CHALET HOTELS

EMBRACING CHANGE STRENGTHENING OUR FUTURE

Integrated Report 2021-22

ABOUT THIS REPORT

The Chalet Hotels Integrated Report <IR> 2021-22 is a critical communication document to shareholders and other stakeholders.

REPORTING SCOPE

We would like to present to you the second Integrated Annual Report for FY 2021-22. This Report has been prepared with the objective of providing our stakeholders a concise, complete and transparent assessment of our ability to create long-standing value. The <IR> 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.

The values considered in the <IR> section of the Report are on a consolidated basis.

REPORTING PERIOD

April 1, 2021 to March 31, 2022

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
- Global Reporting Initiative (GRI) Standards: Core Option and the principles of United Nations Sustainable Development Goals (UN SDGs)

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. Identifying our potential material matters is our responsibility and inputs from all divisions and feedback from all our stakeholders are considered. We conducted a comprehensive materiality assessment exercise during FY 2020-21 through engagement with multiple internal and external stakeholders (senior management team, employees, customers, suppliers, investors). The results of this exercise continue to be relevant for our Integrated Annual Report for FY 2021-22. As such, we would like to report that there was no change in our material topics for the reported year.

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.

REPORT INDEX

The hospitality industry is ready for recovery and growth after braving two years of impact from the COVID-19 pandemic. The last two quarters of FY 2021-22 created expectations of recovery through sustained consumer interest, with commercial activity touching pre-COVID levels across many sectors.

During these two years, we at Chalet have continued to strengthen our business fundamentals and strategically enhanced our operational expertise as well as honed new skills.

As we continue to deliver on the expectations of our stakeholders in the 'New Normal', we have doubled our efforts towards efficiency, expansion and sustainability. These efforts are aimed at doing more with less, growing our presence with the kick start of all dormant projects, re-branding of our hotel and re-purposing of assets for incremental returns, while we focus on reducing our impact on the environment as well as strengthening our relationships with the communities we support.

Backed by the force of our vision and commitment to our key stakeholders, we are…

EMBRACING **CHANGE**

STRENGTHENING OUR **FUTURE**

Operating under the impact of the pandemic has been like putting together the pieces of a puzzle, the various pieces of which are still in the process of coming together. While India's economy tries to recapture growth, the global uncertainties remain. In this situation, we at Chalet are leveraging our unique strengths to ensure long-term value creation.

Our Capitals & Highlights

Creating Shared Value. Reprising Growth.

Our six capitals represent our efforts at creating shared value through our business strategy and operations. These are supported by our ethical and professional conduct and enabled by our values-driven relationships.

Financial capital

Comprises the financial resources required to run our business operations, service our obligations to our partners in the value chain, our lenders and our employees and fulfil our commitments to our key stakeholders including our investors, shareholders and the communities we support.

₹ 5,297 million
Total Revenue

₹ 1,139 million
EBITDA

₹ 622 million
Operating Cash Flow

₹ 4,093 million
Total Expenditure

₹ 23,593 million
Total Debt

₹ 31,835 million
Capital Employed

Infrastructure capital

Comprises the entire bulk of physical infrastructure that enables us to run our business operations. These are the spaces we own and/or rent including hotel properties, rental spaces, other real estate assets and our offices.

7
Hotels

2,554
Keys

479,660
Total Room Nights Sold During FY 2021-22

~0.9 million sq. ft.
Mixed-use Under Rental and Annuity Segment

Intellectual capital

The brand value and loyalty we enjoy, which are the result of our efforts at long-term stakeholder value creation; our specific knowledge and talent pool that helps us consistently deliver on our customers' expectations.

10
Expert Members on our Leadership Team

231
Combined Years of Leadership Experience

22 Years
of Operational and Development Excellence

Human capital

Our skilled workforce that is constantly striving to improve our customer experience, ably supported by our continuous learning initiatives, policies to foster diversity, equity and inclusion as well as safe and conducive work environment.

0.84*
Associate to Room Ratio (Hospitality vertical)

2,230
Associates (includes full-time and contractual employees across all verticals)

₹ 2.4 million
Revenue per Associate (Across all verticals)

Rank 4th in Great Place to Work®
Category: Mid-size organizations in India

*As on March 31, 2022

Social & Relationship capital

Comprises our relationships with our key stakeholders including our brand partners and vendors, our investors and shareholders, our employees and industry peers at large, regulators, government, local bodies and the communities we serve. It signifies our ability to create shared value for them, backed by our ability to partner brands across different asset classes. We continue to enhance our value proposition by being a partner of choice for global hospitality brands.

~6,700
Suppliers

6
Trade body memberships

8
Brands across asset classes

Natural capital

We are working to ensure that our operations continue to optimise the use of natural resources through constant sustainable upgrade and maintenance of our properties, consumer awareness towards judicious consumption, responsible use of materials.

4
USGBC Gold LEED certified properties

0.43*
0.80**
Water Consumed KL/room/day

38*
73**
Energy Consumed KW/room/day

* For total rooms ** For occupied rooms

Chalet at a Glance

Setting Benchmarks. Growing Brand Trust.

At Chalet Hotels Limited (Chalet), for over two decades we have been at the forefront of mixed-use real estate development and asset management as part of the K. Raheja Corp Group, amongst the leading real estate developers in the country. We harnessed operational synergies with the top global brands in hospitality to enhance returns on investment and create shared value.

We own, develop, asset manage and operate properties as a part of our offerings in the hospitality business as well as commercial real estate. Our portfolio comprises 6 brands under hospitality, which include some of the top mainstream and luxury hotels spread across 4 major cities of the country; commercial spaces in Bengaluru and Mumbai and management of a leisure resort in Mumbai.

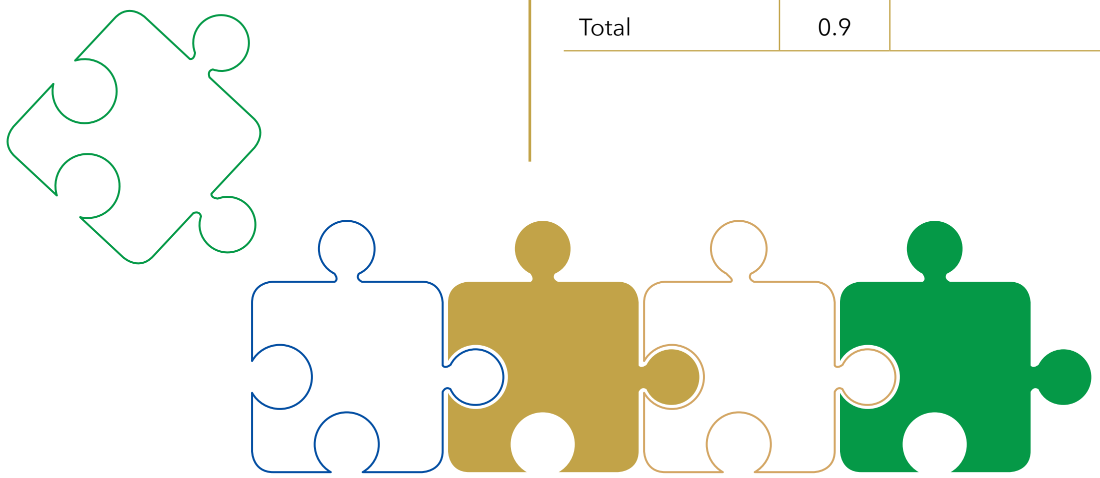
Our portfolio under hospitality business

Portfolio in association with global hotel brands

1. JW Marriott
2. The Westin
3. Marriott Executive Apartments
4. Marriott
5. Four Points By Sheraton
6. Novotel

Commercial Inventory

Existing	million sq. ft	Upcoming	million sq. ft	Total
Sahar, Mumbai	0.5	Powai, Mumbai	0.78	
Whitefield, Bengaluru	0.4	Whitefield, Bengaluru	0.66	
Total	0.9		1.4	2.3



ESG snapshot for FY 2021-22

- Chalet scored 31 on sustainable business practices by DJSI (Dow Jones Sustainability Index) for FY2021

Environmental

- First hospitality company globally to sign up for the following Climate Group initiatives
  - RE 100 (Renewable Energy)
  - EP 100 (Energy Productivity)
  - EV 100 (Electric Vehicles)
- 53% of the total power used at our hotels is from renewable energy sources
- 100% of the wet waste at our hotels is recycled
- Four of our properties are green buildings USGBC Gold LEED-certified
  - JW Marriott Mumbai Sahar
  - Bengaluru Marriott Hotel Whitefield
  - The Orb at Sahar, Mumbai
  - The Commercial Tower at Whitefield, Bengaluru

  All upcoming properties are designed under globally recognised green building norms.

Social

- Rank 4 in India's Great Mid-Size Place to Work in 2022
- Rank 40 (Asia) in the Great Place to Work Survey in 2021
- Among the Top 10 in Great Place to Work for Women in 2021

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 four 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 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, accentuated 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

Enhancing Our Offerings. Expanding Our Portfolio.

Our hotel assets are strategically located in the high-density business districts of key metro cities of the country, with close proximity to airports, business centers and more. These assets are recognized for best in the industry standards of service quality, clientele and product.

5 Star Deluxe Luxury – Upper Upscale
2,179 Keys

5 Star Upscale and Upper Midscale
375 Keys

Rental Assets
0.9 million sq. ft.

Mumbai

1,513 Keys

JW Marriott Mumbai Sahar

Westin Mumbai Powai Lake, Powai

Four Points by Sheraton Navi Mumbai, Vashi

Lakeside Chalet, Mumbai - Marriott Executive Apartments

0.5 million sq. ft. of Rental Assets at Sahar

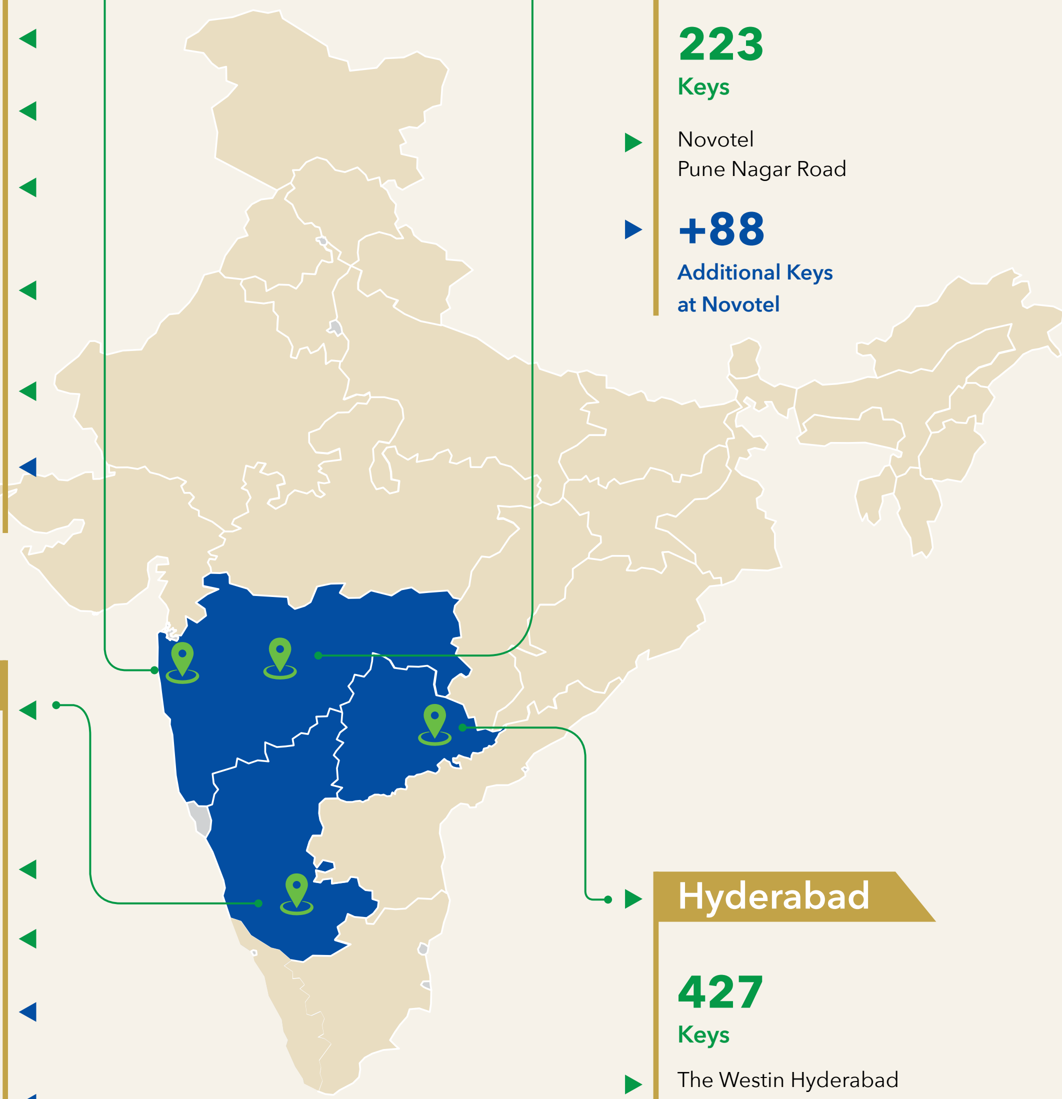
0.8 million sq. ft. of Rental Assets at Powai

Pune

223 Keys

Novotel Pune Nagar Road

+88 Additional Keys at Novotel



Bengaluru

391 Keys

Bengaluru Marriott Hotel, Whitefield

0.4 million sq. ft. of Rental Assets

0.7 million sq. ft. of Rental Assets at Whitefield

1 million Mixed-use Residential and Commercial for Sale at Koramangala

Hyderabad

427 Keys

The Westin Hyderabad Mindspace

~170 Keys New Hotel

▶ Our Existing Assets ▶ Under-development

This map is a generalised illustration only for the ease of the reader to understand the locations and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not make a representation or warranty of any kind in connection to its accuracy or completeness.

Our Portfolio

MUMBAI

Hotels

588 Keys

JW Marriott Mumbai Sahar

Offering luxury in the upscale airport district area of Mumbai, the 5-star deluxe rated property is known for excellent service and warm hospitality as well as ultra-modern interiors and facilities for guests.

600 Keys

The Westin Mumbai Powai Lake

5-star deluxe iconic luxury hotel overlooking the scenic Powai Lake was recently re-branded from 'Renaissance' to 'The Westin' making it an aspirational choice for the new-age traveller.

173 Keys

Lakeside Chalet, Mumbai - Marriott Executive Apartments

Built to delight professionals on an extended stay in Mumbai, these service apartments wow patrons with extensive facilities that help them balance work and the plethora of activities worth exploring in the city of Mumbai.

152 Keys

Four Points by Sheraton Navi Mumbai, Vashi

This 5-star deluxe property combines the best of life in a metro and the scenic getaways accessible from the metropolis of Navi Mumbai. This property is situated in the bustling Navi Mumbai suburb of the vibrant Vashi and is in close proximity to multiple business parks and shopping/entertainment centers.

Commercial

0.5 million sq. ft.

The Orb Office & Commercial Tower Sahar

Offering best-in-class office rental space to corporates within the proximity of JW Marriott Mumbai Sahar and T2 Chhatrapati Shivaji International Airport, Mumbai, making it one of the most sought after office buildings.

PUNE

Hotels

223 Keys

Novotel Pune Nagar Road

A 5-star offering in collaboration with the French group Accor, the property celebrates the business traveller with its ergonomically designed rooms and strategic access to prime business hubs within the city. The property is currently undergoing an expansion of 88 brand new rooms.

HYDERABAD

Hotels

427 Keys

The Westin Hyderabad Mindspace

Our 5-star deluxe premium luxury offering located at the heart of the HITEC city, is the preferred destination for the business traveller in the vicinity of a high density business district and shopping/entertainment center.

BENGALURU

Hotels

391
Keys

Bengaluru Marriott Hotel, Whitefield

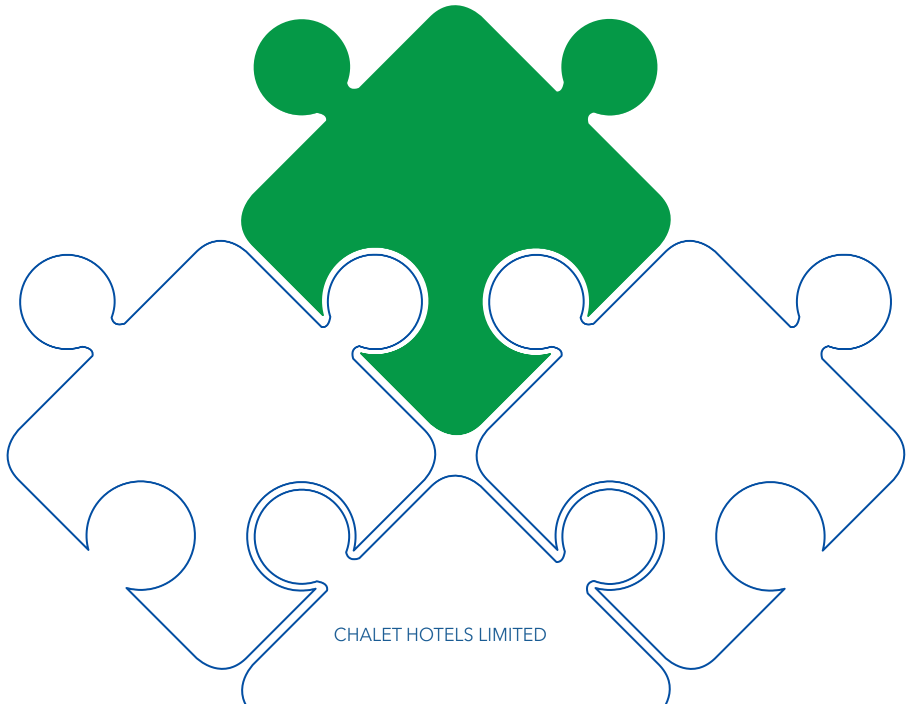
Our premium luxury offering for guests wanting to explore Bengaluru's best, this 5-star deluxe property is designed to deliver unforgettable ease and comfort. The property is located in close proximity to the corporate hub and entertainment centers of the New Business District.

Commercial

0.4
Mn sq. ft

Office Block, Whitefield Bengaluru

This commercial space is located in one of the key business districts in Bengaluru, with easy access to luxury hospitality, being adjacent to Bengaluru Marriott Hotel Whitefield.



Key Performance Indicators

Quick Ramp-Up in Recovery Delivering Expectations

FINANCIAL

Profit & Loss

Total Income (₹ in million)

FY 2021-22	5,297
FY 2020-21	3,167
FY 2019-20	10,087
FY 2018-19	10,348
FY 2017-18	8,513

EBITDA (₹ in million)

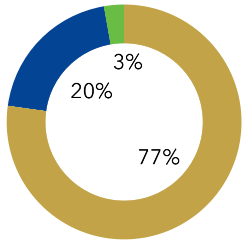
FY 2021-22	1,139
FY 2020-21	253
FY 2019-20	3,645
FY 2018-19	3,668
FY 2017-18	3,005

EBITDA Margin (%)

FY 2021-22	21
FY 2020-21	8
FY 2019-20	36
FY 2018-19	35
FY 2017-18	35

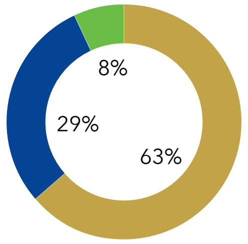
Business-wise breakdown of total Income (Consolidated) (₹ in million)

FY 2021-22



- Hospitality - ₹ 4,100 million
- Rental & Annuity - ₹ 1,050 million
- Other Income - ₹ 147 million

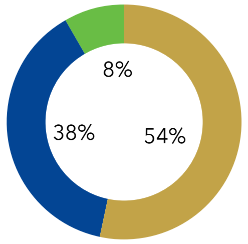
FY 2020-21



- Hospitality - ₹ 2,022 million
- Rental & Annuity - ₹ 926 million
- Other Income- ₹ 219 million

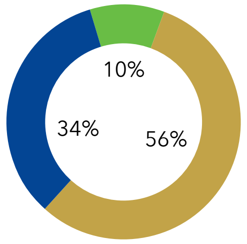
A breakdown of revenue from hospitality vertical (₹ in million)

FY 2021-22



- Rooms - ₹ 2,195 million
- F&B - ₹ 1,565 million
- Other Income - ₹ 340 million

FY 2020-21



- Rooms - ₹ 1,131 million
- F&B - ₹ 684 million
- Other Income - ₹ 206 million

Balance Sheet

Net Worth (₹ in million)

FY 2021-22	13,410
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 2021-22	31,835
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 2021-22	23,593
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 2021-22	FY 2020-21
MMR*	4,714	4,056
Bengaluru	4,403	4,611
Hyderabad	4,850	4,161
Pune	3,505	2,871
Combined	4,576	4,040

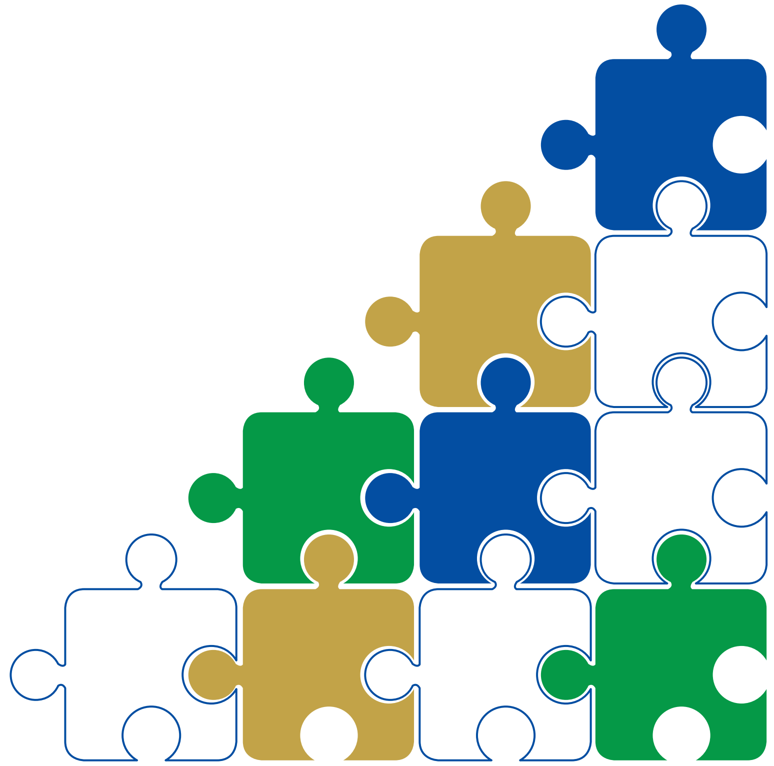
Occupancy (%)

	FY 2021-22	FY 2020-21
MMR*	58	35
Bengaluru	28	24
Hyderabad	45	19
Pune	64	28
Combined	51	30

Revenue per Available Room (₹)

	FY 2021-22	FY 2020-21
MMR*	2,715	1,415
Bengaluru	1,220	1,127
Hyderabad	2,169	794
Pune	2,253	805
Combined	2,355	1,214

*MMR: Mumbai Metropolitan Region



Message from the Chairman's Desk

Do not judge me by my successes, judge me by how many times I fell down and got back up again.

– Nelson Mandela

This has been the most challenging period in our Company's history, but the resilience of our associates and our business model that integrates hospitality revenues with annuities from commercial assets has never been more evident.

Dear Shareholders,

I am proud of the remarkable work our team has accomplished since the beginning of the pandemic. This has been the most challenging period in our Company's history, but the resilience of our associates and our business model that integrates hospitality revenues with annuities from commercial assets has never been more evident. Thanks to the exceptional leadership of your Management, Chalet Hotels Limited has emerged much more focused and better positioned than ever for growth.

Your Company started witnessing improvements in performance from the third quarter of 2021-22. In this quarter, the hospitality portfolio crossed the 60% occupancy mark for the first time since the beginning of the pandemic and recorded occupancies of 64% in December 2021. From mid-February onwards, the industry saw significant improvement in travel. As per an HVS report, the hospitality industry witnessed a sharp recovery in March and occupancies pan-India breached 60% and ADRs were between ₹ 5,400 to ₹ 5,600, driven by improvement in corporate travel, big ticket conferences and the demand for leisure destinations. As a result of the above, your Company ended the year on a decent note with occupancies of 51% and ADR of ₹ 4,576.

During the year, the Management initiated several initiatives with a view to optimize earnings and Return on Assets. Chalet initiated re-purposing of some of its retail properties as office buildings. The commercial projects in Mumbai and Bengaluru and the residential project at Bengaluru were recommenced. Expansion of rooms at Novotel in Pune is also underway. On completion of the first phase of renovation, the iconic 'The Renaissance Mumbai Convention Center Hotel' at Powai Lake was re-branded as 'The Westin Mumbai Powai Lake' on March 1, 2022. The Westin Powai is now a 600-room asset with contemporary spaces offering distinctive experiences to our guests.

In response to the changing business needs, we have embraced digitisation and automation in our business to effectively cater to the needs of our customers in the ways that best suit them. We have also kept a strong focus on our ESG front as we reaffirm the commitment to a sustainable tomorrow.

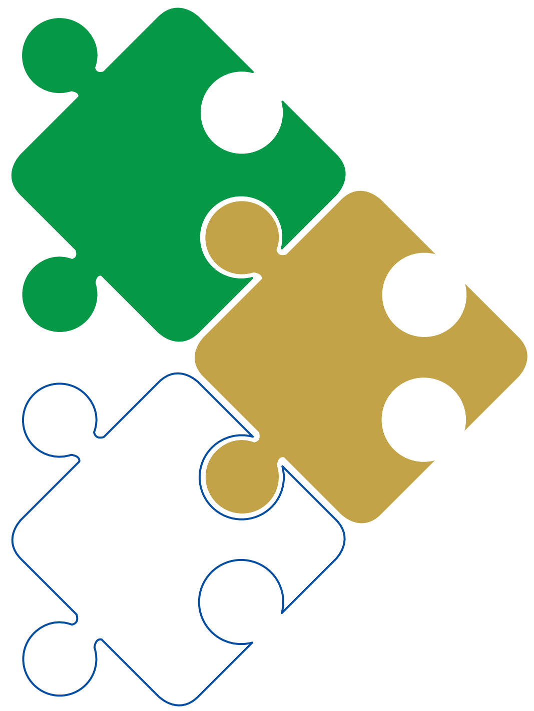
With our renewed strategy in place, we are geared up for growth, while keeping our focus on the environment to preserve nature for our future generations. We trust that all our stakeholders would accompany us on this journey.

Yours Sincerely,

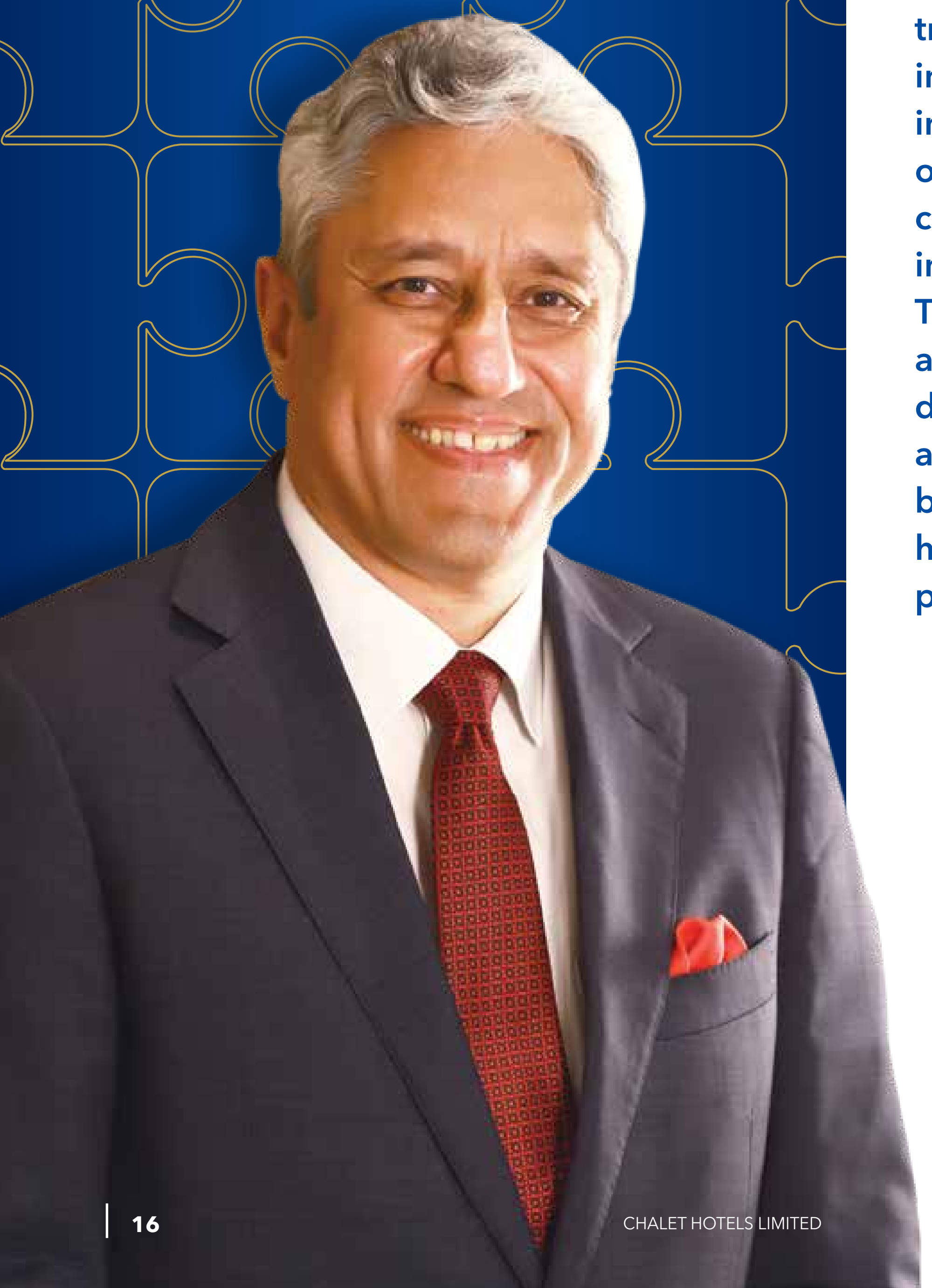
Hetal Gandhi

Chairman and Independent Director

DIN 00106895



Message from the Managing Director's Desk



All fixed set patterns are incapable of adaptability or pliability. The truth is outside of all fixed patterns.

- Bruce Lee

The resilience of the travel and hospitality industry was evident as the industry came to the end of a challenging second consecutive year of the impact of the COVID-19. The industry is now seeing a sharp recovery and despite the turbulences and an unprecedented business environment, we have been able to tread the path of revival.

Dear Shareholders,

I am pleased to present the annual report of Chalet Hotels Limited for FY 2021-22 which reflects your Company's ability to navigate through the new normal and lay out a strategy for the future that focuses on 'Return on Capital Employed'.

The resilience of the travel and hospitality industry was evident as the industry came to the end of a challenging second consecutive year of the impact of the COVID-19. The industry is now seeing a sharp recovery despite the turbulences and an unprecedented business environment, we have been able to tread the path of revival. This has been driven by the return of travel confidence and a strong resurgence of business travel, MICE and wedding segments.

The FY 2022 unfolded with the onset of the second wave of COVID-19 in March 2021. The state of Maharashtra imposed a complete lockdown from April 4, 2021, till June 7, 2021, thus, impacting two-thirds of Q1 2021-22. The hospitality business was hit hard due to restrictions across various cities. However, the months of June and July 2021 saw a sharp pickup in business and leisure segments. Restrictions in major business cities were eased and domestic corporates went back to working from office resulting in business travel gaining momentum. From August 2021, the hospitality industry continued on the path of recovery with a revival in demand.

Your Company had a very promising Q3. The hospitality portfolio crossed the 60% occupancy mark for the first time since the beginning of the pandemic with December clocking 64% occupancy. With the travel confidence improving significantly, domestic airlines witnessed an 84% recovery to pre-COVID levels in the third quarter.

Travel confidence bounced back in the second half of the fourth quarter, with the impact of Omicron fading. Your Company saw an ADR growth of 7% from the preceding quarter and occupancies touching a healthy 70% in March 2022. The months of April and May continued with occupancies higher than the comparable pre-pandemic period of 81% and 79%, respectively, with ADRs at ~₹ 7,600 in May.

With its country-wide impact, the pandemic potentially changed how we think and perceive the world. We have unlearned and learned new ways of working. To match the steps of the new and modern hospitality industry and stay on top of the game, we have considered adoption of advanced technologies and IoT-based solutions such as Touchless Mobile Key and QR Code-enabled digital In-room-dining menus & other services. To control the spread of the virus and ensure the safety of our guests and colleagues, your Company implemented strict hygiene protocols and invested in touchless technologies such as Contactless Front Office Operations for Check-in/Check-out and contactless F&B Operations.

Your Company re-strategized assets by exiting the retail segment. Both the commercial projects, in Mumbai and Bengaluru were restarted. Focusing on asset optimization, we started work on repurposing the space at Inorbit Mall in Bengaluru and The Orb at Sahar, Mumbai, by converting them into commercial office assets, thus adding another 0.4 million sq. ft. of rent-yielding commercial assets to our existing portfolio of 0.5 million sq. ft. In addition, the work on two new commercial assets with a total of 1.4 million sq. ft. at Whitefield in Bengaluru and Powai in Mumbai is progressing well with completion targeted by Q2 FY 2023 and Q4 FY 2023, respectively.

We reassessed the proposed 150 room 'W Hotel' project at Powai and considering the demand dynamics of hospitality and commercial rental spaces in the micro-market, have decided to change the end use to a commercial building. Subject to requisite regulatory approvals, this project could potentially add another ~0.75 million sq. ft. of leasable space to our commercial portfolio.

We also completed the 1st phase of renovation and rebranding of Powai hotel and started the expansion of room inventory at Novotel in Pune. Our iconic property at Powai Lake, 'The Renaissance Mumbai Convention Center Hotel' was upgraded and re-branded as 'The Westin Mumbai Powai Lake' on March 1, 2022. The upgraded 600-room asset with contemporary spaces includes 'Mayouchi' - a brand-new Japanese Tapas bar, 'Mumbai Express' - a feel-good Deli, 'Nawab Saheb' - a rejuvenated Indian restaurant, a relaxing spa and stunning views of the lakefront and the city skyline offering distinctive experiences, thus making it a preferred choice for the new-age traveller.

Our residential development at Koramangala in Bengaluru, which was stalled due to litigations on height, has been cleared as we signed a revised development plan with Hindustan Aeronautics Limited (HAL). The project has received fresh NOC from HAL and currently is on the last leg of local and RERA approvals, post which sales would recommence. With substantial inventory in advanced stage of completion, this asset is expected to start generating healthy cashflows in the near future.

The financial performance of your Company during 2021-22 was a result of the operational milestones achieved in truly challenging times. At the consolidated level, revenue for the year was ₹ 5.3 billion with an EBITDA of ₹ 1.14 billion. Net debt on March 31, 2022, was ₹ 22.34 billion, while the capital expenditure incurred towards projects under-construction during the year was ₹ 3.6 billion.

Our commitment to following a responsible path for your Company is unstinted. I wish to inform you that Chalet Hotels Limited is the first hospitality company across the globe to sign up for all the three key initiatives by Climate Group, namely RE100, EP100 and EV100. Under EV100, we aim to replace all vehicles used for guest transportation with electric vehicles (EVs) by 2025. Under our initiatives towards energy efficiency namely, EP 100, we aim to double the electricity productivity

Our commitment to following a responsible path for your Company is unstinted. Chalet Hotels Limited is the first hospitality company across the globe to sign up for all the three key initiatives by Climate Group, namely RE100, EP100 and EV100.

per unit of electricity consumed by 2029, while under RE 100, we are committed to move to 100% renewable energy by 2031.

We are on track with regard to installation of EV charging stations at all our properties ahead of our committed deadline of 2025 as more than 50% of our properties already have the charging stations functional. Meanwhile, we are evaluating the EV models available in the market to replace the guest transportation fleet. As of March 2022, about 53% of our electricity consumption was from renewable sources. Subsequently, we have entered into agreements with power suppliers for use at the hotels, which will help increase the ratio of green power. Several steps are being taken to improve energy productivity using technology, including plant room optimization and other HVAC projects that are currently underway. We are also setting up water bottling plants at all our hotels, where glass bottles will replace plastic water bottles, thereby bringing in significant reduction in single-use plastic consumption.

For the next two quarters, we will be focusing on four key areas of our business, namely,

- Capturing the domestic and global rebound
- Efficient execution of growth projects
- Rolling out of the ESG strategy
- Attracting, developing and nurturing talent

I am happy to share that Chalet Hotels Limited has earned 4th rank in the prestigious list of India's Great Mid-Size Workplaces 2022-2023. It is for the third consecutive year that your Company has been certified by the Great Place to Work® Institute and this time we are the only hospitality company to make it to the Top 10. People are the foundation of our Company and our goal is to foster a future-fit and an enabling work culture in which our colleagues excel and set high-performance standards. While we strive to create a 'workplace of choice and pride', a workplace benchmarked to global standards, this recognition is a testament to the hard work, resilience, agility and team spirit of our colleagues.

I would like to take this opportunity to thank our colleagues for their diligence and commitment to rebuilding the business with such tenacity. Looking at the sharp business recovery in the recent months, I am conspicuously optimistic that from here on, your Company has a long runway of sharp growth.

I extend heartfelt gratitude to all our esteemed shareholders for their unstinting support throughout this journey.

As Abraham Lincoln rightly said,

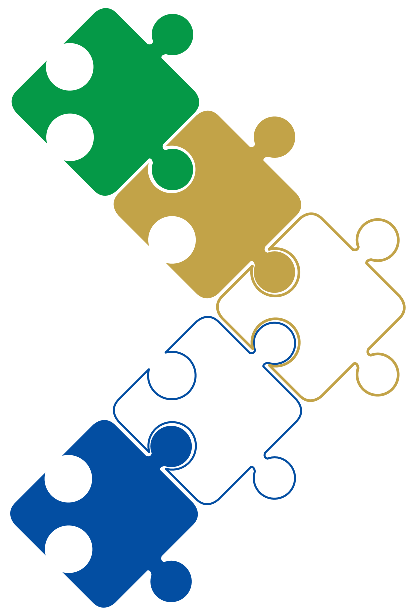
"The best way to predict the future is to create it."

Yours Sincerely,

Sanjay Sethi

Managing Director & Chief Executive Officer

DIN: 00641243



Our Value Creation Model

Optimising Our Efforts. Building on Our Strengths.

Input

Financial

Equity & Reserves	₹ 13,410 million
Total Debt	₹ 23,593 million

Infrastructure

Fixed Assets	₹ 20,347 million
No. of Hotels	7
Number of Rooms	2,554
Rental Assets	2
Total Leasable Space	0.9 million sq. ft.

Human

Associate Count	2,230
Employee Training & Engagement	1,30,257 hrs

Intellectual

Asset Management Ability to Enhance Productivity

Strategic and Business Knowledge with the Group

Social & Relationship

CSR Spend During the Year	₹ 0.7 million
Number of Brand Associations	8
Suppliers	~ 6,700
Number of Trade Memberships	6

Natural

Energy mix	53% Green Power
Wet-waste	100% recycled
Water Management	Zero discharge
Number of USGBC Gold LEED-certified Properties	4

Vision

To create extraordinary shareholder value through enduring experiences for our guests, partners and colleagues

Values

Integrity, Agility, Efficiency, Collaboration, Sustainable Development, Respect

Process

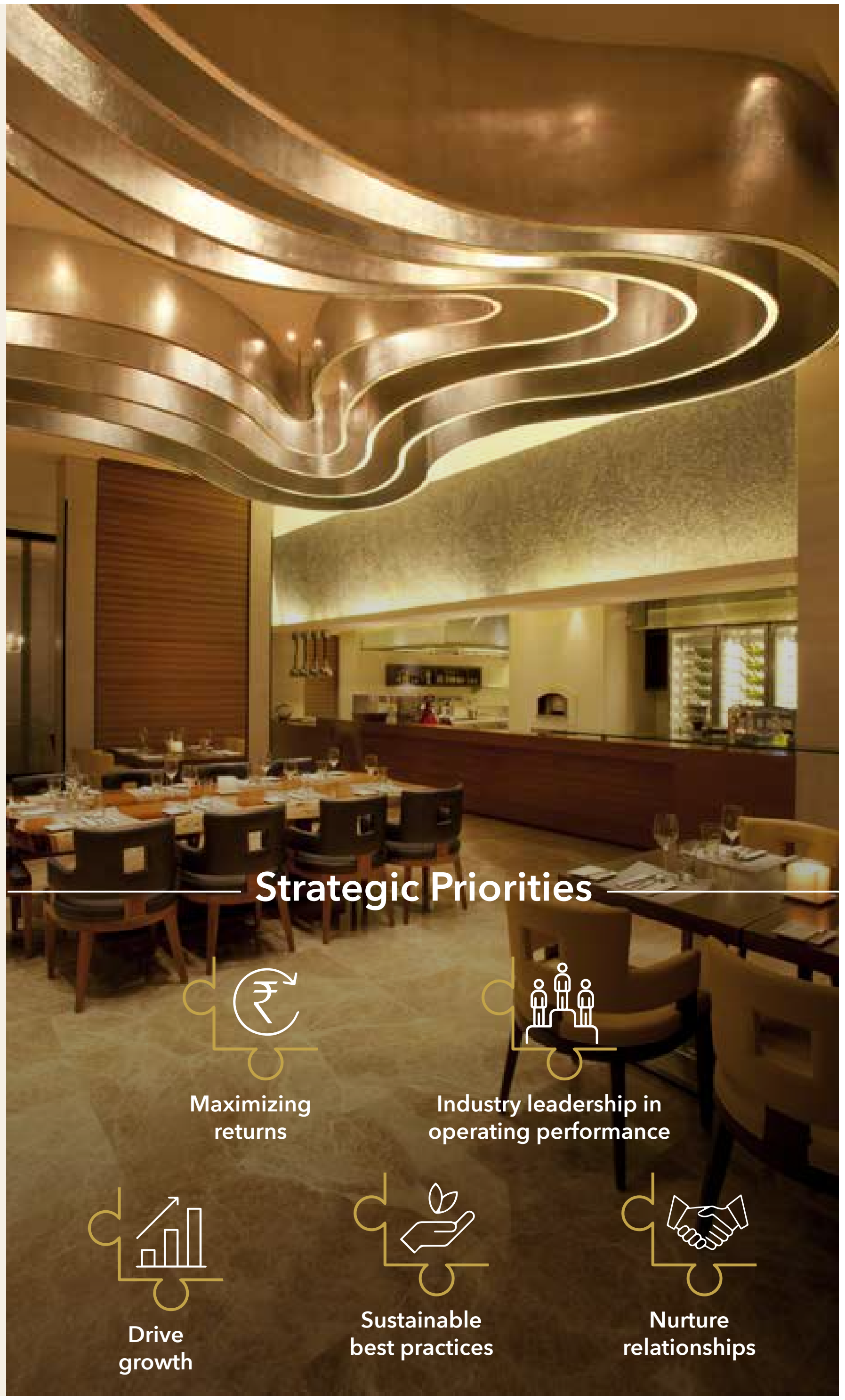
Periodical Assessment of Asset End-Use

Identify High-Potential Locations

Build Efficiently

Partner with the Best

Drive Performance Across the Board



Output

Financial

Sustainable Capital Structure	
Generating Optimal Cash Flows per Asset	
Revenues	₹ 5,297 million
EBIDTA	₹ 1,139 million

Manufactured

Optimal Returns from Investment and Property

Market Dominance across all Hotel Properties

Annuity Shield from Mixed-Use Development

Optimizing Fixed and Variable Costs

Human

Higher Employee Productivity (Revenue per Employee)	₹ 2.4 million
Ranked 4th in Great Place to Work® Survey	
Stronger Talent Management	

Intellectual

Prudent Capital Allocation

Cost Optimization

Right Asset Mix

Sweating the Assets

Social & Relationship

Higher Customer Acquisition and Retention

Fortified Policy Development

Community Development

CSR Initiatives Reaching Out to Various Sections Across Society

Natural

Sustainable Resources Utilisation:

Water Consumption	0.80 L per Day per Room*
Consistent Energy Saving	73 KW per Day per Room*
Co2 Emissions curtailed by embracing Renewable Energy	53% renewable energy

*On Occupied Rooms

Operating Environment

Transforming Consistently. Targeting Returns.

The hospitality sector is rapidly regaining its health and vigour after two years of stress due to COVID-19 pandemic. Globally, the hospitality sector revenues dipped by 70-90% during the pandemic, with Indian hospitality sector suffering a similar fate.

However, FY 2021-22 indicated resilience in our industry, with the end pointing to a strong recovery.

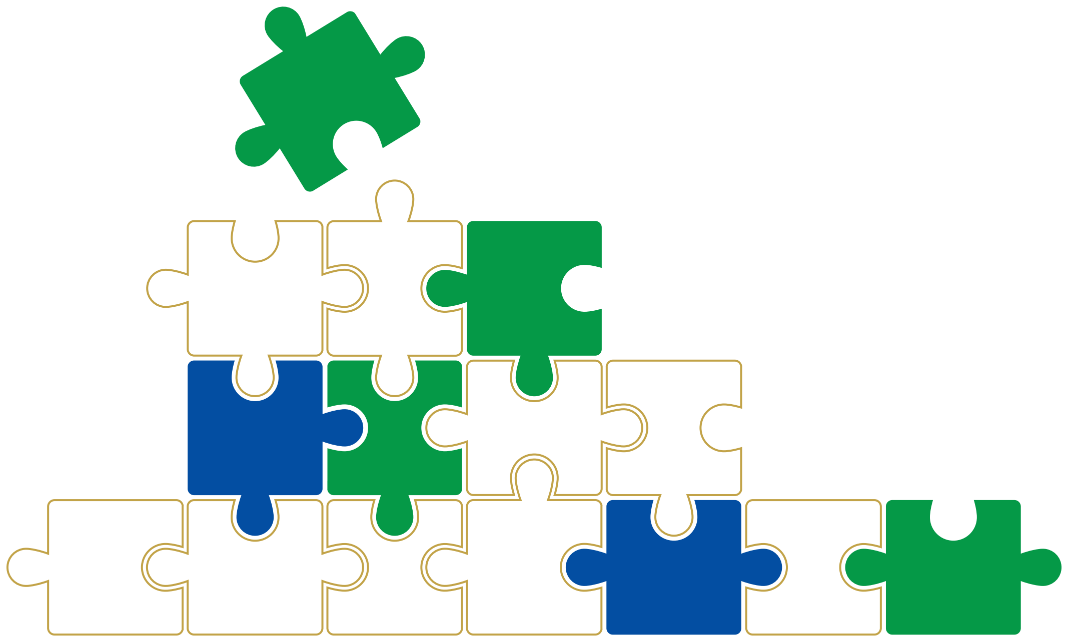
Nationwide hotel occupancy rate in April 2022 touched 65% for the first time since the start of the pandemic. RevPAR in April, 2022 surpassed pre-COVID levels for the similar period. These numbers point to a rebound in the sector.

It would be safe to say that as economy continues to open and the threat of the virus recedes, pent-up demand on the travel and hospitality front will be released, driving up hotel occupancy, rates and new growth opportunities for players like Chalet.

The Indian Hospitality Sector

India saw its worst moment of the pandemic during the months of April & May 2021. Rather than opting for nationwide lockdowns, the government implemented localized restrictions. As a result, the impact on the economy was contained to an extent. From Q3 onwards, the Hospitality sector entered a phase of recovery. The pace was slow but steady.

As per 'Indian Hospitality Industry Overview 2021' by HVS Anarock, during 2021, hotel companies continued to grow their development pipelines, resulting in over 24% rise in brand signings by keys compared to the year before. Also, 135 new hotels with 12,359 rooms entered the branded hotel market in 2021, while 58 hotels with 3,108 rooms were rebranded. The hope offered by Q3 of FY 2021-22 was affected with the rise of the most viral variant of the virus and the Ukraine-Russia conflict sparking tensions across the region.



Overall, the sector made strides towards pre-pandemic 2019 levels with visible recovery.

Indian Hospitality Industry KPI's CY 2021

	Occupancy	Average Daily Rate	RevPAR
	42-45%	4,300 - 4,600	1,800 - 2,100
higher Vs 2020	10-13%	7-10%	24-27%
lower Vs 2019	21-24%	25-28%	50-53%

(Source: Indian Hospitality Industry Overview 2021 - HVS Anarock)

Emerging trends in the sector

A shift in demographics

While travellers from much more diverse age groups hit the travel trail as compared to a few years ago, today's travellers are progressively more eco-aware and eco-conscious. This is leading to the rise of sustainable tourism practices. Thus, being able to service niche audiences and anticipating a more diverse spectrum of consumer expectations in order to achieve guest delight, will become a requirement. Similarly, hotels will seek to drive revenue growth from ancillaries.

Emergence of newer options

We are entering an era of alternative accommodation, where hotels will face competition from niche offerings such as privately-owned villas and heritage homes marketed for the unique experiences they create. This will also lead to creation of softer brands, according to the HVS report for 2021, that do not comply to the traditional way that established brands work.

Sustainable hospitality

Sustainability is a major trend – transcending borders and sectoral boundaries. Especially in the hospitality business, as it is imperative for all of us to contribute to reversal of climate change and our carbon foot prints. It also helps to attract investor interest; it enhances brand perception and value in the consumers' mind; it helps reduce operational costs.

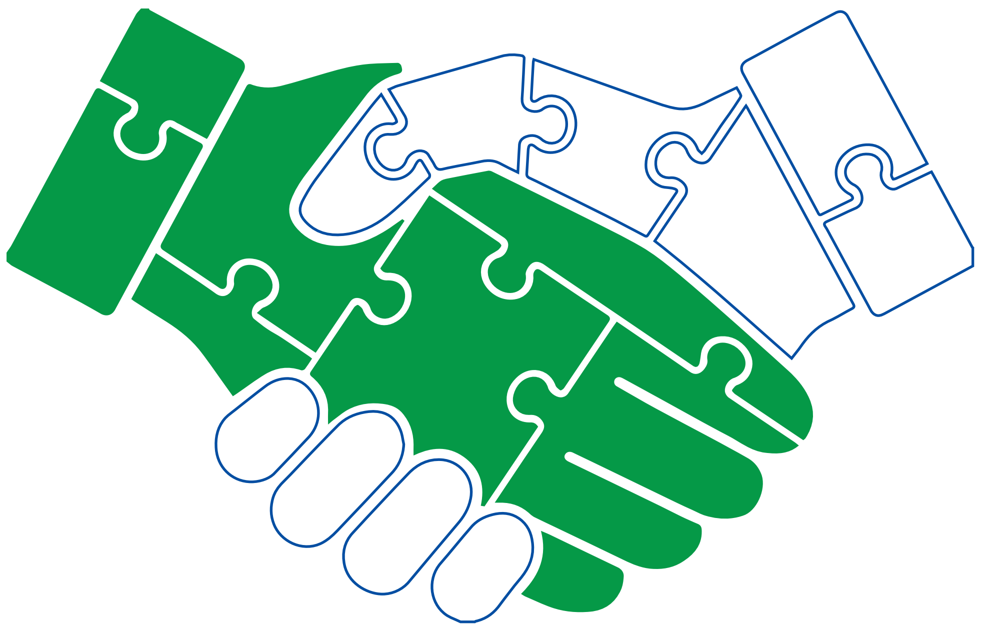
Stakeholder Engagement

Understanding Priorities. Fortifying Relationships.

We see continuous, proactive, constructive and values-based engagement with our key stakeholders critical to maintaining our Social and Relationship capital. By helping us understand their concerns and priorities, it has a deep impact on all other capitals.

Our process of stakeholder engagement encompasses identification of our key stakeholders, engaging with them across their preferred modes and channels and communicating the feedback thus obtained to the relevant people within the organization, including the senior leadership and the Board, to facilitate strategy and decision-making accordingly. Our stakeholder engagement process is stakeholder-led, with key focus on understanding their expectations from our brands and our performance as an organization.

Our key shareholders include our investors and promoters, our customers, hotel operators, employees, suppliers, regulatory authorities and communities. Continuous engagement with them informs on topics material to our business, helping us determine areas of focus for future growth.



Stakeholders	Investors and Promoters	Customers	Hotel Operators	Employees	Suppliers	Regulatory Authorities	Communities
Relevant organisational functions they directly engage with	Investor Relations and Secretarial team Corporate Governance	Business teams Service quality Data security	Hotel operations Business teams Operational and resource efficiency	Employee well-being Human capital development	Supply chain management, awarding tenders through the procurement team	Legal and Secretarial Compliance with systems and regulations	NGO partnerships, community development
Platforms of engagement	Meetings, conferences and correspondence surveys	Industry conferences Survey and customer satisfaction assessment (through brand partners)	Business meetings, surveys and web portals	Personal/group interactions, skill trainings, mailers; surveys	Business meetings and personal interactions	Industry representations, filings, correspondence, meetings	CSR activities, Employee volunteering, meetings, newsletters, surveys
Frequency	Quarterly results, quarterly earnings conference calls and meeting, as and when required	Ongoing	Ongoing	Regular and ongoing	Ongoing	As mandated by the regulatory authority	Ongoing
Key topics discussed	Greater focus on governance Regulatory compliance Greater transparency and disclosures Healthy EBITDA margin among hotels Shareholder confidence	Customer satisfaction Brand tenets with respective associated hotels managed by Chalet	Adherence to applicable regulatory and legal norms as per the location of our hotel operators	Continuous YoY growth strategy Key strengths of business: location, demand build-up, efficient building design Diversity and inclusion Unionized challenges Training on good governance	Responsible procurement	Statutory compliances	Impact on immediate community
Inferences	Building investor confidence Sustainable profitability	Long-term customer relationship, understanding customer requirements	Closely partner to support the goals of the Company and its operating partners	Enhanced employee engagement, satisfaction and motivation	Long-term association, strengthened supplier relationship	Ethical business conduct going beyond regulatory requirements	Community development, awareness and upliftment
Capitals impacted	Financial Intellectual	Financial Social and Relationship	Intellectual Social and Relationship	Intellectual Social and Relationship	Intellectual	Financial Intellectual	Social and Relationship

Material Topics

Staying Agile. Focusing on What Matters Most.

Our continuous stakeholder engagement helps to throw light on aspects of our business that are important to our key stakeholders. These become our material topics and provide the basis for our engagement with them, our action and response towards addressing them and thus, strengthening our stakeholder relationships overall.

Our material topics are interlinked in their impact on our various capitals. As an organization, we continue to track and monitor our performance related to these topics. We also communicate any changes in these topics to the relevant functions and people responsible.

Our annual report for the current financial year discusses material topics arrived at through a materiality assessment exercise conducted during FY 2020-21. There has been no change in our material topics or their order of criticality to our business since.

Material topics	Our management approach	Capitals impacted
Sustainable Profitability & Return on Investment	During the past two years of the pandemic, we have focused on strategizing to maintain a healthy balance sheet and collaborated with our operators to keep our operating costs optimally low. This has helped us maintain the strength of our financial capital, enabling us to invest in growth when opportunities open up.	Financial
Sound HR Policies & Talent Management	We prioritize adhering to global industry-best practices that ensure a safe, healthy and conducive work environment, enhancing the performance of our workforce.	Intellectual Human
Health & Safety	We continue to follow health and safety protocols as required by regulatory authorities at our offices and facilitate the same at our properties managed by our operator brands.	Social & Relationship Intellectual
Human Rights Assessment	We adhere to global best practices in safeguarding human rights of the people we work with.	Social & Relationship Human
Information and Cyber Security	We are continuously ramping up our digital capabilities which help us ensure security of our data and our systems through cutting-edge technology and strong protocols to detect and respond to breaches, if any.	Intellectual
Service Quality	Ensuring service quality through partnerships with globally renowned brands is core to our value proposition. We partner with the best in order to deliver the best to our end-consumer.	Intellectual
Risk Mitigation	We have established a comprehensive risk mitigation framework at Chalet, led by members of the Board. We are committed to continuously monitoring changes within the operating environment and proactively respond to these.	Financial
Climate Change, Energy and Emissions Water Management	The nature of the business we are in requires us to carefully evaluate environmental impact of our activities. We are consistently optimizing our operations to minimize our use of electricity, reduce our consumption of water and other natural and man-made materials and recycle these to the extent possible.	Natural
Waste management	We also direct significant efforts through technology and infrastructure to minimize the discharge of waste and treat it beforehand.	Natural
Biodiversity	We execute our projects after a thorough assessment of the impact of our operations, backed by 100% compliance as well as commitment to protect the biodiversity in and around the geographical sites where we choose to operate.	Natural
Governance	We have robust governance strategy and mechanisms in place to ensure proactive risk management and sound policymaking that helps us achieve our shared value creation goals.	Financial
Responsible Procurement	As a responsible partner to our operator brands and as a responsible corporate, we exercise utmost discretion and care to make sure that our procurement fulfils the highest standards of quality, safety and purity.	Financial
Brand & Reputation	As part of one of the top-most real estate developer in the country, we at Chalet take pride in our parentage as well as our partnerships with global hospitality brands. Our expertise in asset management continues to help us forge increasingly beneficial partnerships with brands that enjoy globally known.	Social & Relationship
Customer Delight	We focus on our ability to deliver customer delight through our operator brands who enjoy global repute and bring with them years of expertise in the delivery of hospitality services. We support them by providing them with properties built to facilitate world-class delivery they are known for.	Intellectual
Social Initiative	As a socially responsible corporate and a member of the society, we run a variety of programs to enrich and empower disadvantaged communities around the areas where we operate. Our social initiatives fall under the purview of our Board-level corporate social responsibility committee.	Social & Relationship
Redressal Mechanism	Redressal mechanisms for our employees and associates as part of our governance mechanism are a critical mode for us to engage with our various stakeholder communities.	Intellectual

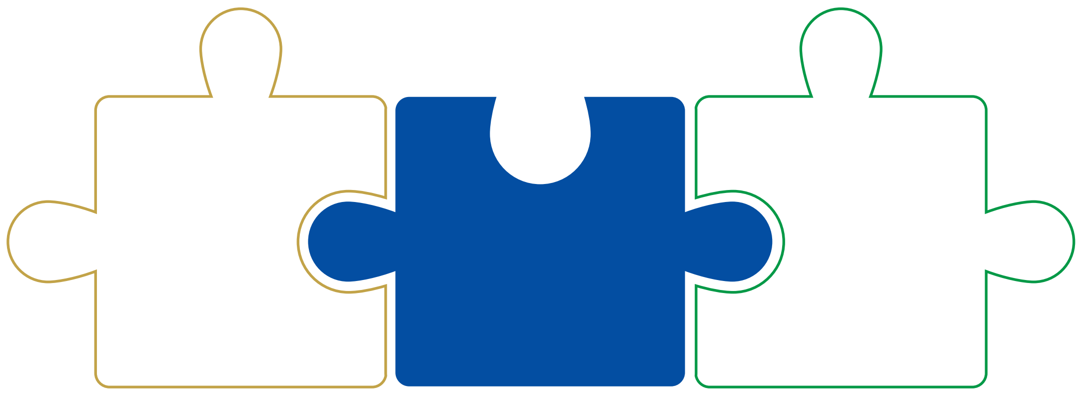
Long-term Strategic Pillars

Growing Positive Impact. Fulfilling Expectations.

Capital Trade-offs

Capital	Maximizing returns	Industry leadership in operating performance	Drive growth	Nurture relationships	Sustainable best practices
Financial Capital	+	+	+	O	+
Manufactured Capital	+	+	+	+	+
Intellectual Capital	O	+	+	+	+
Human Capital	O	O	O	+	+
Social and Relationship Capital	O	O	+	+	+
Natural Capital	+	O	O	O	+
Trade-off Reason	Allocating funds based on a balance between investment returns and business sustainability	- Managing service levels by rationalizing 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 inhouse 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

Positive = + and Neutral = O



Our long-term strategic pillars	Implementation approach	Capital impacted	SDGs met
Maximizing returns Value Accretive capex deployment to increase efficiencies and improve guest satisfaction	- Keeping cost control to derive long-term benefits - Prioritizing occupancy over rates during adverse circumstances - Testing the best end-use of all assets and repurposing where-ever necessary - Fast-tracking development to advance revenue earning capability of capital	Financial Manufacturing Intellectual	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 12 Responsible Consumption and Production
Industry leadership in operating performance Partner with the best and enhance the performance of existing properties	- Optimizing usage of existing assets - Centralizing certain functions like laundry and finance - Believing in and leveraging the first-mover advantage - Focusing on talent throughout the system	Intellectual Social and Relationship Financial	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 12 Responsible Consumption and Production
Drive 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 additons - Assessing and exploring new geographies with high future potential demand	Financial Human Social and Relationship	8 Decent Work and Economic Growth 12 Responsible Consumption and Production 17 Partnerships for the Goals
Nurture 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 - Executive position in key industry trade bodies to facilitate industry promotion and growth - Participating in policy developments and changes in the industry with the government	Human Social and Relationship	4 Quality Education 5 Gender Equality 17 Partnerships for the Goals
Sustainable best practices Thriving communities and sustainable business growth with least adverse environmental impact	- Aligning power and water usage with occupancy - Investments made towards technology initiatives for energy efficiency - Ongoing investments in new developments focusing on green buildings	Intellectual Natural	17 Partnerships for the Goals 8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 12 Responsible Consumption and Production

ESG Report

Reducing impact on Climate. Envisioning a Greener Future.

We, at Chalet, believe that sustainability is key to responsible growth. As a responsible organization, we strive to be a frontrunner on the path of environmental stewardship through our 'Environment Policy' that defines how we assess and embrace sustainability in a multidimensional manner, including use of green energy, conservation of energy, water management and operating green buildings.

Our key aim has been to integrate the essentials of Environment, Social and Governance (ESG) into our business model to enable us to create holistic and shared values.

Minimizing our footprint requires strong environmental management, using benchmarking and reporting, investing in efficiency projects, standardizing portfolio sustainability and undertaking individual property level initiatives.

ESG Essentials

Our Purpose

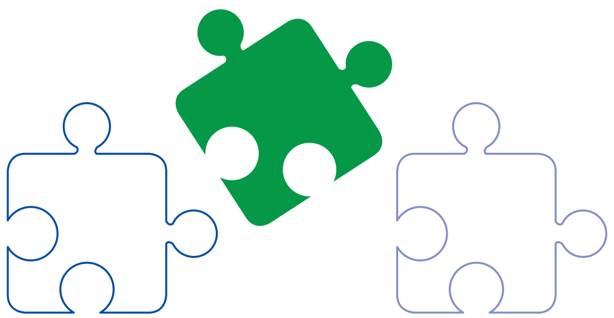
Responsible investment for sustainable value creation.

Our Vision

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

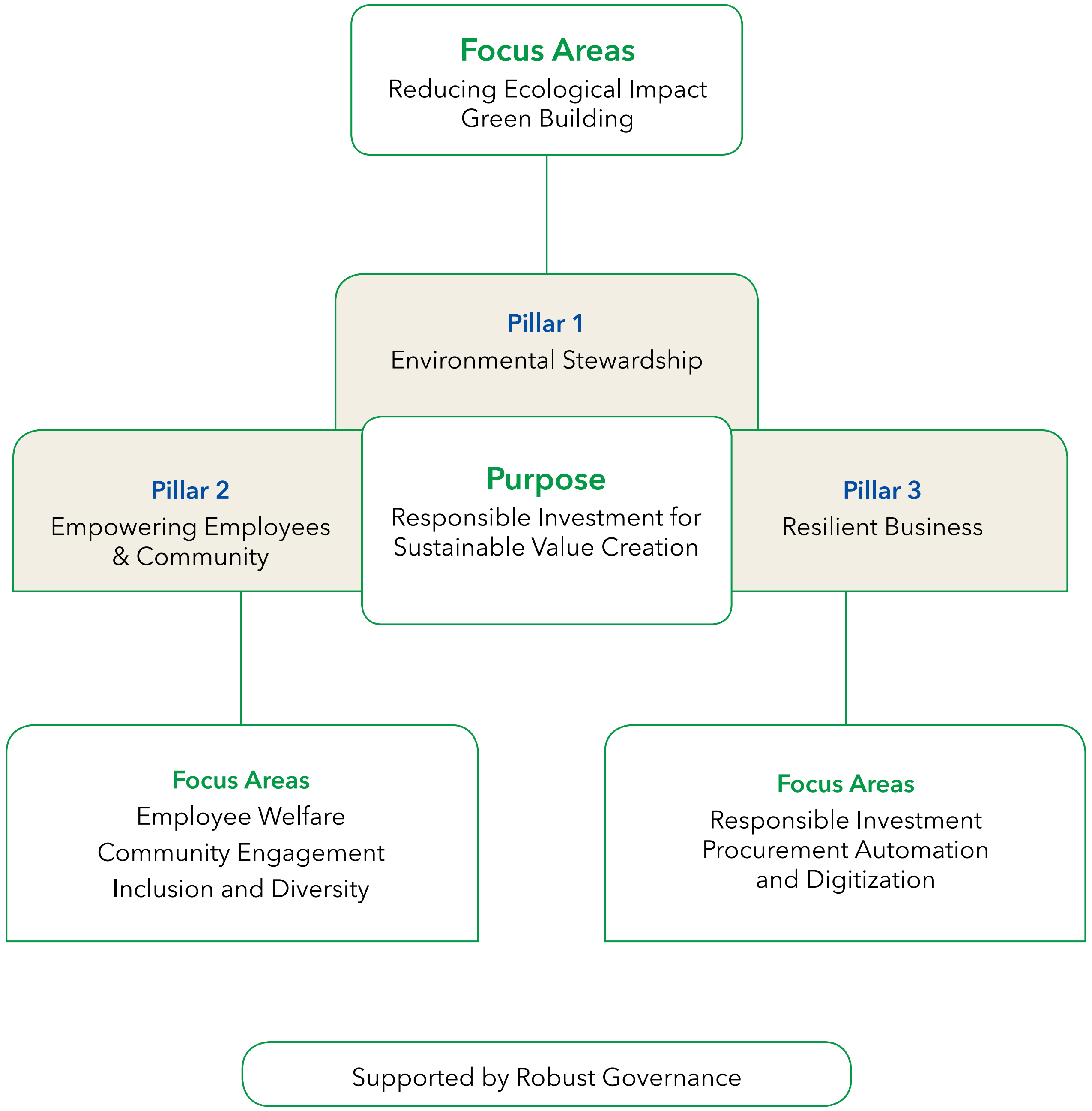
Our ESG Framework

All our efforts towards mainstreaming ESG in the fundamentals of our business are supported and guided by our robust governance system. Our ESG philosophy rests on the three strategic pillars of environmental stewardship, empowering employees and community and resilient business. These pillars help to drive business decision-making that supports shared value creation.



ESG Framework

We are integrating sustainability into every aspect of our operations to create shared value for each of our key stakeholders. For this, we have identified three strategic pillars to support our ESG framework. Our strategic pillars of environment stewardship, empowering employees & community and resilient business help us create goals and targets towards the fulfilment of our purpose, which is to facilitate responsible investment for a sustainable value chain.



Our contribution to the UN Sustainable Development Goals (SDGs)

The Company is committed to the below UN SDGs to operate its hotels sustainably and uphold the Company's core values of staying socially, ethically and environmentally responsible.

Our contribution towards sustainability and climate change stems through our commitment to work in a responsible manner. We have built our business around sustainable practices. Our focus on issues regarding the environmental, social and governance aspects of our business is in line with this commitment to sustainable growth.

Environmental

As a responsible organization, we make consistent efforts to ensure that our operations have minimal impact on the environment.

As one of the leading hospitality companies in India with global hospitality brands as our partners, we aim to create industry benchmarks in demonstrating responsibility towards the environment. Our efforts range across key focus areas of energy management, water & waste management and reduction of emissions.

Energy Management

We understand that energy is one of the most significant resources required to run operations. We continuously evaluate opportunities to increase efficiencies and the usage of renewable energy where feasible.

We strongly believe our hotels can reduce energy usage without compromising on the quality of services offered. We have taken several initiatives towards delivering 'conscious' service by reducing our energy consumption, improving our energy efficiency and adopting renewable energy across our operations.

Two main features of our energy management strategy are:

- **Green Power –** Aim to source 100% of our power from renewable sources by FY 2030-31
- **Energy Productivity –** achieved by embracing technological solutions and installing energy efficient equipments to reduce consumption

YoY Energy Consumption Trend*

FY	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 COVID-19	2021- 22 COVID-19
Consumption kWh/ Available Room / Day	61.8	57.4	56.5	55.7	53.0	28.7	38.4
% of Renewable Energy	35	49	47	42	43	51	53

* Hotel Portfolio only

We are the first hospitality company globally to sign up for all the three key initiatives of the Climate Group

Initiatives Towards Optimizing Our Energy Consumption

Goals

RE 100 (Renewable Energy)	:	Move to 100% renewable energy by FY 2031
EP 100 (Energy Productivity)	:	Double energy productivity (revenue per unit of electricity consumed) by FY 2028-29
EV 100 (Electric Vehicles)	:	Move entire fleet to EVs for guest transportation by FY 2024-25

- Chalet is the first hospitality company globally to sign up for all the three key initiatives of the Climate Group. Over 500 companies globally have joined Climate Group's RE100, EP100 and EV100 initiatives. These include over 25 commitments coming from India-headquartered companies.

Our commitments to the Climate Group initiatives are summarised below

RE100 (Renewable Energy)

- All properties under the Company's portfolio will move to 100% renewable energy by FY 2030-31.
- Non-fuel-based energy sources like solar wind and hydro power already contribute 53% power usage across the hotel portfolio. In fact, our hotel at Bengaluru sources ~100% of its energy requirements from renewable sources.
- This will enable the Company to reduce its scope 2 emissions which amounts to 10,000+ tCO_2; while also reducing dependency on grid electricity which stands at 26,000+ MWh. This saving in grid power is adequate to provide electricity to around 171* Indian rural villages for a year. We have entered into agreements with suppliers of green power for the other properties and these agreements would come into effect in the latter half of the next financial year.

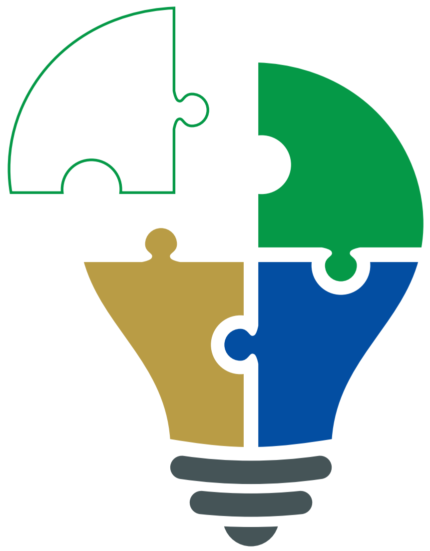
*Rural Electrification in India: Customer Behaviour and Demand - The Rockefeller Foundation

EP 100 (Energy Productivity)

Chalet commits to double its energy productivity (revenue per unit of electricity consumed) by the FY 2028-29, considering a baseline year of FY 2015-16. To achieve this, we are exploring sustainable cooling solutions in partnership with the International Finance Corporation having launched our pilot project in FY 2021-22. We are also investing in technology and IoT-enabled solutions to help bring down our consumption.

EV 100 (Electric Vehicles)

- 100% of the vehicle fleet deployed across the properties in the portfolio, that is used for guest transport, will transition to Electric Vehicles by FY 2024-25.
- All our properties will be equipped with EV Charging points accessible to both employees and visitors. As a part of this initiative, we are working towards installing EV charging stations at all our properties and hope to complete this task by December 2022. Chalet sees this as an opportunity to influence and encourage a larger populace to transition to EVs and may complete the target before the deadline.



Other Steps Taken for Efficient Energy Management

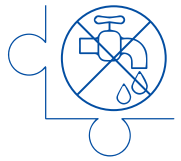
Steps Taken	Objective
Chiller Plant Optimization	It is a holistic approach to optimizing air conditioning operations to help reduce energy consumption and ensure ongoing operational efficiency.
IoT based solutions	These assist in collecting data from various critical equipment. Through Artificial Intelligence and Machine Learning, this system also enables real-time root cause analysis.
Low Approach Cooling Tower	This technology provides high rate of heat transfer and increased efficiency of the cooling tower, resulting in considerable reduction in energy consumption
Guest room automation (occupancy sensors)	With Passive Infra-Red (PIR) based Automatic Lighting and Air Conditioning Control, this has resulted in reduction in power consumption
Auto condenser tube cleaner	Automation of tube cleaning activity has not only increased operational efficiency but also resulted in reduction of energy and water consumption.
Heat Pumps	Replacement of High Speed Diesel powered hot water generators with electrical heat pumps, has enabled generation of hot water with chilled water as a by-product. This also contributes to reduction of 'CO2e' emissions.
Building Management System (BMS)	BMS enables the realtime operation of various utilities like lighting and Heat Ventilation and Air Conditioning (HVAC) equipment remotely resulting in better utilization of resources and manpower.
Pressure Independent Control Valves (PICV)	PICV is used in our hotels to control chilled water for Air Handling Units. This technology has now been implemented for Fan Coil Units as well to achieve accurate control over temperature, thereby improving guest comfort and reduction in energy consumption.
Heat recovery wheels (HRW)	HRW rotates between the air streams and transfers energy between fresh air and exhaust air. This reduces the load on HVAC system.
Electronically Commutated EC fans	This is used in Air Handling Units and reduces energy consumption by 16-18%

Water Management

Conserving the most important natural resource viz. 'Water' is a priority at all our hotel properties. With a few simple solutions, our hotels make efforts to strike a fine balance between providing luxury without affecting the environment negatively.

Our water management strategy revolves around 3 key practices i.e. conservation, recycling and harvesting. As a result and as depicted in the table below, the Company has achieved a year on year, annual reduction in water consumption per available room.

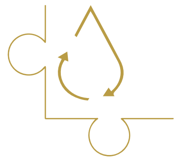
Key practices undertaken towards Water Management



Conservation

Installed the below water efficient units to Reduce Consumption and Reduce Wastage

- Aerators in taps in public areas, guest rooms, back house areas
- Sensor-based taps
- Dual flushing (short and long flush) in all WCs
- Waterless urinals
- Offering opt in/out option for daily linen change to guests

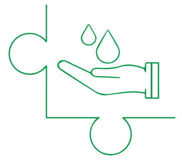


Recycle

Zero waste water discharge policy with 100% water recycled on premises. Properties equipped with:

- Sewage treatment plant
- Effluent treatment plant
- Ultra-filtration plant

Recycled water from above treatment systems is then reused for toilet flushing, floor cleaning, gardening and cooling towers, which is helping us achieve zero waste water discharge from operations



Harvesting

- Rainwater Harvesting
- Re-charging ground water by using ring well recharge system

YoY Water Consumption Trend

CY	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 COVID-19	2021- 22 COVID-19
Consumption KL/Available Room/Day	0.75	0.70	0.69	0.70	0.62	0.35	0.43

Waste Management

We are mindful of the waste generated through our operations and committed to continually look for ways to reduce our waste and dispose it responsibly. The waste generated through our operations can be broadly classified into three categories – Wet Waste, Dry Waste and E-Waste. Our waste management strategy focuses on waste segregation, recycling, reusing, composting and responsibly disposing it through authorized third-party vendors.

Tackling the Single Use Plastic Challenge

We minimized single use plastic (SUP) from our day-to-day operations which would not only reduce plastic waste generation and pollution onsite but also protect the natural resources such land, oceans and waterways at large.

We are in the process of setting up our water bottling plant using glass bottles and installing provisions for bulk amenities in the guest rooms at our hotels to reduce the usage of single use plastic.

Our Waste Management Approach

Details	Target	Current Status	Roadmap Ahead
Wet Waste	Zero waste disposal	▪ 100% of all wet waste generated across our hotels is currently being recycled ▪ 6 out of 7 of our hotels are equipped with natural drum waste composters for recycling wet waste	Continue to recycle 100% of wet waste and upgrade to newer technologies, as and when available
Dry Waste	Minimize waste at hotels	Steps implemented to reduce dry waste at hotels: ▪ Minimized usage of single use – eliminated plastic straw – eliminated plastic sachets – all disposable cutlery, crockery and packaging materials replaced with bio-degradable ones – use 'certified compostable' single use items – use of recycled packing materials – single use toiletries in guest room replaced with multi use bulk dispensers ▪ All bio-medical waste (masks and PPE) is disposed off through a Government-certified vendor only at regular intervals	▪ Water bottling plants using glass bottles to be set up at all hotels by 2023 ▪ Implement a plan to set up and achieve waste management targets at our units
E-waste	Responsible disposal of e-waste	E-waste is disposed through a certified vendor	Continue to comply with the legal requirements for disposal of e-waste

Key Initiatives for Waste Management

Wet Waste

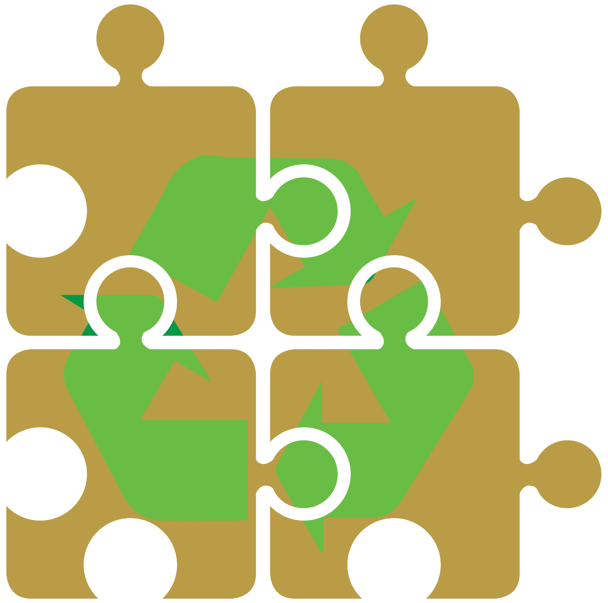
We have installed Organic Waste Converters (OWC) across our hotels to convert organic waste into compost which is then used in horticulture.

Cooking Oil Recycling

We entered into partnership with a vendor certified by the relevant state pollution control boards for the recycling of used or waste cooking oil and converting it into biofuel. This is an emerging best practice that we continue to expand throughout our portfolio of hotels.

Reducing Food Wastage

1. Educate staff about food wastage
   - no dustbin day
   - daily monitoring of food wastage
2. Single diner portion available to in-house guests to avoid wastage
3. Minimize wastage in food preparation



Social

At Chalet, our values underpin our inclusive culture, drive our growth, nurture innovation and inspire the great experiences we create for team members and the people we serve.

We have improved our ranking in Great Place To Work® survey, which put us at #4 in India and #40 in Asia

Certified as a **Great Place to Work® in 2022** 3rd year in a row

Ranked #40 in 2021 Best Workplaces in Asia by Great Place to Work®

Recognized amongst **'Top 10 | Mid-size India's Best Workplaces for Women 2021'** by Great Place to Work® Institute India

Diversity, Equity and Inclusion

We are committed to creating a diverse, equitable and inclusive environment for all, including business partners, the Board & senior management, corporate employees and hotel operators.

Among India's

Top 10

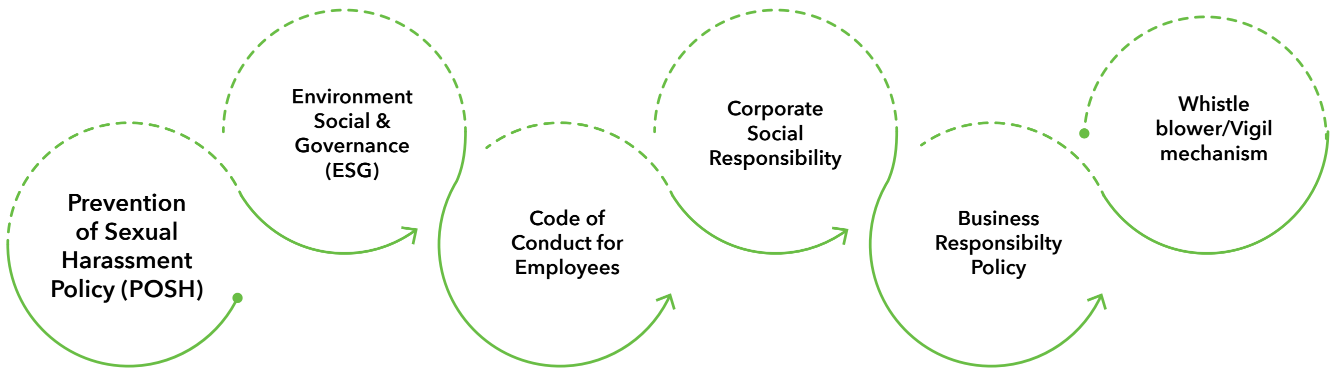
Great Places to Work®

for Women in 2021

Workforce Engagement

We recognize the value of different perspectives, backgrounds and experiences in our workplace. We strive to pursue inclusive, fair and equal work environment, free of any form of harassment or discrimination.

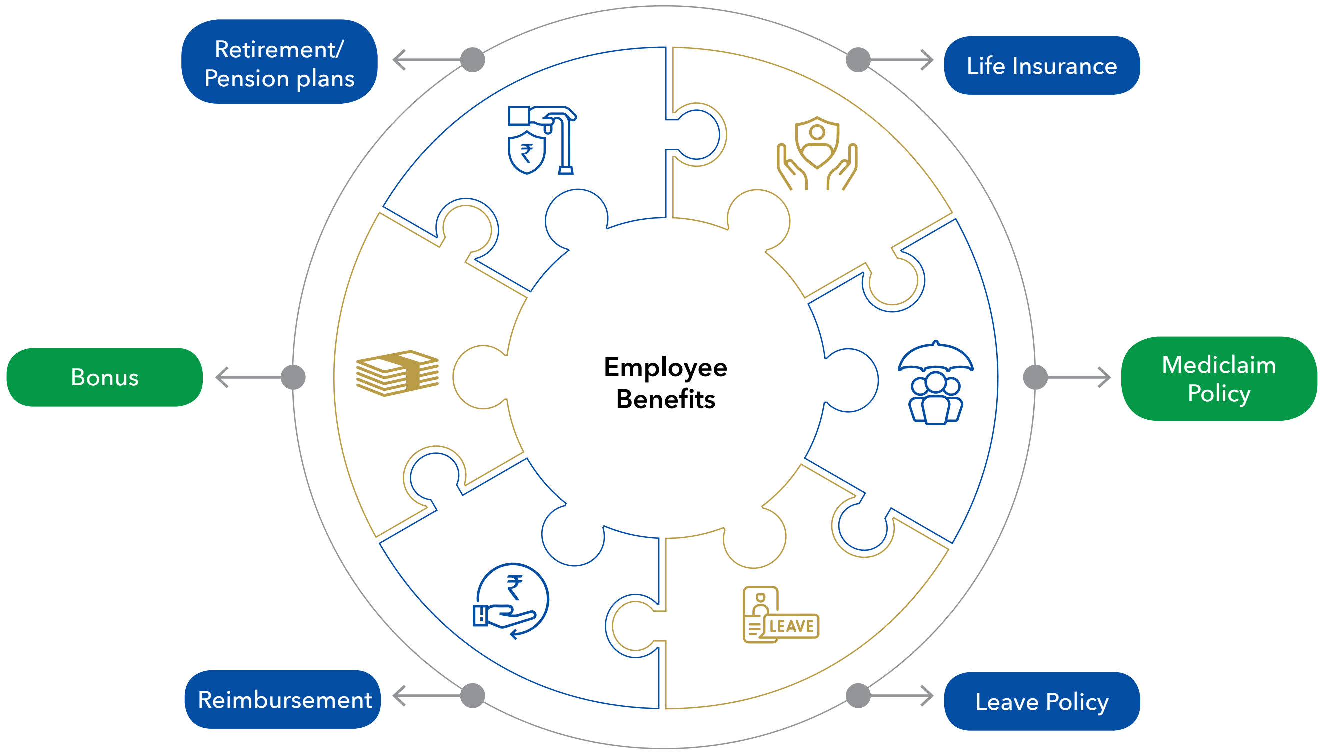
With our below exclusive policies in place, we aim to create an environment of inclusion and equal opportunity for all people regardless of gender, race, disability, ethnicity, nationality, religion, sexual orientation, gender expression or gender identity.



An Engaged Workforce

At Chalet, we value the opportunity to work with professionals who are driven to continually enhance the way they deliver. To this end, we bring in a host of initiatives to support and encourage them with policies that help to create a safe and diverse, positive and growth-oriented, conducive work environment and industry-best remuneration.

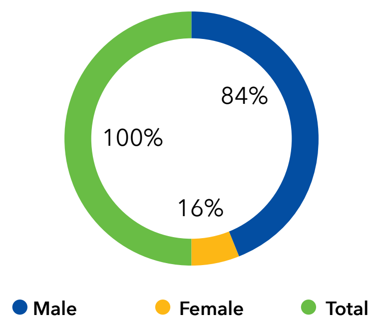
Chalet recorded a total of 1,969 employees as at March 31, 2022, of which 315 were women.



We strive to create a healthy and supportive workplace for our employees through establishing a safe, inclusive and accommodating work environment, together with competitive wages and benefits and career development opportunities. We also work with our hotel brands and operators to offer the same support for hotel associates.

Understanding Our Workforce

Gender-wise Breakup



People-driven Workplace

- We are an equal opportunity employer committed to supporting freedom of expression and understanding of differences. Our 'Pride Policy' goes a step further towards making us a non-discriminative and equitable workplace. Our corporate office hosts a 10-member leadership team, 5 of which are women.
- Our percentage of women across the organization's managerial staff is 18% and across the associate staff is 15%. With an aim to boost this ratio further, we have partnered with the International Finance Corporation (IFC) and our pilot project is underway.
- We provide all our employees with benefits that include life insurance, mediclaim, personal accident insurance policy, leaves as per applicable norms, retirement/pension plans, bonus and reimbursements for various expenses. We work with our hotel brands and operators to offer the same support for hotel associates.

Our Concerns & Initiatives

Paterniy Leave

We provide 5-day fully paid leave policy to help new fathers fulfill their new parental duties.

Fab Women

We offer expert consultation and circulars on making most of professional opportunities and better lifestyle choices.

Women Leadership Programs

Through these programs we ensure that the leadership of our organization is diverse, well-represented and brings multiple perspectives.

Adoption Assistance Policies

We also extend support and coverage for parents in the process of adoption.

Aanchal Policy

We have undertaken initiatives to support expectant mothers in achieving work-life balance and overcoming challenges.

Pride Policy:

Includes zero discrimination on hiring, financial support for surgeries, adoption assistance, professional counselling and workshops on gender sensitization. The Company ensures a non discriminative and transparent environment at workplace by embracing gender differences.

Equal Opportunity Employer:

Providing and maintaining equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.

Employee Health and Safety

- We ensure high standards of health, safety and care for our employees, led by our health and safety committee. During the year under reporting, 16 work-related injuries were recorded. We have provided care and assistance under our high-quality EWAP (Employee Well-being Assistance Program).
- Our initiatives under EWAP include:
  - Group Mediclaim Insurance
  - Personal Accident Insurance
  - Term Life Insurance
  - Access to EWAP 24*7 Helpline number
  - Regular health and dental checkup camps
  - Enhanced cleaning and sanitation protocols
  - Displaying proper signage and providing safety information and holding host safety training for all employees.
  - 100% of our people have received COVID-19 vaccine shots

Protecting Human Rights

Our core values highlight our commitment to help support ethical business practices and good corporate citizenship, including our commitments towards prohibition of forced labor, bonded labor, child labor, slavery and human trafficking. Our policies also prohibit any Chalet property, product or service from being used in any manner that supports or enables any form of abuse or exploitation. Our 'Business Responsibility Policy' underlines our commitment towards protecting human rights and acknowledges that these are inherent, universal, indivisible and interdependent in nature.

Strengthening Our Communities

Pankh Initiative

During FY 2021-22, we collaborated with **'Trust for Retailers & Retail Associates of India'** for the Pankh initiative that aims to create sustainable livelihoods for Persons with Disabilities (PwD). It also promotes growth in the retail sector. The pan-India initiative has so far trained 18,000 PwDs.

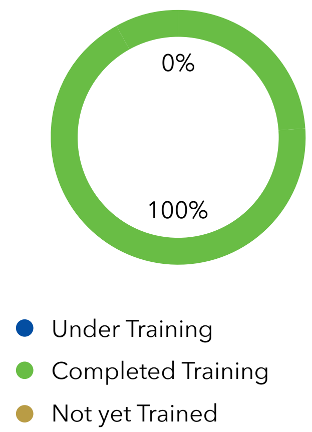
Chalet, funded 3 batches of the program across the states of Karnataka and Maharashtra. The program successfully trained 90 participants, among which 34% were women.

STATISTICS	ANNUAL TARGET	YTD (Nov 2021-Mar 2022)
No. of PwDs Trained	75	90
No. of PwDs Employed	52	48*

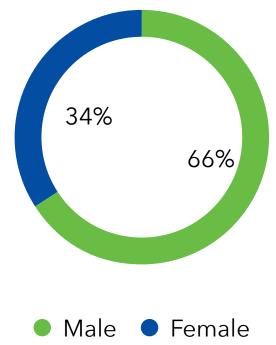
*Placements are ongoing

Program Overview

PROPOSED BENEFICIARIES: 75
CURRENTLY TRAINED: 90



GENDER MIX



The program curriculum featured a variety of digital skills, as well as life skills, English language skills, retail and hospitality specific skills such as customer support and work readiness at the end of which the participants were awarded certificates of completion. They were provided assistance in the form of placement outreach as well as facilitating interviews and interactions with prospective employers.

Success Story

21-year-old Snehal Sankpal from Navi Mumbai, Maharashtra was looking to extend support to her family after the completion of her SSC to be able to continue further studies. Snehal had decided that her northopaedic disability was not going to keep her from active engagement at work and studies. She joined Pankh when she came to know about a program for PwDs with prospects of employment.

The training in computers and communication that she received not only helped her feel confident about her ability to work but also helped her win over her fear of discrimination by working amongst able-bodied people. Post her training, she was selected as a packer in D-Mart, Airoli, Navi Mumbai, at a monthly salary of nearly ₹ 20,000.

Prego

The all-women Italian Restaurant at The Westin Hyderabad Mindspace

Prego: The signature Italian restaurant at The Westin Hyderabad Mindspace is proud to be led by an all-women service team. Right from the warm welcome to the fond farewell, our 'Women at Prego' ensure a unique fun-filled atmosphere and dining experience with their skilled spirit to serve and create memories as they curate personalized experiences, which is definitely one of a kind. A slice of Italy led by ladies is what Prego is all about!

A Plantation Drive organized at The Westin Hyderabad Mindspace

Service Culture Training

Wellness Program

Safety Awareness Week

Health Check-up Camp for Associates

Governance

Corporate Governance at Chalet is the prime responsibility of the Board and a core priority as well as commitment of the organization to its stakeholders. We are committed to operating our businesses within the compliance and regulatory framework and encourage ethical and professional conduct across the ranks and in our dealings with internal and external stakeholders.

Robust corporate governance is a key enabler in the growth and sustainability of the organization. The Board is responsible for corporate governance which includes providing guidance on strategic priorities for the organization as a whole. It maintains an oversight on the implementation of these by the senior leadership team. A crucial part of its responsibilities includes risk management.

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.

Our Board of Directors, its responsibilities and priorities

Board structure and oversight: Our Board comprises of industry stalwarts from diverse backgrounds and geographies with varied areas of specialization. It is led by an Independent Chairperson and has an ideal mix of Independent and Non-Independent Directors. The business is driven by an unrelated Professional Managing Director and his team of professionals. Our Board has formed several committees to help it fulfil its responsibilities.

Key Focus Areas of the Board

- 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

Performance of the Board during FY 2021-22

97%	7	57%	5	1
Attendance	Members	Independence	Meetings	Executive Sessions

Committee-wise Performance

1. Audit Committee

94%	3	67%	6
Attendance	Members	Independence	Meetings

2. Compensation, Nomination and Remuneration Committee

100%	3	67%	2
Attendance	Members	Independence	Meetings

3. Stakeholders' Relationship Committee

100%	4	25%	2
Attendance	Members	Independence	Meetings

4. Corporate Social Responsibility & ESG Committee

100%	4	50%	2
Attendance	Members	Independence	Meetings

5. Risk Management Committee#

88%	4	50%	2
Attendance	Members	Independence	Meetings

though the Committee comprises of non-Board members as well, only Directors have been taken into consideration for the purposes of the above.

6. Finance Committee

100%	3	33%	4
Attendance	Members	Independence	Meetings

An Independent and Balanced Board

Our independent, diverse and balanced Board is at the helm of key decision-making. Its commitment to organizational values has enabled Chalet to continue to create shared value over the years.

7
Total

4
Independent Directors

W: 14% | M: 86%
Gender Profile

54 Years
Average Age

28%
Internationalization

9 Years
Average length of office

 # for Average Age and Tenure only completed year as on March 31, 2022 was considered

ESG Supporting Policies: The CSR & ESG Committees along with the other Committee ensures good governance through various policies that support the Company's business objectives, including sustainability imperatives. These policies promote and support global best practices within our operations.

Some of the Supporting Policies Adopted by the Company

- Policy on Related Party Transactions
- Vigil Mechanism Whistle Blower Policy
- Environment Policy
- Dividend Distribution Policy
- Risk Management Policy
- Preservation of Documents & Websites Archival Policy
- Policy for Determination of Material Subsidiaries
- Policy for Determination of Materiality of Events
- Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy for Appointment of Directors and Remuneration of Directors and Senior Management
- Business Responsibility Policy
- Internal Audit Charter
- ESG Policy
- CSR Policy
- POSH Policy
- Code of Conduct for Board and Senior Management Policy
- Policy on Familiarisation Programme for Independent Directors
- Employee's Code of Conduct

https://www.chalethotels.com/policies/

Risk Management

Ensuring Strong Fundamentals. Keeping an Eye on the Future.

The Company operates in a sector which is highly sensitive and impacted by consumer sentiments and global industry headwinds. The impact of the COVID-19 pandemic called on us to demonstrate our risk management capabilities. At Chalet, we responded to the challenges by shoring up our robust risk management framework and strategizing to ensure our business maintained focus on customer retention, optimum sweating of assets and growth.

Risk Management at Chalet is in keeping with our organizational values, especially agility, integrity and sustainable development. Our core risk mechanism is governed by the Risk Management Committee, which undertakes periodic reviews of our risk assessment processes and mitigation approach. Our senior leadership is responsible for implementation of the risk management and mitigation strategies approved by the Committee.

Risk Management Approach

The Company has evaluated and identified potential risks for the organization, which are monitored regularly. These risks are defined using quantitative and qualitative parameters and have been categorized using standardized risk categorizations. Further, the risks are classified across a scale on which 'Impact' ranges from Insignificant to Severe and 'Likelihood' ranges from Rare to Probable.

The Company conducted an independent comprehensive exercise during the year under review, which enabled the Company to identify and define risks at an inherent and residual level. The exercise re-affirmed the Company's risk mitigation measures and processes. The key residual risks identified as a result of the exercise are enumerated below:

Cyber Risks & System Breakdowns and Failures

Exposure to material frauds on account of
- Material misstatement in Financial Statements
- Management Over-ride of Controls
- Employee Fraud

Various measures towards risk mitigation have been implemented by the Company to ensure business continuity and stability in operations.

Board of Directors

Providing Direction. Inspiring Our Leadership.

1
Hetal Gandhi
Chairperson and Independent Director — AC | CSR

Mr. Hetal Gandhi is a Chartered Accountant and Commerce Graduate from the University of Mumbai. He is the Co-founder and Managing Director of Tano India Advisors Private Limited (TIA) with 30+ years of experience in the financial services industry. Mr. Gandhi was appointed as an Independent Director and Chairperson of the Company with effect from June 12, 2018.

2
Joseph Conrad D'Souza
Independent Director — AC | SRC | CNR | RMC

Mr. Conrad D'Souza holds a Master's Degree in Commerce, 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 and is a Senior Independent Director on the Board of Nations Trust Bank PLC, Sri Lanka.

3
Radhika Piramal
Independent Director — CSR

Ms. Radhika Piramal holds a Bachelor's degree in Arts from Brasenose College, University of Oxford and Master's in Business Administration from Harvard Business School. She is the Executive Vice Chairperson of VIP Industries Ltd. and has experience as a Management Consultant with Bain & Company in New York.

4
Arthur de Haast
Independent Director — CNR | RMC

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 and brings 36 years of experience in the hospitality and real estate sector. In January 2020, he was appointed as an Independent Non-Executive Director of InterContinental Hotels Group PLC, an FTSE 100 company.

5
Ravi C. Raheja
Non-Executive Director — AC | SRC

Mr. Ravi 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 by guiding the teams of corporate strategy, finance and planning for the Group's retail and hospitality divisions.

⑥
Mr. Neel C Raheja
Promoter and Non-Executive Director

CSR | SRC | CNR | RMC

With a strong background in finance, a degree in Law from the University of Mumbai and an alumnus of the Harvard Business School, Mr. Neel Raheja has extended the Company beyond the realms of real estate. He has been at the forefront of driving change and innovation within the K Raheja Corp Group, ushering in the malls and department stores format in India.

⑦
Mr. Sanjay Sethi
MD & CEO

SRC | CNR | RMC

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 programs from IIM-Bangalore, XLRI and Cornell. He has over 34 years of experience in the hospitality industry. He is an Executive Committee Member of Hotel Association of India; a special invitee to the Executive Committee of Hotel and Restaurant Association of Western India; a member of the National Real Estate Committee of FICCI; member of the Policy panel of CII Maharashtra; and, member of CII's National Tourism Committee.

Board Committees

AC: Audit Committee
SRC: Stakeholders' Relationship Committee
CNR: Compensation, Nomination and Remuneration Committee
CSR: Corporate Social Responsibility & ESG Committee
RMC: Risk Management Committee

Awards and Recognition

Doing Better, Always. Keeping Up with the Future.

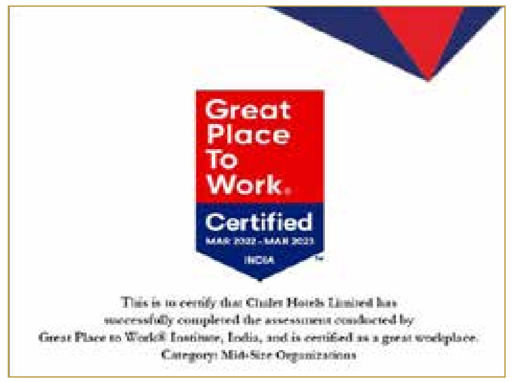
The Westin Hyderabad Mindspace recognized by the Department of Tourism, Government of Telangana, via Telangana State Tourism Excellence Awards under 'Classified Hotels – 5-star Deluxe' Category

Four Points by Sheraton Navi Mumbai won the 1st prize under the 'Hotel Category' of the Swachh Bharat Abhiyan, Awarded by the Navi Mumbai Mahangarpalika

Bengaluru Marriott Hotel Whitefield won the 2021 APEC Quarterly Award for Highest Cleanliness by Mariott International

The Lake View Café won the **Times Food and Nightlife** Awards 2022 under the 'Best Buffett – Premium Dining' Category

Wedding Sutra Award
Won by JW Marriott Mumbai Sahar



GPTW Award
Won by Chalet Hotels Limited

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Chalet Hotels Limited

The Board of Directors present your Company's Thirty Seventh Annual Report along with the Audited Financial Statements for the Financial Year ended March 31, 2022.

Financial Results

Your Company's financial performance for the Financial Year ended March 31, 2022 is summarized below:

₹ in million

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue from Operations	4,807.97	2,755.06	5,078.07	2,855.76
Other Income	206.74	203.16	219.32	219.44
Total Income	**5,014.71**	**2,958.22**	**5,297.39**	**3,075.20**
Total Expenses	**3,836.10**	**2,614.58**	**4,093.30**	**2,785.16**
EBITDA from Continuing Operations	**1,178.61**	**343.64**	**1,204.09**	**290.04**
(Loss) from Discontinued Operations	**(65.37)**	**(36.76)**	**(65.37)**	**(36.76)**
EBITDA	1,113.24	306.88	1,138.72	253.28
Depreciation and Amortization Expenses	1,090.92	1,076.34	1,184.23	1,174.62
Finance Costs	1,399.54	1,450.08	1,444.13	1519.78
(Loss) before Exceptional items and Tax	**(1,377.22)**	**(2,219.54)**	**(1,489.64)**	**(2,441.12)**
Exceptional Items	(44.58)	(41.71)	(44.58)	(41.71)
(Loss) before tax	**(1,421.80)**	**(2,261.25)**	**(1,534.22)**	**(2,482.83)**
Tax expense/(credit)	(720.35)	(1,093.21)	(719.53)	(1,091.55)
(Loss) for the year	**(701.45)**	**(1,168.04)**	**(814.69)**	**(1,391.28)**
Total Comprehensive (Expense) attributable to Owners of the Company	(701.16)	(1,168.47)	(813.19)	(1,391.00)
Earnings Per Share (Basic & Diluted) (₹)	(3.42)	(5.70)	(3.98)	(6.78)

The Company, in continuation of its strategy to stay resolute in the face of unforeseen changes, implemented various strategic and tactical changes during the year under review to bring about a turnaround and march ahead. All this was done while staying focussed on Company's sustainable development goals, whereby, we aim at making a positive impact on the environment and thereby contributing to our people and our planet.

During the year under review, the Company (including its subsidiary):

- completed the brand upgrade of Renaissance to The Westin. The Hotel is flagged as 'The Westin Mumbai Powai Lake' from March 01, 2022. The lobby, Indian restaurant, oriental tapas bar, deli, gym, spa and 150 rooms have been renovated. Renovation of the balance 150 rooms in Tower 2 and banquets to commence from June 2022.
- re-strategized asset mix and repurposed retail assets in Mumbai (The Orb) and Bengaluru (Inorbit Mall) to commercial office space. Conversion of The Orb is complete and ~50% of the area has been let out as at March 31, 2022. Conversion of the Inorbit Mall at Bengaluru is underway and expected to be completed by Q3 FY 2022-23.
- realigned the Company's strategy with changing market dynamics and decided to change the use in respect of the land from the proposed 150 room Hotel at The Westin Complex, Powai to a proposed ~0.75 million sq. ft. of Commercial office space.
- started work on 88 unfinished rooms at Novotel Pune (Belaire Hotels Private Limited). These rooms are expected to be operational by Q3 FY 2022-23.
- work on the Commercial Projects at Powai, Mumbai and Whitefield, Bengaluru are in full swing, which are expected to be completed by Q4 FY 2022-23 and Q2 FY 2022-23 respectively.
- arrived at a settlement with Hindustan Aeronautics Limited (HAL) and obtained their NOC, to get necessary regulatory approvals and recommence construction at Koramangala, Bengaluru in due course.

Work at The Westin Hyderabad HITEC City has been on hold since March 2020. Keeping in mind the improved market dynamics, deliberation to start work is ongoing.

The sentiments remained volatile through the year in tandem with the pandemic impacting the Hospitality business. However, the year closed on a positive note with business bouncing back by the second half of February 2022.

Rental & Annuity Revenue of ₹ 1,050 million contributed 20% to the Company's Total Revenue as on March 31, 2022, as against ₹ 931 million, which was 33% of the Company's Total Revenue in the previous year.

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, though the hospitality operations of your Company remained affected by the pandemic, there was an improvement in comparison with the previous financial year with revenue growing by 103% to ₹ 4,100 million. Your Company has managed its cash flows effectively through stable revenues from the Rental & Annuity Segment and tight control on costs. 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.

There has been no change in the nature of business of the Company.

The 'Retail & Commercial' segment has been renamed as 'Rental & Annuity' segment, in line with the various strategic initiatives undertaken during the year under review.

Capital Structure

Authorized Share Capital

During the year under review, there was no change in the Authorized Share Capital of the Company. The Authorized 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, further calls were made in respect of the Series B Zero Coupon Non-Cumulative, Non-Convertible, Redeemable Preference Shares ('NCRPS') thereby resulting in an increase in the Paid-up Preference Share Capital of the Company from ₹ 1,410,000,000 to ₹ 1,910,000,000/-. Further, the Company has made the final call of ₹ 250,000,000 on the Series B NCRPS, post the end of the Financial Year, thereby making both, Series A and Series B NCRPS, fully paid up and increasing the paid-up Preference Share Capital of the Company to ₹ 2,160,000,000/-. The amounts raised have been utilized in line with the Subscription Agreement referred to hereinbelow.

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 had 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 NCRPS 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.

Borrowings

During the year under review, the Company availed of additional borrowing facilities, inter-alia, for its Projects and meeting working capital requirements. At the end of the year, the Company's borrowing on a standalone basis stood at ₹ 22,963.40 million and at ₹ 23,593.15 million on a consolidated basis (both excluding Preference Share Capital of ₹ 1,746.67 million) as at March 31, 2022, as compared to ₹ 18,505.38 million on a standalone basis and ₹ 19,388.62 million on consolidated basis (both excluding Preference Share Capital of ₹ 1,194.61 million) as at March 31, 2021.

The foreign currency borrowings as on March 31, 2022 along with those of the subsidiary company were lower at USD 15.11 million as compared to USD 20.80 million as at March 31, 2021.

Subsequent to the year end, the Company has repaid the foreign currency borrowing amounting to USD 7.32 million on April 26, 2022.

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 proposed to be 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 be 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.

Development Pipeline

Hospitality

Your Company will continue to evaluate the demand dynamics in order to assess its decision on recommencement of the Hotel Project, The Westin Hyderabad HITEC City and proposed new hotel at Airoli, Navi Mumbai. The work on expansion of the Novotel in Pune with additional 88 rooms has commenced and expected to be completed by Q3 FY 2022-23.

Rental & Annuity

The Company has decided to repurpose the land use of proposed 150 room Hotel at The Westin Complex, Powai to a Commercial office space with potential leasable area of ~0.75 million sq. ft., subject to receipt of regulatory approvals. Consequently, the potential development pipeline now assumes the construction of leasable area of nearly 2.2 million sq. ft. across the two locations, namely Powai at Mumbai and Whitefield at Bengaluru. It is to be noted that the development plan underway is for 1.4 million sq. ft. Also, considering the retail assets of the Company at Sahar, Mumbai and re-purposing of some assets at Whitefield, Bengaluru, the total leasable area including the office building already in operation will be ~3 million sq. ft.

Residential Project – Koramangala, Bengaluru

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 Aeronautics 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 within a time bound manner and thereafter, based on the re-survey, to proceed further in accordance with law to file an appeal challenging the said Order. Both, HAL and the Company had filed an appeal challenging certain parts of the Order.

The Company and HAL after discussions, signed terms for an amicable settlement of all the disputes between the parties on October 22, 2021, as per which the Company would undertake demolition of already constructed structures above 932 meters AMSL. Further, the Hon'ble Karnataka High Court on October 26, 2021, disposed of the Writ Appeals in terms of the settlement. The Company has executed Supplemental MOUs with all existing flat owners, with revised terms, inter-alia, consenting to the revised development plans, subject to applicable regulatory approvals. Further, flat owners above 10th floor have consented to relocate to lower floors.

Demolition work of the area above 10th floor for all the 9 buildings has been completed in April 2022, and the NOC from HAL has been received. Process for obtaining all other approvals are underway.

The Company shall commence work on receipt of all necessary approvals.

Deposits

Your Company has neither accepted nor renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. 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, 14 and 55 of the Standalone Financial Statements.

Foreign Exchange Earnings and Outgo

During the year under review, your Company and its subsidiary, earned foreign exchange of ₹ 380.18 million and ₹ 11.46 million respectively, as compared to ₹ 166.27 million and ₹ 3.62 million respectively in the previous year.

The total foreign exchange outgo of your Company and its subsidiary during the year under review was ₹ 525.82 million and ₹ 36.58 million, respectively, as compared to ₹ 377.33 million and ₹ 57.97 million, respectively, in the previous year.

Subsidiaries, Associates and Joint Ventures

The Company has three subsidiaries and two associates as on March 31, 2022. 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. BHPL is the owner of 'Novotel Pune Nagar Road' Hotel. During the year under review, BHPL reported a Total Income of ₹ 278.70 million and Net Loss (after tax) of ₹ (111.02) million. SHPL had insignificant or no operations and reported a Total Income of ₹ 4.04 million and Net Profit (after tax) of ₹ 2.72 million 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 01, 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. As on the date of this Report, the final order of the NCLT is awaited.

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

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-reports/.

Your Company had for securing the supply of renewable energy acquired 26.1% of the Equity Share Capital of Krishna Valley Power Private Limited and 26.1% 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, forms part of this Annual Report.

The statement under Rule 8 of the Companies (Accounts) Rules, 2014 relating to Subsidiaries and 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 Annual 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 and Remuneration Committee, reappointed Mr. Sanjay Sethi as the Managing Director & CEO of the Company for a further period of three years w.e.f. February 09, 2021, which was approved by the Members at the Annual General Meeting ('AGM') held on August 12, 2021.

In accordance with the Act and the Articles of Association of the Company, Mr. Sanjay Sethi (DIN: 00641243) 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. Sanjay Sethi is being placed for approval of the Members at the ensuing AGM. The information pertaining to the Director being re-appointed as required pursuant to the Listing Regulations and Secretarial Standard-2 forms part of the Notice convening the ensuing AGM.

Mr. Milind Wadekar, VP - Finance & Tax and the Interim Chief Financial Officer of the Company was appointed as the Chief Financial Officer of the Company effective August 10, 2021. Mr. Rajneesh Malhotra, Chief Operating Officer was designated as a Key Managerial Personnel w.e.f. October 28, 2021.

Except for professional fees paid to Mr. Arthur DeHaast, Independent Director, no other Non-Executive Directors of the Company had any pecuniary relationship or transactions with the Company, other than receipt of sitting fees towards attending meeting of Board of Directors and / or Committees thereof.

Annual Return

As provided under Sections 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 2021-22, is hosted on the website of your Company at www.chalethotels.com/annual-reports/.

Number of Board Meetings

During the Financial Year 2021-22, 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 Committee, the Board is of the opinion that your Company's internal financial controls were reasonable and adequate for the Financial Year 2021-22.

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, 2022, 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, 2022;

(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, 2022 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 Committee, the Board has approved the appointment of M/s. Deloitte Touche Tohmatsu India LLP as Internal Auditors of the Company for the Financial Year 2022-23. The Chief Internal Auditor who reports to the Audit Committee oversees the Internal Audit function of the Company. The reports by the Internal Auditors are placed before the Audit Committee for their review and improvements.

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.

Auditors and Auditors' Report

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 Audit Committee and the Board at their respective meetings held on May 10, 2022 approved the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors for a second term of five years i.e. from conclusion of the 37th AGM till the conclusion of the 42nd AGM. The necessary resolution seeking your approval for their appointment as Statutory Auditors is included in the Notice of the ensuing AGM along with other necessary disclosures required under the Act and the Listing Regulations.

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 2021-22. However, the Statutory Auditor has drawn attention i.e. Emphasis of Matter with regard to Note 40(c) of the Standalone Financial Statements, in their report, details of which are as follows:

"Emphasis of Matter

We draw attention to Note 40(c) of the standalone financial statements, in respect of the entire building comprizing 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 respect of the above in the standalone financial statements for the year ended 31 March 2022. The balance of prepaid lease rental in relation to such leasehold land as of 31 March 2022 is ₹ 49.74 million (31 March 2021: ₹ 50.93 million) and carrying value of property, plant and equipment as at 31 March 2022 is ₹ 372.12 million (31 March 2021: ₹ 400.77 million).

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

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

Detailed explanation in respect of the matter has been provided under Note No. 40(c) of the Standalone Financial Statements and are self-explanatory.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. BNP & Associates, Company Secretaries in Practice (Firm Registration No. P2014MH037400) to undertake Secretarial Audit for Financial Year 2021-22. The Secretarial Audit Report issued by them 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 to them, for the year under review.

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. Chirag Shah, Proprietor of M/s. Chirag Trilok Shah & Co., Practicing Cost Accountant (Membership Number 23277 and Firm Registration Number 004442) as the Cost Auditor for conducting the audit of cost records for the Financial Year 2021-22, at the remuneration approved the Members at the previous AGM.

During the year under review, no material fraud had been reported under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

Board Effectiveness and 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 10, 2022. 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.

Based on such confirmation / declaration, in the opinion of the Board, the Independent Directors of your Company fulfil the conditions specified under the Act and the Listing Regulations and are independent of the management.

Further, all the Independent Directors have registered their names in the databank of Independent Directors 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.

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') Committee

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 and Remuneration Committee

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 and 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.

Audit Committee

The Committee comprises of two Independent Directors i.e. Mr. Joseph Conrad D'Souza (Chairperson), 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.

Further, on October 21, 2021, the Board of Directors had formed a separate Risk Management Committee and renamed the Audit and Risk Management Committee to Audit Committee.

Employee Stock Option Scheme (ESOP)

The Board had granted 2,00,000 Stock Options, each exercisable into 1 Equity Share of ₹ 10 each at a price of ₹ 320 per share 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 two tranches of the ESOPs granted had already vested whereas the third and final tranche has vested during the year under review. The first tranche that was unexercised has since lapsed during the year under review. No options have been exercised during the year under review or till date. The Board of Directors of the Company had at its meeting held on May 10, 2022, approved variation in the terms of the Scheme and recommended extension of the exercise period from two years to four years, based on the recommendation of the CNR Committee, subject to approval of the Members of the Company.

In terms of the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, 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 M/s. BNP & Associates, Secretarial 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.

Further, the Board of Directors of the Company at the said meeting also approved a new ESOP Scheme, viz. CHL Employee Stock Option Plan 2022 envisaging a grant of 1,217,831 Options exercisable into an equal number of Equity Shares of the Company. The same was based on the recommendation of the CNR Committee and is subject to approval of the Members of the Company.

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 the Company at www.chalethotels.com/policies/.

The transactions / contracts / arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review were in 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 2021-22 and hence does not form part of this Report.

All transactions with related parties are placed before the Audit Committee for its approval. Omnibus Approval is obtained on an each Financial Year basis, from the Independent Directors of the Audit Committee in respect of Related Party Transactions which are repetitive in nature or unforeseen, based on the criteria specified and approved by the Board upon recommendation of the Committee. The Committee and the Board reviews on a quarterly basis, all transactions entered into by your Company pursuant to the Omnibus Approvals so granted.

Risk Management

Your Company had a combined Audit and Risk Management Committee looking after the functions of both the Committees and has constituted a separate Risk Management Committee with effect from October 21, 2021 as required under the Listing Regulations and approved its Terms of Reference. 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, minimize adverse impact on business objective and enhance your Company's competitive advantage is reviewed by the 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 53 of the Integrated Reporting section of the Annual Report.

Vigil Mechanism Policy and Whistle Blower Policy

Your Company has, in accordance with Section 177 of the Act, formulated 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 and 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 victimization of Directors and employees who avail of the mechanism and also have provided them direct access to the Chairperson of the Audit Committee. Matters reported under the Vigil Mechanism are informed to the Audit Committee from time to time. It is affirmed that no personnel of the Company has been denied access to the Chairperson of the Audit Committee.

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

The Hon'ble Karnataka High Court on October 26, 2021, disposed of the Writ Appeals in respect of the residential project at Bengaluru, upon amicable settlement of all the disputes with HAL.

Please refer to the section 'Residential Project – Koramangala, Bengaluru' in this Report, for more details.

Prevention of Sexual Harassment

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 and the Rules framed thereunder in respect of the Corporate Office and various units. The policy in this regard 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. The Company also conducts workshops from time to time to promote awareness on the issue.

Your Company continues its strong stand against any kind of sexual harassment and has zero tolerance for sexual harassment at workplace.

Human Capital Initiatives and Particulars of Employees

Your Company focuses on building on its strength by developing the capability of its employees, through training and development and work life balance. During the year under review, your Company has undertaken various initiatives towards nurturing talent, keeping its people connected and taking various steps for maintaining the physical and emotional wellbeing of its employees.

Further, your Company has been certified by the Great Place to Work® Institute for the third 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 capitalization, has voluntarily provided Integrated Report, which encompasses both financial and non-financial information and stakeholders relationships to enable well informed decisions and have a better understanding of the Company's value creation model. The Report also touches upon aspects such as organization'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. The Integrated Report also includes ESG parameters and Company's performance vis-à-vis these.

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. Your Company has become the first Hospitality Company, globally, to join Climate Group's RE100, EP100 and EV100 initiatives linked to renewable electricity, energy efficiency and electric mobility respectively. Under these initiatives, Chalet has made the following commitments:

- RE100 (Renewable Electricity): All properties under the Company's portfolio will move to 100% renewable electricity by year 2031
- EP100 (Energy Productivity): Aim to double revenue per unit of electricity consumed by the year 2029, considering a baseline year of 2016
- EV100 (Electric Vehicles): 100% of the vehicle fleet deployed across the properties in the portfolio, that is used for guest transport, will transition to Electric Vehicles by 2025 and all properties will be equipped with EV Charging points accessible to both employees and visitors.

Various aspects of ESG are being covered in the Integrated Section of this Annual Report.

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 the 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.

General

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Option Schemes referred to in this Report.
- Payment of remuneration or commission to Managing Director & CEO of the Company from any of its subsidiaries.
- Proceedings filed by or against the Company under the Insolvency and Bankruptcy Code, 2016.
- Onetime settlement with any Bank or Financial Institution.
- Revision in financial statements as provided under Section 139 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

	Sanjay Sethi	**Joseph Conrad D'Souza**
Place: Mumbai	Managing Director and CEO	Independent Director
Date: May 10, 2022	DIN: 00641243	DIN: 00010576

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 maximizing 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 utilize 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 utilized, 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 crystalization 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) Utilization 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 utilization 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 of the Companies Act, 2013 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 and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of share-holding
1	Chalet Hotels & Properties (Kerala) Private Limited*	December 22, 2006	April 1, 2021 to March 31, 2022	Indian Rupees	277.88	(316.02)	0.65	0.65	NIL	0.05	(5.96)	0	(5.96)	NIL	90%
2	Belaire Hotels Private Limited	February 03, 2020	April 1, 2021 to March 31, 2022	Indian Rupees	1,407.05	(585.27) (includes FCCD of ₹ 845.04 million which is in the Reserves in the Financial Statements)	2,828.20	2,828.20	4.20	278.70	(111.02)	0	(111.02)	NIL	100%
3	Seapearl Hotels Private Limited*	February 10, 2020	April 1, 2021 to March 31, 2022	Indian Rupees	52.66	55.78	108.83	108.83	0	4.04	3.55	0.82	2.72	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

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

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

Part "B": Associates

₹ in million

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			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	
			No.	Amount of Investment in Associates (₹ in million)	Extent of Holding %			(₹)	Considered in Consolidation (₹)	Not Considered in Consolidation (₹)
Krishna Valley Power Private Limited	January 8, 2019	March 31, 2021	781,695	15.71	26.1%	There is no significant influence.	Your Company has for securing the supply of renewable energy acquired 26.1% of the Equity Share Capital of Krishna Valley Power Private Limited and 26.1% 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, 2021	1,044,500	31.46	26.1%			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 10, 2022

Annexure III

Annual Report on CSR Activities

Financial Year 2021 - 22

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 'Persons with Disabilities' ('PwDs') through a vocational and skill enhancement program, which was instrumentalized by TRRAIN (Trust for Retailers and Retail Association of India). Also, at the operating properties, the Company along with its operating partners 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	2
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/wordpress/wp-content/uploads/2021/12/CSR PLAN-2021-22.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 (attach the report).

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 ₹)
	Total		

6. Average net profit of the Company as per Section 135(5) of the Companies Act, 2013 ('the Act'): Loss of (₹ 220,72,17,816/-)

7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act: **N.A.**

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **N.A.**

   (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): **NIL**

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
₹ 6,64,958	Nil	N.A.	N.A.	Nil	N.A.

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			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 - Bengaluru District Maharashtra - Mumbai District		529,958	No	Trust for Retailers and Retail Associates of India	CSR00002617
2.	Providing Meals	Schedule VII - Clause i - Eradicating hunger, poverty and malnutrition.	Yes	Maharashtra – Navi Mumbai District		135,000	No	International Society for Krishna Consciousness (ISKCON)	CSR00005241
	Total					**664,958**			

(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):

(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) of the Act	**N.A.**
(ii)	Total amount spent for the Financial Year	**664,958**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**664,958**
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	**NIL**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**664,958**

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 per cent of the average net profit as per section 135(5).

Not Applicable

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, 2022

[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 01, 2021 to March 31, 2022, ('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, as provided by the Company and other records maintained by the Company and shown to us, forms/ returns filed and compliance related action taken by the Company during the financial year ended March 31, 2022 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 the Board of Directors, and

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

We hereby report that in our opinion, during the audit period covering the financial year ended March 31, 2022, 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 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 and Sweat Equity) Regulations, 2021;

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

e) The 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, 2022, 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.

Pursuant to Regulation 21 of LODR the Company has constituted separate Risk Management Committee on October 21, 2021 during the year under review. Earlier the Company had a combined Audit and Risk Management Committee performing the functions of both Audit as well as Risk Management Committee as per their respective terms of reference mentioned in LODR.

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 Meetings of Board and Committees thereof held during the review period and the 36th Annual General Meeting ("AGM") held on August 12, 2021.

The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regards to the Meetings of Board and Committees thereof held through video conferencing during the review period were verified based on the minutes of the meetings and records relating thereto provided by the Company.

c) During the year under review, the Company had received three complaints of Sexual Harassment, all of which have been disposed-off.

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

i. It was also noted that there were two instances of violation of the Code of Conduct of the Company by the Designated Persons and necessary action was taken by the Company including reporting the same to the Securities and Exchange Board of India and to the Stock Exchanges.

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

ii. 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) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

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

1.4. Based on the nature of business activities various laws are also applicable to the Company and amongst them, we have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws:

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

ii. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011

iii. Laws and Rules with regard to storage and sale of liquor, applicable as per respective states in which the Company operates

iv. The Legal Metrology Act, 2009 & Rules thereunder for respective states in which the Company operates

v. The Real Estate (Regulation and Development) Act, 2016 and The Karnataka Real Estate (Regulation and Development) Rules, 2016

Based on such examination and having regard to the compliance system prevailing in the Company, we report that, the Company has complied with the provisions of the above laws during the audit period.

2. Board processes

We further report that

2.1. The Board of Directors of the Company as on March 31, 2022, comprized 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 and Key Managerial Personnel, during the year were carried out in compliance with the provisions of the Act and LODR:

i. Appointment of Mr. Milind Wadekar as Chief Financial Officer of the Company with effect from August 10, 2021 was approved at the Meeting of Board held on August 10, 2021.

ii. Re-appointment of Mr. Neel C. Raheja (DIN: 00029010), as a Director of the Company, liable to retire by rotation, was approved by the Members at the Annual General Meeting of the Company held on August 12, 2021.

iii. Re-appointment of Mr. Sanjay Sethi (DIN: 00641243) as Managing Director & CEO of the Company for a period of three years with effect from February 09, 2021 was approved by the Members at the Annual General Meeting held on August 12, 2021.

iv. Appointment of Mr. Rajneesh Malhotra, Chief Operating Officer, as a Key Managerial Personnel of the Company with effect from October 28, 2021.

2.3. Adequate notice was given to all Directors of the Company to schedule the Meetings of the Board (including meetings of the Committees), Agenda and detailed notes on Agenda were sent at least 7 (seven) days in advance, and in certain instances where the same was given at shorter notice, the Company has complied with the requirements pursuant to the provisions of Section 173(3) of the Act and Secretarial Standard related to Meetings of the Board.

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 at the meetings 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 its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and there is scope of improvement in the same.

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:

A) Approval by the Members at the 36th Annual General Meeting held on August 12, 2021:

(i) By way of special resolution, for raising funds during a period of one year from the date of passing of this resolution, either by way of issue of up to 10,000 (Ten Thousand) 0%(Zero Percent) Non-Cumulative, Non-Convertible, Redeemable Preference Shares (NCRPS) of ₹ 100,000 each ("Series–C NCRPS") in tranches on a Preferential basis or by way interest free Unsecured Loans or interest free Inter Corporate Deposits or any combination thereof ,as approved by Directors of the Company at the Meeting of Board held on May 18, 2021.

(ii) By way of special resolution, adoption of new set of Articles of Association, to comply with applicable provisions of the Act and to accommodate the proposed issue of the "Series–C NCRPS" and the following new clause was inserted in the Articles of Association of the Company.

"(eee) "Series C NCRPS" means 10,000 (Ten Thousand) 0% (Zero Percent) NCRPS of par value of ₹ 100,000 (Rupees One Hundred Thousand) each, to be issued by the Company as fully paid-up securities in tranches on the terms and conditions set forth in the Subscription Agreement and any amendment thereto."

(iii) By way of special resolution, waiver of recovery of excess sum of managerial remuneration paid to Mr. Sanjay Sethi, Managing Director & CEO (DIN: 00641243) amounting to ₹ 2,59,61,199 for the period from the date of his re-appointment i.e. February 9, 2021 up to the date of passing of the special resolution.

B) At the Meeting of held on May 18, 2021 the Board of Directors approved the Issuance of Non-Convertible Debentures / Bonds on a Private Placement basis, in one or more series/tranches up to an amount not exceeding ₹ 500 crore (Rupees Five Hundred crore) for cash either at par, premium or discount to the face value terms and conditions. This was also approved by the members at the 36th Annual General Meeting held on August 12, 2021, for giving effect to the same during a period of one year from the date of passing of this resolution

C) The Company at its Board Meeting held on August 11, 2020 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 01, 2020, ("the Appointed Date") subject to the approval of the statutory and regulatory authorities. Post receipt of approval from the shareholders of the Company, at their meeting convened on April 12, 2021, as per order of Hon'ble National Company Law Tribunal, Mumbai Bench, (NCLT) the Company Petition bearing No: CSP/143/2021 for sanction of the Scheme of Amalgamation has been filed with NCLT on 26 April 2021.The Scheme of Amalgamation is pending for approval by NCLT.

D) During the year company has:

(a) acquired 1,58,735 Equity Shares of face value of ₹ 10 of Krishna Valley Power Private Limited on May 28, 2021

(b) disposed 1950 Equity Shares of face value of ₹ 10 each of Renew Wind Power Energy (AP) Private Limited on March 23, 2022

(c) acquired 3,55,000 Equity Shares of face value of ₹ 10 each of Vikramaditya Renewable Energy Private Limited on March 11, 2022

E) During the year company has made 2nd call per NCRPS on July 13, 2021 which was paid on July 26, 2021 and 3rd call per NCRPS was made on August 6,2021 and the same was paid on August 17, 2021, for which details are as follows;

Name of Allottees	K. Raheja Corp. Private Limited	Ravi C. Raheja	Neel C. Raheja	Ivory Properties and Hotels Private Limited	Total
Call made on August 6, 2021 Amount paid on 3rd call per NCRPS on August 17, 2021	11,25,00,000	5,81,25,000	5,81,25,000	2,12,50,000	25,00,00,000
Call made on July 13, 2021 Amount paid on 2nd call per NCRPS on July 26, 2021	11,25,00,000	5,81,25,000	5,81,25,000	2,12,50,000	25,00,00,000

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

Avinash Bagul
Partner
FCS No: 5578 / C P No: 19862
UDIN: F005578D000297518

Place: Mumbai
Date: 10/05/2022

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

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, 2022, 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 No: 5578 / C P No: 19862
UDIN: F005578D000297518

Place: Mumbai
Date: 10/05/2022

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 2021-22:

	Name of Directors	Designation	Ratio of Remuneration of each Director to median remuneration	Remuneration (₹)
1	Mr. Hetal Gandhi	Non Executive Chairperson and Independent Director	4%	9,50,000
2	Mr. Ravi C. Raheja	Non Executive Director	4%	9,00,000
3	Mr. Neel C. Raheja	Non Executive Director	3%	6,75,000
4	Mr. Joseph Conrad D'Souza	Independent Director	4%	9,50,000
5	Mr. Arthur De Haast [2]	Independent Director	14%	30,70,196
6	Ms. Radhika Piramal	Independent Director	2%	4,50,000
7	Mr. Sanjay Sethi	Managing Director and CEO	197%	4,45,83,495

II The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year 2021-22 as compared to Financial Year 2020-21:

	Name of Directors and KMPs		% increase / decrease in Remuneration
1	Mr. Hetal Gandhi	Non Executive Chairperson and Independent Director	23%
2	Mr. Ravi C. Raheja	Non Executive Director	16%
3	Mr. Neel C. Raheja	Non Executive Director	-4%
4	Mr. Joseph Conrad D'Souza	Independent Director	9%
5	Mr. Arthur De Haast [2]	Independent Director	61%
6	Ms. Radhika Piramal	Independent Director	-14%
7	Mr. Sanjay Sethi	Managing Director and CEO	9%
8	Mr. Milind Wadekar [3]	Chief Financial Officer	37%
9	Mr. Rajneesh Malhotra [4]	Chief Operating Officer	8%
10	Ms. Christabelle Baptista	Company Secretary	29%

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. Milind Wadekar has been appointed as Chief Financial Officer of the Company w.e.f. August 10, 2021.

4 Mr. Rajneesh Malhotra, Chief Operating Officer was designated as the Key Managerial Personnel w.e.f. October 28, 2021.

III The percentage increase in the median remuneration of employees in the Financial Year 2021-22:

The percentage increase in the median remuneration of all employees in the financial year was 38%.

IV The number of permanent employees on the rolls of Company as on March 31, 2022:

The number of permanent employees on the rolls of Company as on March 31, 2022 was 1,853.

V It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Members of Senior Management team is as per the Appointment and Remuneration of Directors and Senior Management Policy of the Company.

ANNEXURE VI

Energy Conservation Measures undertaken by the Company during the Financial Year 2021-22

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

A. Projects:

Your Company continues to deploy the principles of Leadership in Energy and Environmental Design (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 Optimizer:

All air-conditioning plant rooms at the upcoming hotel projects are equipped with Chiller Plant Optimizer in order to achieve highest efficiency of the HVAC equipment.

2) Heat Recovery Wheels (HRW)

This helps in achieving of high-performance energy saving. By Switching from HSD powered hot water generators to electrical heat pumps, hot water can be generated with additional chilled water as byproduct. Moreover, this helps in reducing the CO_2 emissions.

3) 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.

4) Solar PV Panels

All new upcoming projects will be having solar panels at the premises at the terrace/landscape areas to generate solar energy for captive consumption, which will in turn bring down the consumption of energy from external sources. Further, the Company is evaluating options for rest of the properties.

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 highly efficient Chillers, In line pumps, Low Approach Cooling Towers.
- Water-to-water Heat Pumps have been installed 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).
- Motion Sensors for Light Controls are implemented.
- Three out of seven hotels have solar panels at the premises at the terrace/landscape areas to generate solar energy for captive consumption, which will in turn bring down the consumption of energy from external sources. Further, the Company is evaluating options for rest of the properties.
- Auto tube cleaning system for Chiller condenser tubes cleaning.
- Entire plant room motors equipped with VFD's.
- Pressure Independent Balancing Valves for AHU's & FCU's for optimized CW flow.
- Carbon Dioxide sensors in carpark for fresh air monitoring.
- Guest room automation with occupancy sensor to optimize HVAC and lighting.
- Variable primary & condenser pump system for chiller plant.

2) Water Management:

- All properties are designed to treat 100% waste water through Sewage Treatment Plant (STP) for efficient reuse 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.
- 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.
- 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 authorized vendor for re-cycling.
- Water bottling plant is being implemented for reduction of single use plastic bottles

MANAGEMENT DISCUSSION AND ANALYSIS

Embracing Change, Strengthening Our Future

It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.- **Leon C. Megginson on Darwinism**

With a year of learning under its sleeve, the Indian hospitality sector has been pushing hard and witnessing faster than expected recovery led by focus on alternative customer segments and ancillary revenue streams. From the second quarter of FY 2021-22, the industry saw a strong recovery in occupancy with pent-up demand in leisure space, new lines of businesses and strong demand for workcations as most people worked from home. The recovery gathered steam with start of domestic business travel, weddings and social functions. The trend continued till the end of 2021 with strong pick-up in leisure as well as business destinations.

2022 started with the onslaught of the Omicron variant, bringing travel to a halt. The variant spread quickly, but higher and effective mass vaccination drives across the country enabled to tackle the low severity of this variant. A quick recovery thereon brought back confidence almost immediately. Air traffic picked up to ~80% of pre-pandemic levels in India, business travel kicked back again and MNCs across the world finally called employees back to office after two years. March, April and May of 2022 saw some of the best months of hospitality performance since the pandemic, with leisure destinations such as Goa delivering better than pre-pandemic performance. Major cities like Mumbai, too, saw a surge in occupancies.

The shadow of the Russia-Ukraine war and the resultant economic damage, increase in commodity prices, sharp escalation in fuel prices and general inflationary trends seen across the globe is likely to have short-term impact on the complete recovery of the industry.

The events of the past few years along with changing climate and successive geopolitical tensions has increased the need to build a sustainable tomorrow and reaffirm focus on ESG (Environmental, Social and Governance).

In the past financial year, the Company amended its Vision Statement to include sustainability as a Corporate Goal. The Company was also the first hospitality company across the globe to sign all the three climate group initiatives on EV100 (100% Electric Vehicles), EP100 (100% improvement in Electricity Productivity) and RE100 (100% Renewable Energy). Further details of the Company's ESG journey are covered on page no. 30 of this Report.

GLOBAL ECONOMY

The path to recovery for the global economy post the pandemic was marred by period of stagflation and recessions in 2022. As per IMF: "A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022, as risks began to materialise. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations". While World Bank predicts: "Global growth is expected to slump from 5.7% in 2021 to 2.9% in 2022. It is expected to hover around that pace over 2023-24, with the war in Ukraine disrupting investment activity and trade in the near-term, and as pent-up demand fades, and fiscal and monetary policy accommodation is withdrawn".

INDIAN ECONOMY

With major transitions taking place across the globe, following the Covid-19 pandemic, India seems to be in a sweet spot as technological leaps (including connectivity, direct benefit transfers and more), the energy transition with focus on solar and other renewable sources and geopolitical shifts are creating new opportunities. India is poised to bring in new tools and explore ways to fix the intractable problems.

IMF projects the Indian GDP to grow by 7.4% in FY22-23 and 6.1% in FY23-24, the fastest-growing country in this period.

GLOBAL HOSPITALITY INDUSTRY PERFORMANCE

As per JLL's '2022 Global Hotel Investment Outlook': At year-end 2021, the proportion of RevPAR recovered relative to 2019 by region, ranged from 50% to 79%, with Americans leading the way. That said, performance was uneven with markets heavily dependent on business and group demand progressing slower towards a full recovery than markets reliant on leisure demand. Similarly, markets that historically relied on international demand faced greater challenges than those dependent on domestic demand.

In 2022, the composition of demand and the progression of the recovery will continue to be on top of the minds for hotel owners, operators, and investors. Additionally, the industry will have to navigate operational hurdles brought on by labour shortages, rising inflation, supply chain issues and the impact on service levels, given the difficulties operating in such an environment. With ESG evolving beyond corporate statements, sustainability will also be a key focus as failure to commit to both short and long-term sustainability goals have the potential to decrease asset value, increase operational costs, and discourage consumer demand."

INDIAN HOSPITALITY INDUSTRY PERFORMANCE

The resilience of the sector was evident from its steep bounce back after each of the two highly infectious waves of the Covid-19 pandemic. The industry saw a healthy recovery in the third and fourth quarter of 2021. While 2022 started weak, it recovered well mid of February onwards, leading to the best few months since the pandemic, in April & May 2022.

HVS ANAROCK in its report 'India Hospitality Industry Overview 2021' stated: "The hotel sector ended the year with an India-wide occupancy of 42-45%, up 10-13 PP* (Y-o-Y), which resulted in a 24-27% increase in RevPAR to ₹ 1,800 - ₹ 2,100". They expect the India-wide occupancy to improve to 66% in 2022, which along with a 28% increase in ARR will push RevPAR to ₹ 3,731 during the year.

While general sentiments and economic conditions are recording favorable performance in India, the hospitality industry has been thankful to the Indian Government to have extended the Emergency Credit Line Guarantee Scheme (ECLGS) up to March 2023, with an additional ₹ 50,000 crore for hospitality and related sectors providing a means to tide over the rough patch for the players with smaller operations and higher impact on balance sheet. Please refer to the Operating Environment section on page no. 22 of this report, highlighting industry Threats and Opportunities. Key areas of risk have been detailed on page no. 53 of this Report.

COMPANY

HOSPITALITY OPERATIONS

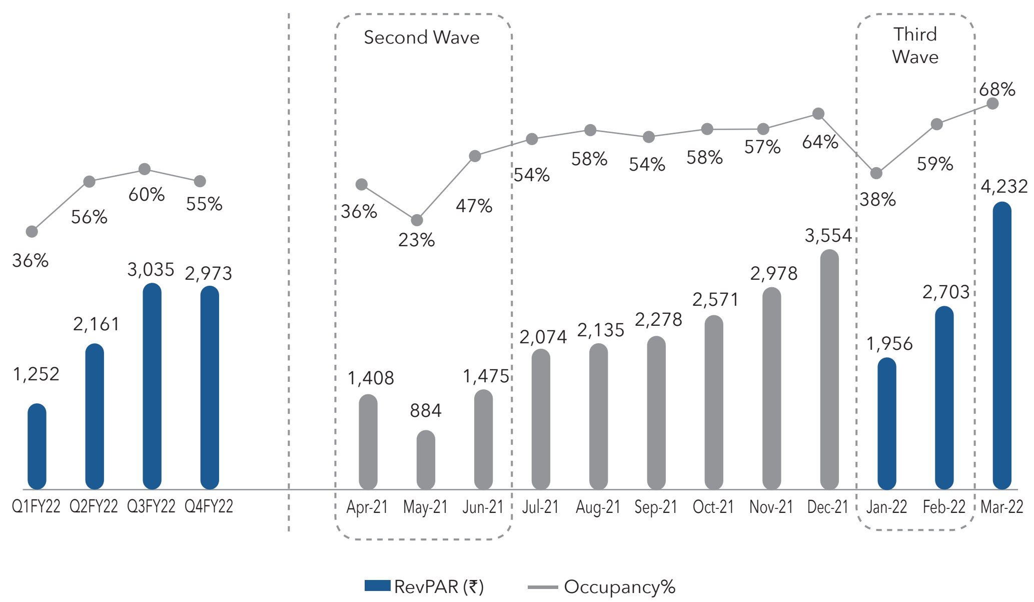
2021-22 started amidst the second wave which swept the nation and impacted businesses in Q1. The restrictions brought many cities to a standstill and the hospitality business segment was hit hard. The cases started easing from June, with faster vaccination drives across the country and there was visible pick-up in demand occupancies to 64% in December.

Business segments moved from quarantine guests in April-May 2022 to segments of Bollywood shoots, IPL, sea-farers, recruitment drives, and social functions. With ease in restrictions across the board, the banking, consulting, financial services and project-related businesses started to progress from September onwards, along with increase in F&B revenues.

Based on the performance post the first two waves, the overall recovery was faster, post the 3rd wave. From mid of February 2022, the cases subsided to few hundreds per day on an average, in India and this led to immediate uptick in consumer confidence & resumption of travel and business operations. March to June saw the best levels of occupancy and rate within the pandemic period.

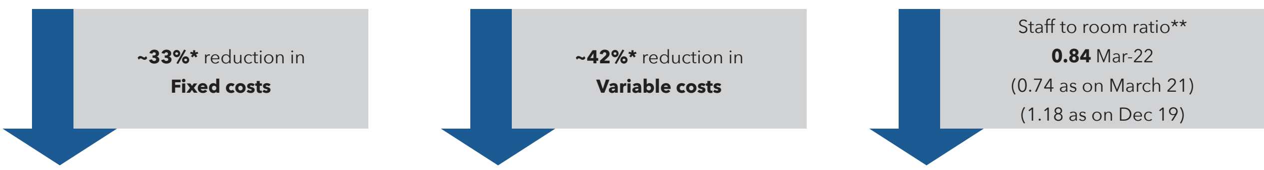
The trend on the business performance across the period has been depicted below:

Quarterly perforance **Monthly performance**

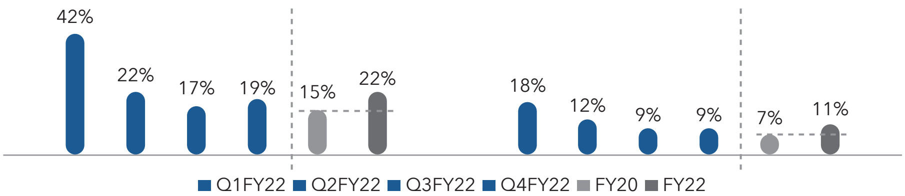


The Company has achieved some long-term cost efficiencies over the past two years. Outsourcing laundry, centralization of finance, re-working long-term contracts with vendors and introducing technology in day-to-day operations, are a few examples which have resulted in significant cost-saving and reduction in dependencies on manpower. Though management of costs continue to be a key focus area for the Company, building a healthy work environment and giving back to society remains a key business decision maker. For further details, please refer the Social section of this Report.

Reaching near stabilized cost scenarios on hospitality efficiencies FY22



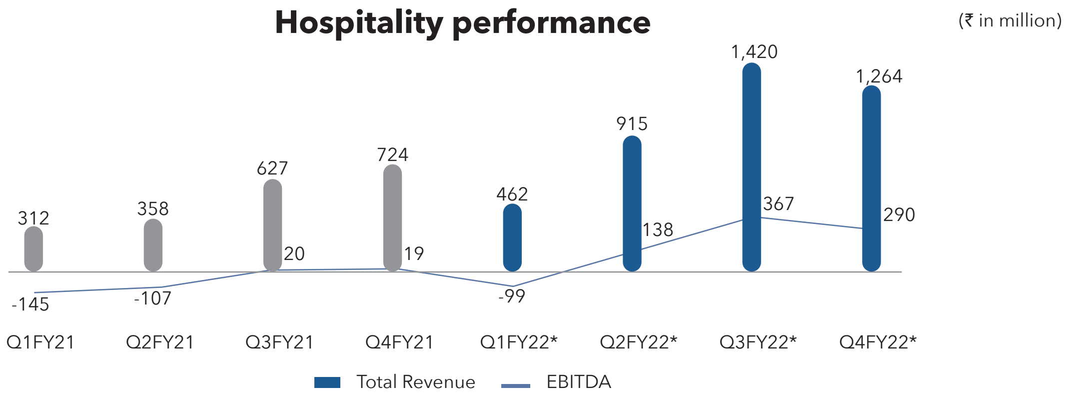
Payroll Costs % of Revenue **Utilities a % of Revenue**



*as compared to pre-covid YTDFY20 performance

** Includes contractual employees

Hospitality revenues for the year were at ₹ 4,100 million i.e., about 47% of pre-Covid-19 levels. The trend in the months of April to June have been very encouraging paving a way towards full recovery in 2022-23.



*Excludes: Rebate amounting to ₹ 4.62 mn and ₹ 34.85 mn from the Hotel operator in respect of past disputed liability accounted in Hospitality revenue for Q2FY22 and Q1FY22 respectively

COMMERCIAL OPERATIONS

The Rental and Annuity business of the Company continued to provide a cashflow hedge throughout the lockdown through timely receipt of rentals.

Re-strategizing:

We have been evaluating the performance of all our non-hotel assets to its best suited use. The retail assets at Sahar, Mumbai, and Whitefield, Bengaluru, were lagging in recovery because of low footfalls and pandemic led causes. With the approval of the Board, the Management decided to repurpose the assets into commercial offices with a focus on reducing the variability of earnings from non-core businesses.

The converted office space at Sahar, Mumbai, along with the existing office in this location, has a total leasable area of 0.5 million sq. ft., of which 0.47 million sq. ft. is already leased and the rest is in process. This location also houses a few F&B outlets.

The Inorbit Mall at Whitefield, Bengaluru, had been under-performing. This was mainly owing to the onset of the pandemic forcing malls to remain shut across the country for several months, impacting retailers. This made us re-visit the market dynamics and take suitable action. The asset is currently in the process of being re-purposed to an office space and expected to be operational by 2022-23.

With this strategy, the Company added ~0.4 million sq. ft. of office space to its existing 0.5 million sq. ft. portfolio. The new setup is expected to be EBIDTA and Return Ratio-accretive.

PORTFOLIO

An overview of the updated portfolio of the Company has been provided on page no. 8 of this report.

CAPEX PIPELINE

The development on the new commercial towers at Whitefield, (Bengaluru) and Powai (Mumbai) is going as per plan, with likely completion within FY 2022-23.

The erstwhile Renaissance at Powai has, after 20 years of gracing the Powai Lake front, given way to a renovated and rebranded The Westin Mumbai Powai Lake on March 01, 2022. We finished the phase I of renovation at the hotel and the new reception lobby, 'Mayochi' – the Oriental Tapas bar, deli, spa, gym and the 150 renovated rooms have been received well. We will shortly be commencing Phase II of the renovation with remaining 150 rooms and specialty restaurant, expected to be completed by the end of this year.

The work on the completion of the 88 rooms at Novotel, Pune, is ongoing and expected to be operational by Q3 2022-23.

The Company will continue to evaluate the demand dynamics in order to assess its decision on recommencement of the Hotel Project, The Westin Hyderabad HITEC City and the proposed new hotel at Airoli, Navi Mumbai.

Residential Project – Koramangala, Bengaluru

The residential project at Koramangala in Bengaluru was stuck in litigation over cancellation of the NOC over height, issued earlier by Hindustan Aeronautics Limited (HAL). The project was under development with several towers under progress, at various stages of completion. The Company worked out a revised development plan and executed settlement terms with HAL. During the year, the Company signed terms for an amicable settlement of all disputes with an undertaking to demolish already constructed structures above 932 meters Above Mean Sea-Level and this marks the closure of the long-standing litigation on this project.

The revised development plans were approved by the remaining flat owners and the demolition work for higher floors has also been concluded. The Company has received a fresh NOC from HAL. The project is currently in the process of getting necessary local approvals to restart the development and completion of the project.

Results of Operations for the year ended March 31, 2022

The Company's Consolidated Financial Performance for the year ended March 31, 2022.

(₹ in million)

Particulars	For the year ended March 31 2022	2021	Change %
Revenue from Operations	5,078.07	2,855.76	78%
Other Income	219.32	219.44	0%
Total Income	**5,297.39**	**3,075.20**	72%
Total Expenses	**4,093.30**	**2,785.16**	47%
EBITDA from Continuing operations	**1,204.09**	**290.04**	315%
Depreciation and Amortization Expenses	1,184.23	1,174.62	1%
Finance Costs	1,444.13	1,519.78	-5%
(Loss) Before Exceptional Items and Tax from Continuing Operations	**(1,424.27)**	**(2,404.36)**	
Exceptional items	(44.58)	(41.71)	7%
(Loss) Before Income Tax from Continuing Operations	**(1,468.85)**	**(2,446.07)**	
Tax Expense	(719.53)	(1,091.55)	
(Loss) for the Year from Continuing Operations	**(749.32)**	**(1,354.52)**	
(Loss) for the Year from Discontinued Operations	(65.37)	(36.76)	
(Loss) for the Year	**(814.69)**	**(1,391.28)**	

Particulars	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Revenue from Operations	1,480.12	1,641.80	1,281.83	674.32
Other Income	55.07	15.15	91.84	57.26
Total Income	**1,535.19**	**1,656.95**	**1,373.67**	**731.58**
Total Expenses	**1,165.85**	**1,237.51**	**925.28**	**764.68**
EBITDA from Continuing Operations	**369.34**	**419.44**	**448.39**	**(33.10)**
Depreciation and Amortization Expenses	302.69	284.65	304.59	292.30
Finance Costs	355.96	336.56	392.25	359.36
(Loss) Before Exceptional Items and Tax from Continuing Operations	**(289.31)**	**(201.77)**	**(248.45)**	**(684.79)**
Exceptional Items	(10.09)	(9.03)	(15.07)	(10.39)
(Loss) Before Income Tax from Continuing Operations	**(299.40)**	**(210.80)**	**(263.52)**	**(695.18)**
Tax Expense	(184.84)	(119.82)	(140.05)	(274.82)
(Loss) for the period/ year from Continuing Operations	**(114.56)**	**(90.98)**	**(123.47)**	**(420.36)**
(Loss)/Profit for the period/year from Discontinued Operations	-	(52.86)	(14.76)	2.25
(Loss) for the period/year	**(114.56)**	**(143.84)**	**(138.23)**	**(418.11)**

In addition to the annual performance, an analysis of the sequential half year performance in 2020-21 has also been made available in this document.

The Company saw a gradual pick-up in business performance in 2021-22 as the center and state governments systematically eased restrictions and public confidence grew.

- Revenue increased from ₹ 674 million in Q1 2021-22 to ₹ 1,480 million in Q4 2021-22.
- EBITDA showed positive results from Q2 2021-22 which moved up from ₹ (33) million in Q1 2021-22 to ₹ 419 million in Q3 2020-21 and dropped to ₹ 369 million in Q4 2021-22 due to the third wave.

Revenue break-up

(₹ in million)

Particulars	For the year ended March 31 2022	2021	Change %
Hospitality	**4,099.74**	**2017.95**	103%
Room Revenue	2,195.09	1,131.66	94%
Food & Beverage Revenue	1,565.44	683.77	129%

(₹ in million)

Particulars	For the year ended March 31		
	2022	2021	Change %
Other Revenue	339.21	202.52	67%
Rental & Annuity	**1,019.75**	**837.81**	22%
Lease Rent	933.64	780.90	20%
Maintenance and other recoveries	70.95	52.71	35%
Revenue from other Services	15.16	4.20	261%
Real Estate			
Sale of Residential flats	-	-	
Other Income	**177.90**	**219.44**	**(19%)**
Total Income	**5,297.39**	**3,075.20**	**72%**

Hospitality 2021-22 performance:

- Hospitality revenue increased by 103% against previous year and formed 77% of the consolidated revenues
- Room revenue increased by 94% against the previous year, driven by 13% increase in Average Daily Rates (ADR) for the year, while the Occupancy contracted by 2,100 Bps to 51% for the same period
- Food and Beverage revenue increased by 129% to ₹ 1,565 million
- Other revenue increased by 67% over the previous year.

(₹ in million)

Particulars	For the 6 months ended	
	March 2022	September 2021
Hospitality	**2722.87**	**1,376.87**
Room Revenue	1,396.38	798.71
Food & Beverage Revenue	1,085.80	479.64
Other Revenue	240.69	98.52
Rental & Annuity	**440.47**	**579.28**
Lease Rent	387.67	545.97
Maintenance and other recoveries	43.85	27.10
Revenue from other services	8.95	6.21
Other Income	28.80	149.10
Total Income	**3,192.14**	**2,105.25**

Hospitality KPI

Particulars	For the year ended March 31			For the 6 months ended	
	2022	2021	Change %	H2 2021-22	H1 2021-22
ADR (₹)	**4,576**	**4,040**	**13%**	**5,244**	**3,743**
MMR*	4,714	4,056	16%	5,565	3,738
Bengaluru	4,403	4,611	(5%)	4,623	4,088
Hyderabad	4,850	4,161	17%	5,279	4,193
Pune	3,505	2,871	22%	3,896	2,943
Occupancy %	**51%**	**30%**	**21pp**	**57%**	**46%**
MMR	58%	35%	23 pp	62%	53%
Bengaluru	28%	24%	4 pp	33%	23%
Hyderabad	45%	19%	26 pp	54%	35%
Pune	64%	28%	36 pp	76%	53%
RevPAR	**2,355**	**1,214**	**94%**	**3,004**	**1,709**
MMR	2,715	1,416	92%	3,436	1,999
Bengaluru	1,220	1,127	8%	1,511	931
Hyderabad	2,169	794	173%	2,864	1,477
Pune	2,253	805	180%	2,961	1,549

***MMR represents Mumbai Metropolitan Region**

Half Yearly performance:

- Hospitality revenues grew from ₹ 1,377 million in H1 2021-22 to ₹ 2,723 million in H2 2021-22
- Room revenues grew from ₹ 799 million to ₹ 1,396 million from H1 to H2 2021-22 led by occupancy expansion of 1,100 bps to 57% during the same period

- ADR during the year improved from ₹ 3,743 to ₹ 5,244 from H1 2021-22 to H2 2021-22
- With ease in restrictions on dining out and banqueting events, curation of innovative streams of revenue, Food and Beverages revenue grew from ₹ 480 million in H1 2021-22 to ₹ 1,086 million forming 40% of H2 2021-22 revenues
- Food and Beverage revenues higher by 129% for the year as compared to 2020-21

Rental and Annuity:

- Steady rentals from commercial helped us keep head above water
- Segment Revenues increased by 22% as compared to the previous year
- Rental revenues from commercial segment remained steady
- Due to lockdown restrictions the retail business were primarily closed during the initial months of the year while we saw gradual pick-up in footfall 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.

Other Income for the year ₹ 177.90 million is in line against ₹ 219.44 million for the previous year.

Operating Expenses:

Operating expenses for the period were higher by 47% against the previous year due to recovery of hotels business post pandemic.

Particulars	For the year ended March 31		
	2022	**2021**	**Change %**
Real Estate development cost	221.66	95.06	133%
Changes in inventories of finished good and construction work in progress	(12.80)	-	100%
Food and Beverages consumed	538.63	238.73	126%
Operating Supplies consumed	243.76	123.35	98%
Employee benefits expense	999.76	893.39	12%
Other expenses	2,102.29	1,434.63	47%
Total Expenses	**4,093.30**	**2,785.16**	**47%**

- Real Estate development cost was at ₹ 222 million against ₹ 95 million in the previous year
- Food and Beverages Consumed for the period was higher by 126% in line with recovery of hotels business post pandemic
- Operating Supplies consumed higher by 98% and other expenses higher by 47% in line with recovery of business post pandemic and cost control initiatives
- Employee benefit expenses were higher by 12% as compared to previous year. Employee cost was 20% of revenue from operations for the year as compared to the 31% of revenue from operations in previous year, led by initiatives in increased employee productivity and efficiency
- Additional details of the cost control initiatives are provided on page no. 81 and details on energy conservation are provided on page no. 33.

EBITDA

Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) before exceptional items was at ₹ 1,139 million as compared to the previous year of ₹ 253 million. EBITDA margin for the period was at 21.5% against 8.2% for the previous year, led by recovery in revenues and cost saving initiatives discussed.

In the current financial year, the Company has discontinued its retail operations. The Company is in the process of repositioning the said building as commercial office building. The income and EBITDA of retail operations at Bengaluru 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 Bengaluru.

Excluding this, EBIDTA from Continuing operations was at ₹ 1,204 million as against ₹ 290 million during the previous year.

Depreciation and Amortization expenses were steady at ₹ 1,184 million for the year as compared to ₹ 1,175 million.

Finance Costs were at ₹ 1,444 million which was lower by ₹ 76 million from the previous year. The average cost of Rupee loans for the year was 7.52% as compared to 8.04% for the previous year.

Exceptional Items

Particulars	For the year ended March 31	
	2022	2021
Provision for estimated cost in relation to potential cancellation	**(44.58)**	**(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 petition filed by the Company, the Company had suspended construction activity at the project and sale of flats. By judgement dated 29 May, 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 had filed an appeal in November 2020 against the said Order. The Company and HAL after discussions, signed terms for an amicable settlement of all the disputes between the parties, as per which the Company would undertake demolition of already constructed structures above 932 meters Above Mean Sea Level 'AMSL'. Final orders in the matter have been passed by the Court on October 26, 2021 as per the said settlement terms and consequently, the litigation stands disposed. Demolition work of the area above 10th floor for all the 9 buildings has been completed in April 2022, and the NOC from HAL has been received. Process for obtaining all other approvals is underway. The Company has executed Supplemental MOUs with all existing flat owners, with revised terms inter-alia consenting to the revised development plans, subject to applicable regulatory approvals. Further, flat owners above 10th floor have consented to relocate to lower floors.

The Company had estimated and accounted interest payable on cancellation to flat owners above 10 floors amounting to ₹ 553.94 million as at March 31, 2022. The said provision shall be reversed upon receipt of all regulatory approvals from statutory authorities. Management is of the view that no changes are required on this account in the consolidated financial results for the year ended March 31, 2022. In the meantime, the Company continues to make provision for interest in relation to potential cancellations which amounted to ₹ 44.58 million for the year ended March 31, 2022 (March 31, 2021 : ₹ 41.71 million) and the same is reflected as an exceptional item.

(Loss) for the year

Loss for the year with discontinued operations was at ₹ 815 million against a loss of ₹ 1,391 million in the previous year. The cash burn from operations (EBITDA less Finance Cost) for the Company was at ₹ 305 million as against a cash burn of ₹ 1,267 million in the previous year.

Equity & Debt

Particulars	For the year ended March 31	
	2022	2021
Equity share capital	2,050.24	2,050.24
Other equity	11,362.31	12,110.38
Non-Controlling interests	(2.62)	(3.22)
Total equity	**13,409.92**	**14,157.39**
Gross Debt (Excl Pref Capital)	25,339.82	20583.24
Debt/Equity	**1.89**	**1.45**

- For the year ending March 31, 2022 the ECB exposure was at USD 15.11 million at the end of the year as compared to USD 20.80 million at the beginning of the year.
- The capital expenditure for 2021-22 was at ₹ 3,489 million towards ongoing projects.

Equity

Total equity was lower by ₹ 747 million accounting for losses for the year.

Return on Net-worth:

Particulars	FY 2021-22	FY 2020-21
Return on Net Worth	(5.91%)	(9.37%)

Due to pandemic led weak operating performance, the Company has not generated profits for the last two years and hence the Return on Net Worth is not the right measure to evaluate the Company's efficiency in utilising funds.

Working Capital movement

Particulars	For the year ended March 31		Change %
	2022	2021	
Debtors Turnover[1]	13.69	7.90	73%
Inventory Turnover[2]	6.30	2.65	138%
Current Ratio[3]	0.75	0.73	3%
Interest Coverage Ratio (Continuing operations)[4]	0.83	0.19	377%

1: Revenue from operations/Average Trade Receivable

2: Cost of goods sold/Average Inventory of Hotel Units

3: Current assets/Current liabilities

4: Earnings before interest, depreciation, amortization, exceptional items and tax (EBITDA)/Finance Costs

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

Interest coverage ratio improved on the back of recovery of revenue and earnings.

Cashflow:

Particulars	For the year ended March 31	
	2021	2020
Net Cash from Operating Activities	622.20	601.71
Net Cash from Investing Activities	(3,960.98)	(499.22)
Net Cash from Financing Activities	4,109.46	(340.90)
Net Change in Cash and Cash Equivalent	**770.69**	**(238.41)**

Standalone Financials

The Total Income as per the Company's Standalone Financials accounts for 94.7% of the Total Income as per the Company's Consolidated Financial Results.

Particulars	For the year ended March 31		Change %
	2022	2021	
Revenue from Operations	4,807.97	2,755.06	75%
Other Income	206.74	203.16	2%
Total Income	**5,014.71**	**2,958.22**	70%
Total Expenses	**3,836.10**	**2,614.58**	47%
EBITDA from Continuing operations	**1,178.61**	**343.64**	243%
Depreciation and amortization expenses	1,090.92	1,076.34	1%
Finance costs	1,399.54	1,450.08	(3%)
(Loss) before exceptional items and tax from Continuing operations	**(1,311.85)**	**(2,182.78)**	
Exceptional items	(44.58)	(41.71)	7%
(Loss) before income tax from Continuing operations	**(1,356.43)**	**(2,224.49)**	
Tax Expense	(720.35)	(1,093.21)	
(Loss) for the year from Continuing operations	**(636.08)**	**(1,131.28)**	
(Loss) year from discontinued operations	(65.37)	(36.76)	
(Loss) for the the period/year	**(701.45)**	**(1,168.04)**	

Standalone Revenue from Operations of the year grew by 75% to ₹ 4,808 million against previous year led by 98% increase in Hospitality segment while Rental and Annuity segment improved by 22%.

Earnings before interest, depreciation, amortization and tax (EBITDA) including discontinued operations was at ₹ 1,113.24 million with margin of 22.2% for the year as compared to ₹ 306.88 million with a margin of 10.4% in the previous year.

Loss for the year was at ₹ 701.45 million as compared to loss of ₹ 1,168.04 million in the previous year.

Internal Control Systems and Its Adequacy

We have well-established policies and procedures, for internal control of our operations and activities. On a consistent basis, we strive to integrate our entire organisation – from strategic support functions to core operational functions. To this end, we follow standards that enable us to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively. The findings and recommendations of the statutory and internal auditors are periodically reviewed by the Board, who thereon suggest corrective actions, as and when required. The Audit Committee of the Board of Directors proactively checks and balances the relevance and reliability of the internal control systems and suggests improvements to strengthen the same.

Cautionary Statement

Information in the Management Discussion and Analysis that describe the Company's aims, plans, or projections may be considered forward-looking under applicable securities laws and regulations. Actual outcomes may differ significantly from those stated in the statement. Strong competition, leading to price cuts, high volatility in prices of major inputs such as steel, cement, building materials, and petroleum products, changes in Government regulations, tax laws, economic developments within the country, and other factors such as litigation and labour relations are all important factors that could affect the Company's operations.

REPORT ON CORPORATE GOVERNANCE

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

PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Chalet Hotels Limited (Chalet) focuses on enhancement of long-term value creation for all its stakeholders without compromising on integrity, social obligations, regulatory compliances and its Sustainable Development Goals. The Company is committed to achieve and maintain higher 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 be not only in the letter but also in the spirit of the law.

The Company through its Board of Directors and Management is continuously and consistently committed to best Corporate Governance practices at all times for achieving its goals and targets, while maintaining the efficiency of its deliverables and ethics. 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 Board of Chalet comprises of seven Directors, of which four are Independent Directors including one Woman Independent Director, two are Non-Executive Promoter Directors and one is an Executive Director. The Chairperson of the Board is an Independent Director.

The Board's composition is in compliance with the requirements of Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with Section 149 of the Companies Act, 2013 ('Act'). 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 proved 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 objective of enhancing stakeholders' value is 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, all the Independent Directors have also registered/renewed their names in the databank maintained by the Indian Institute of Corporate Affairs (IICA) 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 of 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 meetings are held as per a schedule which is decided at the beginning of the 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 Director and DIN	Category of Director	Attendance at Meetings						
		Board Meetings	Audit Committee Meetings	CNR Committee Meetings	Stakeholders' Relationship Committee Meetings	CSR and ESG Committee Meetings	Risk Management Committee Meetings	Previous Annual General Meeting (August 12, 2021)
No of Meetings held in 2021-22		5	6	2	2	2	2	1
Independent Directors								
Mr. Hetal Gandhi (DIN: 00106895)	Chairperson and Independent Director	5	6	-	-	2	-	Present
Mr. Joseph Conrad D'Souza (DIN: 00010576)	Independent Director	5	6	2	2	-	2	Present
Mr. Arthur DeHaast (DIN: 07893738)	Independent Director	5	-	2	-	-	2	Present
Ms. Radhika Piramal (DIN: 02105221)	Independent Director	4	-	-	-	2	-	Present
Non-Executive Directors								
Mr. Ravi C. Raheja (DIN: 00028044)	Promoter, Non – Executive Director	5	5	-	2	-	-	Present
Mr. Neel C. Raheja (DIN: 00029010)	Promoter, Non – Executive Director	5	-	2	2	2	1	Present
Executive Director								
Mr. Sanjay Sethi (DIN: 00641243)	Managing Director & Chief Executive Officer	5	-	-	2	2	2	Present

CNR: Compensation, Nomination and Remuneration

CSR: Corporate Social Responsibility

ESG: Environmental, Social and Governance

Video Conferencing facility is made available at the Board / Committee Meetings in case any Director / Member 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 shareholders were held through Video Conferencing facility. The proceedings of all meetings were seamless.

Necessary quorum was present at all meetings of the Members, the Board and its Committees held during the year. 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 circulated/ presented at a shorter Notice as per the consent given by the Directors at their first Board Meeting held during the Financial Year.

During the Financial Year under review:

- the Board of Directors met five times i.e. on May 18, 2021, July 2, 2021, August 10, 2021, October 28, 2021 and January 27, 2022;
- the Audit Committee met six times i.e. on April 8, 2021, May 18, 2021, August 10, 2021, September 23, 2021, October 28, 2021 and January 27, 2022;
- the Compensation, Nomination and Remuneration ('CNR') Committee met twice i.e. on May 17, 2021 and August 9, 2021;
- the Stakeholders' Relationship Committee met twice i.e. on May 18, 2021 and October 28,2021;
- the Corporate Social Responsibility and ESG ('CSR') Committee met twice i.e. on May 18, 2021 and August 10, 2021; and
- the Risk Management Committee met twice i.e. on October 28, 2021 and March 29, 2022.

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 in accordance with Regulation 26(1)(b) of the Listing Regulations.

The Managing Director of the Company does not serve as an Independent Director in any listed entity.

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 and name of the other listed entity	No. of memberships in Audit / Stakeholders' Relationship Committee(s) including this listed entity	No. of post of Chairperson in Audit / Stakeholders' Relationship Committee held in listed entities including this listed entity	Salary and Perks for 2021-22 (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	3	4	2	N.A.	--	9,50,000	0
Mr. Joseph Conrad D'Souza (DIN: 00010576)	5 years w.e.f. June 12, 2018	2	8	4	N.A.	--	9,50,000	689
Mr. Arthur DeHaast (DIN: 07893738)	5 years w.e.f. June 12, 2018	1	0	0	N.A.	--	6,00,000	0
Ms. Radhika Piramal (DIN: 02105221)	5 years w.e.f. June 12, 2018	2	0	0	N.A.	--	4,50,000	0
Non-Executive Directors								
Mr. Ravi C. Raheja (DIN: 00028044)	September 04, 1995	3	8	1	N.A.	--	9,00,000	5,163,159
Mr. Neel C. Raheja (DIN: 00029010)	December 12, 1996	3	7	0	N.A.	--	6,75,000	10,326,318
Executive Directors								
Mr. Sanjay Sethi (DIN: 00641243)	3 years w.e.f. February 09, 2021	1	2	0	4,45,83,495	200,000 options to Equity Shares have been granted. No options exercised.	N.A.	0

Notes:

1. Mr. Hetal Gandhi is an Independent Director of Ami Organics Limited and Shilpa Medicare Limited.
2. 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.
3. Ms. Radhika Piramal is Executive Director & Vice Chairperson of V.I.P. Industries Limited.
4. 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.
5. 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 Programs for Independent Directors and details of such programs held during the financial year under review have been uploaded on the website of the Company and is accessible on https://www.chalethotels.com/familiarisation-programs/.

The Company's familiarisation programs provide insight to the Independent Directors on industry, business strategy, operations and regulatory requirements affecting the Company. The presentations and discussions at the Board and 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 scenarios, industry wide best practices and note-worthy initiatives by the Company.

Profile and 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	- Masters 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 DeHaast	- Bachelors Degree in Hotel Management, University of Strathclyde	Mr. Arthur 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 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 37 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.

Name	Educational Qualification	Brief Profile
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 V.I.P. Industries Limited, 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 V.I.P. Industries from 2010 – 2017, before which she worked in various sales and marketing roles in V.I.P. from 2000 – 2004. Outside of V.I.P., she worked as a management consultant with Bain & Company in New York from 2006 - 2008. Ms. Piramal's leadership has been integral to revitalizing V.I.P. Industries' profitable growth.
Mr. Ravi C. Raheja	- Bachelor of Commerce, University of Mumbai - Masters of Business Administration from London Business School	Mr. Ravi 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 26 years of experience across the real estate, hotel and retail industry.
Mr. Neel C. Raheja	- Bachelor of Law, University of Mumbai - Masters 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 fore-front 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 and Shoppers Stop and 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 Corp 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 34 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 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 Directors 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:

	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	✓		✓	✓	✓	✓	✓

Remuneration and ESOP to Managing Director:

Mr. Sanjay Sethi, Managing Director & CEO was reappointed by the Members of the Company at the previous Annual General Meeting for a period of three years w.e.f. February 09, 2021. The details of remuneration paid to Mr. Sethi during the year under review is as follows:

Particulars	(Amount in ₹)
Salary	3,52,74,955
Perquisites	NIL
Superannuation	NIL
Bonus (Statutory, Retention and Performance)	93,08,540
Total	4,45,83,495
Number of stock options granted	200,000 Options equivalent to same same number of Equity Shares

Note: Retention Bonus for 2020-21 was paid in 2021-22.

The Stock Options granted to Mr. Sanjay Sethi, Managing Director & CEO under the Chalet Hotels Limited - Employee Stock Option Plan 2018 shall vest not earlier than 1 (One) year and not later than maximum than 3 (Three) years from the date of grant i.e. June 26, 2018. The first and second tranches of ESOPs granted had vested in the previous years whereas the third tranche was vested during the year under review. The first tranche that was unexercised has since lapsed during the year under review. No options have been exercised under the Scheme till the date of this report. The Board of Directors of the Company had at its meeting held on May 10, 2022, approved variation in the terms of the Scheme and recommended extension of the exercise period from two years to four years, based on the recommendation of the CNR Committee, subject to approval of the Members of the Company. ESOP expense amounting to ₹ 10,20,186 has been recognized during the financial year ended on March 31, 2022.

Further, the Board of Directors of the Company at the said meeting also approved a new ESOP Scheme, viz. CHL Employee Stock Option Plan 2022 envisaging a grant of 1,217,831 Options exercisable into an equal number of Equity Shares of the Company. The same was based on the recommendation of the CNR Committee and is subject to approval of the Members of the Company.

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

The Non-Executive Directors of the Company are paid sitting fees for the meetings of the Board and its Committees. Mr. Arthur DeHaast, Independent Director is paid a Professional Fee (apart from the sitting fees) of GBP 3,750 per day for every meeting which amounted to ₹ 2.47 million during the year under review, as per contract entered into with him, 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 voluntarily proposed reduction of the professional fees paid to him from GBP 3,750 to GBP 2,625 per day. The same has been reinstated to GBP 3,750 per day, pursuant to approval of the CNR Committee at its meeting held on August 9, 2021.

Service Contract, Notice Period and Severance Fee

The contract of the Managing Director of the Company is for a period of three years and is terminable by giving 90 days' notice from either side. The term of the Managing Director is subject to retirement by rotation, in accordance with the provisions of the Act. There is no separate provision for payment of severance fees to Managing Director.

Criteria for making payments to Non-Executive Directors

The Non-Executive Directors are only paid sitting fees for their attendance at the Board Meeting and certain Committee Meetings. The Company pays sitting fees of ₹ 1,00,000/- for attending each Board Meeting, ₹ 50,000/- for attending each Audit Committee Meeting and ₹ 25,000/- for attending each meeting of the Compensation, Nomination & Remuneration Committee, Corporate Social Responsibility & ESG Committee, Stakeholders' Relationship Committee, Risk Management Committee and Finance Committee. No remuneration has been paid to the Non-Executive Directors and the Company is in compliance of Section 197 of the Act.

Meeting of Independent Directors

During the year under review, one meeting of the Independent Directors was held on March 21, 2022 and all the Independent Directors were present at the meeting. At the said meeting, the Independent Directors deliberated on the performance of the Board during the Financial Year 2021-22 and the measures/steps for improvement of Board performance. The policies adopted and the procedures followed by the Company were also discussed at the said meeting. The Independent Directors 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 which is necessary for the Board to effectively and reasonably perform their duties, and also 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 2021-22. 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'.

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 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.

COMPOSITION OF COMMITTEES OF THE BOARD OF DIRECTORS AND ATTENDANCE AT THE MEETINGS

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

Audit Committee

The Company's Audit Committee comprises of Mr. Joseph Conrad D'Souza, Chairperson & Independent Director, Mr. Hetal Gandhi, Independent Director and Mr. Ravi C. Raheja, Non-Executive Director. The Members of the Committee have relevant experience in their respective fields of hospitality, real estate, finance, banking and accounting. The Board had renamed the Audit Committee as Audit & Risk Management Committee and authorized it to discharge and carry out the functions of the Risk Management Committee. During the year under review, the Board, vide its resolution passed on October 21, 2021 constituted a separate Risk Management Committee and separated the functions. Ms. Christabelle Baptista, Company Secretary, acts as the secretary to the Audit 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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization 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 utilization 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. any other function as is mentioned in the terms of reference of the Audit Committee as per the Listing Regulations; and
25. 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 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 SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Whistle Blower Policy. The Committee monitors and reviews the investigations of the whistle blower complaints received during the year, if any.

Meetings of the Audit 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					
		April 8, 2021	May 18, 2021	August 10, 2021	September 23, 2021	October 28, 2021	January 27, 2022
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Hetal Gandhi	Member and Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ravi C. Raheja	Member and Non-Executive Director	Yes	Yes	Yes	No	Yes	Yes

Compensation, Nomination and Remuneration Committee

The Company's Compensation, Nomination and Remuneration Committee comprises of Mr. Joseph Conrad D'Souza, Chairperson & Independent Director, Mr. Arthur DeHaast, Independent Director and Mr. Neel C. Raheja, Non-Executive Director. 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 attendance at the meetings of the Committee during the year under review is as follows:

Name of the Chairperson / Member	Category	Date of Meeting	
		May 17, 2021	August 9, 2021
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes
Mr. Arthur DeHaast	Member and Independent Director	Yes	Yes
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes	Yes

Stakeholders' Relationship Committee

The Company's Stakeholders' Relationship Committee 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 & Chief Executive Officer. 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	
		May 18, 2021	October 28, 2021
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

Corporate Social Responsibility and ESG Committee (CSR and ESG Committee)

The Company's CSR and ESG 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:

CSR

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.

ESG

1. formulate an 'ESG Policy' and 'Environment Policy' for the Company, covering all the areas of ESG initiatives and engagements;
2. ensure that the Company monitors and reviews current and emerging ESG trends as per the applicable regulatory requirements, identify the impact on the strategy, operations and reputation of the Company and incorporate the same into the Company's ESG policies and objectives;
3. set appropriate strategic goals / KPIs / associated targets related to ESG and oversee the development and performance against those goals, KPIs and targets;
4. ensure that the Company provides appropriate information and is transparent in its reporting relating to ESG; and
5. any other matter as the CSR & ESG 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	
		May 18, 2021	August 10, 2021
Mr. Hetal Gandhi	Chairperson & Independent Director	Yes	Yes
Ms. Radhika Piramal	Member & Independent 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

Risk Management Committee

The Company earlier had a combined Audit and Risk Management Committee which used to look after and discharge both the functions. The Board of Directors of the Company by its resolution passed on October 21, 2021 constituted a separate Risk Management Committee thereby segregating the functions of both the Committees.

The Company's Risk Management Committee comprises of Mr. Arthur DeHaast, Chairperson & Independent Director, Mr. Joseph Conrad D'Souza, Independent Director, Mr. Neel C. Raheja, Non-Executive Director, Mr. Sanjay Sethi, Managing Director & CEO, Mr. Milind Wadekar, Chief Financial Officer and Mr. Rajneesh Malhotra, Chief Operating Officer. The Committee has the following terms of reference:

1. To formulate a detailed risk management policy which shall include:

    a. A framework (risk management plan) for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    b. Measures for risk mitigation including systems and processes for internal control of identified risks.

    c. Business Continuity Plan;

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken w.r.t. risk assessment and minimization;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;

8. All other matters as may be delegated by the Board of Directors of the Company from time to time.

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	
		October 28, 2021	March 29, 2022
Mr. Arthur DeHaast	Chairperson and Independent Director	Yes	Yes
Mr. Joseph Conrad D'Souza	Member and Independent Director	Yes	Yes
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes	No
Mr. Sanjay Sethi	Member and Managing Director & Chief Executive Officer	Yes	Yes
Mr. Milind Wadekar	Member and Chief Financial Officer	Yes	Yes
Mr. Rajneesh Malhotra	Member and Chief Operating Officer	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 (East), 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
2021-22	Thursday, August 12, 2021 at 4:00 p.m.	Through Audio-Video Conference Deemed Venue: Raheja Tower, Bandra Kurla Complex, Mumbai.	Six Special Resolutions - Re-appointment of Mr. Sanjay Sethi (DIN: 00641243) as Managing Director & CEO of the Company for a period of three years with effect from February 09, 2021 and payment of remuneration - Approval in respect of waiver of recovery of excess managerial remuneration paid to Mr. Sanjay Sethi, Managing Director & CEO (DIN: 00641243) - Adoption of new set of Articles of Association for the Company - To raise funds either by way of issue of Non-Cumulative, Non-Convertible, Redeemable Preference Shares on Private Placement basis or Unsecured Loans or Inter Corporate Deposits or any combination thereof - Issue of Non-Convertible Debentures / Bonds on a Private Placement basis - Approval for Loan, Guarantee or Security under Section 185 of the Companies Act, 2013
2020-21	Tuesday, August 11, 2020 at 4.00 p.m.	Through Audio-Video Conference Deemed Venue: J W Marriott Mumbai Sahar, Mumbai.	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 - 400 051	2 (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

During the year under review, the Company conducted meetings of the Equity and Preference Shareholders of the Company on April 12, 2021, pursuant to the Order of the Hon'Ble National Company Law Tribunal, Mumbai Bench. The proposal for the Scheme of Amalgamation was approved by both classes of shareholders at their respective meetings.

Postal Ballot

The Company has not passed any Special Resolution through Postal Ballot during the Financial Year 2021-22. Further, none of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through Postal Ballot.

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 '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 www.chalethotels.com/

The Company's website also displays news releases by the Company.

Presentations made to institutional investors/analysts are also displayed on the Company's website.

Green Initiative

In line with the 'Green Initiative' undertaken by the Ministry of Corporate Affairs and the Company's ESG initiatives, the Company will be sending this year's Annual Report (including notices and communications, as permissible) through email to the shareholders who have registered their email address with the Company / Depository / Registrar & Share Transfer Agent. The Annual Reports of the Company is also available in the Investor Relations section of the Company's website 'www.chalethotels.com'.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date: September 14, 2022

Time: 3.00 p.m. (IST)

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

Financial Year : April 1, 2021 to March 31, 2022

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 - 400 051.

Scrip Code: CHALET

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400 001.

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

No securities of the Company have been suspended from trading on the Stock Exchanges.

Market Price (based on daily closing price) and number of Equity Shares of the Company traded during each month in the Financial Year 2021-22 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 2021	155.00	122.65	37,21,127	154.70	125.05	3,79,865
May 2021	184.80	139.05	68,16,756	184.75	139.00	6,83,563
June 2021	196.00	171.10	81,65,403	195.80	168.70	8,57,951
July 2021	199.00	170.20	1,02,69,273	198.55	146.50	16,00,030
August 2021	180.50	159.05	34,71,129	180.20	159.20	5,09,826
September 2021	255.60	168.00	3,28,18,630	255.50	167.90	41,07,978
October 2021	269.50	223.55	1,06,24,885	282.80	226.45	16,26,830
November 2021	292.80	220.00	1,56,83,787	292.50	220.00	13,10,872
December 2021	247.00	211.05	55,54,678	244.85	210.90	6,21,283
January 2022	266.00	212.80	60,39,274	265.75	212.00	5,86,088
February 2022	302.00	232.00	1,74,52,593	301.40	232.50	19,43,055
March 2022	321.95	247.55	2,37,59,723	321.65	248.00	12,97,037

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 2021	143.20	12,364.35	142.50	19,689.52
May 2021	176.50	13,226.35	176.65	21,055.18
June 2021	177.20	13,473.55	177.25	21,463.09
July 2021	177.05	13,664.25	177.00	21,753.68
August 2021	170.90	14,555.90	171.50	23,174.23
September 2021	239.90	15,052.65	241.00	23,937.54
October 2021	235.95	15,086.90	236.30	23,990.09
November 2021	237.85	14,648.35	236.50	23,276.88
December 2021	215.80	14,996.20	216.20	23,811.00
January 2022	258.55	14,921.45	258.70	23,715.29
February 2022	262.25	14,307.95	262.75	22,741.64
March 2022	302.35	14,894.50	300.80	23,695.01

Registrar and Share Transfer Agent:

KFin Technologies Limited
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.: INR 000000221

Share Transfer System:

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 01, 2019.

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, 2022				As on March 31, 2021			
	Number of Share-holders	% to Total Number of Shares	Amount in ₹	% to Total Amount	Number of Share-holders	% to Total Number of Shares	Amount in ₹	% to Total Amount
upto 5000	29098	93.58	19400010	0.95	25416	91.49	23331110	1.14
5001 - 10000	1033	3.32	7747420	0.38	1251	4.50	9591030	0.47
10001 - 20000	431	1.39	6373160	0.31	544	1.96	8015100	0.39
20001 - 30000	156	0.50	3986850	0.19	197	0.71	4997570	0.24
30001 - 40000	56	0.18	1981530	0.10	80	0.29	2833710	0.14
40001 - 50000	62	0.20	2984030	0.15	43	0.15	1969960	0.10
50001 - 100000	83	0.27	6051300	0.30	101	0.36	7520390	0.37
100001 & Above	176	0.57	2001714340	97.63	148	0.53	1991979770	97.16
	31095	**100.00**	**2050238640**	**100.00**	**27780**	**100.00**	**2050238640**	**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

Dematerialization of shares and Liquidity

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

Outstanding ADRs / GDRs

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

Commodity price risk or foreign exchange risk and hedging activities

The Company based on market conditions hedges its foreign exchange exposures / ECBs with forward cover. The Company had booked forward cover for USD 15.6 million, USD 9 million expiring in April 2021 and the balance expiring in the following manner:

Jun-21	USD 0.58 million
Sep-21	USD 0.58 million
Dec-21	USD 0.57 million
Mar-22	USD 0.57 million
Apr-22	USD 4.30 million

Unit locations:

Hospitality Portfolio:

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

Westin Mumbai Powai Lake, Lakeside Chalet, Marriott Executive Apartments, Mumbai
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 560 066.

Hospitality Portfolio of Wholly Owned Subsidiary (Belaire Hotels Private Limited)

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

Rental & Annuity Portfolio:

Whitefield Bengaluru
Plot No 75, EPIP Area, Whitefield, Bengaluru 560 066.

Sahar Mumbai
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 (East), 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
India Ratings & Research Private Limited	Term Loans and Fund Based Working Capital limits	IND BBB+ (Rating Watch Negative)	IND BBB+ (Negative)
	Non-Fund based Working Capital limits	IND A2	IND A2
ICRA Limited	Term Loans, Long-Term Fund Based limits	ICRA BBB+ (Negative)	ICRA BBB+ (Negative)
	Short Term Non-Fund based limits	ICRA A2	ICRA A2

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 listed entity at large. However, approval of the Members was sought at the Annual General Meeting held on August 12, 2021 in respect of a Material Related Party Transaction but the same is yet to be affected.

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.

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 victimization of employees and Directors 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 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 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 www.chalethotels.com/policies/.

Disqualification of Directors

M/s. BNP & Associates, Company Secretaries in Practice, have certified that as on March 31, 2022, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Recommendations of Committees

All recommendations of the committees from time to time have been considered by the Board of Directors, 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, 2022.

Total fees for services paid to Statutory Auditors and its affiliates

Total fees of ₹ 13.20 million for financial year 2021-22, 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 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

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 complaints filed and resolved during the financial year are 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

Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount':

Name of Entities	Amount as on March 31, 2022
Belaire Hotels Private Limited (Wholly Owned Subsidiary)	₹ 1,36,42,00,000/-
Chalet Hotels and Properties (Kerala) Private Limited (Subsidiary Company)	₹ 25,00,000/-

Compliance with Non-Mandatory Provisions

The status concerning compliance by the 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 Chairperson. Currently no reimbursement towards his expenses for performance (other than payment of sitting fees) and maintenance of Chairpersons 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 Company has 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 Corporate 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 an Annexure - B to this Report.

Annexure - A

Declaration on adherence to the Code of Conduct

To,
The Members of Chalet Hotels Limited

I 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 year ended March 31, 2022.

For **Chalet Hotels Limited**

Sanjay Sethi

Managing Director & CEO

DIN: 00641243

Date: May 10, 2022

Place: Mumbai

Annexure - B

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Chalet Hotels Limited,
Raheja Tower,
Plot No.C-30, Block 'G',
Bandra Kurla Complex,
Bandra (E), Mumbai 400051.

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 March 31, 2022. 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 during the year under review, pursuant to Regulation 21 of LODR the Company has, constituted a separate Risk Management Committee on October 21, 2021. Earlier, the Company had a combined Audit and Risk Management Committee performing the functions of both Audit as well as Risk Management Committee as per their respective terms of reference mentioned in LODR.

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.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

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

Avinash Bagul
Partner
FCS No: 5578 / C P No: 19862
UDIN: F005578D000297661

Place: Mumbai
Date: May 10, 2022

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 01, 2021 to March 31, 2022	
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	Rental & Annuity
		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 (₹):	₹ 3,960.24 million (including preference share capital)
2.	Total Turnover (₹):	₹ 4,807.97 million (Other Income of ₹ 206.74 million has not been considered as Turnover)
3.	Total Profit/Loss after taxes (₹):	Loss after tax is (₹ 701.45) million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	₹ 664,958/-
5.	List of activities in which expenditure in 4 above has been incurred:	- Eradicating hunger - 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, 2022.
2.	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Yes – 1(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 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

Details of the Directors responsible for implementation of the BR policy/policies

CSR & ESG Committee comprising of:

No.	Particulars	Details			
1	DIN Number	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			

(a) Details of the BR head

No.	Particulars	Details		
1	DIN Number (if applicable)	NA	NA	NA
2	Name	Mr. Rajneesh Malhotra	Mr. Pragnesh Doctoria #	Ms. Suborna Biswas # #
3	Designation	Chief Operating Officer	AVP – Engineering	AGM - 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 Economic Social and Environmental Responsibility 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 marginalized
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				
2	Has the policy been formulated in consultation with the relevant stakeholders?					Yes				

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		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 the issues impacting our business, on an ongoing basis. Wherever required and possible the relevant policies are amended from time to time.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The Business Responsibility Policy and the ESG Policy of the Company are in accordance with principles laid down in the National Voluntary Guidelines (Guidelines) 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 Annual Report.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes. The Policies have been approved either by the Board or the CSR & ESG Committee of the Company. 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/Committee and circulated amongst relevant stakeholders. Other operational policies are approved by the Managing Director/functional heads of the Company as deemed appropriate from time to time.								
5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Yes Yes. CSR and ESG 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 accessible on the intranet/website and in place for the Company/service provider as applicable.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes As deemed appropriate. The Business Responsibility Report has been made available on the Company's website www.chalethotels.com/annual-reports/. It has been the Company's practice to have the relevant policies either uploaded on the intranet for information/implementation by the concerned stakeholders or put up on notice board or communicated through town hall meetings or emails.								
8	Does the Company have in-house structure to implement the policy / policies?	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								
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	-

No.	Questions	
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 and ESG 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 2021-22. It will be made available on the website of the Company at www.chalethotels.com/annual-reports/. The Business Responsibility Report will be published on an annual basis. The Company will implement the Business Responsibility and Sustainability Report from Financial Year 2022-23 onwards.	

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 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.
	There were no stakeholder complaints received during the financial year under review.

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 design and development of Real Estate viz. Commercial and Residential premises and letting out/sale of the same. 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 and reuse of water 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. 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 utilized for staircase and public area lighting. The water bottling plant which aims at reduction of one-time use plastic is in advanced stages of installation. All upcoming projects undergo pre-certification under LEED (Leadership in Energy and Environment Designs) system, which 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. The Company has installed/is in the process of installation of EV charging stations at all our properties.
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, 53% 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 and equipment. The Company has implemented plant room optimization systems and installed auto tube cleaning system for chiller condenser tubes for better heat exchange to optimize 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 utilized 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 continues to implement measures to conserve energy, as a result of which 20% reduction in electricity consumption was achieved in 2021-22 over 2019-20. 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 reducing consumption of water at its properties through its continuing innovation and modernisation techniques. Various measures implemented include recycling of water through Sewage Treatment Plant and use of Ultra-Filtration system, resulting in reduction of dependency on and consumption of fresh water. Apart from this, rainwater harvesting tanks and ring-wells have been constructed to collect rainwater from terrace and periphery areas. The water collected 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 in increasing the water table. The following measures are undertaken by the Company across its properties to improve efficiency of natural resources and strengthen sustainability: - Installation of plant room optimizers for complete automation and remote operation/monitoring of air conditioning system (chiller plantroom) - Water to water heat pumps - 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 and 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?
	Yes. 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 for improvement. 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 and increasing the share of renewable energy in its total energy consumption, water conservation and recycling and reusing the waste generated. Total units generated through tie-ups with suppliers of renewable sources of energy is 53% 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 their capacity and capability of local and small vendors?
	Yes. 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 endeavours to provide opportunity to all suppliers. The Company endeavours 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's units take various measures such as conversion of wet waste into natural manure through natural drum type organic waste composters with minimal electricity consumption and supply as input material for animal fodder. Machines have been introduced for recycling dry and wet garbage respectively. Further, 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 at 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 use plastic was delayed on account of the pandemic and is in the advanced stages of installation.

Principle 3: Employee Wellbeing

1	Please indicate the Total number of employees #		1,835 (on-roll)
2	Please indicate the Total number of employees hired on temporary/ contractual/casual basis		Temporary – 230 Contractual – 92
3	Please indicate the Number of permanent women employees		293
4	Please indicate the Number of permanent employees with disabilities		5
5	Do you have an employee association that is recognized by management?		Yes, Employee Association named Bharatiya Kamgar Sena at Westin Mumbai Powai Lake and JW Marriott Mumbai Sahar
6	What percentage of your permanent employees is members of this recognized employee association?		43.65%
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 with necessary action being taken.
	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
	Discriminatory employment	NIL	NIL
8	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, the Company has taken various measures towards improving health and safety of people at all its workplaces, as its people are of prime importance towards its mission. The Company also organized multiple training sessions across levels and domains such as mental health and wellness, adaptability, leadership workshops, global anti-corruption, information protection and security, etc.

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 with the major/key categories being 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 & marginalized 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 and marginalized stakeholders.

3.	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.
	The Company is engaging with local non-governmental organizations (NGOs) to source products/supplies for the Hotels and empower women and children. During the year, the Company/Hotels have contributed to the community around them by engaging in various initiatives through the year. During the year under review, the Company continued its association with Trust for Retailers and Retail Associates of India (TRRAIN) to create employability/skill development in persons with disabilities, touching the lives of 50 such persons. 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.

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 including prevention of child labour and women empowerment. We strive at adopting a humane approach when dealing with internal and external stakeholders and includes values relating to respecting human rights and women empowerment. The Policy extends to its consultants and others while representing or acting on behalf of the Company. We believe in an inclusive work culture which embraces differences and encourages employees in being who they are. The Pride Policy of the Company includes: - Zero Discrimination in Hiring – ensure recruitment of the right candidate purely on merit without any bias - Financial Support [upto ₹ 2 (Two) 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 Sensitization – to educate employees on the topic
2	How many stakeholder complaints have been received in the past financial year and what % was satisfactorily resolved by the management?
	The Company had received no complaints in the past financial year.

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 environmental 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 have been/ are being implemented at various levels in the Company. The Company recognizes the importance of sustainability and has adopted responsible business practices and measures across its properties to ensure increased consumption of renewable energy, waste minimization and solid waste recycling. The Company is the first hospitality company globally to sign up for all the three key initiatives of the Climate Group namely: • EV100- All vehicles for guest transportation to be EVs by 2024-25 • RE100- All properties to move to 100% renewable energy by 2030-31 • EP100- To double energy productivity by 2028-29, considering a baseline year of 2015-16

	In addition to the key areas identified for implementing sustainable practices such as carbon footprint measurement and recycling, the Company is in the process of setting up water bottling plants at all the units to reduce carbon footprint and also minimize the consumption of single use plastic thereby reducing this hazard to our environment. 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 and equipment. Directional guidance towards climate change mitigation and natural resource replenishment initiatives is given to employees and hotels/project teams. The Company constantly aims to optimally utilize and conserve the water resource available. This is achieved by establishing reliable water management systems and practices in place to ensure that the Company remains committed towards achieving water stewardship. The Company follows three basic steps for effective water management – reduce consumption, recycle water and minimize usage. The various measures undertaken include optimal utlization of sewage treated water, effluent treatment plant for laundry water, ultra-filtration system, aerators for all taps etc. The Company has tied up with various providers for sourcing electricity from renewable sources. During the year under review, 53% of the total power consumed by the Company was from renewable resources. The Company has installed Solar PV Cells for generation of electricity.
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.
5	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 is in the process of implementing IoT based cooling solutions at the hotels which would ensure energy efficiency. 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 (HSD) with electrical heat-pumps. Motion sensors have also been fitted in all the properties.
6	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
	Yes
7	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) The Federation of Hotels & Restaurant Associations of India (FHRAI) e) IMA
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 tourism policies.

Principle 8: Inclusive growth and 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 and pulses, stationery items, etc. Food/meals distribution has also been carried out on various occasions during the year. The Hotels organized distribution of various items at different locations. During the rains, raincoats and umbrellas were distributed among needy children. Further, the Company in association with TRRAIN has developed and conducted specified programmes at various 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 organization?
	The programmes and projects during the year under review have been undertaken by the Hotel's in-house team as well as in association with an external NGO.
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 ₹ 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 important for the Company. The Company receives customer complaints which are appropriately redressed. At the end of the financial year under review, 1 consumer case/litigation was 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 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 advertizing 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 5 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 service provider 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.

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S 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 31 March 2022, 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 31 March 2022, 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 obtained by us, 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 40 (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 respect of the above in the standalone financial statements for the year ended 31 March 2022. The balance of prepaid lease rental in relation to such leasehold land as of 31 March 2022 is Rs. 49.74 million (31 March 2021: Rs. 50.93 million) and carrying value of property, plant and equipment as at 31 March 2022 is Rs. 372.12 million (31 March 2021: Rs. 400.77 million). 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

Deferred Tax Assets (refer note 22 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 5.34 % 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 22 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 22 to the standalone financial statements.

Impact of COVID 19 on Going concern

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, 2022 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. • Assessed the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, along with the other information accompanying the standalone financial statements. • Considered the adequacy of the Company's disclosure in respect of management's assessment of going concern assumption.

INDEPENDENT AUDITOR'S REPORT (Continued)

Litigations and Claims (refer note 10,28 35 and 40 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
As at 31 March 2022, 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 1 April 2022 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 31 March 2022. • 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' Responsibilities 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (Continued)

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 made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone 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 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, 2020 ("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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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".

INDEPENDENT AUDITOR'S REPORT (Continued)

(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:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Notes 10 and 40 to the standalone financial statements;

b) 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 28 to the standalone financial statements;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 56 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in Note 56 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, we report that:

i. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Managing Director and CEO during the current year, is in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to the Managing Director and CEO is as per the limits laid down under Section 197 read with Schedule V to the Act and as approved by the shareholder's through special resolution in the Annual General Meeting held on 12 August 2021. 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 Pardiwalla
Partner
Membership No: 108511
UDIN: 22108511AIROFR1165

Mumbai
10 May 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2022

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 31 March 2022, we report the following:

(i) (a) (A) The Company has maintained proper records showing full particulars, quantitative details and situation of Property, Plant and Equipment, Investment Properties and Right to Use (ROU) Asset.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) 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 a regular programme of physical verification of its Property, Plant and Equipment, Investment properties and ROU assets, by which all property, plant and equipment, investment properties and ROU assets are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment and investment properties were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(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 all immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) as disclosed in the Note 2 and 4 and read with Note 40 (c) of the standalone financial statements are held in the name of the Company. In respect of the land acquired on leasehold basis disclosed in Note 2 read with the footnote to Note 10 of the standalone financial statements, the lease agreements are duly executed in favour of the Company.

(d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) 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, goods-in-transit or stock lying with third parties at the year-end. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (₹ in million)	Amount as reported in the quarterly return/ statement (₹ in million)	Amount of difference (₹ in million)	Whether return/ statement subsequently rectified
June 2021	Indian Overseas Bank	Inventories	19.62	20.29	(0.67)	No
September 2021	Indian Overseas Bank	Inventories	18.64	19.28	(0.64)	No
December 2021	Indian Overseas Bank	Inventories	19.55	20.19	(0.64)	No
March 2022	Indian Overseas Bank	Inventories	25.15	25.79	(0.64)	No

(iii) 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 made investments, provided guarantee, granted loans, secured or unsecured to companies, in respect of which the requisite information is as below. The Company has not provided any security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in, provided guarantees or granted loans, secured or unsecured, to firms, limited liability partnership or any other parties during the year.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2022 (Continued)

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans, or stood guarantee to any other entity as below:

Particulars	Guarantees (₹ in million)	Loans (₹ in million)
Aggregate amount during the year	50	345.80
- Subsidiaries*		
Balance outstanding as at balance sheet date		
- Subsidiaries*	50	1,366.7

* As per Companies Act 2013

The Company has not provided any security or advances in the nature of loans during the year. The Company has not provided any guarantees or granted loans, secured or unsecured, to any other party during the year.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made, guarantees provided and the terms and conditions of the grant of unsecured loans provided during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any security or granted any advances in the nature of loans 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 unsecured loans granted are interest free and repayable on demand. As informed to us, the Company has not made demand for repayment during the current year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act").

Particulars	All Parties	Promoters	Related Parties (₹ in million)
Aggregate of loans			
- Repayable on demand (A)	-	-	1,366.70
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
Total (A+B)	**-**	**-**	**1,366.70**
Percentage of loans to the total loans	-	-	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has complied with the provisions of Sections 185 of the Act. 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. Accordingly, compliance under Sections 186 of the Act in respect of loans given, providing guarantees and securities are not applicable to the Company. The Company has complied with the provisions of Section 186 of the Act in respect of investments made during the year.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2022 (Continued)

have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Cess, Property Tax and other statutory dues have generally been regularly deposited 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 and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, , Cess ,Property Tax and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹ in million)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
GST Act	GST	0.01	June 2021	20 July 2021	Not Paid	
GST Act	GST	0.18	July 2021	20 July 2021	Not Paid	
GST Act	GST	0.22	August 2021	20 September 2021	Not Paid	

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows

Name of the statute	Nature of the dues	Amount not deposited on account of demand Rs in million	Amount paid Rs 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	62.49	-	2004-05 to 2010-11	CESTAT, Mumbai
Finance Act, 1994	Demand for service tax on Telephone services and Laundry wet cleaning service as accommodation services	4.59	-	FY 2011 to 2012	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	-	2012-13	Joint Commissioner Appeals LTU-2
TVAT Act, 2002	VAT demand on Sale of cocktail	1.59	0.40	FY 2010-11 to 2012-13	Deputy Commissioner, Hyderabad
TVAT Act, 2002	VAT demand on sale of cocktail and others	2.14	1.41	FY 2013-14 to FY 17-18	Deputy Commissioner, Hyderabad

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2022 (Continued)

Name of the statute	Nature of the dues	Amount not deposited on account of demand Rs in million	Amount paid Rs in million	Financial year (F.Y.) to which the amount relates	Forum where dispute is Pending
GST Act 2017	NON-PAYMENT OF INTEREST for delay in filling of return and offset of liability	0.31		FY 2018-19 & FY 2019-20	Office of the Dy. Commr. Of state tax
Foreign Trade Policy (Duty of Customs)	Recovery of SFIS benefits granted to foreign brands	5.74	-	2017	Karnataka High Court
Customs Act 1962	Recovery of security deposit on import of TV sets	10.67	10.67	FY 2021-22	Custom Authority
Income Tax Act, 1961	Section 14A of Income-tax Act, 1961 disallowance	133.26	-	FY2015-16 to FY 2016-17	ITAT
Income Tax Act, 1961	Depreciation disallowance	7.09	-	FY 2012-13 to FY 2017-18	ITAT
Income Tax Act, 1961	Deemed rental income on house property	13.73	-	FY 2015-16 FY 2016-17	ITAT
Income Tax Act, 1961	Disallowance of Sahar retail and commercial interest	169.43	-	FY 2018-19	Commissioner of Income tax (Appeals)

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) 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 defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) 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 been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2022 (Continued)

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph (a), (b) & (c) of clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable

(xvii) The Company has incurred cash losses amounting to Rs 329.86 million in the current and Rs 1,179.32 million in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 22108511AIROFR1165

Mumbai
10 May 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(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 31 March 2022 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 31 March 2022 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.

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

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 Pardiwalla
Partner
Membership No: 108511
UDIN: 22108511AIROFR1165

Mumbai
10 May 2022

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2022

₹ in million

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2	16,933.43	17,719.52
Right of Use assets	39	589.55	-
Capital work-in-progress	3	322.01	358.48
Investment property	4	13,560.39	9,950.73
Goodwill	5	226.11	226.11
Other intangible assets	6	16.03	24.24
Financial assets			
(i) Investments in subsidiaries	7	1,264.92	1,264.92
(ii) Other investments	8	58.59	44.94
(iii) Others	9	371.54	318.16
Deferred tax assets (net)	22	2,352.68	1,796.65
Non-current tax assets (net)		389.87	392.08
Other non-current assets	10	343.70	595.73
Total non-current assets		**36,428.82**	**32,691.56**
Current assets			
Inventories	11	3,931.97	3,909.48
Financial assets			
(i) Trade receivables	12	424.70	301.60
(ii) Cash and cash equivalents	13 a	215.22	264.03
(iii) Bank balances other than (ii) above	13 b	632.48	80.78
(iv) Loans	14	1,366.70	1,020.90
(iv) Others	15	149.53	97.09
Other current assets	16	882.56	761.79
Total current assets		**7,603.16**	**6,435.67**
TOTAL ASSETS		**44,031.98**	**39,127.23**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	2,050.24	2,050.24
Other equity	18	11,643.58	12,279.10
Total equity		**13,693.82**	**14,329.34**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	21,146.28	16,993.67
(ii) Lease liabilities		591.47	-
(iii) Others	20	159.59	190.97
Provisions	21	79.40	74.19
Deferred tax liabilities (net)	22	11.93	137.51
Other non-current liabilities	23	139.80	109.58
Total non-current liabilities		**22,128.47**	**17,505.92**
Current liabilities			
Financial liabilities			
(i) Borrowings	24	3,563.79	2,706.32
(ii) Lease liabilities		39.70	-
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises and	25	85.46	28.89
b) Total outstanding dues to creditors other than micro enterprises and small enterprises	25	746.07	759.12
(iv) Other financial liabilities	26	620.91	457.85
Provisions	28	850.28	908.18
Current tax liabilities		195.00	195.00
Other current liabilities	27	2,108.48	2,236.61
Total current liabilities		**8,209.69**	**7,291.97**
TOTAL EQUITY AND LIABILITIES		**44,031.98**	**39,127.23**
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 report of even date attached

For B S R & Co. LLP
Firm's Registration No:101248W/W-100022

Mansi Pardiwalla
Partner
Membership No. 108511

Mumbai
May 10, 2022

For and on behalf of the Board of Directors of
Chalet Hotels Limited
(CIN No. L55101MH1986PLC038538)

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Milind Wadekar
CFO
(Membership No: 116372)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in million

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
REVENUE FROM CONTINUING OPERATIONS			
Revenue from operations	29	4,807.97	2,755.06
Other income	30	206.74	203.16
Total income (A)		**5,014.71**	**2,958.22**
EXPENSES FROM CONTINUING OPERATIONS			
Real estate development cost	31 a	221.66	95.06
Changes in inventories of finished good and construction work in progress	31 a	(12.80)	-
Food and beverages consumed	31 b	517.87	230.38
Operating supplies consumed	31 c	231.84	116.82
Employee benefits expense	32	939.26	841.91
Other expenses	34	1,938.27	1,330.41
Total expenses (B)		**3,836.10**	**2,614.58**
Earnings before interest, depreciation, amortization and tax (EBITDA) before exceptional items from Continuing operations (C) (A-B)		1,178.61	343.64
Depreciation and amortization expenses	2,4,6	1,090.92	1,076.34
Finance costs	33	1,399.54	1,450.08
(Loss) before exceptional items and tax from Continuing operations (D)		**(1,311.85)**	**(2,182.78)**
Exceptional items (E)		(44.58)	(41.71)
Provision for estimated loss on account of cancellations	35	(44.58)	(41.71)
(Loss) before income tax from Continuing operations (F) (D+E)		**(1,356.43)**	**(2,224.49)**
Tax expense (G)		(720.35)	(1,093.21)
Current tax (includes tax for the earlier years)	22	(38.58)	(65.00)
Deferred tax			
Deferred tax (credit)	22	(681.77)	(1,028.21)
(Loss) for the year from Continuing operations (H) (F-G)		**(636.08)**	**(1,131.28)**
Discontinued Operations	49		
(Loss) from discontinued operations before tax		(65.37)	(36.76)
Tax expense of discontinued operations		-	-
(Loss) from discontinued operations (I)		(65.37)	(36.76)
(Loss) for the year (H + I)		**(701.45)**	**(1,168.04)**
Other comprehensive income / (expense) from Continuing operations			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		0.44	(0.66)
Income tax Credit on above		(0.15)	0.23
Other comprehensive income / (expense) for the year, net of tax (J)		**0.29**	**(0.43)**
Total comprehensive (expense) for the year (K) (J+I+H)		**(701.16)**	**(1,168.47)**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)			
Basic	36	(3.10)	(5.52)
Diluted	36	(3.10)	(5.52)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)			
Basic	36	(0.32)	(0.18)
Diluted	36	(0.32)	(0.18)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)			
Basic	36	(3.42)	(5.70)
Diluted	36	(3.42)	(5.70)
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 report of even date attached
For B S R & Co. LLP
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)

Milind Wadekar
CFO
(Membership No: 116372)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in million

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES :		
(Loss) before tax from Continuing operations	(1,356.44)	(2,224.47)
(Loss) before tax from discontinued operations	(65.37)	(36.78)
Adjustments for :		
Interest income from instruments measured at amortized cost	(50.81)	(56.60)
Depreciation and amortization expenses	1,090.92	1,076.34
Finance costs	1,399.54	1,450.08
Unrealized exchange (gain)	-	(20.33)
Provision for estimated cost	44.58	41.71
Profit on sale of property, plant and equipment (net)	(3.66)	(4.69)
Property, plants and equipment written off	21.25	1.86
(Gain) on sale of investments	(0.12)	(0.10)
Provision for doubtful debts, Advances and Bad debt written off	5.46	10.24
Employee stock option expense	1.02	5.59
Export benefits and entitlements	(59.42)	(21.66)
Provision for mark to market on derivative contract	(12.18)	62.19
Provision for stock obsolescence	3.04	2.68
Total	**2,439.62**	**2,547.32**
Operating Profit before working capital changes	1,017.81	286.07
Adjustments		
(Decrease) / Increase in trade receivables and current assets	(212.58)	193.35
(Decrease) / Increase in inventories	(9.97)	11.10
(Decrease) in trade payables and current liabilities	(221.17)	(302.74)
Total	**(443.72)**	**(98.29)**
Income Taxes (net of refund)	40.79	445.65
Net Cash Generated from Operating Activities (A)	**614.88**	**633.43**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(412.12)	(482.31)
Proceeds from sale of property, plants and equipments and investment property	19.51	14.40
Purchase of investments (including investment property and investment property under construction)	(3,014.80)	(950.19)
Sale/redemption of Investments	0.31	0.30
Loans given (refer note 47)	(457.80)	(375.05)
Loans received (refer note 47)	112.00	15.45
Interest income received	50.81	56.60
Fixed deposits matured / (placed) (net)	(595.24)	811.82
Margin money matured / (placed) (net)	(2.05)	44.31
Net Cash (used in) Investing Activities (B)	**(4,299.38)**	**(864.67)**

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in million

	For the year ended March 31, 2022	For the year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Issue of preference shares	500.00	-
Proceeds from long-term borrowings	7,515.00	3,970.00
Repayment of long-term borrowings	(2,280.99)	(2,607.73)
Payment of lease liability	(39.70)	-
Interest and finance charges paid	(1,264.14)	(1,363.46)
Net cash generated from / (used in) Financing Activities (C)	**4,430.17**	**(1.19)**
Net increase /(decrease) in Cash and Cash Equivalents (A) + (B) + (C)	**745.67**	**(232.43)**
Cash and Cash Equivalents - Opening Balance	**(544.17)**	**(311.74)**
Cash and Cash Equivalents - Closing Balance	**201.50**	**(544.17)**

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, 2022	As at March 31, 2021
Cash and cash equivalents (refer Note 13 a)*	215.22	264.03
Less: Over draft accounts from banks (refer Note 24)*	(13.72)	(808.20)
Cash and cash equivalents as per statement of cash flows	**201.50**	**(544.17)**

3 The movement of borrowings as per Ind AS 7 is as follows:	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening borrowings	18,891.79	17,463.23
Proceeds from long-term borrowings**	8,015.00	3,970.00
Repayment of long-term borrowings	(2,280.99)	(2,607.73)
Non-cash adjustments	70.55	66.29
	24,696.35	**18,891.79**

* 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 report of even date attached
For B S R & Co. LLP
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)

Milind Wadekar
CFO
(Membership No: 116372)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2022

(A) EQUITY SHARE CAPITAL

₹ in million

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the reporting year	2,050.24	2,050.24
Balance at the beginning of current reporting period	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 as at March 31, 2021	**373.48**	**32.29**	**0.05**	**10,269.19**	**1,071.96**	**531.89**	**12,278.87**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	373.48	32.29	0.05	10,269.19	1,071.96	531.89	12,278.87
Total comprehensive income for the year							
Adjustments:							
Equity Component of Compound Instrument	64.85						64.85
Employee stock option reserve		1.02					1.02
Transferred to retained earning		(9.44)				9.44	-
(Loss) for the year						(701.45)	(701.45)
Remeasurements of defined benefit plans (net of tax)						0.29	0.29
Total comprehensive income/ (expenses) for the year	**64.85**	**(8.42)**	**-**	**-**	**-**	**(691.72)**	**(635.29)**
Balance as at March 31, 2022	**438.33**	**23.87**	**0.05**	**10,269.19**	**1,071.96**	**(159.83)**	**11,643.58**
Balance at April 1, 2020	**373.48**	**26.70**	**0.05**	**10,269.19**	**1,071.96**	**1,700.60**	**13,441.98**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**373.48**	**26.70**	**0.05**	**10,269.19**	**1,071.96**	**1,700.60**	**13,441.98**
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 income / (expenses) for the year	**-**	**5.59**	**-**	**-**	**-**	**(1,168.47)**	**(1,162.88)**
Balance as at March 31, 2021	**373.48**	**32.29**	**0.05**	**10,269.19**	**1,071.96**	**532.13**	**12,279.10**

*Includes impact of fair valuation of land on transition to Ind AS (net of related tax impact) ₹ 3,710.05 million (March 31, 2021 ₹3,710.05 million)

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Co. LLP

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)

Milind Wadekar
CFO
(Membership No: 116372)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022

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), rental and annuity business (formerly known as commercial and retail operations) and real estate development. At March 31, 2022, the Company has, (a) five hotels (and one service apartment building) operating at Powai and Sahar (Mumbai), Vashi (Navi Mumbai), Bengaluru and Hyderabad, (c) commercial property at Bengaluru and Sahar, Mumbai and (d) 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 Bengaluru based on internally evaluated financial feasibility and commercial negotiation with existing retailers. The Company will customize the property for commercial operations. (Refer note 49)

1.2 GOING CONCERN

The novel coronavirus (COVID-19) pandemic had spread around the globe rapidly. The virus had taken its toll on not just human life, but businesses and financial markets too.

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 Company has adjusted the measurement of certain financial assets as of and for the year ended March 31, 2022 to reflect the impact due to COVID-19.

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 standalone financial statements has used internal and external sources of information.

As at March 31, 2022, the Company faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Company adversely, particularly by way of reduction in occupancy of hotels and average realization rate per room and fall in revenue of other assets. 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 realize the carrying amount of its assets as on March 31, 2022.

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, 2022 are approved by the Company's Audit Committee and by the Board of Directors on May 10, 2022.

(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 (₹), which is also the Company's functional currency. All the financial information have been presented in Indian Rupees (₹) and all amounts have been rounded-off to the nearest million, 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 recognized prospectively.

Judgements, 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 recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized 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 utilized

- **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 amortized 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 recognized 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 recognized 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 categorized 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 categorized 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 recognizes 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 realized 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 realized 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:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 realization in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realization 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.

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 recognized 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 recognized 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 recognized 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 recognized over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized 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 recognizes 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 recognized is net of indirect taxes, returns and discounts.

iii. Rental income

Revenues from property leased out under an operating lease are recognized 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 recognized as an expense over the lease term on the same basis as the lease income.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

iv. Income from other services

Maintenance income is recognized as and when related expenses are incurred.

Income from ancillary services are recognized as and when the services are rendered.

v. Dividend income

Dividend income is recognized 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 amortized 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 recognized 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).

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 recognized 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 recognized 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 recognized as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognized 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

by a qualified actuary using the projected unit credit method. The retirement benefit obligation recognized 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 recognized 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 recognized 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 recognized immediately in the Statement of profit and loss. The Company recognizes 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 recognized 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 recognized 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 recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized 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 recognized 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 recognized in net profit in the Standalone Statement of Profit or Loss except to the extent that it relates to items recognized 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 recognized 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 recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

purposes. Deferred tax is not recognized 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 recognized 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 realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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 realized 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 recognized directly in equity or OCI is recognized 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 recognized 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 realizable value. Net realizable 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 realizable 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 unutilized project materials) at site is computed by the weighted moving average method and carried at lower of cost and Net Realizable value.

G. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation / amortization 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized. Cost includes professional fees and, for qualifying assets borrowing costs capitalized 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 capitalized 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. :

Asset Type	Useful Life		
	March 2022	March 2021	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
Furniture and Fixtures	10 Years	10 Years	8 Years
Computer software	4 Years	4 Years	NA

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 amortized 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 capitalization.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized in prior years are reversed when there is an indicator that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized 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 amortization or depreciation) had no impairment loss been recognized in previous years.

H. Intangible assets

Recognition and measurement

Intangible assets comprises of trademarks and computer software and are measured at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized 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 amortized 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.

Amortization 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 recognized for such excess amount. The impairment loss is recognized 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 amortized 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 recognized 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 recognized 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 recognized.

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 AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Recognition and measurement (Continued)

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognized 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 recognized 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 recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Asset Type	Useful Life		
	March 2022	March 2021	Schedule II
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery			
- DG set, HVAC system, Elevators and Firefighting system	15 years	15 years	
Firefighting system			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 amortized 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized when they are originated. All other financial assets and financial liabilities are initially recognized 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 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 amortized 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 amortized costs

A financial asset is classified at amortized 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 amortized cost using effective interest rate method (EIR). Amortized cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortization of such interests forms part of finance income in the Standalone Statement of Profit and Loss. Any impairment loss arising from these assets are recognized 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 amortized cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized 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 recognized in Standalone Statement of Profit and Loss. Other net gains and losses are recognized 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 recognized 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 recognized in OCI and are not reclassified to Standalone Statement of Profit and Loss.

(b) Derecognition

The Company derecognizes 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 recognized 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 amortized cost e.g., loans, debt securities, deposits, and bank balance.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognizes 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 amortized 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 recognized 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 amortized 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 recognized initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

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 instruments 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 recognized in Standalone Statement of Profit and Loss.

(c) Derecognition

The Company derecognizes 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 realize 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized but disclosed in the financial statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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

The Company had adopted Ind AS 116 with modified retrospective approach, with effect from April 1, 2019.

Accordingly, the comparative periods have not been restated in that financial year.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straightline method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

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 unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized in Standalone Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes 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 recognized 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 periods and to assess underlying trends in the financial performance of the Company.

X. Earnings before interest and depreciation and amortization ("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 amortization (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 amortization expense, finance costs, share of profit from associate and tax expense.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 2 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

As at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization				Net block
	Opening balance as at April 1, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Tangible assets									
Freehold land	7,232.59	-	378.10	6,854.49	-	-	-	-	6,854.49
Buildings	11,943.16	220.30	85.51	12,077.95	3,773.07	385.96	82.42	4,076.61	8,001.34
Plant and machinery	4,212.14	92.01	48.21	4,255.94	2,833.87	225.06	33.54	3,025.39	1,230.55
Data processing equipments	244.95	24.00	0.91	268.04	217.67	25.07	0.87	241.86	26.17
Electrical installations	1,603.90	40.64	0.93	1,643.61	1,117.67	76.12	0.94	1,192.84	450.77
Furniture and fixtures	1,992.46	58.95	19.46	2,031.96	1,574.24	111.80	19.21	1,666.83	365.13
Vehicles	134.89	-	16.47	118.42	130.40	0.97	16.47	114.90	3.52
Office equipments	96.26	0.14	0.66	95.74	93.92	0.85	0.54	94.26	1.48
Air Conditioners	-	-	-	-	-	-	-	-	-
Total	**27,460.34**	**436.05**	**550.26**	**27,346.13**	**9,740.82**	**825.83**	**153.98**	**10,412.70**	**16,933.43**

Note: Assets pertaining to the Commercial complex, Powai, Mumbai have been transferred from Property, plant and equipment to Investment property under construction with net block of ₹ 378.10 million (March 31, 2021: ₹ 1,349.99 million) based on change of intended use of such assets (Also refer Note 4).

As at March 31, 2021

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization				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	For the year	Deductions	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).

Notes:

1) Refer Note 19 and Note 24 for information on Property, plant and equipment pledged as security by the Company.

2) Refer Note 40 for contractual commitments with respect to property plant and equipments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 2 PROPERTY, PLANT AND EQUIPMENT (Continued)

3) In December 2005, the Company had purchased the entire building comprizing 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, 2022 is ₹ 372.12 million (March 31, 2021: ₹ 400.77 million).

4) The title deeds of all immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) as disclosed in the Note 2 and 4 and read with Note 40 (c) of the standalone financial statements are held in the name of the Company. In respect of the land acquired on leasehold basis disclosed in Note 10 read with the footnote to Note 10 of the standalone financial statements, the lease agreements are duly executed in favour of the Company.

NOTE 3 CAPITAL WORK-IN-PROGRESS

1) Details of capital work-in-progress

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	358.48	875.13
Add: Additions during the year	433.81	1,022.76
Less: Capitalized during the year	(438.49)	(140.25)
Less: Cost incurred for Commercial complex, Powai, Mumbai transfered to to Investment property under construction (Refer Note 4)	(31.79)	(1,399.16)
Closing Balance	322.01	358.48
Net balance	**322.01**	**358.48**

2) Expenses (net) capitalized to capital work-in-progress during the year.

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional charges	13.65	2.16
Employee costs	34.95	2.09
Rates, taxes and license fees	2.46	0.08
Repairs and maintenance	-	20.93
Interest and other finance costs	29.63	0.05
Depreciation	16.35	-
Miscellaneous expenses	0.37	0.66
Other income/sale of scrap	(0.04)	-
Total	**97.37**	**25.97**

NOTE 3 CAPITAL WORK-IN-PROGRESS

As at March 31, 2022

₹ in million

Particulars	Capital work in progress ageing schedule as at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	44.04	1.24	-	-	45.28
Projects temporarily suspended	149.23	127.50	-	-	276.73
Total	**193.27**	**128.74**	**-**	**-**	**322.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 3 CAPITAL WORK-IN-PROGRESS (Continued)

As at March 31, 2021

₹ in million

Particulars	Capital work in progress ageing schedule as at March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	198.97	124.99	4.86	-	328.82
Projects temporarily suspended	2.48	14.35	5.20	7.62	29.66
Total	**201.45**	**139.34**	**10.06**	**7.62**	**358.48**

As at March 31, 2022

₹ in million

Particulars	Capital work in progress completion schedule as at March 31, 2022 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	21.14	-	-	-
Hotel at Powai, Mumbai	21.14			
Projects temporarily suspended	-	271.62	-	5.11
Hotel at Telangana		271.62		
Hotel at Navi Mumbai				5.11
Total	**21.14**	**271.62**	**-**	**5.11**

As at March 31, 2021

₹ in million

Particulars	Capital work in progress completion schedule as at March 31, 2021 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	-	271.83	-	-
Hotel at Powai, Mumbai		83.44		
Hotel at Telangana		188.39		
Projects temporarily suspended	-	-	-	2.65
Hotel at Navi Mumbai				2.65
Total	**-**	**271.83**	**-**	**2.65**

NOTE 4 INVESTMENT PROPERTY

A. Reconciliation of carrying amount

As at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 1, 2021	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Commercial complex, Bengaluru I	893.37	-	-	893.37	131.95	25.77	-	157.72	735.65
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)	1,196.15	7.10	-	1,203.25	166.53	40.34	-	206.87	996.39
Commercial Block I Sahar, Mumbai.	3,203.54	-	-	3,203.54	259.02	85.62	-	344.64	2,858.90
Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)	1,809.46	0.79	81.17	1,729.08	630.83	59.52	62.24	628.11	1,100.97
Total (A)	**7,102.52**	**7.89**	**81.17**	**7,029.24**	**1,188.33**	**211.26**	**62.24**	**1,337.34**	**5,691.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

₹ in million

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 1, 2021	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Investment property under construction									
Business centers and offices, Sahar, Mumbai									19.85
Commercial complex, Powai, (Phase 3), Mumbai									4,924.95
Commercial complex, Powai, (Phase 4) Mumbai									1,038.44
Commercial complex, Bengaluru II									1,882.06
Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)									3.20
Total (B)								-	**7,868.49**
Total (A+B)									**13,560.39**

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 ₹ NIL million (refer note 2) and from Capital work in progress to Investment property under construction of ₹ 378.10 million (March 31, 2021 ₹ 1349.99 million) (refer note 3), based on change of intended use of such assets.

as at March 31, 2021

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization				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	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
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)	1,193.04	3.10	-	1,196.14	127.51	38.99	-	166.50	1,029.64
Commercial Block I Sahar, Mumbai.	3,202.86	0.68	-	3,203.54	171.31	87.71	-	259.02	2,944.52
Commercial Complex III ,Bengaluru (formerly known as 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	3.21
Commercial complex, Bengaluru II								1,283.73	1,283.73
Commercial Complex III, Bengaluru (formerly known as Retail block, Bengaluru)								0.43	0.43

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization				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	For the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Commercial complex, Powai, Mumbai								2,749.15	2,749.15
Total (B)								**4,036.52**	**4,036.52**
Total (A+B)									**9,950.73**

Notes:.

1. Refer Note 19 and Note 24 for information on Property, plant and equipment pledged as security by the Company.
2. Borrowing cost aggregating to ₹ 364.10 million (March 31, 2021 ₹ 98.88 million) are capitalized under investment property under contruction.
3. Details of investment property under construction

₹ in million

Particulars	March 31, 2022	March 31, 2021
Opening Balance	4,036.52	1,019.69
Add: Additions during the year	3,429.95	275.21
Add: Cost incurred for Commercial complex, Powai, Mumbai transfered from Capital work-in-progress (refer note 2 and 3)	409.89	2,749.16
Less: Capitalized during the year	(7.89)	(7.54)
Closing Balance	**7,868.47**	**4,036.52**

4. Expenses (net) capitalized to investment property under construction during the year.

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional charges	30.42	29.72
Employee costs	38.96	81.07
Rates, taxes and license fees	1,258.16	35.58
Land*	378.01	-
Repairs and maintenance	-	0.10
Interest and other finance costs	364.10	170.40
Miscellaneous expenses	11.02	10.65
Other income/sale of scrap	(0.63)	-
Total	**2,080.04**	**327.52**

*Includes Freehold Land cost of ₹ 378.01 mn transferred from Property plant and equipment to Investment Property Under Construction

B. Fair value measurement

i. Fair value hierarchy

₹ in million

Particulars	Fair Value as on March 31, 2022	Fair Value as on March 31, 2021
Commercial complex, Bengaluru I*	800.00	771.00
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)**	1,750.00	1,291.00
Commercial block, Sahar, Mumbai**	7,838.49	6,927.00
Commercial Complex II ,Bengaluru (formerly known as Retail block, Bengaluru)**	1,762.46	1,338.00

*The independent valuer is not registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

**The independent valuer registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

ii. Valuation technique and significant unobservable inputs

Valuation technique

Description of valuation techniques used and key inputs to valuation on investment properties:

₹ in million

Investment properties	Valuation technique	Significant unobservable Inputs	Range	
			March 31, 2022	March 31, 2021
Commercial complex, Bengaluru I	Depreciable Replacement method	NA	NA	NA
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)	DCF Method	Occupancy Range	94% to100%	70% to 100%
		Base Rent (₹)	120 for Retailers 130 for Commercials	134
		Escalation %	4.77% p.a.	5% p.a.
		WAAC	12.10%	12.40%
		Growth Rate	4.00%	3.00%
Commercial Block I Sahar, Mumbai.	DCF Method	Occupancy Range	100%	100%
		Base Rent (₹)	133	197
		Escalation %	4.77% p.a.	4.5% Every Year
		WAAC	12.10%	12.40%
		Growth Rate	4.00%	4.00%
Commercial Complex III, Bengaluru (formerly known as Retail block, Bengaluru)	DCF Method	Occupancy Range	94% to100%	70% to 95%
		Base Rent (₹)	54.00	48.00
		Escalation %	4.77% p.a.	4% to 7%
		WAAC	12.10%	11.83%
		Growth Rate	4.00%	3.25%

C. Information regarding income and expenditure of investment property

₹ in million

	March 31, 2022	March 31, 2021
Rental income derived from investment properties	933.64	780.88
Direct operating expenditure (including repairs and maintenance) generating rental income	83.44	71.19
Profit arising from investment properties before depreciation and indirect expenses	850.20	709.69
Depreciation	211.26	211.66
Profit/ (Loss) arising from investment properties before indirect expenses	**638.95**	**498.05**

D. The Company has no restrictions on the realizability of investment property or the remittance of income and proceeds of disposal.

As at March 31, 2022

₹ in million

Particulars	Investment property under construction ageing schedule as at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,837.00	2,358.87	1,096.17	576.45	7,868.49
Projects temporarily suspended	-	-	-	-	-
Total	**3,837.00**	**2,358.87**	**1,096.17**	**576.45**	**7,868.49**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

As at March 31, 2021

₹ in million

Particulars	Investment property under construction ageing schedule as at March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,349.81	1,088.59	219.54	378.57	4,036.52
Projects temporarily suspended	-	-	-	-	-
Total	**2,349.81**	**1,088.59**	**219.54**	**378.57**	**4,036.52**

As at March 31, 2022

₹ in million

Particulars	Investment Property Under Construction completion schedule as at March 31, 2022 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4,919.72	1,881.59	-	-
Commercial complex, Powai, (Phase 3), Mumbai	4,919.72			
Commercial complex, Bengaluru III		1,881.59		
Projects temporarily suspended	-	-	-	-
Total	**4,919.72**	**1,881.59**	**-**	**-**

As at March 31, 2021

₹ in million

Particulars	Investment Property Under Construction completion schedule as at March 31, 2021 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	3.22	1,283.73	2,749.15	-
Commercial complex, Powai, (Phase 3), Mumbai	-	-	2,749.15	
Commercial complex, Bengaluru III	-	1,283.73	-	
Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)	3.22	-	-	
Projects temporarily suspended	-	-	-	-
Total	**3.22**	**1,283.73**	**2,749.15**	**-**

E. Asset wise breakup of investment property is as follows:

as at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 1, 2021	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Tangible assets									
Freehold land	813.66	-	-	813.66	-	-	-	-	813.66
Buildings	4,729.85	5.23	16.27	4,718.80	613.85	113.53	9.79	717.59	4,001.21
Plant and machinery	1,082.06	2.66	21.61	1,063.12	358.34	67.24	13.00	412.57	650.55
Computers	2.33	-	-	2.33	2.06	0.17	-	2.22	0.10
Electrical installations	399.34	-	7.74	391.60	154.47	24.62	5.46	173.63	217.97
Furniture and fixtures	73.02	-	35.56	37.46	58.05	5.44	33.99	29.50	7.96
Office equipments	1.67	-	-	1.67	1.03	0.25	-	1.28	0.39
	7,101.94	**7.89**	**81.17**	**7,028.65**	**1,187.79**	**211.24**	**62.24**	**1,336.80**	**5,691.85**
Intangible assets									
Software	0.59	-	-	0.59	0.53	0.01	-	0.54	0.05
	0.59	**-**	**-**	**0.59**	**0.53**	**0.01**	**-**	**0.54**	**0.05**
Total	**7,102.53**	**7.89**	**81.17**	**7,029.24**	**1,188.32**	**211.26**	**62.24**	**1,337.34**	**5,691.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

as at March 31, 2021

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization				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	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**

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, 2022	March 31, 2021
Hotel at Bengaluru	164.04	164.04
Commercial Complex III ,Bengaluru (formerly known as Retail block, 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:

The table below shows the key assumptions used in the value in use calculations of :

A. Hotel

₹ in million

Particulars	March 31, 2022	March 31, 2021
Discount rate	11.70%	12%
Terminal value multiple	13.5 times	13.5 times

B. Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)

₹ in million

Particulars	March 31, 2022	March 31, 2021
Discount rate	12.10%	11.83%
Terminal value multiple	12.83 times	12 times

C. Commercial complex, Bengaluru I

₹ in million

Particulars	March 31, 2022	March 31, 2021
Discount rate	12.10%	11.83%
Terminal value multiple	12.83 times	12 times

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 5 IMPAIRMENT TESTING FOR CASH GENERATING UNIT (CGU) CONTAINING GOODWILL (Continued)

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, 2022 and March 31, 2021 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, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 1, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	Charged for the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Trade marks	0.04	-	-	0.04	0.04	-	-	0.04	-
Computer software	97.68	2.44	0.24	99.89	73.44	10.64	0.24	83.86	16.03
Total	**97.72**	**2.44**	**0.24**	**99.94**	**73.48**	**10.64**	**0.24**	**83.90**	**16.03**

As at March 31, 2021

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization				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	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	1.27	97.68	64.57	10.13	1.26	73.44	24.24
Total	**96.85**	**2.14**	**1.27**	**97.72**	**64.61**	**10.13**	**1.26**	**73.48**	**24.24**

NOTE 7 INVESTMENT IN SUBSIDIARIES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in equity shares (non-trade, unquoted)		
In subsidiary companies (equity shares of ₹ 10/- each fully paid)		
25,009,000 (March 31, 2021: 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, 2021: 140,704,838) shares of Belaire Hotels Private Limited	694.73	694.73
5,266,000 (March 31, 2021: 5,266,000) 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 amortized cost)		
8,450,354 (March 31, 2021: 8,450,354) coupon of Belaire Hotels Private Limited	511.98	511.98

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 7 INVESTMENT IN SUBSIDIARIES (Continued)

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(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, 2022	As at March 31, 2021
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, 2021: 1,000) shares of Stargaze Properties Private Limited	0.01	0.01
6,050 (March 31, 2021: 8,000) shares of Renew Wind Power Energy (AP) Limited	0.61	0.80
781,695 (March 31, 2021: 622,960) shares of Krishna Valley Power Private Limited	15.71	12.54
10,44,500 (March 31, 2021: 1,044,500) shares of Sahyadri Renewable Energy Private Limited	31.46	31.46
355,000 (March 31, 2021: NIL) shares of Vikramaditya Renewable Energy Private Limited	10.67	-
Measured at amortized cost		
National Saving Certificates	0.13	0.13
	58.59	**44.94**
Aggregate amount of unquoted securities	58.59	44.94
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	-	-

NOTE 9 OTHER NON-CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
To other than related parties		
Deposits with banks with more than 12 months maturity	265.50	219.91
Deposits		
Security deposits - related parties (refer note 47)	20.07	18.40
Security deposits - others	75.86	79.85
Others	10.11	-
	371.54	**318.16**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 10 OTHER NON-CURRENT ASSETS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, unsecured, considered good)		
To other than related parties		
(Unsecured, considered good)		
Capital advances	144.05	355.77
Prepayments (refer footnote)	199.65	212.08
Deferred Finance Expenses	-	27.88
	343.70	**595.73**

In December 2005, the Company had purchased the entire building comprizing 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 financial statements.The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2022 is ₹ 49.74 million (March 31, 2021: ₹50.93 million).

NOTE 11 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Hospitality :		
Food, beverages and smokes	84.58	75.37
Stores and spares	3.16	2.19
Property development :		
Property under development (refer note 50)	4,182.32	4,180.78
Less: Provision for impairment	(429.79)	(442.65)
Property under development	**3,752.53**	**3,738.13**
Materials at site	89.22	91.10
Retail:		
Materials at site	2.48	2.69
	3,931.97	**3,909.48**

NOTE 12 TRADE RECEIVABLES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	320.97	209.00
Less: Allowance for doubtful trade receivables	(17.96)	(8.82)
Considered good	**303.01**	**200.18**
Trade receivables	12.86	22.81
Less: Allowance for doubtful trade receivables	(3.57)	(10.58)
Trade Receivables which have significant increase in Credit Risk	**9.29**	**12.23**
Trade receivables	12.58	70.91
Less: Allowance for doubtful trade receivables	(12.58)	(70.91)
Credit Impaired	**-**	**-**
Unbilled revenue	126.04	100.35
Less: Provision for impairment	(13.64)	(11.16)
	112.40	**89.19**
	424.70	**301.60**

Above balances of trade receivables include balances with related parties (refer note 47)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 12 TRADE RECEIVABLES AGEING SCHEDULE

As at March 31, 2022

₹ in million

Particulars	Outstanding for following periods from date of Invoice						Total
	Unbilled revenue	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	112.40	280.74	5.07	15.47	15.42	0.58	429.68
Undisputed Trade Receivables – which have significant increase in credit risk	-	0.28	-	-	-	-	0.28
Undisputed Trade receivable – credit impaired	13.64	9.72	-	-	1.49	1.37	26.22
Disputed Trade receivables - considered good	-	-	-	-	-	3.69	3.69
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	12.58	12.58
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**126.04**	**290.74**	**5.07**	**15.47**	**16.91**	**18.22**	**472.45**

As at March 31, 2021

₹ in million

Particulars	Outstanding for following periods from date of Invoice						Total
	Unbilled revenue	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	100.35	165.12	33.01	7.80	0.77	0.08	307.13
Undisputed Trade Receivables – which have significant increase in credit risk	-	8.67	0.89	8.47	-	-	18.03
Undisputed Trade receivable – credit impaired	-	0.47	-	0.80	0.07	-	1.34
Disputed Trade receivables - considered good	-	0.15	-	0.99	0.53	0.55	2.22
Disputed Trade receivables – which have significant increase in credit risk	-	0.09	0.34	4.06	0.27	0.02	4.78
Disputed Trade receivables – credit impaired	-	-	-	5.07	63.34	1.16	69.57
Total	**100.35**	**174.50**	**34.24**	**27.19**	**64.98**	**1.81**	**403.07**

NOTE 13 A CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks		
- Current accounts	206.22	258.83
Cash on hand	9.00	5.20
	215.22	**264.03**

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 13 B OTHER BANK BALANCES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
In term deposit accounts (balances held as margin money)	32.40	30.35
In term deposit accounts (others)	600.08	50.43
	632.48	**80.78**

*Includes accrued interest of ₹ 0.66 million (March 31, 2021 0.99 million)

NOTE 14 LOANS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
Deposits		
Loans to related parties (refer footnote and Note 47)	1,366.70	1,020.90
	1,366.70	**1,020.90**

Type of Borrower	March 31, 2022		March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Promoters	-	-	-	-
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties		-	-	-
- Belaire Hotels Private Limited (Wholly owned subsidiary)*	1,364.20	99.82%	1,020.90	100%
- Chalet Hotels & Properties (Kerela) Private Limited (Subsidiary)*	2.50	0.18%	-	-
Total	**1,366.70**	**100%**	**1,020.90**	**100%**

* The Company has given interest free loan to subsidiaries, repayable on demand

Non-current Loan Receivables

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Considered good – Secured	-	
Considered good – Unsecured	1,366.70	1,020.90
Loan Receivables which have significant increase in credit risk	-	-
Loan Receivables – credit impaired	-	-
Less: Loss allowance	-	-
Total	**1,366.70**	**1,020.90**

NOTE 15 OTHER CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
To other than related parties		
Export benefits and entitlements	49.92	-
Deposits		
Security deposits - related parties (refer Note 47)	13.61	12.32

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 15 OTHER CURRENT FINANCIAL ASSETS (Continued)

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits - others	8.23	7.80
Option deposits - related parties (refer Note 47)	50.00	50.00
Others	27.77	26.97
	149.53	**97.09**

NOTE 16 OTHER CURRENT ASSETS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
To other than related parties		
Advance to suppliers	111.56	40.43
Less: Provision for doubtful advances	(10.73)	(10.73)
	100.83	**29.70**
Indirect tax balances/receivable credits	46.46	32.51
Unbilled revenue	571.05	571.28
Prepayment	158.35	119.76
Others	5.88	8.54
	882.56	**761.79**

NOTE 17 SHARE CAPITAL

(a) Details of the authorized, issued, subscribed and fully paid-up share capital as below:

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Authorized		
229,100,000 (March 31, 2021: 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, 2021: 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:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Number of equity shares outstanding at the beginning of the year	205,023,864	2,050.24	205,023,864	2,050.24
Number of equity shares outstanding at the end of the year	**205,023,864**	**2,050.24**	**205,023,864**	**2,050.24**

(c) Registered shareholder holding more than 5% equity shares in the Company is set out below:

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Casa Maria Properties LLP	16,496,280	8.05%	16,496,280	8.05%
Capstan Trading LLP	16,495,680	8.05%	16,495,680	8.05%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 SHARE CAPITAL (Continued)

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Raghukool Estate Development LLP	16,495,680	8.05%	16,495,680	8.05%
Touchstone Properties and Hotels Private Limited	14,500,000	7.07%	14,500,000	7.07%
Anbee Construction LLP	13,116,180	6.40%	13,116,180	6.40%
Cape Trading LLP	13,116,180	6.40%	13,116,180	6.40%
K Raheja Private Limited	12,400,000	6.05%	12,400,000	6.05%
Ivory Properties And Hotels Private Limited*	11,351,833	5.54%	11,351,833	5.54%
Ravi Raheja	10,326,318	5.04%	10,326,318	5.04%
Neel Raheja	10,326,318	5.04%	10,326,318	5.04%
Total	**134,624,469**	**65.69%**	**134,624,469**	**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.

(e) Details of shares held by promoters

As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Neel Chandru Raheja	10,326,318	-	10,326,318	5.04%	0.0%
	Ravi Chandru Raheja	10,326,318	(5,163,159)	5,163,159	2.52%	-2.5%
	Jyoti Chandru Raheja	-	7,780,300	7,780,300	3.79%	3.8%
	Sumati Ravi Raheja	-	5,163,159	5,163,159	2.52%	2.5%
	Ivory Properties And Hotels Private Limited	11,351,833	(7,780,300)	3,571,533	1.74%	-3.8%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0.0%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0.0%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0.0%
	Genext Hardware And Parks Private Limited	800,000	-	800,000	0.39%	0.0%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0.0%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0.0%
	Palm Shelter Estate Development LLP	7,692,387	-	7,692,387	3.75%	0.0%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0.0%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Total	**146,902,680**	**-**	**146,902,680**	**71.65%**	
Total Number of Equity Shares		**205,023,864**		**205,023,864**		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 SHARE CAPITAL (Continued)

As at March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Neel Chandru Raheja	10,326,318	-	10,326,318	5.04%	0.0%
	Ravi Chandru Raheja	10,326,318	-	10,326,318	5.04%	0.0%
	Ivory Properties And Hotels Private Limited	11,351,833	-	11,351,833	5.54%	0.0%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0.0%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0.0%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0.0%
	Genext Hardware And Parks Private Limited	8,000,000	-7,200,000	800,000	0.39%	-3.5%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0.0%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0.0%
	Palm Shelter Estate Development LLP	1,006	7,691,381	7,692,387	3.75%	3.8%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0.0%
	ANBEE CONSTRUCTIONS LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Total	**146,411,299**	**491,381**	**146,902,680**	**71.65%**	
Total Number of Equity Shares		**205,023,864**		**205,023,864**		

NOTE 18 OTHER EQUITY

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Component of Compound Instruments		
Balance at the beginning of the year	373.48	373.48
Add: Additions during the year	64.85	-
At the end of the year	438.33	373.48
ESOP plan reserve		
Balance at the beginning of the year	32.29	26.70
Add: Additions during the year	1.02	5.59
Less: Transferred to retained earnings	(9.44)	-
At the end of the year	23.87	32.29
Securities premium account		
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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 18 OTHER EQUITY (Continued)

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Retained earnings		
Balance at the beginning of the year	531.89	1,700.60
Add: (Loss) for the year	(701.16)	(1,168.47)
Add: Transferred from employee stock option reserve	9.44	-
At the end of the year	**(159.83)**	**532.13**
	11,643.58	**12,279.10**

Nature and purpose of reserves

Equity Component of Compound Instruments

Equity component of Component Instruments comprizes 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 utilized 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 comprizes of profits/gains of capital nature earned by the Company and credited directly to such reserve.

Employee stock option plan reserve

Represents expense recognized towards employee stock option plans issued by the Company. (Refer Note 48).

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, 2021 ₹3,710.05 million).

NOTE 19 LONG-TERM BORROWINGS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings		
Secured		
Rupee term loans		
i) From bank (refer note A)	11,381.70	11,270.17
ii) From financial institutions (refer note A)	7,633.46	3,997.07
Foreign currency term loans		
i) From bank (refer note A)	384.45	531.82
Preference share liability		
Non-cumulative redeemable preference shares (refer note B)	1,746.67	1,194.61
	21,146.28	**16,993.67**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 19 LONG-TERM BORROWINGS (Continued)

A) Terms of repayment

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
TERM LOANS- Rupee Loans						
Standard Chartered Bank*	2,000.00	998.01 (1,295.42)	8.80% to 7.75%	9.30% to 8.80%	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.
HDFC Bank Limited*	2,500 (Term loan - ₹2,300 million with ₹ 200 million OD as a sub-limit of term loan)	2235.13 (1979.06)	7.75% to 7.55%	8.95% to 7.75%	Repayable in quarterly 30 instalments from December 2021 to March 2029.	
HSBC Limited	1,150 (Term loan - ₹1,130 million with ₹ 20 million OD as a sub-limit of term loan)	1010.01 (1072.93)	7.90% to 7.05%	8.90% to 7.90%	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 Limited	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan)	1,004.31 (1,336.57)	8.40% to 8.25%	9.25% to 8.40%	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.
Standard Chartered Bank	645.00	645.00	6.50%	-	Repayable in 48 monthly installments starting October, 2023	It is secured by (i) Second Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii)Second 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.
HDFC Bank Limited	1,350.00	1,357.45	6.66%	-	Repayable in 48 monthly installments starting July, 2023	
Standard Chartered Bank *	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	626.18 (702.15)	8.80% to 7.40%	9.30% to 8.80%	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 STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 19 LONG-TERM BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
ICICI Bank Limited	2,500.00	2455.42 (2476.21)	8.45% to 8.30%	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 Limited	1,900.00	653.68 (864.49)	8.40% to 8.25%	9.25% to 8.40%	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 Limited	3,250(Term Loan - ₹ 2,900 million, DSRA OD ₹150 million and OD ₹ 200 million)	2,656.83 (2,786.88)	7.85% to 7.00%	9.35% to 7.85%	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 Limited	5,000.00	456.26 (498.66)	7.85% to 7.02%	9.00% to 7.85%	Repayable in Monthly instalments from April 2020 to Sept 2025.	
From Financial Institutions						
Housing Development Finance Corporation Limited	1,350.00	340.60 (535.12)	7.50% to 7.50%	8.65% to 7.50%	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)	1,600.00 (1700.00)	7.50% to 7.20%	9.25% to 7.50%	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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 19 LONG-TERM BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	2,000.00	1,996.00	6.75%	0.00%	Loan to be repaid in Equated Monthly Installments over a period of 120 months starting April 2024	It is secured by (i) Exclusive 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	3,600.00	1,598.62 (1826.11)	7.50% to 7.20%	8.65% to 7.50%	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.
Housing Development Finance Corporation Limited	6,000.00	2,765.16	7.95%	0.00%	Loan to be repaid in Equated Monthly Installments over a period of 120 months starting July 2026	It is secured by (i) Exclusive charge charge on immovable property and receivables (both present and future) from Commercial project located in Powai (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 project located in Powai
Foreign Currency Loans						
From Banks						
ICICI Bank Limited - Bahrain	USD 48 million (drawn down USD 12.2 million)	550.92 (819.70)	4.00% fixed plus 3 month libor	4.00% fixed plus 3 month libor	Repayable quarterly from June 2018 to March 2027.	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.

*The bank has confirmed that no event of default has been called due to the breach of covenants during the year 2021-22.

There are no material breaches of the covenants associated with the borrowings (referred to above).

The Company has utilized the funds raised during the year for the purposes for which they were taken except amount of ₹ 600 million which has been temporarily invested in deposits with banks.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 19 LONG-TERM BORROWINGS (Continued)

Name of bank	Month	Particulars	Amount as per books of account	Amount as reported in the monthly return/ statement	Difference	Reason formaterial discrepencies
Indian Overseas Bank	Jun-21	Inventory	19.62	20.29	(0.67)	The inventory amount reported in monthly statement are shown at gross level wereas in books it is reported at net level.
Indian Overseas Bank	Sep-21	Inventory	18.64	19.28	(0.64)	
Indian Overseas Bank	Dec-21	Inventory	19.55	20.19	(0.64)	
Indian Overseas Bank	Mar-22	Inventory	25.15	25.79	(0.64)	

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, 2022	As at March 31, 2021
(i) Authorised		
1,600 (March 31, 2021: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
10,000 (March 31, 2021: 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, 2021: 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, 2021: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
20,000 (March 31, 2021: 20,000) (Series A 10,000 and Series B 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares. Series A: Fully-paid up ₹ 100,000 each (Fully paid up ₹100,000 each in year ended March 31, 2021) and Series B: Partly-paid up ₹75,000 each (partly paid up ₹ 25,000 each in year ended March 31, 2021).	1,586.67	1,034.61
Total	**1,746.67**	**1,194.61**

(b) Reconciliation of the number of shares outstanding at the beginning and end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	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	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, 2021: 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	828.00	10,000	758.74
Adjustments* / Issued during the year	-	93.56	-	69.26
Number of Preference shares outstanding at the end of the year	**10,000**	**921.56**	**10,000**	**828.00**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 19 LONG-TERM BORROWINGS (Continued)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
10,000 (March 31, 2021: 10,000) (Series B) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and partly paid up of Series B ₹ 75,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000	206.61	10,000	189.24
Adjustments* / Issued during the year**	-	458.50	-	17.37
Number of Preference shares outstanding at the end of the year	**10,000**	**665.11**	**10,000**	**206.61**
Total	**21,600**	**1,746.67**	**21,600**	**1,194.61**

*Adjustments represents notional interest on debt components of Preferences share.

** Call made against Series B Non-cumulative, Non-convertible redeemable preference shares.

(c) Shareholder holding more than 5% Preference shares in the Company is set out below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	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%	1,600	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, 2021:10,000 partly 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%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.5%
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 ₹ 75,000 each. (March 31, 2021:10,000 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%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.5%
Total	**10,000**	**100%**	**10,000**	**100%**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 19 LONG-TERM BORROWINGS (Continued)

(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 June 4, 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 0.00% 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 ₹ 1,750 million as at March 31, 2022 (March 31, 2021: ₹1,250.00 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, 2022	As at March 31, 2021
Security deposits	128.89	187.01
Retention money	6.72	3.96
Deferred government grant	23.98	-
	159.59	**190.97**

NOTE 21 PROVISIONS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	79.40	74.19
	79.40	**74.19**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 22 TAX EXPENSE

(a) Amounts recognised in Statement of Profit and Loss for continuing operations

₹ in million

Current income tax expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
Current year	(38.58)	(65.00)
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(681.77)	(1,028.21)
Deferred tax charge/ (credit)	**(681.77)**	**(1,028.21)**
Excess provision for the earlier years	-	-
Tax charge/ (credit) for the year	**(720.35)**	**(1,093.21)**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	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	0.44	(0.15)	0.29	(0.66)	0.23	(0.43)
	0.44	**(0.15)**	**0.29**	**(0.66)**	**0.23**	**(0.43)**

(c) Reconciliation of effective tax rate for continuing operations

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss) before tax	(1,421.80)	(2,261.25)
Company's domestic tax rate	34.94%	34.94%
Tax using the Company's domestic tax rate	(496.83)	(790.17)
Tax effect of:		
Recogition of deferred tax on previously unrecognised tax losses	1.74	-
Expenses not allowed under tax	40.85	-
Income not subject to tax	-	30.27
Standard deduction	(89.21)	(70.32)
Indexation of land and investment property	(125.58)	(84.60)
Provision for Impairment of Investment	-	-
Transfer from Property, plant and equipment to Investment property	-	(124.16)
Others	(12.74)	10.77
	(681.77)	**(1,028.21)**

The Company's weighted average tax rates for years ended March 31, 2022 and March 31, 2021 is 47.95 % and 45.47 %, 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.

During the year, the Company has transfer Property, plant and equipment to Investment property on Company has recognised deferred tax assest of ₹ NIL million as at March 31, 2022 (March 31, 2021: (₹ 124.16 million).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 22 TAX EXPENSE (Continued)

(d) Movement in deferred tax balances

Movement in deferred tax balances for the year ended March 31, 2022

₹ in million

Particulars	Net balance as at March 31, 2021	Recognized in profit or loss credit/ (charge)	Recognized in OCI	Recognized in equity	Others	Net balance as at March 31, 2022
Deferred tax asset/(liabilities)						
Property, plant and equipment	(2,915.50)	141.06	-	-	-	(2,774.44)
Investment property	138.58	54.37	-	-	-	192.95
Assets classified as held for sale	0.05	-	-	-	-	0.05
Real estate inventory	(20.24)	0.00	-	-	-	(20.24)
Expenditure on specified business u/s 35 AD	2,165.89	426.79	-	-	-	2,592.68
Investments	(0.00)	-	-	-	-	(0.00)
Provisions	412.00	(89.50)	(0.29)	-	-	322.21
Borrowings	(15.53)	(22.73)	-	-	-	(38.26)
Other current liabilities	145.26	0.00	-	-	-	145.26
Other current assets	(198.44)	(1.11)	-	-	-	(199.55)
Unabsorbed depreciation/ carry forward tax losses	1,248.05	109.06	-	-	-	1,357.11
Unabsorbed losses on House property	416.82	(0.71)	-	-	-	416.11
Employee Stock Option	6.78	1.56	-	-	-	8.34
Inventory	2.91	4.57	-	-	-	7.48
Right of use assets and lease liability		14.55	-	-	-	14.55
MAT Credit Entitlement	195.00	-	-	-	-	195.00
Other items	77.51	43.98	-	-	-	121.50
Deferred tax assets/(liabilities)	**1,659.14**	**681.90**	**(0.29)**	**-**	**-**	**2,340.75**

₹ in million

Particulars	Net balance as at March 31, 2022
Deferred tax assets	2,352.68
Deferred tax liabilities	11.93
Net deferred tax assets/(liabilities)	**2,340.75**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 22 TAX EXPENSE (Continued)

Movement in deferred tax balances for the year ended March 31, 2021

₹ in million

Particulars	Net balance as at March 31, 2020	Recognised in profit or loss credit/ (charge)	Recognised in OCI	Recognised in equity	Others	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
Investments	(0.00)	-	-	-	-	(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)
Unabsorbed depreciation/ carry forward tax losses	507.82	740.23	-	-	-	1,248.05
Unabsorbed losses on House property	372.14	44.68	-	-	-	416.82
Inventory	5.72	1.06	-	-	-	6.78
Employee Stock Option	2.04	0.87	-	-	-	2.91
MAT Credit Entitlement	195.00	-	-	-	-	195.00
Other items	58.22	19.29	-	-	-	77.51
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**

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 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.

The Company has recognized 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.

Accordingly, the Company, has recognized 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 realized. Consequently, the Company has recognized deferred tax asset of ₹ 1,773.20 million as at March 31, 2022 (March 31, 2021 : ₹ 1,664.87 million) on the carried forward lossess of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 23 OTHER NON-CURRENT LIABILITIES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred finance income	139.80	109.58
	139.80	**109.58**

NOTE 24 BORROWINGS

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Over draft accounts from banks	13.72	808.20
Unsecured		
Current maturity of long term debt (refer Note 19)	3,550.07	1,898.12
	3,563.79	**2,706.32**

A) Terms of repayment

Rate of interest

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
TERM LOANS- Rupee Loans					
Standard Chartered Bank	500 (Including two sub limit of 20 millionn each)	9.55% to 7.25%	10.05% to 7.60%	Renewal every year.	Secured against land parcel admeasuring 6,826 sq. mtrs. at Powai (including future receivables)
ICICI Bank Limited	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 millionn)	8.35% to 8.30%	9.25% to 8.35%	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 Limited	3250(Term Loan - ₹ 2900 million, DSRA OD ₹150 million and OD ₹ 200 million)	7.2% to 7.25%	8.70% to 7.20%	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 favor of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at, Sahar Mumbai.
Indian Overseas Bank	50.00	11.55%	0	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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 24 BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
ICICI Bank Limited	1,900 (Term Loan - 1,530 million and OD 150 million)	8.35% to 8.30%	9.25% to 8.35%	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
HDFC Bank Limited	2,500 (Term loan - ₹2,300 million with ₹ 200 million OD as a sub-limit of term loan)	8.30% to 8.25%	0	Overdraft to be reduced on a proportionate basis in line with term loan repayment.	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 Limited	1,150 (Term loan - ₹1,130 million with ₹ 20 million OD as a sub-limit of term loan)	8.25% to 7.40%	0	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)	7.60% to 7.25%	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 ₹ 50.00 million"

*the bank has confirmed that no event of default has been called due to the breach of covenants during the year 2021-22.

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 25 TRADE PAYABLES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises and (refer Note 41)	85.46	28.89
Total outstanding dues to creditors other than micro enterprises and small enterprises	746.07	759.12
	831.53	**788.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

TRADE PAYABLE AGEING SCHEDULE

As at March 31, 2022

₹ in million

Particulars	Outstanding for following periods from the date of Invoice/Accrual				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	84.71	-	0.04	0.71	85.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	665.63	50.87	21.74	7.83	746.07
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**750.34**	**50.87**	**21.78**	**8.54**	**831.53**

As at March 31, 2021

₹ in million

Particulars	Outstanding for following periods from the date of Invoice/Accrual				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	28.73	-	-	0.16	28.89
Total outstanding dues of creditors other than micro enterprises and small enterprises	583.18	133.87	25.92	16.15	759.12
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**611.91**	**133.87**	**25.92**	**16.31**	**788.01**

NOTE 26 CURRENT - OTHER FINANCIAL LIABILITIES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Creditors for capital expenditure		
- Total outstanding dues of micro enterprises and small enterprises and (refer Note 41)	77.04	56.39
- Total outstanding dues to creditors other than micro enterprises and small enterprises	303.94	109.91
Retention payable	43.82	19.17
Security deposits	84.37	91.13
Mark to market derivative contracts	12.18	62.19
Other liabilities	99.56	119.06
	620.91	**457.85**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 27 OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Income received in advance (unearned revenue)		
Advances from customers towards sale of residential flats*	1,660.47	1,868.37
Deferred finance income	4.41	-
Advances from customers towards hospitality services	147.34	123.30
Statutory dues payable**	296.26	244.94
	2,108.48	**2,236.61**

*Advances from customers towards sale of residential flats includes amount refundable to customers on estimated cancellation of flats for the year ended March 31, 2022 above 10 floors of ₹ NIL million (March 31, 2021: ₹ 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, 2022	As at March 31, 2021
Provision for gratuity	32.93	34.73
Provision for compensated absences	43.61	38.10
Provision for estimated / actual cancellation and alteration cost (Refer foot note and Note 35).	773.74	835.35
	850.28	**908.18**

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 earlier interim order passed by the Karnataka High Court, in the petition filed by the Company, the Company had suspended construction activity and sale of flats at the Project.

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 had 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. HAL filed an appeal challenging the said order. In November 2020, your Company also filed an appeal challenging certain parts of the order.

In October 2021, the Company and HAL after discussions, signed terms for an amicable settlement of all the disputes between the parties, as per which the Company would undertake demolition of already constructed structures above 932 meters Above Mean Sea Level 'AMSL'. Further, the Hon'ble Karnataka High Court on October 26, 2021, disposed of the Writ Appeals in terms of the settlement. The Company has executed Supplemental MOUs with all existing flat owners, with revised terms inter-alia consenting to the revised development plans, subject to applicable regulatory approvals. Further, flat owners above 10th floor have consented to relocate to lower floors.

Demolition work of the area above 10th floor for all the 9 buildings has been completed in April 2022, and the NOC from HAL has been received. Process for obtaining all other approvals is underway.

Accordingly, the Company is reworking the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and reassessing the cost of demolition of super structure above 932 meters AMSL. The excess/short provision on this account, if any, will be reviewed and accounted in the subsequent accounting period, upon confirmation from statutory authorities.

The Company had estimated and accounted interest payable on cancellation to flat owners above 10 floors amounting to ₹ 553.94 million as at March 31, 2022. The said provision shall be reversed upon receipt of all regulatory approvals from statutory authorities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 28 SHORT-TERM PROVISIONS (Continued)

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 ₹2,000.00 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 ₹ 1,750 million as at March 31, 2022 (March 31, 2021: ₹1,250.00 million).

Movement for provision for estimated / actual cancellation and alteration cost

₹ in million

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for cost of alteration of super structure	161.15	250.00
Provision for estimated/actual cancellation		
Opening balance	585.35	543.47
Provisions made during the year*	73.84	41.88
Provisions utilized during the year	(46.59)	-
Closing balance	**612.60**	**585.35**
Total	**773.75**	**835.35**

*Include 29.26 million for demolition of Bengaluru Multiplex and Inorbit Mall into Bengaluru Commercial

NOTE 29 REVENUE FROM OPERATIONS FROM CONTINUING OPERATIONS

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Sale of services		
Hospitality:		
Room income	2,011.71	1,066.14
Food, beverages and smokes	1,482.83	650.62
Others services	293.68	200.49
Rental / Annuity Business (formerly known as Retail & Commercial)		
Lease rent	933.64	780.88
(b) Sale of products		
Real estate:		
Sale of residential flats	-	-
Rental / Annuity Business (formerly known as Retail & Commercial):		
Maintenance and other recoveries	70.95	52.71
Revenue from other services	15.16	4.22
	4,807.97	**2,755.06**

NOTE 30 OTHER INCOME

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income from instruments measured at amortized cost	50.81	56.60
Net mark to market gain on derivative contracts	2.00	-
Gain on foreign exchange fluctuation (net)	-	18.20
Export benefits and entitlements	59.42	21.66
Profit on sale of investments (net)	0.12	0.10
Profit on sale of property, plant and equipment (net)	3.66	4.69
Interest on income tax refund	26.85	84.66
Miscellaneous income	63.88	17.25
	206.74	**203.16**

*Amount less than million

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 31 A REAL ESTATE DEVELOPMENT COST

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Real estate development cost	221.66	95.06
	221.66	**95.06**
(ii) Changes in inventories of finished good and work in progress		
Opening project work in progress	4,114.78	4,106.15
	4,114.78	**4,106.15**
Add:		
Incurred during the year	1.54	8.63
Less: Closing stock		
Transferred to Inventory of unsold flats	-	-
Transferred to property under development project	4,129.12	4,114.78
	(12.80)	**-**
Total real estate development cost	**208.86**	**95.06**

NOTE 31 B FOOD AND BEVERAGES CONSUMED*

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Food and beverages materials at the beginning of the year	75.37	93.12
Purchases	527.08	212.63
Food and beverages materials at the end of the year	84.58	75.37
	517.87	**230.38**

*Includes complimentaries ₹ 48.43 million (March 31, 2021: ₹ 21.19 million)

NOTE 31 C OPERATING SUPPLIES CONSUMED

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases	231.84	116.82
	231.84	**116.82**

NOTE 32 EMPLOYEE BENEFITS EXPENSE

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	790.10	742.13
Contributions to provident fund and other funds	45.90	36.66
Staff welfare expenses	102.24	57.53
Employee stock option expense (Refer Note 48)	1.02	5.59
	939.26	**841.91**

NOTE 33 FINANCE COSTS

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses	1,381.05	1,398.04
Exchange differences regarded as an adjustment to borrowing cost *	18.49	-
Other borrowing cost	-	52.04
	1,399.54	**1,450.08**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 34 OTHER EXPENSES

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Travelling and conveyance expenses	5.16	3.95
Power and fuel *	416.50	301.57
Rent	24.20	20.63
Repairs and maintenance		
- Buildings	29.71	41.74
- Plant and machinery	153.67	120.65
- Others	44.42	34.51
Insurance	36.87	38.74
Rates and taxes	257.85	176.56
Business promotion expenses	110.73	64.61
Commission	84.06	32.53
Royalty and management fees	132.71	45.70
Legal and professional charges	132.39	86.19
Other hotel operating cost	146.69	92.34
Bad debt written off	0.22	0.01
Provision for doubtful debts	5.24	10.24
Loss on foreign exchange fluctuation (Net)	16.15	-
Donations	0.02	-
Director sitting fees	4.52	4.28
Payment to auditors (Refer Note 42)	10.55	9.80
Buyout labour & manpower contract	133.30	37.78
Corporate social responsibility expenses	0.66	4.49
Reversal of Export benefits and entitlements	-	123.20
Sunk cost	77.16	-
Reversal of unbilled revenue	-	0.99
Miscellaneous expenses **	115.49	79.90
	1,938.27	**1,330.41**

*Net of ₹ 12.25 million (March 31, 2021 ₹ 26.46 million) on account of recoveries.

**Net of ₹ 1.57 million (March 31, 2021: ₹ 2.47 million) on account of recoveries.

NOTE 35 EXCEPTIONAL ITEMS

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Exceptional items		
-Provision for estimated cost in relation to potential cancellation	(44.58)	(41.71)
Total	**(44.58)**	**(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 and sale of flats at the Project.

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 AS AT MARCH 31, 2022 (Continued)

NOTE 35 EXCEPTIONAL ITEMS (Continued)

By Judgement dated May 29, 2020 the Karnataka High Court had 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. HAL filed an appeal challenging the said order. In November 2020, your Company also filed an appeal challenging certain parts of the order.

In October 2021, the Company and HAL after discussions, signed terms for an amicable settlement of all the disputes between the parties, as per which the Company would undertake demolition of already constructed structures above 932 meters Above Mean Sea Level 'AMSL'. Further, the Hon'ble Karnataka High Court on October 26, 2021, disposed of the Writ Appeals in terms of the settlement. The Company has executed Supplemental MOUs with all existing flat owners, with revised terms inter-alia consenting to the revised development plans, subject to applicable regulatory approvals. Further, flat owners above 10th floor have consented to relocate to lower floors.

Demolition work of the area above 10th floor for all the 9 buildings has been completed in April 2022, and the NOC from HAL has been received. Process for obtaining all other approvals is underway.

Accordingly, the Company is reworking the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and reassessing the cost of demolition of super structure above 932 meters AMSL. The excess/short provision on this account, if any, will be reviewed and accounted in the subsequent accounting period, upon confirmation from statutory authorities.

The Company had estimated and accounted interest payable on cancellation to flat owners above 10 floors amounting to ₹ 553.94 million as at March 31, 2022. The said provision shall be reversed upon receipt of all regulatory approvals from statutory authorities.

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 ₹2,000.00 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 ₹ 1,750 million as at March 31, 2022 (March 31, 2021: ₹1,250 million).

NOTE 36 EARNINGS PER SHARE (EPS) (IND AS 33)

₹ in million

Particulars	March 31, 2022	March 31, 2021
(Loss) / Profit attributable to equity shareholders from Continuing operations	(636.08)	(1,131.28)
(Loss) attributable to equity shareholders from Discontinued operations	(65.37)	(36.76)
(Loss) / Profit attributable to equity holders of the Company	(701.45)	(1,168.04)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	205,023,864	205,023,864
Number of equity shares outstanding at the end of the year	**205,023,864**	**205,023,864**
Weighted average number of equity shares outstanding during the year	205,023,864	205,023,864
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)		
Basic	(3.10)	(5.52)
Diluted	(3.10)	(5.52)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)		
Basic	(0.32)	(0.18)
Diluted	(0.32)	(0.18)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)		
Basic	(3.42)	(5.70)
Diluted	(3.42)	(5.70)

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 AS AT MARCH 31, 2022 (Continued)

NOTE 37 .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 recognized 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 recognized in the Statement of Profit and Loss on fulfilment of such obligation.

₹ in million

Particulars	March 31, 2022	March 31, 2021
Opening Balance	-	-
Grants received during the year	33.40	21.66
Less: Released to Statement of Profit and Loss	(9.42)	(21.66)
Closing balance	**23.98**	**-**

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 utilized against future imports.

The Company recognizes 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 utilized 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, 2022	March 31, 2021
Opening balance	-	123.20
Grants received during the year	50.00	-
Less: Utilization	(0.08)	-
Less: Written off	-	(123.20)
Closing balance	**49.92**	**-**
Income recognized in Statement of Profit and Loss on account of EPCG (A)	9.42	21.66
Income recognized in Statement of Profit and Loss on account of SFIS/SEIS (B)	50.00	-
Total income recognized in the Statement of Profit and Loss (A+B)	**59.42**	**21.66**

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 recognized as expense in the 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 recognized the following amounts in the Statement of Profit and Loss for the year.

₹ in million

Particulars	March 31, 2022	March 31, 2021
Employer's contribution to Provident Fund and ESIC	45.90	36.66
	45.90	**36.66**

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:

Hotel division of holding company (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 38 EMPLOYEE BENEFITS (Continued)

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, 2022. 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.

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, 2022	March 31, 2021
Defined benefit obligation	111.87	107.83
Less: Fair value of plan assets	(0.93)	(0.87)
Net defined benefit obligation	**110.95**	**106.96**

Fair value of the plan assets and present value of the defined benefit obligation

The amount included in the Balance sheet arising from the Companies obligation and plan assets in respect of its defined benefit schemes is as follows:

₹ in million

Particulars	March 31, 2022	March 31, 2021
1. Movement in defined benefit obligation:		
At the beginning of the year	107.83	108.58
Current service cost	9.40	10.89
Interest cost	**4.55**	**5.66**
Recognised in other comprehensive income	(0.42)	
Actuarial (gains)/losses on obligations -		
Due to change in demographic assumptions	0.64	-
Due to change in financial assumptions	(2.80)	2.55
Due to experience	1.74	(2.30)
Benefit paid	(9.05)	(17.54)
At the end of the year	**111.87**	**107.83**
2. Movement in fair value of plan assets:		
At the beginning of the year	0.87	1.22
Interest income	0.04	0.06
Expected return on plan assets	0.02	-0.41
At the end of the year	**0.93**	**0.87**
3. Recognised in profit or loss		
Current service cost	9.40	10.89
Interest expense	4.55	5.66
Interest income	0.04	0.06
For the year	**13.90**	**16.48**
4. Recognised in other comprehensive income		
Actuarial (gains)/losses on obligations	(0.44)	0.66
For the year	**(0.44)**	**0.66**

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):**

₹ in million

Particulars	March 31, 2022	March 31, 2021
Rate of increase in salaries (%)	6 -9%	7%
Discount rate (%)	5.15%	4.25%
Employee turnover rate	22-53%	22 -57.5%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 38 EMPLOYEE BENEFITS (Continued)

7 Sensitivity of the defined benefit obligation

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.89)	3.10	(2.65)	2.84
Rate of increase in salaries (1% movement)	2.99	(2.84)	2.71	(2.58)
Rate of employee turnover (1% movement)	(0.55)	0.58	(0.66)	0.69

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, 2022 is ₹ 30.37 million (March 31, 2021): ₹ 30.50 million

9 The expected future cash flows as at March 31, 2022 were as follows

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
March 31, 2022	**30.37**	**21.43**	**41.89**	**27.58**	**121.27**
Defined benefit obligation (gratuity - non funded)	28.27	20.21	40.53	27.30	116.32
Defined benefit obligation (gratuity)	2.09	1.22	1.36	0.28	4.95
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

(c) Short-term compensated absences:

Compensated absences, classified as long term benefits is recognized as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss during the year. The following table provides details in relation to compensated absences.

₹ in million

Particulars	March 31, 2022	March 31, 2021
Expenses / (Reversal) for the year	5.51	(22.59)
Closing balance	43.61	38.10

NOTE 39 OPERATING LEASES

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 recognized in the Statement of Profit and Loss :

₹ in million

Description	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from lease of shops in hotels included in revenue from operations	5.81	7.79
Income from lease of office premises included in revenue from operations	895.15	772.66
Income from lease of investment properties included in revenue from operations	38.49	55.27
Total	**939.45**	**835.72**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 39 OPERATING LEASES (Continued)

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, 2022	For the year ended March 31, 2021
Less than one year	6.45	10.41
Between one and five years	14.67	30.46
More than five years	-	1.97
	21.12	**42.84**

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, 2022	For the year ended March 31, 2021
Less than one year	745.46	834.52
Between one and five years	3,243.81	3,319.14
More than five years	2,177.74	3,357.60
Total	**6,167.00**	**7,511.25**

Right-of-use assets

₹ in million

Particulars	Land and Buildings	Total
Cost		
Balance at March 31, 2021	-	-
Additions	649.09	649.09
Disposals	-	-
Balance at March 31, 2022	**649.09**	**649.09**
Accumulated depreciation and impairment		
Balance at March 31, 2021	-	-
Depreciation	59.54	59.54
Impairment loss	-	-
Eliminated on disposals of assets	-	-
Balance at March 31, 2022	**59.54**	**59.54**
Carrying amounts		
As at 1 April 2021	-	-
Balance at March 31, 2022	**589.55**	**589.55**
Lease Liabilities		
Balance at March 31, 2021	-	-
Additions	621.20	621.20
Less:Disposals	-	-
Add: Interest Expense on lease Liabilities	46.91	46.91
Less: Total cash outflow for leases	36.95	36.95
Balance at March 31, 2022	**631.17**	**631.17**

Breakdown of lease expenses

₹ in million

Future minimum lease receivables	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term lease expense	8.25	3.77
Low value lease expense	32.49	69.17
Total lease expense	**40.74**	**72.94**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 39 OPERATING LEASES (Continued)

Maturity analysis - Undiscounted

Particulars	Total
March 31, 2022	
Lease liabilities	
Less than 1 year	88.67
Between 1 and 2 years	181.03
2 and 5 years	296.67
Over 5 years	336.17
Total	**901.55**

NOTE 40 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Disputed service tax demands	67.39	62.15
Disputed income tax demands	323.51	331.95
Disputed VAT demands	13.08	12.70
Non-Agricultural Tax (refer note g)	-	8.29
Disputed provident funds demands	5.80	5.80
Labour Dispute	12.21	-
Transportation Charges	0.08	-
Contractors Claim	113.77	-
SFIS/SEIS Scheme	16.73	5.74
Power Facilitation Agreement	36.17	-

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.

c. In December 2005, the Company had purchased the entire building comprizing 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, 2022 is ₹ 49.74 million (March 31, 2021: ₹50.93 million) and carrying value of property, plant and equipment as at March 31, 2022 is ₹ 372.12 million (March 31, 2021: ₹ 400.77 million).

d. Show Cause Notice issued by CGST & Central Excise Division, Bhopal in July 2019 with reference to utilization of SFIS benefits by the Company for purchase of glass and a demand to make payment of Excise Duty of ₹ Nil 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 40 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (Continued)

f. The Company has considered as at March 31, 2022 ₹ 41.96 million (March 31, 2021: ₹ 25.16 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.

g. The Company has recieved notice from, The Tahilsdar, Kurla, vide five notices demanded aggregate payment of ₹ Nil 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 ₹ Nil million has been paid to the authorities under protest.

Commitments

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,138.26	3,149.13

NOTE 41 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	For the year ended March 31, 2022	For the year ended March 31, 2021
The amounts remaining unpaid to micro and small enterprises as at the end of the year.		
Principal	162.40	85.27
Interest	0.10	0.01
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	0.10	0.01
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 42 PAYMENT TO AUDITORS

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit fees	8.00	6.55
Tax audit fees	0.50	0.45
Other services	1.60	2.46
Out of pocket expenses	0.45	0.34
Amount debited to Statement of Profit and Loss (excluding taxes)	**10.55**	**9.80**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 43 CORPORATE SOCIAL RESPONSIBILITY

Details of CSR expenditure:

₹ in million

Particulars	March 31, 2022	March 31, 2021
a) Gross amount required to be spent by the Company during the year	-	4.49
b) Amount approved by the Board to be spent during the year	2.50	4.49
c) Amount spent during the year ending on March 31, 2022:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-
d) Amount spent during the year ending on March 31, 2021:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.66	4.49
e) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-

Details of ongoing project and other than ongoing project

March 31, 2022

₹ in million

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	From Company's bank A/c	From Separate CSR Unspent A/c
-	-	-	-	-	-	-

₹ in million

In case of S. 135(5) (Other than ongoing Project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	0.66	(0.66)

March 31, 2021

₹ in million

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	From Company's bank A/c	From Separate CSR Unspent A/c
-	-	-	-	-	-	-

₹ in million

In case of S. 135(5) (Other than ongoing Project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	4.49	4.49	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 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.

March 31, 2022	Carrying amount			Fair value			
	FVTPL	Amortized 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	58.46		58.46	-	-	58.46	58.46
Other investments	-	0.13	0.13	-	0.13	-	0.13
Other non-current financial assets	-	371.54	371.54	-	-	-	-
Current financial assets			-				
Trade receivables	-	424.70	424.70	-	-	-	-
Cash and cash equivalents	-	215.22	215.22	-	-	-	-
Other bank balances	-	632.48	632.48	-	-	-	-
Loans	-	1,366.70	1,366.70	-	-	-	-
Other current financial assets	-	149.53	149.53	-	-	-	-
Derivative asset	-	-	-	-	-	-	-
	58.46	**4,425.22**	**4,483.68**	**-**	**0.13**	**58.46**	58.59
Non-current financial liabilities							
Borrowings	-	21,146.28	21,146.28	-	21,146.28	-	21,146.28
Other non-current financial liabilities	-	159.59	159.59	-	159.59	-	159.59
Current financial liabilities			-				-
Borrowings	-	3,563.79	3,563.79	-	-	-	-
Trade payables	-	831.53	831.53	-	-	-	-
Other financial liabilities	-	608.73	608.73	-	-	-	-
Derivative liability	-	12.18	12.18	-	12.18	-	12.18
	-	**26,322.10**	**26,322.10**	**-**	**21,318.05**	**-**	**21,318.05**

March 31, 2021	Carrying amount			Fair value			
	FVTPL	Amortized 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	-	-	44.80	44.80
Other investments	-	0.13	0.13	-	0.13	-	0.13
Others	-	318.16	318.16	-	-	-	-
Current financial assets							
Trade receivables	-	301.60	301.60	-	-	-	-
Cash and cash equivalents	-	264.03	264.03	-	-	-	-
Other bank balances	-	80.78	80.78	-	-	-	-
Loans	-	1,020.90	1,020.90	-	-	-	-
Other current financial assets	-	97.09	97.09	-	-	-	-
Derivative asset	-	-	-	-	-	-	-
	44.81	**3,347.61**	**3,392.42**	**-**	**0.13**	**44.80**	**44.93**
Non-current financial liabilities							
Borrowings	-	16,993.67	16,993.67	-	17,027.77	-	17,027.77
Other non-current financial liabilities	-	190.97	190.97	-	190.96	-	190.96

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

March 31, 2021	Carrying amount			Fair value			
	FVTPL	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Current financial liabilities							
Borrowings	-	2,706.32	2,706.32	-	-	-	-
Trade payables	-	788.01	788.01	-	-	-	-
Other financial liabilities	-	395.66	395.66	-	-	-	-
Derivative liability	-	62.19	62.19	-	62.19	-	62.19
	-	**21,136.82**	**21,136.82**	**-**	**17,280.92**	**-**	**17,280.92**

(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 measurwements using significant unobservable inputs (level 3)

Reconciliation of level 3 fair values

₹ in million

	FVTPL Equity shares
Balance at March 31, 2021	44.80
Additions / Deletions during the year	13.66
Balance at March 31, 2022	58.46

(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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

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.

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

₹ in million

Particulars	March 31, 2022	March 31, 2021
(a) Trade Receivables considered good - Secured;		
(b) Trade Receivables considered good - Unsecured;		
Less than 6 months	393.14	265.62
more than 6 months	40.23	43.73
Total	**433.37**	**309.35**
(c) Trade Receivables which have significant increase in Credit Risk; and	12.86	22.81
(d) Trade Receivables - credit impaired	26.22	70.91

The movement in the allowance for impairment in respect of other receivables during the year was as follows:

₹ in million

Particulars	March 31, 2022	March 31, 2021
Balance as at March 31, 2021	101.47	113.98
Impairment loss (reversed)	(53.72)	(12.51)
Balance as at March 31, 2022	**47.75**	**101.47**

(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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

(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.

March 31, 2022	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)	24,696.35	29,166.02	3,563.15	4,491.56	15,468.38	5,642.93
Security deposits	159.59	159.59	-	64.80	21.63	73.16
Current, non derivative financial liabilities						
Borrowings	13.72	13.72	13.72	-	-	-
Trade payables	831.53	831.53	831.53	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	620.91	620.91	620.91	-	-	-
Derivative financial liabilities						
Forward exchange contract (gross settled)						
- Outflow	341.20	341.20	341.20	-	-	-
- Inflow	(328.35)	(328.35)	(328.35)	-	-	-
Total	**26,334.95**	**30,804.62**	**5,042.16**	**4,556.36**	**15,490.01**	**5,716.09**

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
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	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

March 31, 2021	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
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**	**25,409.98**	**5,337.35**	**4,717.55**	**10,850.72**	**4,504.35**

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 recognized liabilities. The Company 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, 2022		March 31, 2021	
Forward contract	Buy	USD	₹	USD	4.33 million	USD	9.00 million

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company 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 :

Particulars	March 31, 2022			March 31, 2021		
	USD	EUR	GBP	USD	EUR	GBP
Financial liabilities						
Foreign currency loans (including interest accrued)	555.12	-	-	681.06	-	-
Trade payables	219.79	-	0.02	268.00	0.19	0.03
	774.91	**-**	**0.02**	**949.07**	**0.19**	**0.03**
Derivatives						
Foreign currency forward exchange contract	(328.35)	-	-	(673.88)	-	-
	(328.35)	-	-	(673.88)	-	-
Net exposure	**446.56**	**-**	**0.02**	**275.19**	**0.19**	**0.03**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

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.

Particulars	Profit or loss before tax			
	March 31, 2022		March 31, 2021	
Effect in ₹ (before tax)	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	4.47	(4.47)	2.75	(2.75)

(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.

The Company adopts a policy to hedge the interest rate movement in order to mitigate the risk with regards to floating rate linked loans based on the market outlook on interest rates. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

Particulars of outstanding interest rate swaps as at

March 31, 2022 NIL

March 31, 2021 NIL

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, 2022	March 31, 2021
Fixed-rate instruments		
Loans given		
Loans to related parties	(1,366.70)	(1,020.90)
Non current borrowings		
Non-cumulative redeemable preference shares	1,746.67	1,194.61
Total	**379.97**	**173.71**
Variable-rate instruments		
Non current borrowings		
Rupee term loans from banks	11,381.70	11,270.17
Rupee term loans from financial institutions	7,633.46	3,997.07
Foreign currency term loans from banks	384.45	531.82
Current borrowings		
Cash credit/overdraft accounts from banks	13.72	808.20
Current Maturity of long term loans	3,550.07	1,898.12
Total	**22,963.40**	**18,505.38**
TOTAL	**23,343.37**	**18,679.09**

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

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 capitalized to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

Particulars	Profit or loss before tax	
	100 bps increase	100 bps decrease
March 31, 2022	(229.63)	229.63
March 31, 2021	(185.05)	185.05

NOTE 45 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, 2022	March 31, 2021
Total borrowings	24,710.07	19,699.99
Less: Cash and cash equivalents	215.22	264.03
Less: Bank deposits	632.48	80.78
Adjusted net debt	23,862.37	19,355.18
Total equity	13,693.82	14,329.34
Adjusted net debt to adjusted equity ratio	1.74	1.35

NOTE 46 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.

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW:

List of related parties

Relationship	Name of party	
	March 31, 2022	March 31, 2021
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)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

Relationship	Name of party	
	March 31, 2022	**March 31, 2021**
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)
Non- Executive directors/ Relative	Ravi C Raheja	Ravi C Raheja
	Neel C Raheja	Neel C Raheja
Independent directors	Hetal Gandhi	Hetal Gandhi
	Arthur De Haast	Arthur De Haast
	Joseph Conrad D'Souza	Joseph Conrad D'Souza
	Radhika Piramal	Radhika Piramal
Other KMP as per Companies Act, 2013	Milind Wadekar Chief Financal Officer Rajneesh Malhotra, Chief Operating Officer (w.e.f October 28, 2021) Christabelle Baptista, Company Secrectary	Milind Wadekar Christabelle Baptista, Company Secrectary
Enterprises Controlled / Jointly controlled by Non-executive directors	Brookfields Agro & Development Private Limited	Brookfields Agro & Development Private Limited
	Newfound Properties and Hotels 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
	Aqualine Real Estate Private Limited	Sustain Properties Private Limited
	Feat Properties Private Limited	Aqualine Real Estate Private Limited
	Carin Properties Private Limited	Feat Properties Private Limited
	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)	Carin Properties Private Limited
	K Raheja Corp Advisory Services (Cyprus) Private Limited	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)
	Content Properties Private Limited	Sundew Real Estate Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Advisory Services (Cyprus) Private Limited
		Content Properties Private Limited
		Grandwell Properties And Leasing Private Limited
		K Raheja Corp Investment Managers LLP

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

Relationship	Name of party	
	March 31, 2022	March 31, 2021
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
	Jyoti C. Raheja	
	Sumati R. Raheja	
Other Related parties #	Gigaplex Estate Private Limited	Intime Properties Limited
	Horizonview Properties Private Limited	Eternus Real Estate Private Limited
	Inorbit Malls (India) Private Limited	Shoppers Stop Limited
	K Raheja Corp Investment Managers LLP	Inorbit Malls (India) Private Limited
	K Raheja Corporate IT Park (Hyderabad) Limited	K Raheja IT Park (Hyderabad) Limited
	K.Raheja Corporate Services Private Limited	Mindspace Business Parks Private Limited
	KRC INFRASTUCTURE AND PROJECTS PRIVATE Limited	Paradigm Logistics & Distribution Private Limited
	Mindspace Business Parks Private Limited	Sundew Properties Limited
	Pact Real Estate Private Limited	Trion Properties Private Limited
	Paradigm Logistics & Distribution Private Limited	Newfound Properties & Leasing Private Limited
	Sundew Properties Limited	
	Sycamore Properties Private Limited	
	Trion Properties Private Limited	
	Shoppers Stop Limited	
	Inorbit Malls (India) Private Limited	
	KRC Infrastructure and Projects 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

Related party disclosures for Year ended March 31, 2022

(Amount in millions)

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	-	-	4.99
2	Sales of services - Rooms income, Food, beverages and smokes	-	-	3.39
3	Other Income	0.11	-	7.16
4	Other expenses	-	2.47	90.55
5	Director sitting fees	-	4.53	-
6	Salaries, wages and bonus	-	60.52	-
7	Loan Given	362.80	-	-
8	Loan Refund	17.00	-	-
9	Deposit paid	-	-	1.29
10	Reimbursement of expenses	1.45	-	-
11	Advance given	-	-	0.03
12	Preference shares	-	232.50	267.50
	Balances outstanding as at the year-end	-	-	-
13	Trade payables	-	-	0.57
14	Trade Receivables	-	-	2.45
15	Loan Receivables	1,366.70	-	-
16	Deposit receivable	-	-	107.94
17	Advance Given	-	-	0.03
18	Preference shares outstanding	-	813.75	936.25
19	Investment in equity shares outstanding	1,003.03	-	-
20	Investments in Debenture Outstanding	511.98	-	-
21	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, 2022

(Amount in millions)

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	-	-	4.99
2	**Sales of services - Rooms income, Food, beverages and smokes**			
	Genext Hardware And Parks Private Limited	-	-	0.01
	Gigaplex Estate Private Limited	-	-	0.03
	Horizonview Properties Private Limited	-	-	0.02

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

(Amount in millions)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
	Inorbit Malls (India) Private Limited	-	-	0.11
	K Raheja Corp Investment Managers LLP	-	-	0.05
	K Raheja Corp Private Limited	-	-	0.31
	K Raheja Corporate IT Park (Hyderabad) Limited	-	-	0.01
	K Raheja Pvt Limited	-	-	0.02
	K.Raheja Corporate Services Private Limited	-	-	2.49
	KRC Infrastucture and Projects Private Limited	-	-	0.03
	Mindspace Business Parks Private Limited	-	-	0.07
	Pact Real Estate Private Limited	-	-	0.00
	Paradigm Logistics & Distribution Private Limited	-	-	0.01
	Sundew Properties Limited	-	-	0.02
	Sycamore Properties Private Limited	-	-	0.02
	Trion Properties Private Limited	-	-	0.19
3	**Other Income**			
	Belaire Hotels Private Limited	0.06	-	-
	Chalet Hotels & Properties (Kerala) Private Limited	0.05	-	-
	Shoppers Stop Limited	-	-	2.46
	K Raheja Corp Private Limited	-	-	4.70
4	**Other expenses**			
	Arthur De Haast	-	2.47	-
	Shopper Stop	-	-	0.07
	Inorbit Malls (India) Private Limited	-	-	2.98
	K.Raheja Corporate Services Private Limited	-	-	43.79
	Sundew Properties Limited	-	-	43.77
5	**Director sitting fees**			
	Arthur De Haast	-	0.60	-
	Hetal Gandhi	-	0.95	-
	Joseph Conrad D' Souza	-	0.95	-
	Neel C.Raheja	-	0.68	-
	Radhika Dilip Piramal	-	0.45	-
	Ravi C.Raheja	-	0.90	-
6	**Salaries, wages and bonus**			
	Christabelle Baptista	-	3.16	-
	Milind Wadekar	-	8.13	-
	Rajneesh Malhotra	-	4.65	-
	Sanjay Sethi	-	44.58	-
7	**Loan Given**			
	Chalet Hotels & Properties (Kerala) Private Limited	2.50	-	
	Belaire Hotels Private Limited	360.30	-	-
8	**Loan Refund**			
	Chalet Hotels & Properties (Kerala) Private Limited	-	-	-
	Belaire Hotels Private Limited	17.00	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

(Amount in millions)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
9	**Deposit paid**			
	K.Raheja Corporate Services Private Limited	-	-	1.29
10	**Reimbursement of expenses**			
	Belaire Hotels Private Limited	1.45	-	-
11	**Advance Given**			
	Shoppers Stop Limited	-	-	0.03
12	**Preference shares**			
	Ivory Properties and Hotels Private Limited	-	-	42.50
	K Raheja Corp Private Limited	-	-	225.00
	Neel C.Raheja	-	116.25	
	Ravi C.Raheja	-	116.25	-
13	**Trade payables**			
	Inorbit Malls (India) Private Limited	-	-	0.06
	K.Raheja Corporate Services Private Limited	-	-	0.51
14	**Trade Receivables**			
	Inorbit Malls (India) Private Limited	-	-	0.03
	K Raheja Corp Investment Managers LLP	-	-	0.05
	K Raheja Corp Pvt Limited	-	-	0.63
	K Raheja Corp Pvt Limited	-	-	0.70
	K Raheja Corporate IT Park (Hyderabad) Limited	-	-	0.01
	K Raheja Pvt Limited	-	-	0.02
	K.Raheja Corporate Services Private Limited	-	-	0.96
	Shoppers Stop Limited	-	-	1.95
	KRC Infrastucture And Projects Private Limited	-	-	0.03
	Pact Real Estate Private Limited	-	-	0.00
	Trion Properties Private Limited	-	-	0.02
15	**Loan Receivables**			
	Belaire Hotels Private Limited	1,364.20	-	-
	Chalet Hotels & Properties (Kerala) Private Limited	2.50	-	-
16	**Deposit receivable**			
	K.Raheja Corporate Services Private Limited	-	-	13.61
	Mindspace Business Parks Private Limited	-	-	50.00
	Sundew Properties Limited	-	-	44.33
17	**Preference shares outstanding**			
	Ivory Properties and Hotels Private Limited	-	-	148.75
	K Raheja Corp Private Limited	-	-	787.50
	Neel C.Raheja	-	406.88	-
	Ravi C.Raheja	-	406.88	-
18	**Investment in equity shares outstanding**			
	Belaire Hotels Private Limited	694.73	-	-
	Chalet Hotels & Properties (Kerala) Private Limited	250.09	-	-
	Seapearl Hotels Private Limited	58.21	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

(Amount in millions)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
19	**Investments in Debenture Outstanding**			
	Belaire Hotels Private Limited	511.98	-	-
20	**Guarantee outstanding**			
	Chalet Hotels & Properties (Kerala) Private Limited	50.00	-	-

Related party disclosures for Year ended March 31, 2021

(Amount in millions)

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			
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,

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

Significant transactions with material related parties for year ended March 31, 2021

(Amount in millions)

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	-

*The managerial remuneration paid/payable by the Company 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 08, 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 09, 2021 of ₹6.63 million is subject to approval of the shareholders.

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
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	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (Continued)

(Amount in millions)

Sr.no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
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	-	-

* Amount less than million

NOTE 48 EMPLOYEE STOCK OPTION SCHEMES

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

Description of share-based payment arrangements:

At March 31, 2022, 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 12 June 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	200,000	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	June 26, 2018	One year from vesting year	320

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share option plans are as follows:

Particulars	March 31, 2022		March 31, 2021	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	320	200,000	320	200,000
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed/ forfeited /surrendered	320	66,000	-	-
Outstanding at the end of the year	320	134,000	320	200,000
Exercisable at the end of the year	320	134,000	320	132,000

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'-	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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 48 EMPLOYEE STOCK OPTION SCHEMES (Continued)

Particulars	Unit	Chalet Hotels Limited'- 'Employee Stock Option Plan'-	Description of inputs used
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, 2022 have an exercise price of ₹ 320.

* calculated considering simple average method

The expense recognized for the year ended March 31, 2022 is ₹ 1.02 million (March 31, 2021 is ₹ 5.59 million)

NOTE 49 DISCONTINUED OPERATIONS

In the previous 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.

During the current year, the Company had decided to terminate the agreements with all retailers of Inorbit Mall, Bengaluru and convert the same to a commercial space.

The Income and EBITDA of retail operations at Sahar, Mumbai and Inorbit Mall, Bengaluru 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, Mumba and Inorbit Mall, Bengaluru.

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	33.25	92.76
Expenses	98.62	129.54
Results from operations	(65.37)	(36.78)
Income Tax	-	-
Loss/ (Profit) from discontinued operations, net of tax	**(65.37)**	**(36.78)**

The Loss from discontinued operation of ₹ (65.37) million (March 31, 2021 ₹ (36.78) million is attributable entirely to the owners of the Company, of the loss from continuing operations ₹ (749.33) million (March 31, 2021 ₹ (1,354.50)).

The cash flows of the discontinued operations for the year are presented below:

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Cash Generated From Operating Activities	(51.06)	(6.80)
Net Cash (Used In) /Generated From Investing Activities	-	-
Net Cash Generated From /(Used In) Financing Activities	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 50 BENGALURU RESIDENTIAL PROJECT

₹ in million

Particulars	March 31, 2022	March 31, 2021
Inventories	4,182.32	4,180.78
Less: Provisions for impairment	(429.79)	(442.65)
Inventories, net	3,752.53	3,738.13
Advances from customers towards sale of residential flats	1,660.78	1,868.68

NOTE 51 AMALGAMATION

The Holding Company at its meeting held on 11 August 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 standalone financial statements for the year ended March 31, 2022.

NOTE 52 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS

Details of contract balances

₹ in million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Details of Contract Balances:		
Balance as at beginning of the year	(1,868.68)	(1,868.68)
Trade receivables as on March 31, 2021	-	-
Less: Repayment to the customer on cancellation	207.90	-
Significant change due to other reasons	-	-
Balance as on March 31, 2022	(1,660.78)	(1,868.68)
Total	**(1,660.78)**	**(1,868.68)**

As on March 31, 2022 revenue recognized 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 recognized in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2022.

₹ in million

Particulars	2023	2024-2026	Beyond 2026	Total
Contract Revenue	-	2,039.28	-	2,039.28
Contract Expense	-	2,027.90	-	2,027.90
Total	**-**	**11.38**	**-**	**11.38**

The following table includes revenue to be recognized in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2021

₹ in million

Particulars	2021	2021-2025	Beyond 2025	Total
Contract Revenue	-	1,525.28	-	1,525.28
Contract Expense	-	1,496.71	-	1,496.71
Total	**-**	**28.57**	**-**	**28.57**

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 AS AT MARCH 31, 2022 (Continued)

NOTE 53 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance (more than 25%)
Current ratio	Current Assets	Current Liabilities	0.93	0.88	5%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	2.06	1.51	37%	Debt Equity ratio was higher on account of increased capital expenditure during the year.
Debt Service Coverage ratio	Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest	Debt Service=Interest + Lease Payments+Current maturity of long term debt	0.36	0.41	12%	
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	(0.05)	(0.08)	37%	Return on Equity ratio improved due to progressive recovery of business on account of reduced impact of pandemic.
Inventory Turnover ratio	Cost of goods sold	Average Inventory of Hotel Units	6.27	2.65	136%	Inventory turnover ratio was higher due to recovery of hotels business post pandemic.
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	13.24	7.93	67%	Trade Receivable turnover ratio was higher due to recovery of hotels business post pandemic.
Trade Payable Turnover Ratio	Total Expenses - Employee Cost- Real estate development cost- Notional expenses	Average Trade Payables	3.28	1.71	92%	Trade payable turnover ratio was due to higher credit period on account of improved business
Net Capital Turnover Ratio	Revenue from operations	Working capital = (Current assets – Current liabilities)	(7.93)	(3.22)	-146%	Net Capital Turnover ratio improved due to progressive recovery of business on account of reduced impact of pandemic
Net Profit ratio	Net Profit	Total Income	(0.14)	(0.39)	65%	Net profit ratio improved due to progressive recovery of business on account of reduced impact of pandemic
Return on Capital Employed	EBIT	Average Capital Employed	0.00	(0.02)	111%	Return on Capital Employed improved due to progressive recovery of business on account of reduced impact of pandemic
Return on Investment	Net Profit	Gross block of PPE , Intangible & IP	(0.02)	(0.03)	40%	Return on Investment improved due to progressive recovery of business on account of reduced impact of pandemic

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 54 DETAILS OF STRUCK OFF COMPANIES

As on March 31, 2022

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities		
Octel Cloud Solution	Receivables	0.03	No
Sambhu Facility Services Private-Ind	Payables	0.19	No
	Shares held by Struck off company		
	Other outstanding balances (to be specified)		

As on March 31, 2021

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities		
Octel Cloud Solution	Receivables	0.03	No
	Payables		
	Shares held by Struck off company		
	Other outstanding balances (to be specified)		

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/ utilization by recipient companies, are not applicable to the Company.

Details of investments made during the year ended March 31, 2022 as per section 186(4) of the Companies Act, 2013:

₹ in million

Name of entity	March 31, 2021	Investments made	Investments redeemed / sold	March 31, 2022
Stargaze Properties Private Limited	0.01	-	-	0.01
Krishna Valley Power Private Limited	12.54	7.37	-	19.91
Sahyadri Renewable Energy Private Limited	31.46	-	-	31.46
Renew Wind Power Energy (AP) Limited	0.80	-	0.20	0.61
Vikramaditya Renewable Energy Private Limited	-	10.67		10.67
National saving certificates	0.13	-	-	0.13

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
Intime Properties Limited	-	-	-	-
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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 56

The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE 57

Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

As per our report of even date attached
For B S R & Co. LLP
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)

Milind Wadekar
CFO
(Membership No: 116372)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

INDEPENDENT AUDITOR'S 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 subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and 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 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 consolidated state of affairs of the Group as at 31 March 2022, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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

We draw attention to Note 38 (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 respect of the above in the consolidated financial statements for the year ended 31 March 2022. The balance of prepaid lease rental in relation to such leasehold land as of 31 March 2022 is Rs. 49.74 million (31 March 2021: Rs. 50.93 million) and carrying value of property, plant and equipment as at 31 March 2022 is Rs. 372.12 million (31 March 2021: Rs. 400.77 million). Our opinion is not modified in respect of this matter.

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT (Continued)

Deferred Tax Assets (refer note 20 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 5.30 % 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 deferred tax assets in respect of expenditure on specified business under Section 35AD of the Income-tax Act, 1961, brought forward losses and other temporary differences, as set out in note 20 to the consolidated financial statements. The Group's deferred tax assets in respect of brought forward deduction of expenditure on specified business under Section 35AD of the Income-tax Act, 1961, brought forward house property loss, brought forward business losses and unabsorbed depreciation are based on the projected profitability, determined based on approved business plans, to demonstrate availability of sufficient taxable income to utilise such Section 35AD deduction, house property loss, brought forward tax loss and unabsorbed depreciation. 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 20 to the consolidated financial statements.

Impact of COVID 19 on Going concern

The Key Audit Matter	How the matter was addressed in our audit
The impact of the COVID-19 pandemic and the measures put in place to control the spreading of the virus, have created a number of events and conditions which may have indicated uncertainties related to going concern for the Group. The Group has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and 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 31 March 2022 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, including revenue, fixed and operating costs, capital expenditure including commitments to subsidiaries. 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

Litigations and Claims (refer note 9, 26, 33and 38 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
As at 31 March 2022, 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 the amounts involved as well as the inherent uncertainty in the application of the measurement aspects of accounting standards to determine the amount to be provided for and the disclosures to be made in respect of this matter.	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 in respect of litigation and claims post 1 April 2022 till the date of signing of the report to evaluate any change required in the Group's position on the litigation and claims as at 31 March 2022. • 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 annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 Board of 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 are responsible for overseeing the financial reporting process of each company.

INDEPENDENT AUDITOR'S REPORT (Continued)

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 statement 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 statement of such entities included in the consolidated financial statements of which we are the independent auditors.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.
2. (A) As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of 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;

INDEPENDENT AUDITOR'S REPORT (Continued)

Report on Other Legal and Regulatory Requirements (Continued)

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 Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 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 B".

(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:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer note 9 and 38 to the consolidated financial statements;

b) 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 26 to the consolidated financial statements in respect of such items as it relates to the Group;

c) 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 31 March 2022;

d) (i) The Managements of the Holding Company and its subsidiaries, have represented to us that, to the best of their knowledge and belief, other than as disclosed in Note 56 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or any of such subsidiaries or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Managements of the Holding Company and its subsidiaries has represented, that, to the best of its knowledge and belief, other than as disclosed in Note 56 to the consolidated financial statements, no funds have been received by the Company or any of such subsidiaries, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any such subsidiaries, shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

INDEPENDENT AUDITOR'S REPORT (Continued)

Report on Other Legal and Regulatory Requirements (Continued)

e) The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its Managing Director and CEO during the current year, is in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to the Managing Director and CEO is as per the limits laid down under Section 197 read with Schedule V to the Act and as approved by the shareholder's through special resolution in the Annual General Meeting held on 12 August 2021. 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: 22108511AIROGG9487

Mumbai
10 May 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Holding Company on the consolidated financial statements for the year ended 31 March 2022, we report the following:

3 (xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, have unfavourable remark given by us in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Chalet Hotels Limited	L55101MH1986PLC038538	Holding	Clause (ii)(b), (vii)(a) & (xvii)
2	Belaire Hotels Private Limited	U55101MH2007PTC170789	Subsidiary	Clause (xvii)& (xix)
3	Chalet Hotels & Properties (Kerala) Private Limited	U55101AL2006PTC020125	Subsidiary	Clause (xvii) & (xix)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 22108511AIROGG9487

Mumbai
10 May 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 31 March 2022, 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 31 March 2022, based on the internal financial controls with reference to consolidated 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 respects.

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 consolidated 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 financial statements.

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

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 Pardiwalla
Partner
Membership No: 108511
UDIN: 22108511AIROGG9487

Mumbai
10 May 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

(₹ in million)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2	19,741.37	20,594.08
Right of Use assets	37	589.55	-
Capital work-in-progress	3	322.27	358.48
Investment property	4	13,560.39	9,950.72
Goodwill	5	226.11	226.11
Other intangible assets	6	16.48	25.88
Financial assets			
(i) Other investments	7	62.79	44.94
(ii) Others	8	387.04	340.67
Deferred tax assets (net)	20	2,352.68	1,796.65
Non-current tax assets (net)		402.67	402.58
Other non-current assets	9	343.70	597.28
Total non-current assets		**38,005.06**	**34,337.40**
Current assets			
Inventories	10	3,934.97	3,912.12
Financial assets			
(i) Trade receivables	11	436.02	306.09
(ii) Cash and cash equivalents	12 a	245.23	269.02
(iii) Bank balances other than (ii) above	12 b	753.22	188.66
(iv) Others	13	150.63	98.73
Other current assets	14	901.89	775.92
Total current assets		**6,421.96**	**5,550.54**
TOTAL ASSETS		**44,427.02**	**39,887.94**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,050.24	2,050.24
Other equity	16	11,362.31	12,110.38
Non controlling interests		(2.62)	(3.22)
Total equity		**13,409.92**	**14,157.39**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	21,428.13	17,567.05
(ii) Lease liabilities		591.47	-
(iii) Others	18	159.59	190.97
Provisions	19	80.41	76.42
Deferred tax liabilities (net)	20	11.93	137.51
Other non-current liabilities		139.80	109.58
Total non-current liabilities		**22,411.33**	**18,081.53**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	3,911.69	3,016.19
(ii) Lease liabilities		39.70	-
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises and	23	89.83	32.54
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	23	776.95	796.05
(iv) Other financial liabilities	24	623.79	460.32
Provisions	26	852.09	908.94
Current tax liabilities		195.00	195.00
Other current liabilities	25	2,116.72	2,239.97
Total current liabilities		**8,605.77**	**7,649.01**
TOTAL EQUITY AND LIABILITIES		**44,427.02**	**39,887.94**
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 BSR & 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 Dsouza
Director
(DIN. 00010576)

Milind Wadekar
CFO
(Membership No:116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Continuing operations			
Revenue from operations	27	5,078.07	2,855.76
Other income	28	219.32	219.44
Total income (A)		**5,297.39**	**3,075.20**
Expenses from Continuing operations			
Real estate development cost	29 a	221.66	95.06
Changes in inventories of finished good and construction work in progress	29 a	(12.80)	-
Food and beverages consumed	29 b	538.63	238.73
Operating supplies consumed	29 c	243.76	123.35
Employee benefits expense	30	999.76	893.39
Other expenses	32	2,102.29	1,434.63
Total expenses (B)		**4,093.30**	**2,785.16**
Earnings before interest, depreciation, amortization and tax (EBITDA) before exceptional items from Continuing operations (C) (A-B)		1,204.09	290.04
Depreciation and amortization expenses	2,4,6	1,184.23	1,174.62
Finance costs	31	1,444.13	1,519.78
(Loss) before exceptional items and tax from Continuing operations (D)		**(1,424.27)**	**(2,404.36)**
Exceptional items (E)		**(44.58)**	**(41.71)**
Provision for estimated loss on account of cancellations	33	**(44.58)**	**(41.71)**
(Loss) before income tax from Continuing operations (F) (D+E)		**(1,468.85)**	**(2,446.07)**
Tax expense (G)		**(719.53)**	**(1,091.55)**
Current tax (includes tax for the earlier years)	20	(37.76)	(63.34)
Deferred tax (credit)	20	(681.77)	(1,028.21)
(Loss) for the year from Continuing operations (H) (F-G)		**(749.32)**	**(1,354.52)**
Discontinued Operations	48		
(Loss) from discontinued operations before tax		(65.37)	(36.76)
Tax expense of discontinued operations		-	-
(Loss) from discontinued operations (I)		**(65.37)**	**(36.76)**
(Loss) for the year (H + I)		**(814.69)**	**(1,391.28)**
Other comprehensive income from Continuing operations			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		1.65	0.05
Income tax Credit on above		(0.15)	0.23
Other comprehensive income for the year, net of tax (J)		**1.50**	**0.28**
Total comprehensive (expense) for the year (K) (J+I+H)		**(813.19)**	**(1,391.00)**
Profit attributable to :			
Owners of the company		(815.28)	(1,390.76)
Non-controlling interests		0.60	(0.52)
Other comprehensive (expense) attributable to :			
Owners of the company		1.50	0.28
Non-controlling interests		-	-
Total comprehensive (expense) attributable to :			
Owners of the company		(813.79)	(1,390.48)
Non-controlling interests		0.60	(0.52)
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)			
Basic	34	(3.66)	(6.60)
Diluted	34	(3.66)	(6.60)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)			
Basic	34	(0.32)	(0.18)
Diluted	34	(0.32)	(0.18)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)			
Basic	34	(3.98)	(6.78)
Diluted	34	(3.98)	(6.78)
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 BSR & 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 Dsouza
Director
(DIN. 00010576)

Milind Wadekar
CFO
(Membership No:116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

		For the year ended March 31, 2022	For the year ended March 31, 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	(Loss) before tax from Continuing operations	**(1,468.85)**	**(2,446.05)**
	(Loss) before tax from discontinued operations	**(65.37)**	**(36.78)**
	Adjustments for :		
	Interest income from instruments measured at amortized cost	(57.13)	(65.95)
	Depreciation and amortization expenses	1,184.23	1,174.62
	Finance costs	1,444.13	1,519.78
	Unrealized exchange (gain) / loss	-	(20.33)
	Provision for estimated cost	44.58	41.71
	Profit on sale of property, plant and equipment (net)	(3.66)	(4.53)
	Property, plants and equipment written off	21.25	1.86
	Profit on sale of investment	(0.12)	(0.10)
	Provision for doubtful debts, Advances and Bad debt written off	5.46	11.91
	Employee stock option expense	1.02	5.59
	Export benefits and entitlements	(59.42)	(21.66)
	Provision for mark to market on derivative contract	(12.18)	62.19
	Provision for stock obsolescence	3.04	2.68
	Sundry balance written back	(0.28)	(2.25)
	Total	**2,570.91**	**2,705.52**
	Operating Profit before working capital changes	**1,036.69**	**222.70**
	Adjustments		
	(Decrease) / Increase in trade receivables and current assets	(222.40)	212.71
	(Decrease) / Increase in inventories	(10.33)	11.97
	(Decrease) in trade payables and current liabilities	(219.43)	(312.64)
	Total	**(452.16)**	**(87.96)**
	Income Taxes (net of refund)	37.67	466.98
	NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**622.20**	**601.72**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of property, plant and equipment, Right of Use assets (including capital work in progress, capital creditors and capital advances)	(415.92)	(482.86)
	Proceeds from sale of property, plants and equipments and investment property	19.51	14.40
	Purchase of investments (including investment property and investment property under construction)	(3,019.00)	(950.19)
	Sale/redemption of Investments	0.31	0.30
	Interest income received	56.01	64.40
	Fixed deposits matured / (placed) (net)	(598.76)	810.42
	Margin money matured / (placed) (net)	(3.12)	44.31
	NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(3,960.98)**	**(499.22)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Issue of preference shares	500.00	-
	Proceeds from long-term borrowings	7,233.66	3,970.00
	Repayment of long-term borrowings	(2,280.99)	(2,892.83)
	Payment of lease liability	(39.70)	-
	Proceeds from short-term borrowings	1.00	104.00

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Repayment of short-term borrowings	(2.74)	(100.45)
Interest and finance charges paid	(1,301.77)	(1,421.62)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	**4,109.46**	**(340.90)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	**770.69**	**(238.40)**
CASH AND CASH EQUIVALENTS - OPENING BALANCE	**(539.18)**	**(300.78)**
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	**231.51**	**(539.18)**

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

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents (refer Note 12 a)*	245.23	269.02
Less: Over draft accounts from banks (refer Note 22)*	(13.72)	(808.20)
Cash and cash equivalents as per consolidated statement of cash flows	**231.51**	**(539.18)**

3 The movement of borrowings as per Ind AS 7 is as follows:

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening borrowings	19,775.04	18,638.28
Proceeds from long-term borrowings**	7,733.66	4,074.00
Repayment of long-term borrowings	(2,283.73)	(2,993.28)
Proceeds from short-term borrowings	1.00	-
Non-cash adjustments	100.14	56.04
	25,326.10	**19,775.04**

* 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 BSR & Co. LLP
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Mumbai
May 10, 2022

Mumbai
May 10, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2022

(A) EQUITY SHARE CAPITAL

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
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

	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 as at March 31, 2021	**373.48**	**32.29**	**84.99**	**10,269.19**	**1,071.96**	**278.31**	**12,110.21**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	373.48	32.29	84.99	10,269.19	1,071.96	278.31	12,110.21
Total comprehensive income for the year							
Adjustments:							
Equity Component of Compound Instrument	64.85						64.85
Employee stock option reserve		1.02					1.02
Transferred to retained earnings		(9.44)				9.44	-
Profit (loss) for the year						(815.28)	(815.28)
Remeasurements of defined benefit plans (net of tax)						1.50	1.50
Total comprehensive (expense) for the year	**64.85**	**(8.42)**	**-**	**-**	**-**	**(804.35)**	**(747.92)**
Balance as at March 31, 2022	**438.33**	**23.87**	**84.99**	**10,269.19**	**1,071.96**	**(526.03)**	**11,362.29**
Balance at April 1, 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
Profit (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 as at March 31, 2021	**373.48**	**32.29**	**84.99**	**10,269.19**	**1,071.96**	**278.47**	**12,110.37**

*Includes impact of fair valuation of land on transition to Ind AS (net of related tax impact) ₹ 3,710.05 million (March 31, 2021 ₹ 3,710.05 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 BSR & 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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Mumbai
May 10, 2022

Mumbai
May 10, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022

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), rental and annuity business (formerly known as commercial and retail operations) and real estate development. At March 31, 2022, 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) commercial property at Bengaluru and Sahar, Mumbai and (c) is engaged in construction and development of a residential property at Bengaluru.

In the current financial year, the Holding Company its retail operations at Bengaluru based on internally evaluated financial feasibility and commercial negotiation with existing retailers. The Holding Company will customize the property for commercial operations. (Refer note 48).

1.2 GOING CONCERN

The novel coronavirus (COVID-19) pandemic had spread around the globe rapidly. The virus had taken its toll on not just human life, but businesses and financial markets too.

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 Group has adjusted the measurement of certain financial assets as of and for the year ended March 31, 2022 to reflect the impact due to COVID-19.

The Group 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 Group, as at the date of approval of these consolidated financial statements has used internal and external sources of information.

As at March 31, 2022, the Group faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Group adversely, particularly by way of reduction in occupancy of hotels and average realization rate per room and fall in revenue of other assets. 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 realize the carrying amount of its assets as on March 31, 2022.

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, 2022 are approved by the Company's Audit Committee and by the Board of Directors on May 10, 2022.

(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 (₹), which is also the Company's functional currency. All the financial information have been presented in Indian Rupees (₹) and all amounts have been rounded-off to the nearest million, 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized 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 utilized

- **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 amortized 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 recognized 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 recognized 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 categorized 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 categorized 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 recognizes 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 realized 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 realized 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 realization in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for 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 unrealized gains on transactions between group companies are eliminated. Unrealized 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 recognized 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 recognized 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 recognized 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized 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 recognizing 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 recognizes any additional assets or liabilities that are so identified, any gain thereafter is recognized 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 recognizes 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 recognized 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 recognized 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 recognized over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized 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 recognizes 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 recognized is net of indirect taxes, returns and discounts.

iii. Rental income

Revenues from property leased out under an operating lease are recognized 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 recognized as an expense over the lease term on the same basis as the lease income.

iv. Income from other services

Maintenance income is recognized as and when related expenses are incurred.

Income from ancillary services are recognized as and when the services are rendered.

v. Dividend income

Dividend income is recognized 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 amortized cost, interest income is recorded

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized 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 recognized 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 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 recognized as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognized 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 recognized in the balance sheet represents the actual deficit or surplus the Group's defined benefit plans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

When the calculation results in a potential asset for the Group, the recognized 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 recognized 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 recognized immediately in the Statement of profit and loss. The Group recognizes 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 recognized 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 recognized 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 recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized 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 recognized 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 recognized in net profit in the consolidated statement of profit or loss except to the extent that it relates to items recognized 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 recognized 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.

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 recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognized 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 recognized for:

- temporary differences on the initial recognition of assets or liabilities in a

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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 realized 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 recognized directly in equity or OCI is recognized 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 recognized 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 realizable value. Net realizable 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 realizable 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 unutilized project materials) at site is computed by the weighted moving average method and carried at lower of cost and Net Realizable value.

G. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation / amortization 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized. Cost includes professional fees and, for qualifying assets borrowing costs capitalized 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 capitalized 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 2022	March 2021	Schedule II
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery			
- Food and beverages and Kitchen equipment	8 Years	8 Years	
- Audio video equipment	5 Years	5 Years	
- Laundry equipment, DG set, HVAC system, Elevators, Firefighting system,	15 Years	15 Years	15 Years
- Others	14 Years	14 Years	
Electrical installations	14 Years	14 Years	10 Years
Office Equipment's			
- 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 amortized 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 capitalization.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's 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 recognized in prior years are reversed when there is an indicator that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized 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 amortization or depreciation) had no impairment loss been recognized in previous years.

H. Intangible assets

Recognition and measurement

Intangible assets comprises of trademarks and computer software and are measured at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized 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 amortized 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.

Amortization 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 recognized for such excess amount. The impairment loss is recognized 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 amortized 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 recognized 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 recognized 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized 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 recognized 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 recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Asset Type	Useful Life		
	March 2021	March 2020	Schedule II
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	10Years	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.

If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

K. Investments

The Group reviews its carrying value of investments carried at cost or amortized cost annually, or more frequently when there is indication for impairment.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognized 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 recognized when they are originated. All other financial assets and financial liabilities are initially recognized 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 amortized 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 amortized costs

A financial asset is classified at amortized 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 amortized cost using effective interest rate method (EIR). Amortized cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortization of such interests forms part of finance income in the consolidated statement of profit and loss. Any impairment loss arising from these assets are recognized 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 amortized cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized 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 recognized in consolidated statement of profit and loss. Other net gains and losses are recognized 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 recognized 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 recognized in OCI and are not reclassified to consolidated statement of profit and loss.

(b) Derecognition

The Group derecognizes 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 recognized as a separate asset and associated liability for any amounts it may have to pay.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 amortized 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 recognizes 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 amortized 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 recognized 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 amortized 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 recognized initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized 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 recognized in consolidated statement of profit and loss.

(c) Derecognition

The Group derecognizes 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 realize 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 recognized 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 recognized 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 recognized 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 recognized 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognized but disclosed in the Consolidated Financial Statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized 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 recognized 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

The Company had adopted Ind AS 116 with modified retrospective approach, with effect from April 1, 2019.

Accordingly, the comparative periods have not been restated in that financial year.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straightline method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

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 a\ mount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

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 recognized 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 recognized in consolidated statement of profit and loss on a systematic basis over the periods in which the Group recognizes 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 recognized 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

1.3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 amortization ("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 amortization (adjusted EBITDA) before exceptional items, as a separate line item on the face of the Consolidated Statement of Profit and Loss. 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 amortization expense, finance costs, share of profit from associate and tax expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 2 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

as at March 31, 2022

(₹ in million)

Particulars	Gross block				Accumulated depreciation/ amortization				Net block
	Opening balance as at April 1, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Tangible assets									
Freehold land	8,134.77	-	378.10	7,756.66	-	-	-	-	7,756.66
Buildings	13,733.57	235.17	85.51	13,883.23	3,915.77	416.67	82.42	4,250.02	9,633.21
Plant and machinery	4,684.98	101.51	48.21	4,738.27	3,017.13	264.56	33.54	3,248.15	1,490.13
Data processing equipments	252.43	24.00	0.91	275.52	224.71	25.44	0.87	249.28	26.24
Electrical installations	1,662.36	41.34	0.93	1,702.77	1,156.45	84.49	0.94	1,240.00	462.78
Furniture and fixtures	2,092.01	60.04	19.46	2,132.60	1,658.74	125.70	19.38	1,765.06	367.53
Vehicles	134.32	-	16.47	117.85	129.81	0.97	16.47	114.31	3.54
Office equipments	96.81	0.14	0.66	96.29	94.57	0.96	0.54	95.00	1.29
Total	**30,791.25**	**462.21**	**550.26**	**30,703.19**	**10,197.16**	**918.79**	**154.15**	**10,961.82**	**19,741.37**

Note: Assets pertaining to the Commercial complex, Powai, Mumbai have been transferred from Property, plant and equipment to Investment property under construction with net block of ₹ 378.10 million (March 31, 2021: ₹ 1,349.99 million) based on change of intended use of such assets (Also refer Note 4).

as at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation				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
Tangible assets									
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
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	**32,249.99**	**116.69**	**1,575.44**	**30,791.25**	**9,458.29**	**952.82**	**213.95**	**10,197.16**	**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).

Notes:

1) Refer Note 17 and Note 22 for information on Property, plant and equipment pledged as security by the Group.

2) Refer Note 38 for contractual commitments with respect to property plant and equipments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 2 PROPERTY, PLANT AND EQUIPMENT (Continued)

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 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, 2022 is ₹372.12 million (March 31, 2021: ₹ 400.77 million).

4) The title deeds of all immovable properties (other than immovable properties where the Holding Company is the lessee and the leases agreements are duly executed in favour of the lessee) as disclosed in the Note 2 and 4 and read with Note 38 (c) of the consolidated financial statements are held in the name of the Holding Company. In respect of the land acquired on leasehold basis disclosed in Note 9 read with the footnote to Note 9 of the consolidated financial statements, the lease agreements are duly executed in favour of the Holding Company.

NOTE 3 CAPITAL WORK-IN-PROGRESS

1) Details of capital work-in-progress

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Opening balance	416.19	932.84
Add: Additions during the year	434.08	1,022.75
Less: Capitalized during the year	(438.50)	(140.24)
Less: Cost incurred for Commercial complex, Powai, Mumbai transfered to to Investment property under construction (Refer Note 4)	(31.79)	(1,399.16)
Closing Balance	379.98	416.19
Less: Provision for impairment	(57.71)	(57.71)
Net balance	**322.27**	**358.48**

1) Capital Work in Progress includes expenditure incurred by a subsidiary, "Chalet Hotels & Properties (Kerala) Private Limited." aggregating to ₹ 57.71 million (March 31, 2021: ₹ 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 capitalization 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) capitalized to capital work-in-progress during the year.

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional charges	13.92	2.16
Employee costs	34.95	2.09
Rates, taxes and license fees	2.46	0.08
Repairs and maintenance	-	0.05
Interest and other finance costs	29.63	20.93
Depreciation	16.35	-
Miscellaneous expenses	0.37	0.66
Other income/sale of scrap	(0.04)	-
Total	**97.63**	**25.96**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 3 CAPITAL WORK-IN-PROGRESS (Continued)

As at March 31, 2022

(₹ in million)

Particulars	Capital work in progress ageing schedule as at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	44.31	1.24	-	-	45.55
Projects temporarily suspended	149.23	127.50	-	-	276.73
Total	**193.53**	**128.74**	**-**	**-**	**322.27**

As at March 31, 2021

(₹ in million)

Particulars	Capital work in progress ageing schedule as at March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	198.97	124.99	4.86	-	328.82
Projects temporarily suspended	2.48	14.35	5.20	7.62	29.66
Total	**201.45**	**139.34**	**10.06**	**7.62**	**358.48**

As at March 31, 2022

(₹ in million)

Particulars	Capital work in progress completion schedule as at March 31, 2022 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	21.41	-	-	-
Hotel at Powai, Mumbai	21.14	-	-	-
Hotel at Pune	0.27	-	-	-
Projects temporarily suspended	-	271.62	-	5.11
Hotel at Telangana	-	271.62	-	-
Hotel at Navi Mumbai	-	-	-	5.11
Total	**21.41**	**271.62**	**-**	**5.11**

As at March 31, 2021

(₹ in million)

Particulars	Capital work in progress completion schedule as at March 31, 2021 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	-	271.83	-	-
Hotel at Powai, Mumbai	-	83.44	-	-
Hotel at Telangana	-	188.39	-	-
Projects temporarily suspended	-	-	-	2.65
Airoli Hotel	-	-	-	2.65
Total	**-**	**271.83**	**-**	**2.65**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY

A. Reconciliation of carrying amount

as at March 31, 2022

(₹ in million)

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 1, 2021	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Commercial complex, Bengaluru I	893.37	-	-	893.37	131.95	25.77	-	157.72	735.65
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)	1,196.15	7.10	-	1,203.25	166.53	40.34	-	206.87	996.39
Commercial block, Sahar, Mumbai	3,203.54	-	-	3,203.54	259.02	85.62	-	344.64	2,858.90
Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)	1,809.46	0.79	81.17	1,729.08	630.83	59.52	62.24	628.11	1,100.97
Total (A)	**7,102.52**	**7.89**	**81.17**	**7,029.24**	**1,188.33**	**211.26**	**62.24**	**1,337.34**	**5,691.90**
Investment property under construction									
Business centers and offices, Sahar, Mumbai									19.85
Commercial complex, Powai, (Phase 3), Mumbai									4,924.95
Commercial complex, Powai, (Phase 4) Mumbai									1,038.44
Commercial complex, Bengaluru II									1,882.06
Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)									3.20
Total (B)								-	**7,868.49**
Total (A+B)									**13,560.39**

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 ₹ in 378.10 million (March 31, 2021 ₹ 1,349.99 million) (refer note 2) and from Capital work in progress to Investment property under construction of ₹ in NIL million (refer note 3), based on change of intended use of such assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

as at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation/ amortization				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	For the year	Deductions	Closing balance as at March 31, 2021	As at March 31, 2021
Commercial complex, Bengaluru I	893.37	-	-	893.37	105.00	26.95	-	131.95	761.42
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)	1,193.05	3.10	-	1,196.15	127.54	38.99	-	166.53	1,029.62
Commercial Block I Sahar, Mumbai.	3,202.86	0.68	-	3,203.54	171.31	87.71	-	259.02	2,944.52
Commercial Complex III, Bengaluru (formerly known as 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**
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
Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)									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.

Notes:

1 Refer Note 17 and Note 22 for information on Property, plant and equipment pledged as security by the Group.

2. Borrowing cost aggregating to ₹364.10 million (March 31, 2021 ₹ 170.40 million) are capitalized under investment property under contruction.

3. Details of investment property under construction

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	4,036.52	1,019.69
Add: Additions during the year	3,429.95	275.22
Add: Cost incurred for Commercial complex, Powai, Mumbai transfered from Capital work-in-progress (refer note 2 and 3)	409.96	2,749.15
Less: Capitalized during the year	(7.89)	(7.54)
Closing Balance	**7,868.54**	**4,036.53**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

4. Expenses (net) capitalized to investment property under construction during the year.

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional charges	30.42	29.72
Employee costs	38.96	81.07
Rates, taxes and license fees	1,258.16	35.58
Land*	378.01	-
Repairs and maintenance	-	0.10
Interest and other finance costs	364.10	170.40
Miscellaneous expenses	11.02	10.65
Other income/sale of scrap	(0.63)	-
Total	**2,080.04**	**327.53**

*Includes Freehold Land cost of ₹ 378.01 million transferred from Property plant and equipment to Investment Property Under Construction

B. Fair value measurement

i. Fair value hierarchy

(₹ in million)

Investment properties	Fair Value as on March 31, 2022	Fair Value as on March 31, 2021
Commercial complex, Bengaluru I*	800.00	771.00
Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)**	1,750.00	1,291.00
Commercial block, Sahar, Mumbai**	7,838.49	6,927.00
Commercial Complex II ,Bengaluru (formerly known as Retail block, Bengaluru)**	1,762.46	1,338.00

*The independent valuer is not registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017
**The independent valuer is registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

ii. Valuation technique and significant unobservable inputs

Valuation technique

Description of valuation techniques used and key inputs to valuation on investment properties:

(₹ in million)

<table>
<tr><th rowspan="2">Investment properties</th><th rowspan="2">Valuation technique</th><th rowspan="2">Significant unobservable Inputs</th><th colspan="2">Range</th></tr>
<tr><th>March 31, 2022</th><th>March 31, 2021</th></tr>
<tr><td>Commercial complex, Bengaluru I</td><td>Depreciable Replacement method</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td rowspan="5">Commercial Block II Sahar, Mumbai (formerly known as Retail block, Sahar Mumbai)</td><td rowspan="5">DCF Method</td><td>Occupancy Range</td><td>94% to100%</td><td>70% to 100%</td></tr>
<tr><td>Base Rent (₹)</td><td>120 for Retailers
130 for Commercials</td><td>134</td></tr>
<tr><td>Escalation %</td><td>4.77% p.a.</td><td>5% p.a.</td></tr>
<tr><td>WAAC</td><td>12.10%</td><td>12.40%</td></tr>
<tr><td>Growth Rate</td><td>4.00%</td><td>3.00%</td></tr>
<tr><td rowspan="5">Commercial Block I Sahar, Mumbai.</td><td rowspan="5">DCF Method</td><td>Occupancy Range</td><td>100%</td><td>100%</td></tr>
<tr><td>Base Rent (₹)</td><td>133</td><td>197</td></tr>
<tr><td>Escalation %</td><td>4.77% p.a.</td><td>4.5% Every Year</td></tr>
<tr><td>WAAC</td><td>12.10%</td><td>12.40%</td></tr>
<tr><td>Growth Rate</td><td>4.00%</td><td>4.00%</td></tr>
<tr><td rowspan="5">Commercial Complex III ,Bengaluru (formerly known as Retail block, Bengaluru)</td><td rowspan="5">DCF Method</td><td>Occupancy Range</td><td>94% to100%</td><td>70% to 95%</td></tr>
<tr><td>Base Rent (₹)</td><td>54.00</td><td>48.00</td></tr>
<tr><td>Escalation %</td><td>4.77% p.a.</td><td>4% to 7%</td></tr>
<tr><td>WAAC</td><td>12.10%</td><td>11.83%</td></tr>
<tr><td>Growth Rate</td><td>4.00%</td><td>3.25%</td></tr>
</table>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

C. Information regarding income and expenditure of investment property

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Rental income derived from investment properties	933.64	780.88
Direct operating expenditure (including repairs and maintenance) generating rental income	83.44	71.19
Profit arising from investment properties before depreciation and indirect expenses	**850.20**	**709.69**
Depreciation	211.26	211.66
Profit/ (Loss) arising from investment properties before indirect expenses	**638.95**	**498.03**

D. The Group has no restrictions on the realizability of investment property or the remittance of income and proceeds of disposal.

As at March 31, 2022

(₹ in million)

Particulars	Investment property under construction ageing schedule as at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,837.00	2,358.87	1,096.17	576.45	7,868.49
Projects temporarily suspended	-	-	-	-	-
Total	**3,837.00**	**2,358.87**	**1,096.17**	**576.45**	**7,868.49**

As at March 31, 2021

(₹ in million)

Particulars	Investment property under construction ageing schedule as at March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,349.81	1,088.59	219.54	378.59	4,036.54
Projects temporarily suspended	-	-	-	-	-
Total	**2,349.81**	**1,088.59**	**219.54**	**378.59**	**4,036.54**

As at March 31, 2022

(₹ in million)

Particulars	Investment Property Under Construction completion schedule as at March 31, 2022 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4,919.73	1,881.59	-	-
Commercial complex, Powai, (Phase 3), Mumbai	4,919.73			
Commercial Complex , Bengaluru II		1,881.59		
Projects temporarily suspended	-	-	-	-
Total	**4,919.73**	**1,881.59**	**-**	**-**

As at March 31, 2021

(₹ in million)

Particulars	Investment Property Under Construction completion schedule as at March 31, 2021 for projects with changes in budgets / timelines			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**3.22**	**1,283.73**	**2,749.17**	**-**
Commercial complex, Powai, (Phase 3), Mumbai	-	-	2,749.17	
Commercial Complex , Bengaluru II	-	1,283.73	-	
Business Centre and office , Sahar Mumbai	3.22	-	-	
Projects temporarily suspended	**-**	**-**	**-**	**-**
Total	**3.22**	**1,283.73**	**2,749.17**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 4 INVESTMENT PROPERTY (Continued)

E. Asset wise breakup of investment property is as follows:

as at March 31, 2022

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortization				Net block
	Opening balance as at April 1, 2021	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	For the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Tangible assets									
Freehold land	813.67	-	-	813.67	-	-	-	-	813.67
Buildings	4,729.84	5.23	16.27	4,718.80	613.85	113.53	9.79	717.59	4,001.21
Plant and machinery	1,082.06	2.66	21.61	1,063.12	358.34	67.24	13.00	412.58	650.54
Computers	2.33	-	-	2.33	2.06	0.17	-	2.23	0.10
Electrical installations	399.34	-	7.74	391.60	154.47	24.62	5.46	173.64	217.97
Furniture and fixtures	73.02	-	35.56	37.46	58.05	5.44	33.99	29.49	7.97
Office equipments	1.67	-	-	1.67	1.03	0.25	-	1.28	0.39
	7,101.93	**7.89**	**81.17**	**7,028.65**	**1,187.80**	**211.24**	**62.24**	**1,336.80**	**5,691.85**
Intangible assets									
Software	0.59	-	-	0.59	0.53	0.01	-	0.54	0.05
	0.59	**-**	**-**	**0.59**	**0.53**	**0.01**	**-**	**0.54**	**0.05**
Total	**7,102.52**	**7.89**	**81.17**	**7,029.24**	**1,188.33**	**211.26**	**62.24**	**1,337.35**	**5,691.90**

as at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated depreciation/amortization				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	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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

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, 2022	March 31, 2021
Hotel at Bengaluru	164.04	164.04
Commercial Complex III, Bengaluru (formerly known as Retail block, Bengaluru)	25.49	25.49
Commercial complex, Bengaluru I	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:

The table below shows the key assumptions used in the value in use calculations of :

A. Hotel

(₹ in million)

Particulars (in %)	March 31, 2022	March 31, 2021
Discount rate	11.70%	12 %
Terminal value multiple	13.5 times	13.5 times

B. Retail

(₹ in million)

Particulars (in %)	March 31, 2022	March 31, 2021
Discount rate	12.10%	11.83 %
Terminal value multiple	12.83 times	12 times

C. Commercial complex at Bengaluru

(₹ in million)

Particulars (in %)	March 31, 2022	March 31, 2021
Discount rate	12.10%	11.83 %
Terminal value multiple	12.83 times	12 times

Discount rate

The discount rate is a pre tax measure based on the rate of 0 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, 2022 and March 31, 2021 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 AS AT MARCH 31, 2022 (Continued)

NOTE 6 OTHER INTANGIBLE ASSETS

as at March 31, 2022

(₹ in million)

Particulars	Gross block				Accumulated amortization				Net block
	Opening balance as at April 1, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	Charged for the year	Deductions	Closing balance as at March 31, 2022	As at March 31, 2022
Trade marks	0.04	-	-	0.04	0.04	-	-	0.04	-
Computer software	103.39	1.54	0.24	104.69	77.51	10.94	0.24	88.21	16.48
Total	**103.43**	**1.54**	**0.24**	**104.73**	**77.55**	**10.94**	**0.24**	**88.25**	**16.48**

As at March 31, 2021

(₹ in million)

Particulars	Gross block				Accumulated amortization				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**

NOTE 7 OTHER INVESTMENTS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
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, 2021: 1,000) shares of Stargaze Properties Private Limited	0.01	0.01
6,050 (March 31, 2021: 8,000) shares of Renew Wind Power Energy (AP) Limited	0.61	0.80
9,91,345 (March 31, 2021: 6,22,960) shares of Krishna Valley Power Private Limited	19.91	12.54
10,44,500 (March 31, 2021: 10,44,500) shares of Sahyadri Renewable Energy Private Limited	31.46	31.46
3,55,000 (March 31, 2021: NIL) shares of Vikramaditya Renewable Energy Private Limited	10.67	-
Measured at amortized cost		
National Saving Certificates	0.13	0.13
	62.79	**44.94**
Aggregate amount of unquoted securities	62.79	44.94
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 8 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
To other than related parties		
Deposits with banks with more than 12 months maturity	269.89	231.45
Deposits		
Security deposits - related parties (refer note 49)	20.07	18.40
Security deposits - others	86.97	90.82
Others	10.11	-
	387.04	**340.67**

NOTE 9 OTHER NON-CURRENT ASSETS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, unsecured, considered good)		
To other than related parties		
(Unsecured, considered good)		
Capital advances	145.85	358.25
Less: Provision for doubtful advances	(1.80)	(2.47)
Prepayments (refer footnote)	199.65	213.62
Deferred Finance Expenses	-	27.88
	343.70	**597.28**

In December 2005, the Holding 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 Holding 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 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, 2022 is ₹ 49.74 million (March 31, 2021: ₹ 50.93 million).

NOTE 10 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Hospitality :		
Food, beverages and smokes	86.69	77.03
Stores and spares	4.05	3.17
Property development :		
Developed property	-	-
Property under development (refer note 49)	4,182.32	4,180.78
Less: Provision for impairment	(429.79)	(442.65)
Property under development	**3,752.53**	**3,738.13**
Materials at site	89.22	91.10
Retail:		
Materials at site.	2.48	2.69
	3,934.97	**3,912.12**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 11 TRADE RECEIVABLES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	329.24	213.28
Less: Allowance for doubtful trade receivables	(17.96)	(9.11)
Considered good	**311.28**	**204.17**
Trade receivables	12.86	22.81
Less: Allowance for doubtful trade receivables	(3.57)	(10.58)
Trade Receivables which have significant increase in Credit Risk	**9.29**	**12.23**
Trade receivables	12.58	70.91
Less: Allowance for doubtful trade receivables	(12.58)	(70.91)
Credit Impaired	-	-
Unbilled revenue	129.09	100.85
Less: Provision for impairment	(13.64)	(11.16)
	115.45	**89.69**
	436.02	**306.09**

Above balances of trade receivables include balances with related parties (refer note 46)

Trade receivables Ageing Schedule

As at March 31, 2022

(₹ in million)

Particulars	Outstanding for following periods from date of Invoice						Total
	Unbilled revenue	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	115.45	288.77	5.33	15.45	15.36	0.65	441.01
Undisputed Trade Receivables – which have significant increase in credit risk	-	0.22	-	-	-	-	0.22
Undisputed Trade receivable – credit impaired	13.64	9.72	-	-	1.49	1.37	26.22
Disputed Trade receivables - considered good	-	-	-	-	-	3.68	3.68
Disputed Trade receivables – which have significant increase in credit risk	-	0.06	-	-	-	12.58	12.64
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**129.09**	**298.77**	**5.33**	**15.45**	**16.85**	**18.28**	**483.77**

As at March 31, 2021

(₹ in million)

Particulars	Outstanding for following periods from date of Invoice						Total
	Unbilled revenue	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	100.85	169.10	32.69	8.09	0.78	0.08	311.59
Undisputed Trade Receivables – which have significant increase in credit risk	-	8.67	0.89	8.47	-	-	18.03
Undisputed Trade receivable – credit impaired	-	0.48	-	0.80	0.06	-	1.34
Disputed Trade receivables - considered good	-	0.15	0.30	0.99	0.53	0.57	2.54
Disputed Trade receivables – which have significant increase in credit risk	-	0.09	0.34	4.06	0.27	0.02	4.78
Disputed Trade receivables – credit impaired	-	-	-	5.07	63.34	1.16	69.57
Total	**100.85**	**178.49**	**34.22**	**27.48**	**64.98**	**1.83**	**407.85**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 12 A CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks		
- Current accounts	235.92	263.58
Cash on hand	9.31	5.44
	245.23	**269.02**

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 12 B OTHER BANK BALANCES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
In term deposit accounts (balances held as margin money)	45.21	138.23
In term deposit accounts (others)	708.01	50.43
	753.22	**188.66**

Includes accrued interest of ₹ 8.11 million (March 31, 2021: 3.12 million)

NOTE 13 OTHER CURRENT FINANCIAL ASSETS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
To other than related parties		
Export benefits and entitlements	49.92	-
Mark to market derivative contracts	-	-
Deposits		
Security deposits - related parties (refer Note 46)	13.61	12.32
Security deposits - others	9.33	9.44
Option deposits - related parties (refer Note 46)	50.00	50.00
Others	27.77	26.97
	150.63	**98.73**

NOTE 14 OTHER CURRENT ASSETS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)		
To other than related parties		
Advance to suppliers	121.74	42.34
Less: Provision for doubtful advances	(10.73)	(10.73)
	111.01	**31.61**
Indirect tax balances/receivable credits	46.46	33.30
Unbilled revenue	571.05	571.29
Prepayment	165.27	128.56
Others	8.10	11.16
	901.89	**775.92**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 15 SHARE CAPITAL

(a) Details of the authorized, issued, subscribed and fully paid-up share capital as below:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
(i) Authorized		
229,100,000 (March 31, 2021: 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, 2021: 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:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Number of equity shares outstanding at the beginning of the year	205,023,864	2,050.24	205,023,864	2,050.24
Number of equity shares outstanding at the end of the year	**205,023,864**	**2,050.24**	**205,023,864**	**2,050.24**

(c) Registered shareholder holding more than 5% equity shares in the Group is set out below:

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Casa Maria Properties LLP	16,496,280	8.05%	16,496,280	8.05%
Capstan Trading LLP	16,495,680	8.05%	16,495,680	8.05%
Raghukool Estate Development LLP	16,495,680	8.05%	16,495,680	8.05%
Touchstone Properties and Hotels Private Limited	14,500,000	7.07%	14,500,000	7.07%
Anbee Construction LLP	13,116,180	6.40%	13,116,180	6.40%
Cape Trading LLP	13,116,180	6.40%	13,116,180	6.40%
K Raheja Private Limited	12,400,000	6.05%	12,400,000	6.05%
Ivory Properties And Hotels Private Limited	3,571,533	1.74%	11,351,833	5.54%
Ravi Raheja	5,163,159	2.52%	10,326,318	5.04%
Neel Raheja	10,326,318	5.04%	10,326,318	5.04%
	121,681,010	**59.37%**	**134,624,469**	**65.69%**

*Ivory Properties and Hotels Private Limited (Registered owner) holds 104 Equity Shares for and on behalf of the beneficiaries of Ivory Property Trust, out of its total shareholding of 35,71,533 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 15 SHARE CAPITAL (Continued)

(e) Details of shares held by promoters

As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Neel Chandru Raheja	10,326,318	-	10,326,318	5.04%	0.0%
	Ravi Chandru Raheja	10,326,318	(5,163,159)	5,163,159	2.52%	2.5%
	Jyoti Chandru Raheja	-	7,780,300	7,780,300	3.79%	(3.8%)
	Sumati Ravi Raheja	-	5,163,159	5,163,159	2.52%	(2.5%)
	Ivory Properties And Hotels Private Limited	11,351,833	(7,780,300)	3,571,533	1.74%	3.8%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0.0%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0.0%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0.0%
	Genext Hardware And Parks Private Limited	800,000	-	800,000	0.39%	0.0%
	Cape Trading Llp	13,116,180	-	13,116,180	6.40%	0.0%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0.0%
	Capstan Trading Llp	16,495,680	-	16,495,680	8.05%	0.0%
	Palm Shelter Estate Development LLP	7,692,387	-	7,692,387	3.75%	0.0%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0.0%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Total	**146,902,680**	**-**	**146,902,680**	**71.65%**	**0.0%**
Total Number of Equity Shares		**205,023,864**		**205,023,864**		

As at March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Neel Chandru Raheja	10,326,318	-	10,326,318	5.04%	0.0%
	Ravi Chandru Raheja	10,326,318	-	10,326,318	5.04%	0.0%
	Ivory Properties And Hotels Private Limited	11,351,833	-	11,351,833	5.54%	0.0%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0.0%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0.0%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0.0%
	Genext Hardware And Parks Private Limited	8,000,000	(7,200,000)	800,000	0.39%	3.5%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0.0%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0.0%
	Palm Shelter Estate Development LLP	1,006	7,691,381	7,692,387	3.75%	(3.8%)
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0.0%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0.0%
	Total	**146,411,299**	**491,381**	**146,902,680**		
Total Number of Equity Shares		**205,023,864**		**205,023,864**		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 16 OTHER EQUITY

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Component of Compound Instruments		
Balance at the beginning of the year	373.48	373.48
Add: Additions during the year	64.85	-
At the end of the year	**438.33**	**373.48**
ESOP plan reserve		
Balance at the beginning of the year	32.29	26.70
Add: Additions during the year	1.02	5.59
Less: Transferred to retained earnings	(9.44)	-
At the end of the year	**23.87**	**32.29**
Securities premium account		
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	84.99
Add: Additions during the year	-	-
At the end of the year	**84.99**	**84.99**
Retained earnings		
Balance at the beginning of the year	278.31	1,668.95
Add: (Loss) for the year	(813.79)	(1,390.48)
Add: Transferred from employee stock option reserve	9.44	-
Proposed dividend*	-	-
Tax on dividend*	-	-
At the end of the year	**(526.03)**	**278.47**
	11,362.31	**12,110.38**

*Amount less than million

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 utilized 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 recognized towards employee stock option plans issued by the company. (Refer Note 47)

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, 2021 ₹ 3,710.05 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings		
Secured		
Rupee term loans		
i) From bank (refer note A)	11,385.24	11,276.57
ii) From financial institutions (refer note A)	7,633.46	3,997.07
Foreign currency term loans		
i) From bank (refer note A)	662.76	1,098.80
Preference share liability		
Non-cumulative redeemable preference shares (refer note B)	1,746.67	1,194.61
	21,428.13	**17,567.05**

A) Terms of repayment

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
TERM LOANS- Rupee Loans						
Standard Chartered Bank*	2,000.00	998.01 (1,295.42)	8.80% to 7.75%	9.30% to 8.80%	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.
HDFC Bank Limited*	2,500 (Term loan - ₹2,300 million with ₹ 200 million OD as a sub-limit of term loan)	2235.13 (1979.06)	7.75% to 7.55%	8.95% to 7.75%	Repayable in quarterly 30 instalments from December 2021 to March 2029.	
HSBC Limited	1,150 (Term loan - ₹1,130 million with ₹ 20 million OD as a sub-limit of term loan)	1010.01 (1072.93)	7.90% to 7.05%	8.90% to 7.90%	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 Limited	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan)	1,004.31 (1,336.57)	8.40% to 8.25%	9.25% to 8.40%	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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	645.00	645.00	6.66%	-	Repayable in 48 monthly installments starting October, 2023	It is secured by (i) Second Pari-passu charge on immovable and movable property and receivables at Powai - Phase I and II (ii)Second 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.
HDFC Bank Limited	1,350.00	1,350.00	6.50%	-	Repayable in 48 monthly installments starting July, 2023	
Standard Chartered Bank *	900 (Term Loan - ₹ 750 million and OD ₹150 million)	626.18 (702.15)	8.80% to 7.40%	9.30% to 8.80%	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 Limited	2,500.00	2455.42 (2476.21)	8.45% to 8.35%	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 Limited	1,900.00	653.68 (864.49)	8.40% to 8.25%	9.25% to 8.40%	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.
Housing Development Finance Corporation Limited	2,000.00	1,996.00	6.75%	-	Loan to be repaid in Equated Monthly Installments over a period of 120 months starting April 2024	It is secured by (i) Exclusive 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
Axis Bank Limited	120.00	6.40 (9.14)	12.65% to 12.00%	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
DBS Bank Limited	3,250(Term Loan - ₹ 2,900 million, DSRA OD ₹150 million and OD ₹ 200 million)	2,656.83 (2,786.88)	7.85% to 7.02%	9.35% to 7.85%	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 Limited	5,000.00	456.26 (498.66)	7.85% to 7.02%	9.00% to 7.85%	Repayable in Monthly instalments from April 2020 to Sept 2025.	
From Financial Institutions						
Housing Development Finance Corporation Limited	1,350.00	340.60 (535.12)	7.50% to 7.20%	8.65% to 7.50%	'Repayable in 0 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)	1,600.00 (1700.00)	7.50% to 7.20%	9.25% to 7.50%	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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2022 / (March 31, 2021) ₹ million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	6,000	2,770.16	7.95%	0.00%	Loan to be repaid in Equated Monthly Installments over a period of 120 months starting July 2026	It is secured by (i) Exclusive charge on immovable property and receivables (both present and future) from Commercial project located in Powai (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 project located in Powai
Housing Development Finance Corporation Limited	3,600.00	1,598.62 (1826.11)	7.50% to 7.20%	8.65% to 7.50%	'Repayable in 0 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						
ICICI Bank Limited - Bahrain	USD 48 million (drawn down USD 12.2 million)	550.61 (819.70)	4.00% fixed plus 3 month libor	4.00% fixed plus 3 month libor	Repayable quarterly from June 2018 to March 2027.	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.
Axis Bank Limited	USD 35 million	590.51 (838.32)	4.5% + 6 months LIBOR	4.5% + 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);

*The bank has confirmed that no event of default has been called due to the breach of covenants during the year 2021-22.

There are no material breaches of the covenants associated with the borrowings (referred to above).

The Company has utilized the funds raised during the year for the purposes for which they were taken except amount of ₹ 600 million which has been temporarily invested in deposits with banks

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS (Continued)

Name of bank	Month	Particulars	Amount as per books of account	Amount as reported in the monthly return/ statement	Difference	Reason for material discrepencies
Indian Overseas Bank	Jun-21	Inventory	19.62	20.29	(0.67)	The inventory amount reported in monthly statement are shown at gross level whereas in books it is reported at net level.
Indian Overseas Bank	Sep-21	Inventory	18.64	19.28	(0.64)	
Indian Overseas Bank	Dec-21	Inventory	19.55	20.19	(0.64)	
Indian Overseas Bank	Mar-22	Inventory	25.15	25.79	(0.64)	

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, 2022	As at March 31, 2021
(i) Authorised		
1,600 (March 31, 2021: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
10,000 (March 31, 2021: 10,000) 0.001% Non-cumulative, Non-convertible redeemable preference shares of ₹ 100,000 each- Series A	1,000.00	1,000.00
10,000 (March 31, 2021: 10,000) 0.001% 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, 2021: 1600) 0.001% Non-cumulative redeemable preference shares of 1 100,000 each	160.00	160.00
20,000 (March 31, 2021: 20,000) (Series A 10,000 and Series B 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares. Series A: Fully-paid up ₹ 100,000 each (Fully paid up ₹100,000 each in year ended March 31, 2021) and Series B: Partly-paid up ₹75,000 each (partly paid up ₹ 25,000 each in year ended March 31, 2021).	1,586.67	1,034.61
Total	**1,746.67**	**1,194.61**

(b) Reconciliation of the number of shares outstanding at the beginning and end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	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	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, 2021: 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	828.00	10,000	758.74
Adjustments* / Issued during the year	-	93.56	-	69.26
Number of Preference shares outstanding at the end of the year	**10,000**	**921.56**	**10,000**	**828.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS (Continued)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
10,000 (March 31, 2021: 10,000) (Series B) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and partly paid up of Series B ₹ 100,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000	206.60	10,000	189.24
Adjustments* / Issued during the year**	-	458.50	-	17.36
Number of Preference shares outstanding at the end of the year	**10,000**	**665.10**	**10,000**	**206.60**
Total	**21,600**	**1,746.66**	**21,600**	**1,194.61**

*Adjustments represents notional interest on debt components of Preferences share.

**Call made against issued Series B Non-cumulative, Non-convertible redeemable preference shares.

(c) Shareholder holding more than 5% Preference shares in the Group is set out below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	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%	1,600	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, 2021:10,000 partly 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%	4,500	45%
Ivory Properties and Hotels Private Limited	850	8.5%	850	8.5%
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, 2021:10,000 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%	4,500	45%
Ivory Properties and Hotels Private Limited	850	8.5%	850	8.5%
Total	**10,000**	**100%**	**10,000**	**100%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 17 LONG-TERM BORROWINGS (Continued)

(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 0.00% 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 June 4, 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 0.00% Non- Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of ₹ 2,000.00 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 ₹1,750 million as at March 31, 2022 (March 31, 2021: ₹ 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 18 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	128.89	187.01
Retention money	6.72	3.96
Deferred government grant	23.98	-
	159.59	**190.97**

NOTE 19 PROVISIONS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	80.41	76.42
	80.41	**76.42**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 20 TAX EXPENSE

(a) Amounts recognized in Statement of Profit and Loss for continuing operations

(₹ in million)

Current income tax expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
Current year	(37.76)	(63.34)
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(681.77)	(1,028.21)
Deferred tax charge/ (credit)	**(681.77)**	**(1,028.21)**
Excess provision for the earlier years	-	-
Tax charge/ (credit) for the year	**(719.53)**	**(1,091.55)**

(b) Amounts recognized in other comprehensive income

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	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	1.65	(0.15)	1.50	0.05	0.23	0.28
	1.65	**(0.15)**	**1.50**	**0.05**	**0.23**	**0.28**

(c) Reconciliation of effective tax rate for continuing operations

(₹ in million)

Current income tax expense	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss) before tax	(1,534.22)	(2,482.83)
Group's domestic tax rate	34.94%	34.94%
Tax using the Group's domestic tax rate	(536.12)	(867.60)
Tax effect of:		
Recogition of deferred tax on previously unrecognized tax losses	1.74	-
Expenses not allowed under tax	40.85	30.27
Income not subject to tax	-	-
Standard deduction	(89.21)	(70.32)
Indexation of land and investment property	(125.58)	(84.60)
Provision for Impairment of Investment	-	-
Transfer from Property, plant and equipment to Investment property	-	(124.16)
Consolidation Adjustments	26.55	69.09
Others	37.76	82.45
	(644.01)	**(964.87)**

The Company's weighted average tax rates for years ended March 31, 2022 and March 31, 2021 is 41.98 % and 38.86 %, respectively. The effective tax rate is primarily lower on account of indexation benefit recognized on land and unquoted equity shares. Further unabsorbed tax losses have been utilized during some years to reduce the current tax expense.

During the year, the Company has transfer Property, plant and equipment to Investment property on Company has recognized deferred tax assest of ₹ NIL million as at March 31, 2022 (March 31, 2021: (₹ 124.16) million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 20 TAX EXPENSE (Continued)

(e) Movement in deferred tax balances

Movement in deferred tax balances for the year ended March 31, 2022

(₹ in million)

Particulars	Net balance as at March 31, 2021	Recognized in profit or loss credit/ (charge)	Recognized in OCI	Recognized in equity	Others	Net balance as at March 31, 2022
Deferred tax asset/(liabilities)						
Property, plant and equipment	(2,915.50)	141.06	-	-	-	(2,774.44)
Investment property	138.58	54.37	-	-	-	192.95
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	426.79	-	-	-	2,592.68
Investments	(0.00)	-	-	-	-	(0.00)
Provisions	412.00	(89.50)	(0.29)	-	-	322.21
Borrowings	(15.53)	(22.73)	-	-	-	(38.26)
Other current liabilities	145.26	-	-	-	-	145.26
Other current assets	(198.44)	(1.11)	-	-	-	(199.55)
Unabsorbed depreciation/ carry forward tax losses	1,248.05	109.06	-	-	-	1,357.11
Unabsorbed losses on House property	416.82	(0.71)	-	-	-	416.11
Employee Stock Option	2.91	1.56	-	-	-	4.47
Inventory	6.78	4.57	-	-	-	11.35
Right of use assets and lease liability	-	14.55	-	-	-	14.55
MAT Credit Entitlement	195.00	-	-	-	-	195.00
Other items	77.51	44.01	-	-	-	121.52
Deferred tax assets/(liabilities)	**1,659.13**	**681.92**	**(0.29)**	**-**	**-**	**2,340.76**

(₹ in million)

Particulars	Net balance as at March 31, 2022
Deferred tax assets	2,352.68
Deferred tax liabilities	11.93
Net deferred tax assets/(liabilities)	**2,340.76**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 20 TAX EXPENSE (Continued)

Movement in deferred tax balances for the year ended March 31, 2021

(₹ in million)

Particulars	Net balance as at March 31, 2020	Recognized in profit or loss credit/ (charge)	Recognized in OCI	Recognized in equity	Others (Amount)	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
Investments	(0.00)	-	-	-	-	(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)
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
Employee Stock Option	2.04	0.87	-	-	-	2.91
MAT Credit Entitlement	195.00	-	-	-	-	195.00
Other items	154.54	19.29	-	-	-	173.83
Deferred tax assets/(liabilities)	**630.69**	**1,028.21**	**0.23**	**-**	**-**	**1,659.13**

(₹ 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**

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 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 20 TAX EXPENSE (Continued)

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:

Particulars	March 31, 2022			March 31, 2021		
	Gross amount	DTA not recognized	Expiry date	Gross amount	DTA not recognized	Expiry date
Business Loss	-	-	-	0.31	0.11	March 31, 2025
Unabsorbed depreciation	1,184.80	414.02	NA	1,184.80	414.02	NA
Total	**1,184.80**	**414.02**		**1,185.11**	**414.13**	

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 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 year 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 Holding 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 10th floors and recognised the same during the financial year ended March 31, 2018 (refer note 35). Further, the Company 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 ₹ 1,773.20 million as at March 31, 2022 (March 31, 2021 : ₹ 1,568.60 million) on the carried forward lossess of the Group.

NOTE 21 OTHER NON-CURRENT LIABILITIES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred finance income	139.80	109.58
	139.80	**109.58**

NOTE 22 BORROWINGS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Over draft accounts from banks	13.72	808.20
Unsecured		
From related parties	35.99	35.79
Current maturity of long term debt (refer Note 17)	3,861.98	2,172.20
	3,911.69	**3,016.19**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 22 BORROWINGS (Continued)

A) Terms of repayment

Rate of interest

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	500 (Including two sub limit of 20 millionn each)	9.55% to 7.25%	10.05% to 7.60%	Renewal every year.	Secured against land parcel admeasuring 6,826 sq. mtrs. at Powai (including future receivables)
ICICI Bank Limited	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 millionn)	8.35% to 8.30%	9.25% to 8.35%	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 Limited	3250 (Term Loan - ₹ 2900 million, DSRA OD ₹150 million and OD ₹ 200 million)	7.2% to 7.25%	8.70% to 7.20%	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 favor of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at, Sahar Mumbai.
Indian Overseas Bank	50.00	11.55%	12.55%	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 Limited	1,900 (Term Loan - 1,530 million and OD 150 million)	8.35% to 8.30%	9.25% to 8.35%	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
HDFC Bank Limited	2,500 (Term loan - ₹2,300 million with ₹ 200 million OD as a sub-limit of term loan)	8.30% to 8.25%	8.30%	'Overdraft to be reduced on a proportionate basis in line with term loan repayment.	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 AS AT MARCH 31, 2022 (Continued)

NOTE 22 BORROWINGS (Continued)

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2022	Carrying rate of Interest As at March 31, 2021	Repayment/ Modification of terms	Security Details
HSBC Limited	1,150 (Term loan - ₹1,130 million with ₹ 20 million OD as a sub-limit of term loan)	8.25% to 7.40%	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)	7.60% to 7.25%	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 ₹50.00 million.

*the bank has confirmed that no event of default has been called due to the breach of covenants during the year 2021-22.

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 23 TRADE PAYABLES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises and (refer Note 39)	89.83	32.54
Total outstanding dues to creditors other than micro enterprises and small enterprises	776.95	796.05
	866.78	**828.59**

Trade payable Ageing Schedule

As at March 31, 2022

(₹ in million)

Particulars	Outstanding for following periods from date of Invoice/Accrual				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	88.99	-	0.04	0.71	89.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	696.55	50.91	21.74	7.84	777.04
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**785.54**	**50.91**	**21.78**	**8.55**	**866.78**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 23 TRADE PAYABLES (Continued)

As at March 31, 2021

(₹ in million)

Particulars	Outstanding for following periods from date of Invoice/Accrual				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	32.38	-	-	0.16	32.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	611.82	141.63	26.28	16.32	796.05
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**644.20**	**141.63**	**26.28**	**16.48**	**828.59**

NOTE 24 CURRENT - OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Creditors for capital expenditure		
- Total outstanding dues of micro enterprises and small enterprises and (refer Note 39)	77.04	56.39
- Total outstanding dues to creditors other than micro enterprises and small enterprises	303.94	109.91
Retention payable	43.82	19.17
Security deposits	85.27	92.03
Mark to market derivative contracts	12.18	62.19
Other liabilities	101.54	120.63
	623.79	**460.32**

NOTE 25 OTHER CURRENT LIABILITIES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Income received in advance (unearned revenue)		
Advances from customers towards sale of residential flats*	1,660.47	1,868.37
Advances from customers towards hospitality services	151.77	125.21
Deferred finance income	4.41	-
Statutory dues payable**	300.07	246.39
Employee Dues	-	-
	2,116.72	**2,239.97**

"*Advances from customers towards sale of residential flats includes amount refundable to customers on estimated cancellation of flats for the year ended March 31, 2022 above 10 floors of ₹ NIL million (March 31, 2021: ₹ 692.13 million refer Note 33).

**Statutory dues payable includes ESIC, TDS payable , provident fund payable, indirect taxes payable etc.

NOTE 26 SHORT-TERM PROVISIONS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	33.70	34.75
Provision for compensated absences	44.65	38.84
Provision for estimated / actual cancellation and alteration cost (Refer foot note and Note 33).	773.74	835.35
	852.09	**908.94**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 26 SHORT-TERM PROVISIONS (Continued)

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 Holding Company's Bengaluru residential project. Pursuant to an earlier interim order passed by the Karnataka High Court, in the petition filed by the Holding Company, the Holding Company had suspended construction activity and sale of flats at the Project.

The Holding 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 Holding Company had reversed the revenue and derecognised margins in the respective year of cancellation. The Holding Company also compensated flat owners, in accordance with mitigation plans framed by the Holding Company on account of the delay in completion of the project.

By Judgement dated May 29, 2020 the Karnataka High Court had 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. HAL filed an appeal challenging the said order. In November 2020, our Holding Company also filed an appeal challenging certain parts of the order.

In October 2021, the Company and HAL after discussions, signed terms for an amicable settlement of all the disputes between the parties, as per which the Holding Company would undertake demolition of already constructed structures above 932 meters Above Mean Sea Level 'AMSL'. Further, the Hon'ble Karnataka High Court on October 26, 2021, disposed of the Writ Appeals in terms of the settlement. The Holding Company has executed Supplemental MOUs with all existing flat owners, with revised terms inter-alia consenting to the revised development plans, subject to applicable regulatory approvals. Further, flat owners above 10th floor have consented to relocate to lower floors.

Demolition work of the area above 10th floor for all the 9 buildings has been completed in April 2022, and the NOC from HAL has been received. Process for obtaining all other approvals is underway.

Accordingly, the Holding Company is reworking the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and reassessing the cost of demolition of super structure above 932 meters AMSL. The excess/short provision on this account, if any, will be reviewed and accounted in the subsequent accounting period, upon confirmation from statutory authorities.

The Holding Company had estimated and accounted interest payable on cancellation to flat owners above 10 floors amounting to ₹ 553.94 million as at March 31, 2022. The said provision shall be reversed upon receipt of all regulatory approvals from statutory authorities.

With respect to the said residential project, w.e.f. June 4, 2018, the Promoter - Directors, have agreed to provide the Holding 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 Holding Company of ₹ 2,000.00 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 Holding Company has a paid-up preference share capital of ₹ 1,750 million as at March 31, 2022 (March 31, 2021: ₹ 1,250.00 million).

Movement for provision for estimated / actual cancellation and alteration cost

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for cost of alteration of super structure	161.15	250.00
Provision for estimated/actual cancellation		
Opening balance	585.35	543.47
Provisions made during the year*	73.84	41.88
Provisions utilized during the year	(46.59)	-
Closing balance	**612.60**	**585.35**
Total	**773.75**	**835.35**

* Includes ₹ 29.26 million for demolition of Bengaluru multiplex and Inorbit mall conversion into commercial.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 27 REVENUE FROM OPERATIONS FROM CONTINUING OPERATIONS

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Sale of services		
Hospitality:		
Room income	2,195.09	1,131.66
Food, beverages and smokes	1,565.44	683.77
Others services	297.79	202.52
Rental / Annuity Business (formerly known as Retail & Commercial):		
Lease rent	933.64	780.88
(b) Sale of products		
Rental / Annuity Business (formerly known as Retail & Commercial):		
Maintenance and other recoveries	70.95	52.71
Revenue from other services	15.16	4.22
	5,078.07	**2,855.76**

NOTE 28 OTHER INCOME

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income from instruments measured at amortized cost	57.13	65.13
Net mark to market gain on derivative contracts	2.00	-
Gain on foreign exchange fluctuation (net)	-	18.20
Export benefits and entitlements	59.42	21.66
Profit on sale of investments (net)	0.12	0.01
Profit on sale of property, plant and equipment (net)	3.66	4.53
Interest on income tax refund	26.85	85.47
Miscellaneous income	70.14	24.44
	219.32	**219.44**

NOTE 29A REAL ESTATE DEVELOPMENT COST

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Real estate development cost	221.66	95.06
	221.66	**95.06**
(ii) Changes in inventories of finished good and work in progress		
Opening project work in progress	4,114.78	4,106.15
	4,114.78	**4,106.15**
Add:		
Incurred during the year	1.54	8.63
Less: Closing stock		
Transferred to property under development project	4,129.12	4,114.78
	(12.80)	**-**
Total real estate development cost	**208.86**	**95.06**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 29B FOOD AND BEVERAGES CONSUMED*

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Food and beverages materials at the beginning of the year	77.03	95.21
Purchases	548.29	220.55
Food and beverages materials at the end of the year	86.69	77.03
	538.63	**238.73**

*Includes complimentaries ₹ 48.43 million (March 31, 2021: ₹ 21.19 million)

NOTE 29 C OPERATING SUPPLIES CONSUMED

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases	243.76	123.35
	243.76	**123.35**

NOTE 30 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	840.53	785.34
Contributions to provident fund and other funds	49.40	40.24
Staff welfare expenses	108.81	62.22
Employee stock option expense (Refer Note 47)	1.02	5.59
	999.76	**893.39**

NOTE 31 FINANCE COSTS

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses	1,424.34	1,467.74
Exchange differences regarded as an adjustment to borrowing cost	18.49	-
Other borrowing cost	1.30	52.04
	1,444.13	**1,519.78**

NOTE 32 OTHER EXPENSES

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Travelling and conveyance expenses	7.41	6.06
Power and fuel *	462.88	331.60
Rent	24.20	21.39
Repairs and Maintenance		
- Buildings	40.29	49.03
- Plant and machinery	156.86	124.28
- Others	45.37	34.51
Insurance	39.86	41.54
Rates and taxes	275.38	193.39
Business promotion expenses	115.60	64.81
Commission	100.15	38.44
Royalty and management fees	141.76	57.33
Legal and professional charges	137.07	90.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 32 OTHER EXPENSES (Continued)

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other hotel operating cost	147.43	92.77
Bad debt written off	0.22	-
Provision for doubtful debts	5.24	10.24
Loss on foreign exchange fluctuation (Net)	16.15	-
Donations	0.02	-
Director sitting fees	4.52	4.28
Payment to auditors (Refer Note 40)	13.20	12.97
Buyout labour & manpower contract	147.36	45.36
Corporate social responsibility expenses	0.66	4.49
Reversal of Export benefits and entitlements	-	123.20
Sunk cost	77.16	-
Reversal of unbilled revenue	-	0.99
Miscellaneous expenses **	143.50	87.18
	2,102.29	**1,434.63**

*Net of ₹ 12.25 million (March 31, 2021: ₹ 26.46 million) on account of recoveries.

**Net of ₹ 1.57 million (March 31, 2021: ₹ 2.47 million) on account of recoveries.

NOTE 33 EXCEPTIONAL ITEMS

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Exceptional items		
-Provision for estimated cost in relation to potential cancellation	(44.58)	(41.71)
Total	**(44.58)**	**(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 Holding Company's Bengaluru residential project. Pursuant to an earlier interim order passed by the Karnataka High Court, in the petition filed by the Holding Company, the Holding Company had suspended construction activity and sale of flats at the Project.

The Holding 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 Holding Company had reversed the revenue and derecognised margins in the respective year of cancellation. The Holding Company also compensated flat owners, in accordance with mitigation plans framed by the Holding Company on account of the delay in completion of the project.

By Judgement dated May 29, 2020 the Karnataka High Court had 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. HAL filed an appeal challenging the said order. In November 2020, our Holding Company also filed an appeal challenging certain parts of the order.

In October 2021, the Holding Company and HAL after discussions, signed terms for an amicable settlement of all the disputes between the parties, as per which the Holding Company would undertake demolition of already constructed structures above 932 meters Above Mean Sea Level 'AMSL'. Further, the Hon'ble Karnataka High Court on October 26, 2021, disposed of the Writ Appeals in terms of the settlement. The Holding Company has executed Supplemental MOUs with all existing flat owners, with revised terms inter-alia consenting to the revised development plans, subject to applicable regulatory approvals. Further, flat owners above 10th floor have consented to relocate to lower floors.

Demolition work of the area above 10th floor for all the 9 buildings has been completed in April 2022, and the NOC from HAL has been received. Process for obtaining all other approvals is underway.

Accordingly, the Holding Company is reworking the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and reassessing the cost of demolition of super structure above 932 meters AMSL. The excess/short provision on this account, if any, will be reviewed and accounted in the subsequent accounting period, upon confirmation from statutory authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 33 EXCEPTIONAL ITEMS (Continued)

The Holding Company had estimated and accounted interest payable on cancellation to flat owners above 10 floors amounting to ₹ 553.94 million as at March 31, 2022. The said provision shall be reversed upon receipt of all regulatory approvals from statutory authorities.

With respect to the said residential project, w.e.f. June 4, 2018, the Promoter - Directors, have agreed to provide the Holding Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0.00% Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Holding Company of ₹ 2,000.00 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 Holding Company has a paid-up preference share capital of ₹ 1,750 million as at March 31, 2022 (March 31, 2021: ₹ 1,250 million).

NOTE 34 EARNINGS PER SHARE (EPS) (IND AS 33)

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
(Loss) attributable to equity shareholders from Continuing operations	(749.92)	(1,354.00)
(Loss) attributable to equity shareholders from Discontinued operations	(65.37)	(36.76)
(Loss) attributable to equity holders of the Company	(815.28)	(1,390.76)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	205,023,864	205,023,864
Number of equity shares outstanding at the end of the year	**205,023,864**	**205,023,864**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)		
Basic	(3.66)	(6.60)
Diluted	(3.66)	(6.60)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)		
Basic	(0.32)	(0.18)
Diluted	(0.32)	(0.18)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)		
Basic	(3.98)	(6.78)
Diluted	(3.98)	(6.78)

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.

NOTE 35 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 recognized 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 recognized in the Statement of Profit and Loss on fulfilment of such obligation.

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	-	-
Grants received during the year	33.40	21.66
Less: Released to Statement of Profit and Loss	(9.42)	(21.66)
Closing balance	**23.98**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 35 GOVERNMENT GRANT (Continued)

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, 2022	March 31, 2021
Opening balance	-	123.20
Grants received during the year	50.00	-
Less: Utilisation	(0.08)	-
Less: Written off	-	(123.20)
Closing balance	**49.92**	**-**
Income recognised in Statement of Profit and Loss on account of EPCG (A)	9.42	21.66
Income recognised in Statement of Profit and Loss on account of SFIS/SEIS (B)	50.00	-
Total income recognised in the Statement of Profit and Loss (A+B)	**59.42**	**21.66**

NOTE 36 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 obligations 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, 2022	March 31, 2021
Employer's contribution to Provident Fund and ESIC	49.40	40.24
	49.40	**40.24**

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, 2022. 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.

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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 36 EMPLOYEE BENEFITS (Continued)

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation	112.34	109.50
Less: Fair value of plan assets	(3.43)	(3.38)
Net defined benefit obligation	**108.91**	106.12

Fair value of the plan assets and present value of the defined benefit obligation

The amount included in the Balance sheet arising from the Group's obligation and plan assets in respect of its defined benefit schemes is as follows:

(₹ in million)

Particulars		March 31, 2022	March 31, 2021
1	**Movement in defined benefit obligation:**		
	At the beginning of the year	109.50	110.71
	Liabilities assumed on business combination	-	-
	Recognized in profit or loss	-	-
	Current service cost	10.24	11.80
	Interest cost	4.55	5.92
	Recognized in other comprehensive income	(0.42)	
	Actuarial (gains)/losses on obligations -	-	
	Due to change in demographic assumptions	0.64	-
	Due to change in financial assumptions	(2.80)	2.58
	Due to experience	0.98	(2.99)
	Benefit paid	(10.35)	(18.52)
	At the end of the year	**112.34**	**109.50**
2	**Movement in fair value of plan assets:**		
	At the beginning of the year	3.38	3.56
	Recognized in profit or loss		
	Interest income	0.04	0.23
	Expected return on plan assets	0.02	(0.41)
	Employer contributions	-	-
	Benefit paid	-	-
	At the end of the year	**3.43**	**3.38**
3	**Recognized in profit or loss**		
	Current service cost	10.24	11.80
	Interest expense	4.70	5.92
	Interest income	0.04	0.22
	For the year	**14.90**	**17.50**
4	**Recognized in other comprehensive income**		
	Actuarial (gains)/losses on obligations	(1.65)	(0.05)
	For the year	**(1.65)**	**(0.05)**
5	**Plan assets for this Fund are insurance funds. (100%)**		

6 **The principal actuarial assumptions used for estimating The Group's benefit obligations are set out below (on a weighted average basis):**

Employees of Chalet Hotels Limited

Particulars	March 31, 2022	March 31, 2021
Rate of increase in salaries (%)	6 -9%	5 -7%
Discount rate (%)	5.15%	4.25% - 6.79%
Employee turnover rate	22-56%	22 -57.5%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 36 EMPLOYEE BENEFITS (Continued)

7 Sensitivity of the defined benefit obligation

(₹ in million)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.91)	3.12	(2.86)	3.07
Rate of increase in salaries (1% movement)	3.01	(2.86)	2.94	(2.80)
Rate of employee turnover (1% movement)	(0.55)	0.58	(0.66)	0.69

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, 2023 is ₹ 31.14 million (March 31, 2022): ₹ 30.55 million

9 The expected future cash flows as at March 31, 2022 were as follows

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
March 31, 2022	**31.14**	**21.93**	**42.35**	**27.63**	**123.05**
Defined benefit obligation (gratuity - non funded)	29.05	20.71	41.00	27.35	118.10
Defined benefit obligation (gratuity)	2.09	1.22	1.36	0.28	4.95
March 31, 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

(c) Short-term compensated absences:

Compensated absences, classified as long term benefits is recognized 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, 2022	March 31, 2021
(Reversal) / Expenses for the year	5.81	(22.60)
Closing balance	44.65	38.84

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 recognized at an actuary determined liability as per the present value of the defined benefit obligation.

NOTE 37 OPERATING LEASES

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 37 OPERATING LEASES (Continued)

i) Amount recognised in the Consolidated Statement of Profit and Loss :

(₹ in million)

Description	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from lease of shops in hotels included in revenue from operations	5.81	9.89
Income from lease of office premises included in revenue from operations	895.15	772.64
Income from lease of investment properties included in revenue from operations	38.49	8.24
Total	**939.45**	**790.77**

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, 2022	For the year ended March 31, 2021
Less than one year	6.45	12.51
Between one and five years	14.67	41.81
More than five years	-	287.32
	21.12	**341.64**

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, 2022	For the year ended March 31, 2021
Less than one year	745.46	834.52
Between one and five years	3,243.81	3,319.14
More than five years	2,177.74	3,357.60
Total	**6,167.00**	**7,511.26**

B. Leases as lessee

Right-of-use assets

(₹ in million)

Particulars	Land and Buildings	Total
Cost		
Balance at March 31, 2021	-	-
Additions	649.09	649.09
Disposals	-	-
Balance at March 31, 2022	**649.09**	**649.09**
Accumulated depreciation and impairment		
Balance at March 31, 2021	-	-
Depreciation	59.54	59.54
Impairment loss	-	-
Eliminated on disposals of assets	-	-
Balance at March 31, 2022	**59.54**	**59.54**
Carrying amounts		
As at April 1, 2021	-	-
Balance at March 31, 2022	**589.55**	**589.55**
Lease Liabilities		
Balance at March 31, 2021	-	-
Additions	621.20	621.20
Less:Disposals	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 37 OPERATING LEASES (Continued)

(₹ in million)

Particulars	Land and Buildings	Total
Add: Interest Expense on lease Liabilities	46.91	46.91
Less: Total cash outflow for leases	36.95	36.95
Balance at March 31, 2022	**631.17**	**631.17**

Breakdown of lease expenses

(₹ in million)

Future minimum lease receivables	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term lease expense	8.25	3.92
Low value lease expense	32.49	64.69
Total lease expense	**40.74**	**68.61**

Maturity analysis - Undiscounted

Particulars	Total
March 31, 2022	
Lease liabilities	
Less than 1 year	88.67
Between 1 and 2 years	181.03
2 and 5 years	296.67
Over 5 years	336.17
Total	**901.55**

NOTE 38 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contingent liabilities		
Claims against the Group not acknowledged as debts		
Disputed service tax demands	67.39	62.15
Disputed income tax demands	323.51	331.95
Disputed VAT demands	13.08	12.70
Non-Agricultural Tax (refer note g)	-	8.29
Disputed provident funds demands	5.80	5.80
Labour Dispute	12.21	-
Transportation Charges	0.08	-
Power Facilitation Agreement	36.17	-
Contractors Claim	113.77	-
Guarantees Given by the Banks and Counter Guarantee By the Company	-	64.93
Performance Guarantees given to Department of Tourism of Kerala	50.00	50.00
SFIS/SEIS Scheme	16.73	5.74

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 38 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (Continued)

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 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, 2022 is ₹ 49.74 million (March 31, 2021: ₹ 50.93 million) and carrying value of property, plant and equipment as at March 31, 2022 is ₹ 372.12 million (March 31, 2021: ₹ 400.77 million).

d. Show Cause Notice issued by CGST & Central Excise Division, Bhopal in July 2019 with reference to utilization of SFIS benefits by the Company for purchase of glass and a demand to make payment of Excise Duty of ₹ Nil 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, 2022 ₹ 41.59 million (March 31, 2021: ₹ 25.16 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 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 ₹ Nil 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 ₹ Nil million has been paid to the authorities under protest.

Commitments

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,154.96	3,165.83
b. The Company has issued a letter of undertaking to provide need based financial support to Belaire Hotels Private Limited, its wholly owned subsidiary	-	-
c. Others (Specify)	-	-

NOTE 39 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	For the year ended March 31, 2022	For the year ended March 31, 2021
The amounts remaining unpaid to micro and small enterprises as at the end of the year.		
Principal	89.73	32.53
Interest	0.10	0.01
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.	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 39 TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES (Continued)

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
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	0.10	0.01
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 40 PAYMENT TO AUDITORS

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit fees	10.51	9.52
Tax audit fees	0.50	0.55
Other services	1.65	2.49
Out of pocket expenses	0.54	0.41
Amount debited to Consolidated Statement of Profit and Loss (excluding taxes)	**13.20**	**12.97**

NOTE 41 CORPORATE SOCIAL RESPONSIBILITY

Details of CSR expenditure:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
a) Gross amount required to be spent by the Company during the year	-	4.49
b) Amount approved by the Board to be spent during the year	2.50	4.49
c) Amount spent during the year ending on March 31, 2022:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-
d) Amount spent during the year ending on March 31, 2021:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.66	4.49
	-	-
e) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	**-**	**-**

Details of ongoing project and other than ongoing project

March 31, 2022

(₹ in million)

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	From Company's bank A/c	From Separate CSR Unspent A/c
-	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 41 CORPORATE SOCIAL RESPONSIBILITY (Continued)

(₹ in million)

In case of S. 135(5) (Other than ongoing Project)				
Opening Balance	**Amount deposited in Specified Fund of Sch. VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing Balance**
-	-	-	0.66	(0.66)

March 31, 2021

(₹ in million)

In case of S. 135(6) (Ongoing Project)						
Opening Balance		**Amount required to be spent during the year**	**Amount spent during the year**		**Closing Balance**	
With Company	**In Separate CSR Unspent A/c**		**From Company's bank A/c**	**From Separate CSR Unspent A/c**	**From Company's bank A/c**	**From Separate CSR Unspent A/c**
-	-	-	-	-	-	-

(₹ in million)

In case of S. 135(5) (Other than ongoing Project)				
Opening Balance	**Amount deposited in Specified Fund of Sch. VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing Balance**
-	-	4.49	4.49	-

NOTE 42 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.

March 31, 2022	Carrying amount			Fair value			
	FVTPL	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in equity shares	62.66		62.66	-	-	62.66	62.66
Other investments	-	0.13	0.13	-	0.13		0.13
Other non-current financial assets	-	387.04	387.04	-	-	-	-
Current financial assets			-				
Trade receivables	-	436.02	436.02	-	-	-	-
Cash and cash equivalents	-	245.23	245.23	-	-		-
Other bank balances	-	753.22	753.22	-	-		-
Other current financial assets	-	150.63	150.63	-	-	-	-
Derivative asset	-	-	-	-	-	-	-
	62.66	**1,972.27**	**2,034.93**	**-**	**0.13**	**62.66**	**62.79**
Non-current financial liabilities							
Borrowings	-	21,428.13	21,428.13	-	21,428.13	-	21,428.13
Other non-current financial liabilities	-	159.59	159.59	-	159.59	-	159.59
Current financial liabilities			-				-
Borrowings	-	3,911.69	3,911.69	-	-	-	-
Trade payables	-	866.78	866.78	-	-	-	-
Other financial liabilities	-	611.61	611.61	-	-	-	-
Derivative liability	-	12.18	12.18	-	12.18	-	12.18
	-	**26,989.98**	**26,989.98**	**-**	**21,599.90**	**-**	**21,599.90**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 42 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

March 31, 2021	Carrying amount			Fair value			
	FVTPL	Amortized 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
Others	-	340.67	340.67	-	-	-	-
Current financial assets							
Trade receivables	-	306.09	306.09	-	-	-	-
Cash and cash equivalents	-	269.02	269.02	-	-	-	-
Other bank balances	-	188.66	188.66	-	-	-	-
Other current financial assets	-	98.73	98.73	-	-	-	-
Derivative asset	-	-	-	-	-	-	-
	44.81	**1,203.30**	**1,248.11**	**-**	**0.13**	**44.81**	**44.94**
Non-current financial liabilities							
Borrowings	-	17,567.05	17,567.05	-	17,603.82	-	17,603.82
Other non-current financial liabilities	-	190.97	190.97	-	190.96	-	190.96
Current financial liabilities							
Borrowings	-	3,016.19	3,016.19	-	-	-	-
Trade payables	-	828.59	828.59	-	-	-	-
Other financial liabilities	-	398.13	398.13	-	-	-	-
Derivative liability	-	62.19	62.19	-	62.19	-	62.19
	-	**22,063.12**	**22,063.12**	**-**	**17,856.97**	**-**	**17,856.97**

(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

(₹ in million)

	FVTPL Equity shares
Balance at March 31, 2021	44.81
Additions / Deletions during the year	17.85
Balance at March 31, 2022	**62.66**

(iii) Sensitivity analysis

The Group has invested in equity shares of entities engaged in generation of hydro power for securing the supply of

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 42 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

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.

(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, 2022	March 31, 2021
(a) Trade Receivables considered good - Secured;		
(b) Trade Receivables considered good - Unsecured;		
Less than 6 months	404.22	270.10
More than 6 months	49.22	44.03
Total	**453.44**	**314.13**
(c) Trade Receivables which have significant increase in Credit Risk; and	13.73	22.81
(d) Trade Receivables - credit impaired	16.60	70.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 42 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

The movement in the allowance for impairment in respect of other receivables during the year was as follows:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Balance as at March 31, 2021	101.76	116.52
Impairment loss recognized / (reversed)	(54.01)	(14.76)
Balance as at March 31, 2022	**47.75**	**101.76**

(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.

March 31, 2022	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)	25,290.11	29,793.06	3,896.29	4,784.88	15,468.95	5,642.93
Security deposits	159.59	159.59	-	64.80	21.63	73.16
Current, non derivative financial liabilities						
Borrowings	49.71	49.71	49.71	-	-	-
Trade payables	866.78	866.78	866.78	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	623.79	623.79	623.79	-	-	-
Derivative financial liabilities						
Forward exchange contract (gross settled)						
- Outflow	341.20	341.20	341.20	-	-	-
- Inflow	(328.35)	(328.35)	(328.35)	-	-	-
Total	**27,002.83**	**31,505.78**	**5,449.42**	**4,849.68**	**15,490.58**	**5,716.09**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 42 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

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	**22,111.05**	**26,333.62**	**5,687.59**	**5,014.13**	**11,127.54**	**4,504.36**

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.

(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 recognized 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, 2022		March 31, 2021	
Forward contract	Buy	USD	₹	USD	4.33 million	USD	9.00 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 42 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

The amounts reflected in the table below represent the exposure to respective currency in Indian Rupees :

Particulars	March 31, 2022			March 31, 2021		
	USD	EUR	GBP	USD	EUR	GBP
Financial liabilities						
Foreign currency loans (including interest accrued)	1,147.61	-	-	1,530.22	-	-
Trade payables	219.79	-	0.02	268.00	0.19	0.03
	1,367.40	**-**	**0.02**	**1,798.22**	**0.19**	**0.03**
Derivatives						
Foreign currency forward exchange contract	(328.35)	-	-	(673.88)	-	-
	(328.35)	-	-	(673.88)	-	-
Net exposure	**1,039.05**	**-**	**0.02**	**1,124.35**	**0.19**	**0.03**

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.

Particulars	Profit or loss before tax			
	March 31, 2022		March 31, 2021	
Effect in ₹ (before tax)	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	10.39	(10.39)	11.24	(11.24)

(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.

The Group adopts a policy to hedge the interest rate movement in order to mitigate the risk with regards to floating rate linked loans based on the market outlook on interest rates. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

Particulars of outstanding interest rate swaps as at

March 31, 2022 NIL

March 31, 2021 NIL

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, 2022	March 31, 2021
Fixed-rate instruments		
Non current borrowings		
Non-cumulative redeemable preference shares	1,746.67	1,194.61
Current borrowings		
Loan from related parties other than directors	35.99	35.79
Total	**1,782.66**	**1,230.40**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 42 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Continued)

(₹ in million)

	Carrying amount	
Particulars	**March 31, 2022**	**March 31, 2021**
Variable-rate instruments		
Non current borrowings		
Rupee term loans from banks	11,385.24	11,276.57
Rupee term loans from financial institutions	7,633.46	3,997.07
Foreign currency term loans from banks	662.76	1,098.80
Current borrowings		
Cash credit/overdraft accounts from banks	13.72	808.20
Current maturity of long term debt	3,861.98	2,172.20
Total	**23,557.16**	**19,352.84**
TOTAL	**25,339.82**	**20,583.24**

Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate borrowings are carried at amortized 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 capitalized to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

Particulars	Profit or loss before tax	
	100 bps increase	**100 bps decrease**
March 31, 2022	(235.57)	235.57
March 31, 2021	(193.53)	193.53

NOTE 43 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, 2022**	**March 31, 2021**
Total borrowings	25,339.82	20,583.24
Less: Cash and cash equivalents	245.23	269.02
Less: Bank deposits	753.22	188.66
Adjusted net debt	24,341.37	20,125.56
Total equity	13,409.92	14,157.39
Adjusted net debt to adjusted equity ratio	1.82	1.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 SEGMENT REPORTING

A. General Information

(a) Factors used to identify the entity's reportable segments, including the basis for segmentation

For management purposes, the Group 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

Rental / Annuity Business *(formerly known as Retail & Commercial)*

B. Information about reportable segments

For the year ended March 31, 2022

(₹ in million)

Particulars	Reportable segments					
	Hospitality (Hotels)	Real Estate	Rental / Annuity Business	Rental / Annuity Business (Discontinued operations) (Refer note 48)	Unallocated	Total
Revenue						
External Customers	4,099.74	-	1,016.75	33.25		5,149.74
Inter-segment				-		-
Total Revenue	**4,099.74**	**-**	**1,016.75**	**33.25**	**-**	**5,149.74**
Segment profit / (loss) before tax	**(306.65)**	**(283.13)**	**644.08**	**(65.37)**	**-**	**(11.06)**
Unallocated expenses						
Interest Expenses	-	-	-	-	(1,444.13)	(1,444.13)
Depreciation	-	-	-	-	(4.56)	(4.56)
Other Expenses	-	-	-	-	(255.36)	(255.36)
Total Unallocated Expenses	**-**	**-**	**-**	**-**	**(1,704.05)**	**(1,704.05)**
Unallocated income						
Interest Income	-	-	-	-	57.13	57.13
Other Income	-	-	-	-	123.76	123.76
Total Unallocated Income	**-**	**-**	**-**	**-**	**180.89**	**180.89**
Profit before Taxation	-	-	-	-	-	(1,534.22)
Tax expenses						(719.53)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 44 SEGMENT REPORTING (Continued)

(₹ in million)

Particulars	Reportable segments					
	Hospitality (Hotels)	Real Estate	Rental / Annuity Business	Rental / Annuity Business (Discontinued operations) (Refer note 48)	Unallocated	Total
Profit after taxation						(814.69)
Segment assets	**21,438.39**	**3,923.21**	**14,500.33**	**-**	**4,565.09**	**44,427.01**
Segment liabilities	**1,845.85**	**2,504.54**	**862.50**	**-**	**25,804.20**	**31,017.10**
Other disclosures						
Capital expenditure	376.38	0.72	3,844.73	-	1.09	4,222.92
Depreciation and amortization	968.21	0.21	211.26	-	4.56	1,184.23
Non cash expenses other than depreciation and amortization	10.62	-	-	75.46	-	86.08

For the year ended March 31, 2021

(₹ in million)

Particulars	Reportable segments					
	Hospitality (Hotels)	Real Estate	Rental / Annuity Business	Rental / Annuity Business (Discontinued operations) (Refer note 48)	Unallocated	Total
Revenue						
External Customers	2,021.28	0.00	837.81	92.76	-	2,951.85
Inter-segment				-		
Total Revenue	2,021.28	0.00	837.81	92.76	-	2,951.85
Segment profit / (loss) before tax	(1,170.63)	(160.99)	553.65	(36.76)	-	(814.73)
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	-	-	-	-	64.73	64.73
Other Income	-	-	-	-	151.58	151.58
Total Unallocated Income	-	-	-	-	216.31	216.31
Loss before Taxation	**(1,170.63)**	**(160.99)**	**553.65**	**(36.76)**	**(1,667.88)**	(2,482.61)
Tax Credit						(1,091.55)
Loss after taxation						(1,391.06)
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 amortization	957.10	0.30	211.54	-	5.68	1,174.63
Non cash expenses other than depreciation and amortization	22.74	-	2.19	-	132.38	157.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 45 DETAILS OF INTERESTS IN SUBSIDIARIES

Subsidiaries

The details of the Group's subsidiary at March 31, 2022 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, 2022	Shareholding % As on March 31, 2021
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, 2022	March 31, 2021
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 (₹ 36.33 million) (March 31, 2021 ₹ 33.71 million), Accordingly, disclosures applicable to non-controlling interest have not been provided.

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW:

List of related parties

Relationship	Name of party	
	March 31, 2022	March 31, 2021
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)
Non- Executive directors/ Relative	Ravi C Raheja	Ravi C Raheja
	Neel C Raheja	Neel C Raheja
Independent directors	Hetal Gandhi	Hetal Gandhi
	Arthur De Haast	Arthur De Haast
	Joseph Conrad D'Souza	Joseph Conrad D'Souza
	Radhika Piramal	Radhika Piramal
Other KMP as per Companies Act, 2013	Milind Wadekar Chief Financal Officer Rajneesh Malhotra, Chief Operating Officer (w.e.f October 28, 2021) Christabelle Baptista, Company Secrectary	Milind Wadekar Christabelle Baptista, Company Secrectary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

Relationship	Name of party	
	March 31, 2022	**March 31, 2021**
Enterprises Controlled / Jointly controlled by Non-executive directors	Brookfields Agro & Development Private Limited	Brookfields Agro & Development Private Limited
	Newfound Properties and Hotels 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
	Aqualine Real Estate Private Limited	Sustain Properties Private Limited
	Feat Properties Private Limited	Aqualine Real Estate Private Limited
	Carin Properties Private Limited	Feat Properties Private Limited
	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)	Carin Properties Private Limited
	K Raheja Corp Advisory Services (Cyprus) Private Limited	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)
	Content Properties Private Limited	Sundew Real Estate Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Advisory Services (Cyprus) Private Limited
		Content Properties Private Limited
		Grandwell Properties And Leasing Private Limited
		K Raheja Corp Investment Managers LLP
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
	Jyoti C. Raheja	
	Sumati R. Raheja	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

Relationship	Name of party	
	March 31, 2022	March 31, 2021
Other Related parties #	Gigaplex Estate Private Limited	Intime Properties Limited
	Horizonview Properties Private Limited	Eternus Real Estate Private Limited
	Inorbit Malls (India) Private Limited	Shoppers Stop Limited
	K Raheja Corp Investment Managers LLP	Inorbit Malls (India) Private Limited
	K Raheja Corporate IT Park (Hyderabad) Limited	K Raheja IT Park (Hyderabad) Limited
	K.Raheja Corporate Services Private Limited	Mindspace Business Parks Private Limited
	KRC Infrastucture And Projects Private Limited	Paradigm Logistics & Distribution Private Limited
	Mindspace Business Parks Private Limited	Sundew Properties Limited
	Pact Real Estate Private Limited	Trion Properties Private Limited
	Paradigm Logistics & Distribution Private Limited	Newfound Properties & Leasing Private Limited
	Sundew Properties Limited	
	Sycamore Properties Private Limited	
	Trion Properties Private Limited	
	Shoppers Stop Limited	
	Inorbit Malls (India) Private Limited	
	KRC Infrastructure and Projects Private Limited	
# The above mentioned parties are not related to the Group, 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, 2022

(₹ 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	-	4.99
2	Sales of services - Rooms income, Food, beverages and smokes	-	3.39
3	Other Income	-	7.16
4	Other expenses	2.47	90.55
5	Director sitting fees	4.53	-
6	Salaries, wages and bonus	63.42	-
7	Deposit paid	-	1.29
8	Advance Given	-	0.03
9	Preference share	232.50	267.50
	Balances outstanding as at the year-end		
10	Trade payables	-	0.57
11	Trade Receivables	-	2.45
12	Deposit receivable	-	107.94
13	Advance Given	-	0.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
14	Preference shares outstanding	813.75	936.25
15	Investment in equity shares outstanding	-	27.78

The Holding 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, 2022

(₹ 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	-	4.99
2	**Sales of services - Rooms income, Food, beverages and smokes**		
	Genext Hardware And Parks Private Limited	-	0.01
	Gigaplex Estate Private Limited	-	0.03
	Horizonview Properties Private Limited	-	0.02
	Inorbit Malls (India) Private Limited	-	0.11
	K Raheja Corp Investment Managers LLP	-	0.05
	K Raheja Corp Private Limited	-	0.31
	K Raheja Corporate IT Park (Hyderabad) Limited	-	0.01
	K Raheja Private Limited	-	0.02
	K.Raheja Corporate Services Private Limited	-	2.49
	KRC Infrastucture And Projects Private Limited	-	0.03
	Mindspace Business Parks Private Limited	-	0.07
	Pact Real Estate Private Limited	-	0.00
	Paradigm Logistics & Distribution Private Limited	-	0.01
	Sundew Properties Limited	-	0.02
	Sycamore Properties Private Limited	-	0.02
	Trion Properties Private Limited	-	0.19
3	**Other Income**		
	Shoppers Stop Limited	-	2.46
	K Raheja Corp Private Limited	-	4.70
4	**Other expenses**		
	Arthur De Haast	2.47	-
	Shoppers Stop Limited	-	0.07
	Inorbit Malls (India) Private Limited	-	2.98
	K.Raheja Corporate Services Private Limited	-	43.79
	Sundew Properties Limited	-	43.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
5	**Director sitting fees**		
	Arthur De Haast	0.60	-
	Hetal Gandhi	0.95	-
	Joseph Conrad D' Souza	0.95	-
	Neel C.Raheja	0.68	-
	Radhika Dilip Piramal	0.45	-
	Ravi C.Raheja	0.90	-
6	**Salaries, wages and bonus**		
	Christabelle Baptista	3.16	-
	Milind Wadekar	8.13	-
	Rajib Dattaray	2.90	-
	Rajneesh Malhotra	4.65	-
	Sanjay Sethi	44.58	-
7	**Deposit paid**		
	K.Raheja Corporate Services Private Limited	-	1.29
8	**Advance Given**		
	Shoppers Stop Limited	-	0.03
9	**Preference shares**		
	Ivory Properties and Hotels Private Limited	-	42.50
	K Raheja Corp Private Limited	-	225.00
	Neel C.Raheja	116.25	
	Ravi C.Raheja	116.25	-
10	**Trade payables**		
	Inorbit Malls (India) Private Limited	-	0.06
	K.Raheja Corporate Services Private Limited	-	0.51
11	**Trade Receivables**		
	Inorbit Malls (India) Private Limited	-	0.03
	K Raheja Corp Investment Managers LLP	-	0.05
	K Raheja Corp Private Limited	-	0.63
	K Raheja Corp Pvt Limited	-	0.70
	K Raheja Corporate IT Park (Hyderabad) Limited	-	0.01
	K Raheja Private Limited	-	0.02
	K.Raheja Corporate Services Private Limited	-	0.96
	Shoppers Stop Limited	-	1.95
	KRC Infrastucture And Projects Private Limited	-	0.03
	Pact Real Estate Private Limited	-	0.00
	Trion Properties Private Limited	-	0.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

(₹ in million)

Sr. no	Particulars	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
12	**Deposit receivable**		
	K.Raheja Corporate Services Private Limited	-	13.61
	Mindspace Business Parks Private Limited	-	50.00
	Sundew Properties Limited	-	44.33
13	**Preference shares outstanding**		
	Ivory Properties and Hotels Private Limited	-	148.75
	K Raheja Corp Private Limited	-	787.50
	Neel C.Raheja	406.88	-
	Ravi C.Raheja	406.88	-
14	**Investment in equity shares outstanding**		
	K Raheja Corp Private Limited	-	27.78

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		
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		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

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 / 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	-

*The managerial remuneration paid/payable by the Group for 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 08, 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 09, 2021 of ₹ 6.63 million is subject to approval of the shareholders.

Sr.no	Particulars	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs / 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW: (Continued)

(₹ in million)

Sr.no	Particulars	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs / Shareholders / Other Related Parties
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

NOTE 47 EMPLOYEE STOCK OPTION SCHEMES

Description of share-based payment arrangements:

At March 31, 2022, 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	200,000	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	June 26, 2018	One year from vesting year	320

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 47 EMPLOYEE STOCK OPTION SCHEMES (Continued)

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share option plans are as follows:

Particulars	March 31, 2022		March 31, 2021	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	320	200,000	320	200,000
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed/ forfeited /surrendered	320	66,000	-	-
Outstanding at the end of the year	320	134,000	320	200,000
Exercisable at the end of the year	320	134,000	320	132,000

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'-	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, 2022 have an exercise price of ₹ 320.

* calculated considering simple average method

The expenses recognised for the year ended March 31, 2022 is ₹ 1.02 million (March 31, 2021 is ₹ 5.59 million)

NOTE 48 DISCONTINUED OPERATIONS

In the previous 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 customize the property for commercial operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 48 DISCONTINUED OPERATIONS (Continued)

During the current year the Holding Company had decided to terminate the agreements with all retailers of Inorbit mall ,Bengaluru and convert the same to a commercial space.

The Income and EBITDA of retail operations at Sahar, Mumbai and Inorbit mall, Bengaluru 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 and Inorbit mall, Bengaluru.

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	33.25	92.76
Expenses	98.62	129.54
Results from operations	(65.37)	(36.78)
Income Tax	-	-
Loss from discontinued operations, net of tax	**(65.37)**	**(36.78)**

The Loss from discontinued operation of ₹ (65.37) million (March 31, 2021 ₹ (36.78) million is attributable entirely to the owners of the company, of the loss from continuing operations ₹ (749.33) million (March 31, 2021 ₹ (1,354.50)).

The cash flows of the discontinued operations for the year are presented below:

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Cash Generated From Operating Activities	(51.06)	(6.80)
Net Cash (Used In) /Generated From Investing Activities	-	-
Net Cash Generated From /(Used In) Financing Activities	-	-

NOTE 49 BENGALURU RESIDENTIAL PROJECT

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Inventories	4,182.32	4,180.78
Less: Provisions for impairment	(429.79)	(442.65)
Inventories, net	3,752.53	3,738.13
Advances from customers towards sale of residential flats	1,660.78	1,868.68

NOTE 50 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 consolidated financial statements for the year ended March 31, 2022.

NOTE 51 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS

Details of contract balances

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Details of Contract Balances:		
Balance as at beginning of the year	(1,868.68)	(1,868.68)
Trade receivables as on March 31, 2021	-	-
Less: Repayment to the customer on cancellation	207.90	-
Significant change due to other reasons	-	-
Balance as on March 31, 2022	(1,660.78)	(1,868.68)
Total	**(1,660.78)**	**(1,868.68)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 51 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

As on March 31, 2022 revenue recognized 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 recognized in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2022.

(₹ in million)

Particulars	2023	2024-2026	Beyond 2026	Total
Contract Revenue	-	2,039.28	-	2,039.28
Contract Expense	-	2,027.90	-	2,027.90
Total	**-**	**11.38**	**-**	**11.38**

The following table includes revenue to be recognized in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2021

(₹ in million)

Particulars	2021	2021-2025	Beyond 2025	Total
Contract Revenue	-	1,525.28	-	1,525.28
Contract Expense	-	1,496.71	-	1,496.71
Total	**-**	**28.57**	**-**	**28.57**

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 52

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

(₹ in million)

for the year ended March 31, 2022	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 % of Consolidated total comprehensive income	Amount
Parent								
Chalet Hotels Limited	102%	13,693.81	85%	(636.09)	19%	0.29	85%	(635.80)
Subsidiary (parent's share)								
Chalet Hotel & Properties (Kerala) Private Limited	0%	(38.14)	1%	(5.96)	0%	-	1%	(5.96)
Belaire Hotels Private Limited	6%	821.77	15%	(111.03)	81%	1.21	15%	(109.82)
Seapearl Hotels Private Limited	1%	108.44	0%	2.73	0%	-	0%	2.73
Non-controlling interests in subsidiary	0%	(2.62)	0%	-	0%	-	0%	-
Eliminations	(9%)	(1,173.32)	0%	1.03	0%	-	0%	1.03
At March 31, 2022	**100%**	**13,409.93**	**100%**	**(749.32)**	**100%**	**1.50**	**100%**	**(747.82)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 52 (Continued)

(₹ in million)

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 % of Consolidated 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%)	37.04	0%	-	(3%)	37.04
At March 31, 2021	100%	14,157.40	100%	(1,354.49)	100%	0.28	100%	(1,354.21)

NOTE 53 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance (more than 25%)
Current ratio	Current Assets	Current Liabilities	0.75	0.73	3%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.89	1.45	30%	Debt Equity ratio was higher on account of increased capital expenditure during the year.
Debt Service Coverage ratio	Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest	Debt Service=Interest + Lease Payments+Current maturity of long term debt	0.34	0.35	4%	
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	(0.06)	(0.10)	38%	Return on Equity ratio improved due to progressive recovery of business on account of reduced impact of pandemic.
Inventory Turnover ratio	Cost of goods sold	Average Inventory of Hotel Units	6.30	2.65	138%	Inventory turnover ratio was higher due to recovery of hotels business post pandemic.
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	13.69	7.90	73%	Trade Receivable turnover ratio was higher due to recovery of hotels business post pandemic.
Trade Payable Turnover Ratio	Total Expenses - Employee Cost- Real estate development cost- Notional expenses	Average Trade Payables	3.36	1.76	91%	Trade payable turnover ratio was due to higher credit period on account of improved business.
Net Capital Turnover Ratio	Revenue from operations	Working capital = (Current assets – Current liabilities)	(2.33)	(1.36)	(71%)	Net Capital Turnover ratio improved due to progressive recovery of business on account of reduced impact of pandemic.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 53 RATIO ANALYSIS AND ITS ELEMENTS (Continued)

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance (more than 25%)
Net Profit ratio	Net Profit	Total Income	(0.15)	(0.45)	66%	Net profit ratio improved due to progressive recovery of business on account of reduced impact of pandemic.
Return on Capital Employed	EBIT	Average Capital Employed	0.04	0.01	297%	Return on Capital Employed improved due to progressive recovery of business on account of reduced impact of pandemic.
Return on Investment	Net Profit	Gross block of PPE, Intangible & IP	(0.02)	(0.04)	41%	Return on Investment improved due to progressive recovery of business on account of reduced impact of pandemic.

NOTE 54 DETAILS OF STRUCK OFF COMPANIES

As on March 31, 2022

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities	-	
Octel Cloud Solution	Receivables	0.03	No
Sambhu Facility Services Private-Ind	Payables	0.19	No
	Other outstanding balances (to be specified)		

As on March 31, 2021

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities	-	-
Octel Cloud Solution	Receivables	0.03	No
	Payables	-	-
	Other outstanding balances (to be specified)	-	-

NOTE 55 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/ utilization by recipient companies, are not applicable to the Group.

Details of investments made during the year ended March 31, 2022 as per section 186(4) of the Companies Act, 2013:

(₹ in million)

Name of entity	March 31, 2021	Investments made	Investments redeemed / sold	March 31, 2022
Stargaze Properties Private Limited	0.01	-	-	0.01
Krishna Valley Power Private Limited	12.54	7.37	-	19.91
Sahyadri Renewable Energy Private Limited	31.46	-	-	31.46
Renew Wind Power Energy (AP) Limited	0.80	-	0.20	0.61
Vikramaditya Renewable Energy Private Limited	-	10.67		10.67
National saving certificates	0.13	-	-	0.13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2022 (Continued)

NOTE 55 DISCLOSURE UNDER SECTION 186 OF THE COMPANIES ACT 2013 (Continued)

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
Intime Properties Limited	-	-	-	-
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

NOTE 56

The respective Managements of the Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE 57

Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

As per our audit report of even date attached.
For BSR & Co. LLP
Chartered Accountants
Firm's Registration No:101248W/W-100022

For and on behalf of the Board of Directors of
Chalet Hotels Limited
L55101MH1986PLC038538

Mansi Pardiwalla
Partner
Membership No. 108511

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Milind Wadekar
CFO
(Membership No:116372)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
May 10, 2022

Mumbai
May 10, 2022

NOTES

CHALET HOTELS

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