Corp Private Limited	-	1.40
	K.Raheja Corporate Services Private Limited	-	1.18
	Shoppers Stop Limited	-	21.90
8	Other expenses		
	Arthur De Haast	2.03	-
	Inorbit Malls (India) Private Limited	-	22.89
	K.Raheja Corporate Services Private Limited	-	37.97
	Newfound Properties & Leasing Private Limited	-	1.40
9	Director sitting fees		
	Arthur De Haast	0.45	-
	Hetal Gandhi	0.64	-
	Joseph Conrad D' Souza	0.67	-
	Neel C.Raheja	0.44	-
	Radhika Dilip Piramal	0.30	-
	Ravi C.Raheja	0.63	-
10	Salaries, wages, bonus and stock option related expenses		
	Rajeev Newar	23.06	-
	Sanjay Sethi	75.17	
	Christabelle Baptista	3.49	
	Rajib Dattaray	0.60	-
11	Interest expenses		
	K Raheja Corp Private Limited	-	1.99
12	Loan Borrowed		
	K Raheja Corp Private Limited	-	2.00
13	Deposit paid		
	Sundew Properties Limited	-	44.33
	K.Raheja Corporate Services Private Limited	-	0.59
14	Reimbursement of capital work in progress		
	Sundew Properties Limited	-	31.31
15	Preference shares		
	Ivory Properties and Hotels Private Limited	-	62.90
	K Raheja Corp Private Limited	-	333.00
	Neel C.Raheja	172.05	-
	Ravi C.Raheja	172.05	-
16	Trade Receivables		
	K Raheja Corp Private Limited	-	0.83
	K.Raheja Corporate Services Private Limited	-	0.30
	Mindspace Business Parks Private Limited	-	0.03
	Sundew Properties Limited	-	1.00
	Trion Properties Private Limited	-	0.02

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 49 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below: (Contd.)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
	Shoppers Stop Limited	-	0.90
	Genext Hardware & Parks Private Limited	-	0.53
17	**Trade Payables**		
	Inorbit Malls (India) Private Limited	-	9.87
	K.Raheja Corporate Services Private Limited	-	3.93
	Newfound Properties & Leasing Private Limited	-	0.23
18	**Loan payable**		
	K Raheja Corp Private Limited	-	21.14
19	**Interest payable**		
	K Raheja Corp Private Limited	-	6.43
20	**Deposit receivable**		
	Sundew Properties Limited	-	44.33
	K.Raheja Corporate Services Private Limited	-	12.32
	Mindspace Business Parks Private Limited	-	5.00
21	**Deposit payable**		
	Shoppers Stop Limited	-	20.28
22	**Capital Creditors**		
	Sundew Properties Limited	-	31.31
23	**Preference shares outstanding**		
	Ivory Properties and Hotels Private Limited	-	106.25
	K Raheja Corp Private Limited	-	562.50
	Neel C.Raheja	290.63	-
	Ravi C.Raheja	290.63	-
24	**Equity shares outstanding**		
	K Raheja Corp Private Limited	-	27.78

Note 50 Employee Stock Option Schemes

Description of share-based payment arrangements:
At March 31 2021, Company had following share-based payment arrangements:

Employee Stock Option Plan 2018:

The primary objective of the plan is to reward the key employee for his association, dedication and contributions to the goals of the company. The plan is established is with effect from June 12, 2018 on which the shareholders of the Company have approved the plan by the way of special resolution and it shall continue to be in force until its termination by the Company as per provisions of Applicable laws, or the date on which all of the Options available for issuance under the plan have been issued and exercised, whichever is earlier.

Scheme	Number of options granted	Vesting conditons	Contractual life of options	Vesting year	Grant Date	Exercise year	Exercise Price (₹ per share
'Chalet Hotels Limited'-'Employee Stock Option Plan'-2018	2,00,000	For the Options to vest, the Grantee has to be in employment of the Group on the date of the vesting.	The exercise year for Options vested will be two years from date of vesting subject to shares of the company are listed at the time of exercise.	3 years	26-Jun-18	One year from vesting year	320.00

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 50 Employee Stock Option Schemes (Contd.)

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share share option plans are as follows:

(₹ in million)

Particulars	March 31, 2021 Weighted average exercise price	March 31, 2021 Number of options	March 31, 2020 Weighted average exercise price	March 31, 2020 Number of options
Outstanding at the beginning of the year	320	2,00,000	-	-
Granted during the year	-	-	320	2,00,000
Exercised during the year	-	-	-	-
Lapsed/ forfeited /surrendered	-	-	-	-
Outstanding at the end of the year	320	2,00,000	320	2,00,000
Exercisable at the end of the year	320	1,32,000	320	66,000

Measurement of Fair value

The fair value of employee share options has been measured using Black Scholes Option Pricing Model and is charged to the Statement of Profit and Loss over the vesting year.

The fair value of the options and the key inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

Particulars	Unit	Chalet Hotels Limited'-'Employee Stock Option Plan'-2018	Description of inputs used
Fair value of the option at grant date	₹ / share	143 - 189	As per Black Scholes Model
Exercise price	₹ / share	320	As per the Scheme
Expected volatility (Weighted average volatility)	% p.a.	31.91% - 32.77%	Based on comparable listing companies
Expected life (expected weighted average life)	in years	1.99 - 3.99	Calculated time to maturity as a sum of the following years: - Time remaining from the valuation date till the date on which options are expected to vest on the holder and; - Average Time from the vesting date till the expected exercise date.
Dividend yield	% p.a.	0%	Dividend yield is taken as 0% since the Company has not declared any dividend in last 5 financial years.
Risk-free interest rates (Based on government bonds)	% p.a.	7.4% - 7.85%	Risk free interest rate refers to the yield to maturity on the zero-coupon securities maturing in the year which commensurate with the maturity of the option.

The options outstanding at March 31, 2021 have an exercise price of ₹320 and a weighted average remaining contractual life of 0.79* year.

** calculated considering simple average method*

The expense recognised for the year ended March 31, 2021 is ₹ 5.59 million (March 31, 2020 is ₹ 12.06 million).

Note 51 Discontinued Operations

In the current financial year, the Holding Company has discontinued its retail operations at Sahar, Mumbai based on internally evaluated financial feasibility and commercial negotiation with existing retailers. The Holding Company will customise the property for commercial operations.

The Income and EBITDA of retail operations at Sahar, Mumbai has been disclosed separately as income and EBITDA from discontinued business operations. The discontinued business costs includes all direct and indirect costs of retail operations at Sahar, Mumbai.

(₹ in million)

	For the Year ended March 31, 2021	For the year ended March 31, 2020
Revenue	0.71	2.79
Expenses	41.33	65.61
Results from operations	**(40.62)**	**(62.82)**
Income Tax	-	-
Loss/ (Profit) from discontinued operations, net of tax	**(40.62)**	**(62.82)**

The Loss from discontinued operation of ₹(40.62 million) is attributable entirely to the owners of the company, of the loss from continuing operations ₹ (1,350.66 million).

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 51 Discontinued Operations (Contd.)

The cash flows of the discontinued operations for the year are presented below:

(₹ in million)

	For the Year ended March 31, 2021	For the year ended March 31, 2020
Net Cash Generated From Operating Activities	(20.99)	(50.04)
Net Cash (Used In) /Generated From Investing Activities	-	-
Net Cash Generated From /(Used In) Financing Activities	-	-

Note 52 Bengaluru residential project

(₹ in million)

	March 31, 2021	March 31, 2020
Inventories	4,180.78	4,172.15
Less: Provisions for impairment	(442.65)	(442.65)
Inventories, net	**3,738.13**	**3,729.50**
Advances from customers towards sale of residential flats	1,868.68	1,868.68

Note 53 Amalgamation

The Holding Company at its meeting held on August 11, 2020 has approved scheme of amalgamation of Belaire Hotels Private Limited (BHPL) and Seapearl Hotels Private Limited (SHPL), its wholly owned subsidiaries, with the Company under Section 230 to 232 of the Companies Act, 2013, with effect from April 1, 2020, ("the Appointed Date") subject to the approval of the statutory and regulatory authorities. Post the approval received from the shareholders, petition for sanction of the scheme of amalgamation has been filed with National Company Law Tribunal (NCLT) on April 26, 2021.The scheme of amalgamation is pending for approval by NCLT. Accordingly, the Scheme has not been given effect to in the financial statements for the year ended March 31, 2021.

Note 54 Disclosure under Ind AS 115, Revenue from Contracts with Customers

Details of contract balances

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Details of Contract Balances:		
Balance as at beginning of the year	(1,868.68)	(2,169.20)
Trade receivables as on April 1	-	-
Less: Repayment to the customer on cancellation	-	300.52
Balance as on March 31	(1,868.68)	(1,868.68)
Total	**(1,868.68)**	**(1,868.68)**

As on March 31, 2021, revenue recognised in the current year from performance obligations satisfied/ partially satisfied in the previous year is ₹ Nil.

Information on performance obligations in contracts with Customers:

Real Estate Development Project:

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2021.

(₹ in million)

Particulars	2021	2022-2026	Beyond 2026	Total
Contract Revenue	-	1,525.28	-	1,525.28
Contract Expense	-	1,496.71	-	1,496.71
Total	**-**	**28.57**	**-**	**28.57**

(₹ in million)

Particulars	2020	2021-2025	Beyond 2025	Total
Contract Revenue	-	1,525.28	-	1,525.28
Contract Expense	-	1,503.45	-	1,503.45
Total	**-**	**21.83**	**-**	**21.83**

Notes to the Consolidated Financial Statements (Continued)

for the year ended March 31, 2021

Note 54 Disclosure under Ind AS 115, Revenue from Contracts with Customers (Contd.)

Hospitality and Commercial & Retail

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

Note 55 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

for the year ended March 31, 2021

	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
Chalet Hotels Limited	101%	14,329.11	86%	(1,167.94)	-154%	(0.43)	87%	(1,168.37)
Subsidiary (parent's share)								
Chalet Hotel & Properties (Kerala) Private Limited	0%	(32.18)	0%	(5.19)	0%	-	0%	(5.19)
Belaire Hotels Private Limited	7%	931.58	16%	(222.04)	254%	0.71	16%	(221.33)
Seapearl Hotels Private Limited	1%	105.72	0%	3.64	0%		0%	3.64
Non-controlling interests in subsidiary	0%	(3.22)	0%	-	0%	-	0%	-
Eliminations	-8%	(1,173.61)	-3%	40.87	0%	-	-3%	40.87
At March 31, 2021	100%	14,157.40	100%	(1,350.66)	100%	0.28	100%	(1,350.38)

for the year ended March 31, 2020

	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
Chalet Hotels Limited	100%	15,492.22	82%	816.14	100%	(11.28)	82%	804.86
Subsidiary (parent's share)								
Chalet Hotel & Properties (Kerala) Private Limited	0%	(26.99)	-6%	(63.22)	0%	-	-6%	(63.22)
Belaire Hotels Private Limited	7%	1,152.95	-4%	(39.98)	0%	0.01	-4%	(39.97)
Seapearl Hotels Private Limited	1%	102.07	0%	0.60	0%		0%	0.60
Non-controlling interests in subsidiary	0%	(2.70)	0%	-	0%	-	0%	-
Eliminations	-8%	(1,174.74)	28%	282.72	0%	-	29%	282.72
At March 31, 2020	**100%**	**15,542.81**	**100%**	**996.26**	**100%**	**(11.27)**	**100%**	**984.99**

Note 56 Disclosure under Section 186 of the Companies Act 2013

The operations of the Group are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given, guarantee given or security provided and the related disclosures on purposes/ utilisation by recipient companies, are not applicable to the Company.

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 56 Disclosure under Section 186 of the Companies Act 2013 (Contd.)

Details of investments made during the year ended March 31, 2021 as per section 186(4) of the Companies Act, 2013:

(₹ in million)

Name of entity	March 31, 2020	Investments made	Investments redeemed / sold	March 31, 2021
Stargaze Properties Private Limited	0.01	-	-	0.01
Krishna Valley Power Private Limited	12.54	-	-	12.54
Sahyadri Renewable Energy Private Limited	31.46	-	-	31.46
Renew Wind Power Energy (AP) Limited	1.00	-	0.20	0.80
National saving certificates	0.13	-	-	0.13

Details of investments made during the year ended March 31, 2020 as per section 186(4) of the Companies Act, 2013:

Name of entity	March 31, 2019	Investments made	Investments redeemed / sold	March 31, 2020
Stargaze Properties Private Limited	0.01	-	-	0.01
Intime Properties Limited	0.72	-	0.72	-
Krishna Valley Power Private Limited	12.54	-	-	12.54
Sahyadri Renewable Energy Private Limited	31.46	-	-	31.46
Renew Wind Power Energy (AP) Limited	1.00	-	-	1.00
National saving certificates	0.13	-	-	0.13

Note 57:

The novel coronavirus (COVID-19) pandemic has spread around the globe rapidly. The virus has taken its toll on not just human life, but businesses and financial markets too, the extent of which is currently indeterminate.

While the outbreak has had an impact on almost all entities either directly or indirectly, the tourism and hospitality industry has been adversely impacted with the spread of COVID-19, with widespread lockdowns being enforced across the world. The Indian Government and various state government have announce lockdown to control the spread of the COVID-19 pandemic in phased manner. The short-term impact of COVID-19 is contingent on various external factors such as lifting of the travel restrictions and revival of the economy.

The Company has adjusted the measurement of certain financial assets as of and for the year ended March 31, 2021 to reflect the impact due to COVID-19. The duration and impact of the COVID-19 pandemic, remains unclear at this time. Management has made the best estimate in relation to the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for the current year including assessment for future periods in respect of certain significant estimates and judgements in respect of certain financial and non-financial assets including on going concern assumption.

The Company has assessed the possible effects that may result from COVID-19 on the carrying amounts of Property, plant and equipment, Investment properties, Trade Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company,

Notes to the Consolidated Financial Statements (Continued)
for the year ended March 31, 2021

Note 57 (Contd.)

as at the date of approval of these financial statements has used internal and external sources of information. Management has considered the possible effects on the various financial statement captions as below:

Financial statement caption	Impact
Inventories	Additional provision in respect of expired or near expiry inventory of ₹ Nil (March 31, 2020: ₹ 4 million) has been recorded in the consolidated financial statements.
Trade receivables	Considering the expected delays in collection of receivables from customers, expected credit loss provision reversal of ₹ 1.62 million (March 31, 2020: ₹ 2.82 million) is recorded in the consolidated financial statements.
Financial instrument risk and disclosures	Due to the rapidly changing economic environment, the Group is subject to new or increasing risk (e.g. credit, liquidity, or market risk) or concentrations of risk. Consequently, additional risk disclosures have been included in Note 45 of the consolidated financial statements including a sensitivity analysis pertaining to changes in the relevant risk variable that are "reasonably possible" at March 31, 2021.
Fair value measurement	Due to the rapidly changing economic environment, the Group is subject to new or increasing risk (e.g. credit, liquidity, or market risk) or concentrations of risk. Consequently, additional risk disclosures have been included in Note 45 of the consolidated financial statements including a sensitivity analysis pertaining to changes in the relevant risk variable that are "reasonably possible" at March 31, 2021.
Deferred tax assets, net	Deferred tax asset (DTA) includes DTA recorded on carry forward losses as per Income-tax Act, 1961, which is based on reasonable certainty with convincing evidence of availability of taxable profits in subsequent years for utilisation thereof. Management has re-assessed the availability of taxable profits in the subsequent years and based on evidence of the same and the expected timing of utilisation of such losses, recorded DTA on the same.

As per our audit report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Chalet Hotels Limited
(CIN No.: L55101MH1986PLC038538)

Mansi Pardiwalla
Partner
Membership No: 108511

Sanjay Sethi
Managing Director & CEO
(DIN: 00641243)

Joseph Conrad D'souza
Director
(DIN: 00010576)

Milind Wadekar
Interim CFO

Christabelle Baptista
Company Secretary
Membership No: A17817

Mumbai
May 18, 2021

Mumbai
May 18, 2021

Statement under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Top Ten employees in terms of remuneration drawn and Employees drawing remuneration of ₹ 8,50,000/- or more per month and ₹ 1,02,00,000/- or more per annum

Sr. No.	Name of the Employee	Designation	Relation to any Director or Manager of the Company	Age as on 31/03/2021	Gross Remuneration (₹)	Qualification	Experience (Years)	Previous Employment & Designation	Date of Commencement of Employment	Percentage of Equity Shares held by the Employee in the Company
1	Sanjay Sethi	Managing Director & Chief Executive Officer	No	56	4,08,41,264	Diploma in Hotel Management, Catering and Nutrition, IHM Pusa	32	ITC Limited : Chief Operating Officer – Hotel Division	February 05, 2018	Nil
2	Dietmar Kielnhofer	General Manager - JW Marriott Mumbai Sahar	No	57	4,15,82,888	Doctorate in Philosophy, Business Management & Masters Degree in Marketing	36	Westin Tokyo : General Manager	May 03, 2017	Nil
3	Nagesh Chawla	Cluster General Manager - Renaissance Mumbai Convention Centre Hotel & Lakeside Chalet and Marriott Executive Apartments	No	50	1,30,32,000	Bachelor in Hotel Management	26	The Ritz Carlton Jakarta and JW Marriott Hotel Jakarta : Managing Director	February 03, 2020	Nil
4	Rajeev Newar*	Executive Director & Chief Financial Officer	No	53	99,93,934	Chartered Accountant, Company Secretary & Bachelor of Commerce (Hons)	27	The Indian Hotels Company Limited : VP – Finance	August 02, 2017	Nil
5	Rajneesh Malhotra	Chief Operating Officer	No	51	97,63,681	Masters in Business Administration	30	Radisson Hotel Group : Regional Director Operatons	April 01, 2019	Nil
6	Kadambini Mittal	General Manager - Bengaluru Marriott Whitefield	No	53	88,72,200	Post Graduate Diploma in Business Administration	28	Marriott International : Senior Area Director - Sales & Distribution, South Asia	July 01, 2019	Nil
7	Krishna Mohan N	Senior Vice President - Engineering	No	58	87,89,220	Master in Civil Engineering & Bachelor in Civil Engineering	36	K. Raheja Corporate Services Private Limited : Sr Vice President - Engineering	December 01, 2018	0.00091
8	Parag Naresh Sawhney	General Manager - The Westin Hyderabad Mindspace	No	40	76,56,000	Masters in Business Administration	19	MRG Group, VP - Hospitaity	September 11, 2019	Nil
9	Roberto Zorzoli	Italian Chef - JW Marriott Mumbai Sahar	No	37	68,83,068	Govt Hotel School Vallesana Sondalo Italy	21	Hyatt Regency Chennai - Chef De Cuisine	October 01, 2015	Nil
10	Milind Wadekar	Vice President - Finance & Tax (Interim CFO)	No	51	59,43,328	Chartered Accountant, Bachelor of Commerce	29	Hotel Leela Venture Limited : Financial Controller	August 24, 2009	Nil

*: for part of the year

CHALET HOTELS

CHALET HOTELS LIMITED

4th Floor, Raheja Tower,
Plot No. C-30, Block 'G', Next to Bank of Baroda,
Bandra Kurla Complex, Bandra (E), Mumbai 400051

Website: www.chalethotels.com

concept, content and design at AICL (hello@aicl.in)